

# **Platinum International Fund (Quoted Managed Hedge Fund)**

**ARSN 620 895 301**

**Interim Financial Report – period from 14 September 2017 to  
31 December 2017**

**Platinum International Fund (Quoted Managed Hedge Fund)**  
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**31 December 2017**

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The interim financial report was authorised for issue on 27 February 2018 by the Directors, who have the power to amend and re-issue the interim financial report.

This interim report does not include all the notes of the type normally included in an annual financial report. Therefore, reference should be made to any public pronouncements made in respect of the registered scheme during the interim reporting period.

The financial report covers Platinum International Fund (Quoted Managed Hedge Fund) as an individual entity.

**Platinum International Fund (Quoted Managed Hedge Fund)  
Responsible Entity Report  
31 December 2017**

The Directors of Platinum Investment Management Limited (trading as Platinum Asset Management<sup>®</sup>) ABN 25 063 565 006 AFSL 221935, the responsible entity of the Platinum International Fund (Quoted Managed Hedge Fund) (the “registered scheme” or “Fund”), present their report on the registered scheme for the period ended 31 December 2017.

**Principal Activities**

The Platinum International Fund (Quoted Managed Hedge Fund) (ASX code: PIXX) is an Australian registered managed investment scheme (“Registered Scheme”). Its units are quoted on the Australian Securities Exchange (ASX) under the ASX AQUA Rules.

The PIXX is an ASX-quoted version of the unlisted flagship fund Platinum International Fund (PIF). PIXX is a feeder fund that primarily invests in units of PIF, giving investors access to PIF's portfolio composition, portfolio managers and investment strategies. The returns of PIXX may vary slightly from the returns of PIF's performance fee P Class due to different cash holdings as well as gains and losses arising as a result of PIXX's market making activities.

The principal activity of PIXX during the period was to invest in units of the PIF and some cash. The underlying fund, or PIF, invests in the securities of companies listed on stock exchanges throughout the world, that the Investment Manager perceives to be undervalued, in accordance with the Product Disclosure Statement (PDS) dated 14 September 2017 and the Constitution.

**Directors of the Responsible Entity**

The Directors of Platinum Investment Management Limited during the period and up to the date of this report were:

Kerr Neilson  
Andrew Clifford  
Elizabeth Norman  
Andrew Stannard

**Date of commencement and significant changes in the state of affairs**

PIXX was formally registered on 18 August 2017 and commenced trading on 14 September 2017.

There were no other significant changes in the state of affairs during the period.

**Operating and Financial Review (OFR)**

PIXX has performed strongly since its launch date of 14 September 2017.

At 31 December 2017, PIXX's Funds Under Management (“FUM”) was \$125.4 million and its performance from launch date to 31 December 2017 was 8.5%, slightly below the return of the benchmark Morgan Stanley Capital International All Country World Net Index (MSCI) in A\$ terms of 9.1%.

As at 31 December 2017, PIXX Net Asset Value per unit was \$5.4266.

The method of operating the registered scheme is not expected to change in the foreseeable future.

With regards to the outlook, the Investment Manager reports that “...we like the companies we are finding in Asia in particular, as they typically offer above average growth prospects and yet are valued on lower multiples of earnings than those in the western hemisphere. While acknowledging that historically these markets have been prone to the influence of foreign flows, the weakening pattern of the US dollar suggests that this factor may be less significant in future. As we have highlighted over the last 18 months, Asia is creating its own ecosystem with ever diminishing dependence on the large Western economies. The likely repricing of borrowing caused by US Fed tightening is an evident obstruction, but, like earlier tightening cycles, the relative pace of earnings growth could be the deciding factor for individual investment opportunities. Some of the growth themes with which we tag individual stock ideas are almost immune from broader economic influences and this gives one confidence that they can deliver strong earnings almost independent of their host economies.”

**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Responsible Entity Report (continued)**  
**31 December 2017**

**Change in portfolio management responsibilities from 1 July 2018**

From 1 July 2018, the portfolio management responsibilities for PIF will change. PIF is currently co-managed with the following allocations: Kerr Neilson 50%; Andrew Clifford 40% and Clay Smolinski 10%. From 1 July 2018, these allocations will change to Andrew Clifford 70% and Clay Smolinski 30%. Kerr Neilson will continue as a full-time executive director of the Platinum Group and member of the Platinum investment team.

**Rounding of amounts to the nearest thousand dollars**

The registered scheme is of a kind referred to in ASIC Corporations "Rounding in Financial/Directors' Reports" Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'.

Amounts in this report have been rounded off in accordance with this Instrument to the nearest thousand dollars, unless otherwise indicated.

**Auditor's Independence Declaration**

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is attached on page 4.

This report is made in accordance with a resolution of the Directors.

Andrew Stannard  
Director

Sydney  
27 February 2018



## **Auditor's Independence Declaration**

As lead auditor for the review of Platinum International Fund (Quoted Managed Hedge Fund) for the period from 14 September 2017 to 31 December 2017, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

Simon Cuthbert  
Partner  
PricewaterhouseCoopers

Sydney  
27 February 2018

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**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Statement of Comprehensive Income**  
**For the period ended 31 December 2017**

	<b>For period 14 Sept 2017 to 31 Dec 2017 \$'000</b>
<b>Income</b>	
Unrealised gain on units in Platinum International Fund	3,883
Interest	1
<b>Total income</b>	<u>3,884</u>
<b>Expenses<sup>^</sup></b>	
Operating expenses	-
<b>Total expenses</b>	<u>-</u>
<b>Net operating profit</b>	<u>3,884</u>
<b>Net operating profit attributable to unitholders</b>	3,884
<b>Total comprehensive income</b>	<u><u>3,884</u></u>

<sup>^</sup> Management and performance fees are borne at the Platinum International Fund level and were reflected in the unit price of units purchased in the Platinum International Fund.

*The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.*

**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Statement of Financial Position**  
**As at 31 December 2017**

	Note	31 Dec 2017 \$'000
<b>Assets</b>		
Cash and cash equivalents		1
Receivables (for application monies from investors)	4	326
Financial assets at fair value through profit or loss	3	<u>125,052</u>
<b>Total Assets</b>		<u>125,379</u>
<b>Liabilities</b>		
Payables (for units purchased in the Platinum International Fund)	5	<u>326</u>
<b>Total Liabilities</b>		<u>326</u>
<b>Net Assets Attributable to Unitholders - equity</b>	6	<u>125,053</u>

*The above Statement of Financial Position should be read in conjunction with the accompanying notes.*

**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Statement of Changes in Equity**  
**For the period ended 31 December 2017**

	Note	31 Dec 2017 \$'000
<b>Total equity at the beginning of the period</b>		-
Profit for the period	6	3,884
Other comprehensive income for the period		-
<b>Total comprehensive income for the period</b>	6	3,884
<i>Transactions with equity holders</i>		
Unitholder applications	6	121,169
Unitholder redemptions		-
<b>Total equity at the end of the period</b>	6	125,053

*The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.*



**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Statement of Cash Flows**  
**For the period ended 31 December 2017**

	<b>Period 14 Sept 2017 to 31 Dec 2017 \$'000</b>
<b>Cash flows from operating activities</b>	
Purchase of financial assets	(120,843)
Interest received	1
<b>Net cash (outflow) from operating activities</b>	<u>(120,842)</u>
<b>Cash flows from financing activities</b>	
Proceeds from units issued (net applications)	120,843
<b>Net cash inflow from financing activities</b>	<u>120,843</u>
<b>Net increase in cash and cash equivalents</b>	1
Cash and cash equivalents at the beginning of the period	-
Effects of exchange rate changes on cash and cash equivalents	-
<b>Cash and cash equivalents at the end of the period</b>	<u><u>1</u></u>

*The above Statement of Cash Flows should be read in conjunction with the accompanying notes.*

**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Notes to the Financial Statements**  
**31 December 2017**

**Note 1. General Information**

Platinum Investment Management Limited ABN 25 063 565 006 AFSL 221935 is the responsible entity of the registered scheme. The registered office is Level 8, 7 Macquarie Place, Sydney, NSW 2000.

This general purpose financial report for the interim period reporting period ended 31 December 2017 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134: ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

**Note 2. Summary of Significant Accounting Policies**

**(a) Basis of preparation of the financial statements**

The financial statements have been prepared in accordance with the requirements of the registered scheme's Constitution, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. The registered scheme is a for-profit entity for the purpose of preparing the financial report.

The financial statements have been prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

The Statement of Financial Position is presented on a liquidity basis. Specifically, assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All investment-related balances are expected to be recovered or settled within 12 months, except for financial assets at fair value through profit or loss.

The registered scheme manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, a precise estimate of that amount cannot be determined as at balance date.

*Critical Accounting Estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates and judgements, which are included in the accounting policies below.

**(b) Income Tax**

Under current tax legislation, the registered scheme is not subject to income tax as unitholders will have the registered schemes' share of PIF's income attributed to them.

The benefits of any offsets for foreign tax paid are passed on to unitholders.

**(c) Financial Assets and Liabilities at Fair Value through Profit or Loss**

Under AASB 139: *Financial Instruments: Recognition and Measurement*, investments are classified in the registered scheme's Statement of Financial Position as "financial assets/liabilities at fair value through profit or loss". Units held in Platinum International Fund are designated at fair value through profit or loss upon initial recognition. The registered scheme has applied AASB 13: *Fair Value Measurement*. AASB 13 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

With respect to the registered scheme, the redemption price or "exit" price has been chosen to value the units held in the Platinum International Fund, because the redemption price represents the price that the security last changed hands from seller to buyer.

AASB 13 also requires reporting entities to disclose its valuation techniques and inputs. This is described on the following page.

**Note 2. Summary of Significant Accounting Policies (continued)**

*Fair value in an active market*

The fair value of financial assets and liabilities traded in active markets uses quoted market prices at reporting date without any deduction for estimated future selling costs. Financial assets are valued using “exit” pricing. Gains and losses arising from changes in the fair value of the financial assets/liabilities are included in the Statement of Comprehensive Income in the period they arise.

Forward currency contracts are initially recognised at fair value on the date contracts are entered into and are subsequently re-measured at each reporting date. The fair value is the unrealised profit or loss on the foreign currency position (in Australian dollars).

*Fair value in an inactive market or unquoted market*

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm’s length market transactions, discounted cash flow techniques or any other valuation techniques that provides a reliable estimate of prices obtained in actual market transactions. Options are valued with reference to the quoted price of the underlying index or share. If there is no liquid market available, the options are valued based on the option prices provided by an arm’s length broker. These valuations are based on option pricing models.

*Recognition/derecognition*

The registered scheme recognises financial assets on the date they become party to the purchase contractual agreement (trade date) and recognise changes in fair value of the financial assets from this date.

The registered scheme no longer recognises financial assets on the date they become party to the sale contractual agreement (trade date).

**(d) Transaction costs**

Initial measurement (cost) on acquisition of trading securities shall not include directly attributable transaction costs, such as fees and commissions paid to agents. Incremental transaction costs on financial assets at fair value through profit or loss are expensed immediately.

The responsible entity has appointed a market maker to act as its agent to execute its market making activities, by providing liquidity on the ASX, by acting as a buyer and seller of units. At the end of each trading day, units will be created or cancelled by applying for or redeeming its net position in units bought or sold on the ASX. The responsible entity will execute its market making activities via a trading participant under the ASX Operating Rules. The responsible entity has appointed Deutsche Bank to provide market making services as agent for the responsible entity.

**(e) Unitholders’ funds**

Units are redeemable at the unitholder’s option and are classified as equity, as the Fund has only one class of units and no contractual obligation to pay distributions.

A unitholder can redeem units based on the price quoted on the ASX AQUA market.

**Note 2. Summary of Significant Accounting Policies (continued)**

*Redeemable units*

The Fund issues redeemable units, which are redeemable through trading on the ASX AQUA market and are classified as equity in accordance with AASB 132: *Financial Instruments: Presentation*.

Should the terms or conditions of the redeemable units change such that they no longer comply with the criteria for classification as equity in AASB 132, the redeemable units would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the redeemable units' fair value at the date of reclassification. Any difference between the carrying amount of the equity instrument and the fair value of the liability at the date of reclassification would be recognised in equity.

The consideration received or paid for units is based on the price quoted on the ASX AQUA market, which is not necessarily the same as the value of the Fund's net assets value per redeemable unit struck at the end of each trading day (redemption price). The Fund's net asset value per unit at the end of each trading day is calculated by dividing the Fund's net assets by the total number of outstanding units.

**(f) Foreign currency translation**

Items included in the registered scheme's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the country that the registered scheme is regulated, funds are raised and distributions are paid. The Australian dollar is also the registered scheme's presentation currency.

Transactions denominated in foreign currencies are translated into Australian currency at the rates of exchange prevailing on the date of the transaction. Foreign currency assets and liabilities for the Statement of Financial Position are translated at exchange rates at the closing rate at the date of the Statement of Financial Position. Resulting exchange differences are brought to account in determining profit and loss for the period.

**(g) Investment income**

*Interest Income*

Interest income is recognised in the Statement of Comprehensive Income, using the nominated interest rate available on the bank accounts held at various locations throughout the world.

*Distribution Income*

Distribution income is recognised in the Statement of Comprehensive Income, on the applicable ex-distribution date. Distributions are recognised in the statement of cash flows.

**(h) Distributions**

In accordance with registered scheme's Constitution, the registered scheme intends to fully distribute any attributable income to unitholders by cash or reinvestment. Attributable income is determined by reference to the taxable income of the registered scheme.

**(i) Receivables**

All receivables are recognised when a right to receive payment is established. Debts that are known to be uncollectible are written off. A provision for doubtful debts is raised where there is evidence the amount will not be collected.

**Note 2. Summary of Significant Accounting Policies (continued)**

**(j) Payables**

All payables are recognised as and when the registered scheme becomes liable.

**(k) Applications and redemptions**

Applications received for units in the registered scheme are recorded net of any entry fees payable prior to the issue of units in the registered scheme. Redemptions from the registered scheme are recorded gross of any exit fees payable after the cancellation of units redeemed. Units issued or redeemed are recognised when settled, which is the trade date.

**(l) Rounding of amounts to the nearest thousand dollars**

The registered scheme is of a kind referred to in ASIC Corporations "Rounding in Financial/Directors' Reports" Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in these financial statements have been rounded off in accordance with this Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

**(m) Goods and Services Tax (GST)**

The GST paid on the costs of various services provided to the registered scheme, such as Investment Management fees, has been passed onto the registered scheme. Investment Management fees have been recognised in the Statement of Comprehensive Income net of the amount of GST recoverable from the Australian Taxation Office (ATO). GST recoverable from the ATO at reporting date is included in receivables in the Statement of Financial Position. Cash flows relating to GST are included in the Statement of Cash Flows on a gross basis.

**(n) Operating segments**

The registered scheme is outside the scope of AASB 8: *Operating Segments* as it does not satisfy the requirement, under AASB 8, of having debt or equity instruments traded in a public market, or file their financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market.

**(o) Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash includes deposits held at call with financial institutions, cash held in margin accounts and other short term, highly liquid investments with original maturities of 3 months or less that is readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of financial assets are classified as "cash flows from operating activities" as realised and unrealised gains (and losses) on financial assets represent the registered scheme's main operating activity.

**(p) New accounting standards and interpretations**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the registered scheme for the interim reporting period ended 31 December 2017. The registered scheme's assessment of the impact of the new or amended Accounting Standards and Interpretations, most relevant to the registered scheme, are set out below.

AASB 9: *Financial Instruments* (and applicable amendments) (effective from 1 January 2018)

AASB 9 addresses the classification, measurement and de-recognition of financial assets and financial liabilities. It now includes revised rules around hedge accounting and impairment. The standard has been assessed as not having a significant impact on the recognition and measurement of the registered schemes' financial instruments as the financial instruments are carried at fair value through profit or loss. AASB9 will be adopted from the effective date.

**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Notes to the Financial Statements**  
**31 December 2017**

**Note 2. Summary of Significant Accounting Policies (continued)**

**(p) New accounting standards and interpretations (continued)**

AASB 15: *Revenue from contracts with customers* (effective from 1 January 2018)

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services (and AASB 111 which covers construction contracts). The new standard is based on the principle that revenue is recognised by an asset manager to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur in future periods. The registered schemes' main source of income is interest, dividends and gains on financial assets held at fair value. All of these are outside the scope of the new revenue standard. As a consequence, the adoption of the new revenue recognition rules are not expected to have a significant impact on the registered schemes' accounting policies or the amounts recognised in the financial statements. AASB15 will be adopted from the effective date.

There are no other standards that are not yet effective that are expected to have a material impact on the registered scheme in the current or future reporting periods and on foreseeable future transactions.

**Note 3. Financial Assets and Liabilities at Fair Value through Profit or Loss**

	<b>31 Dec 2017 \$'000</b>
<b>Financial assets</b>	
<i>Designated at fair value through profit or loss</i>	
Units in the Platinum International Fund (valued at redemption price)	125,052
Total financial assets held at fair value through profit or loss	<u>125,052</u>

**Financial liabilities**

At 31 December 2017, there were no financial liabilities held.

**Note 4. Receivables**

The receivable balance in the statement of financial position is comprised of the application monies received from investors that will settle two days after the application date.

**Note 5. Payables**

The payable balance in the statement of financial position reflects the dollar value of units in the Platinum International Fund that are to be purchased.

**Note 6. Net Assets Attributable to Unitholders**

Movements in number of units and net assets attributable to unitholders during the period were as follows:

	<b>31 Dec 2017 Units '000</b>	<b>31 Dec 2017 Net Assets \$'000</b>
Opening balance	-	-
Applications	23,100	121,169
Increase in net assets attributable to unitholders	-	3,884
Closing balance	<u>23,100</u>	<u>125,053</u>

**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Notes to the Financial Statements**  
**31 December 2017**

**Note 7. Fair Value Measurement**

AASB 13 *Fair Value Measurement* requires the registered scheme to classify its assets and liabilities held at fair value based on the following fair value hierarchy model:

- a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- b) inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices) (level 2); and
- c) inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (level 3).

The registered scheme measures and recognises the units held in the Platinum International Fund, as a fair value investment, pursuant to AASB 13, on a recurring basis.

The following table analyses within the fair value hierarchy model, the registered scheme's asset(s) measured at fair value at 31 December 2017. The registered scheme has no assets or liabilities that are classified as level 3.

<b>31 December 2017</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>			
Units held in the Platinum International Fund (reconciles to note 3)	-	125,052	125,052
<b>Total of financial assets</b>	<u>-</u>	<u>125,052</u>	<u>125,052</u>

The registered schemes' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels 1 and 2 for any assets or liabilities measured at fair value during the period.

*Valuation techniques used to classify assets and liabilities as level 2*

The units held in the Platinum International Fund have been classified as level 2, because these units are valued based on the 31 December 2017 redemption price, which is based on the underlying value of the net assets of Platinum International Fund, which includes both observable and unobservable asset and liability balances.

**Note 8. Events Occurring after Balance Date**

No significant events have occurred since balance date that would impact the financial position of the registered scheme as at 31 December 2017 and the results for the period ended on that date.

**Note 9. Contingent Assets, Liabilities and Commitments**

The registered scheme has no contingent assets, liabilities or commitments as at 31 December 2017.

**Platinum International Fund (Quoted Managed Hedge Fund)**  
**Directors' Declaration**  
**31 December 2017**

In the opinion of the Directors' of the responsible entity, the financial statements and notes of the Platinum International Fund (Quoted Managed Hedge Fund) (*'the registered scheme'*) as set out on pages 5 to 14:

- (a) are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the financial position of the registered scheme as at 31 December 2017 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the financial period ended on that date.
- (b) there are reasonable grounds to believe that the registered scheme will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Andrew Stannard  
Director

Sydney  
27 February 2018





## **Independent auditor's review report to the unitholders of Platinum International Fund (Quoted Managed Hedge Fund)**

### ***Report on the Half-Year Financial Report***

We have reviewed the accompanying half-year financial report of Platinum International Fund (Quoted Managed Hedge Fund) (the Registered Scheme), which comprises the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period from 14 September 2017 to 31 December 2017, selected explanatory notes and the directors of the Responsible Entity's declaration.

### ***Directors of the Responsible Entity's responsibility for the half-year financial report***

The directors of the Responsible Entity of the Registered Scheme are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

### ***Auditor's responsibility***

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the entity's financial position as at 31 December 2017 and its performance for the period from 14 September 2017 to 31 December 2017; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Platinum International Fund (Quoted Managed Hedge Fund), ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Independence***

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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**PricewaterhouseCoopers, ABN 52 780 433 757**

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### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Platinum International Fund (Quoted Managed Hedge Fund) is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the entity's financial position as at 31 December 2017 and of its performance for the period from 14 September 2017 to 31 December 2017;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers

Simon Cuthbert  
Partner

Sydney  
27 February 2018