

22 February 2024

The Manager
ASX Market Announcements
Australian Securities Exchange Limited
Sydney NSW 2000

Platinum Capital Limited (PMC) – Half-Year Financial Results

PMC encloses for release to the market the following information:

1. Appendix 4D
2. Interim Financial Report for the six months ended 31 December 2023

Authorised by

Joanne Jefferies | Company Secretary

Investor contact

Elizabeth Norman | Director of Investor Services and Communications
Platinum Investment Management Limited
Tel: 61 2 9255 7500
Fax: 61 2 9254 5555

LISTING RULE 4.2A

COMPANY	PLATINUM CAPITAL LIMITED
ASX Code	PMC
Period Ended	31 December 2023
Previous corresponding period – Period Ended	31 December 2022
ABN	51 063 975 431

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This announcement to the market should be read in conjunction with the 30 June 2023 Annual Financial Report and the attached 31 December 2023 Interim Financial Report.

	% MOVEMENT	\$A'000
Total revenue and other income	(86.2%)	4,852
Profit from ordinary activities after income tax	(95.3%)	1,048
Net profit attributable to members	(95.3%)	1,048

The Directors consider that the pre-tax net tangible asset backing per share, after the deduction of fees and expenses, adjusted for corporate taxes paid and any capital flows, and assuming the reinvestment of dividends (“pre-tax NTA”), is a better measure of performance of the Company than the reported profits or losses. This is because the pre-tax NTA per share is the most accurate way to assess the investment performance of the Company’s investment portfolio. For the 6 months to 31 December 2023, the Company’s pre-tax NTA decreased from \$1.55 per share to \$1.51 per share. The decrease is after the payment of 3 cents per share in dividends and 1 cent per share in tax paid during the half-year.

The Company’s compound annualised investment returns to 31 December 2023 (measured by its pre-tax NTA) compared to the benchmark are shown in the table below:

INVESTMENT PERFORMANCE	6 MONTHS %	1 YEAR %	5 YEARS (% P.A.)	10 YEARS (% P.A.)	SINCE INCEPTION (% P.A.)
PMC’s performance	0.2	5.1	6.7	6.6	10.9
MSCI AC World Net Index in A\$ ⁱ	4.6	21.4	12.4	10.9	7.6

Source: Platinum Investment Management Limited (PMC returns), Rimes and FactSet Research Systems (MSCI returns). Note: Returns are calculated after the deduction of fees and expenses, adjusted for taxes paid and any capital flows and assume the reinvestment of dividends. Returns have not been calculated using the Company’s share price. **Past performance is not a reliable indicator of future performance.**

The Directors continue to monitor the Company’s share price relative to pre-tax NTA, which continues to trade at a discount, consistent with the broader global equities listed investment company market in Australia. The discount narrowed during the period, resulting in a total shareholder return of 5.4% including grossed up dividends for the 6 months ended 31 December 2023.

With regards to outlook, the Investment Manager reports that:

“Many of the growth stocks that powered the market this year are on full to generous valuations and so may be vulnerable to a pullback if rates don’t fall as quickly as some anticipate in 2024.

By contrast there are many quality companies across many sectors and geographies that are trading at valuations that could produce good returns in the medium to long term. As always, we will focus on the latter group and avoid the former.”

DIVIDENDS

INTERIM DIVIDEND DETERMINED	3 CENTS PER SHARE FULLY-FRANKED
Ex-dividend date	7 March 2024
Record date	8 March 2024
Last date for receipt of election notices for the dividend reinvestment plan	11 March 2024
Payment date	28 March 2024

The dividend represents a grossed-up dividend yield of 6.7% based on the 31 December 2023 closing share price, and including the 2023 final dividend of 3 cents per share.

The interim dividend for the previous corresponding period was 3 cents per share fully-franked.

The Company's ability to pay franked dividends is dependent on the Company paying income tax. At 31 December 2023, after providing for the 2024 fully-franked interim dividend of 3 cents per share, the Company had an ability to pay fully-franked dividends of up to 4.7 cents per share.

The Board has a policy of dividend smoothing and endeavours to ensure that there are franking credits available to pay fully-franked dividends in the future. The Company does not believe it is in the Company's or Shareholders interests to pay unfranked dividends, resulting in a tax liability in the shareholders hands and reduced investment capacity for the Company to generate future returns.

DIVIDEND REINVESTMENT PLAN

The Dividend Reinvestment Plan ("DRP") is in operation and the interim dividend qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded down to the nearest whole number) which the cash dividend would otherwise purchase at the relevant issue price.

The relevant issue price will be the volume-weighted average share price of the Company's shares sold on the ASX over the five business days subsequent to the date on which the Company's shares cease to trade cum-dividend. No DRP discount will apply to this dividend.

The terms and conditions of the DRP rules can be accessed at the Company's website at:

https://www.platinum.com.au/PlatinumSite/media/Find-a-form/pmc_drp_1.pdf

FURTHER INFORMATION

Refer to the attached financial statements for financial data on the Company.

Joanne Jefferies
Company Secretary
22 February 2024

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Interim Financial Report

For the half-year ended 31 December 2023

Platinum Capital Limited | ABN 51 063 975 431

DIRECTORS

Margaret Towers
Richard Morath
Ian Hunter
(the “Directors”)

COMPANY SECRETARY

Joanne Jefferies

INVESTMENT MANAGER

Platinum Investment Management Limited (trading as Platinum Asset Management®)
Platinum Investment Management Limited neither guarantees the repayment of capital nor the investment performance of Platinum Capital Limited (the “Company”)

SHAREHOLDER LIAISON

Elizabeth Norman

REGISTERED OFFICE

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Phone 0800 700 726 (New Zealand only)
Phone +61 2 9255 7500

SHARE REGISTRAR

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Level 12, 680 George Street
Sydney NSW 2000
Phone +61 1300 554 474
Fax +61 2 9287 0303

AUDITOR AND TAXATION ADVISOR

PricewaterhouseCoopers

SECURITIES EXCHANGE LISTING

Platinum Capital Limited shares are listed on the Australian Securities Exchange
ASX code (ordinary shares): **PMC**
ASX code (options): **PMCO**

WEBSITE

www.platinumcapital.com.au

The Directors present their report, together with the financial statements of Platinum Capital Limited (the "Company") for the half-year ended 31 December 2023.

DIRECTORS

The following persons were Directors of the Company during the whole of the half-year and up to the date of this report, unless otherwise stated:

Margaret Towers	Chair and Independent Non-Executive Director
Richard Morath	Independent Non-Executive Director
Ian Hunter	Independent Non-Executive Director

PRINCIPAL ACTIVITIES

The Company is a listed investment company established to provide capital growth over the long term by investing in companies worldwide which the investment manager perceives to be undervalued by the market.

OPERATING AND FINANCIAL REVIEW

For the 6 months to 31 December 2023, the profit before income tax was \$1,478,000 (31 December 2022: profit of \$31,828,000) and profit after income tax was \$1,048,000 (31 December 2022: profit of \$22,274,000).

For the 6 months to 31 December 2023, the Company delivered a return of 0.2%¹ (measured by its pre-tax NTA) which underperformed the return of 4.6% for the benchmark, the MSCI All Country World Net Index in A\$ terms ("MSCI").² This return was achieved with an average net invested position of 73%. The long portfolio contributed positively to the return with the strongest performers in the information technology and materials sectors whilst the short positions detracted from the return.

For the five years to 31 December 2023, the Company delivered an annualised compound return of 6.7% per annum, measured by the Company's pre-tax NTA, versus the MSCI return of 12.4%. The Company's long-term (since inception³) return to 31 December 2023 of 10.9% per annum was approximately 3.3% greater than the MSCI return of 7.6%.

The Directors consider that the pre-tax net tangible asset backing per share, after the deduction of fees and expenses, adjusted for corporate taxes paid and any capital flows, and assuming the reinvestment of dividends ("pre-tax NTA"), is a better measure of performance of the Company than its reported profits or losses. This is because the pre-tax NTA is the most accurate way to assess the investment performance of the Company's investment portfolio. For the 6 months to 31 December 2023, the Company's pre-tax NTA decreased from \$1.55 to \$1.51. The decrease includes the payment of 3 cents per share in dividends paid and 1 cent per share in tax paid during the half-year.

Total Shareholder Return (TSR) for the half-year, based on share price movement and grossed up dividends, between 1 July 2023 and 31 December 2023 was 5.4%. The TSR is higher than the pre-tax NTA return of 0.2% primarily due to a decrease in the discount of the share price to pre-tax NTA since 30 June 2023.

In the December 2023 quarterly report, the Investment Manager made the following comments in respect to the outlook:

"Many of the growth stocks that powered the market this year are on full to generous valuations and so may be vulnerable to a pullback if rates don't fall as quickly as some anticipate in 2024."

¹ Source: Platinum Investment Management Limited (the Company's returns), Rimes and FactSet Research Systems (MSCI returns). Returns have not been calculated using the Company's share price. **Past performance is not a reliable indicator of future performance.**

² MSCI Disclaimer: The MSCI information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com).

³ Inception date is 29 June 1994.

By contrast there are many quality companies across many sectors and geographies that are trading at valuations that could produce good returns in the medium to long term. As always, we will focus on the latter group and avoid the former."

For more information and the Company's most recent results please refer to: www.platinumcapital.com.au.

CAPITAL MANAGEMENT

The Directors continue to monitor the Company's share price relative to pre-tax NTA, which continues to trade at a discount, consistent with the global equities closed end listed investment market in Australia.

The Company commenced an on-market share buy-back within the "10/12 limit" with effect from 18 October 2023 to provide liquidity to existing shareholders and accretion to continuing shareholders. During the half-year period ended 31 December 2023, 1,342,232 shares were bought-back and cancelled.

We believe that the discount is mainly influenced by investment performance and market sentiment for the sector. The ASX graph below indicates the discount across the listed investment company/trust sector.

LICs Premium / Discount to NTA as at 29 December 2023



Source: ASX January 2024 investment products monthly update.

During the half-year period ended 31 December 2023, 13,602 options were exercised. The options expire on 28 March 2024.

The Company's capital management policy is to smooth dividends over time and, where possible, retain a reasonable level of franking credits to enable payment of fully-franked dividends in the future. The Company does not believe that it is in the Company's or shareholders' interests to pay unfranked dividends, resulting in a tax liability in the shareholders' hands and reduced investment capacity for the Company to generate future returns.

DIVIDENDS

The Directors determined to pay a 2024 fully-franked interim dividend of 3 cents per share (\$8,848,122), with a record date of 8 March 2024 and payable to shareholders on 28 March 2024, out of the dividend profit reserve. Together with the 2023 final dividend of 3 cents per share, this represents a grossed-up dividend yield of 6.7% based on the 31 December 2023 closing share price. The available franking credit balance after providing for the 2024 interim dividend would enable the payment of future fully-franked dividends of up to 4.7 cents per share.

The 2024 interim dividend record date and payment date is circa two weeks later than previous periods. The purpose of the change in timing is to provide option holders with the opportunity to exercise options after the dividend announcement and receive additional shares before the dividend record date. Option holders must complete a valid exercise before 29 February 2024 in order to be eligible to receive the interim dividend on the new shares issued. The Directors expect to revert to the customary timing for future dividends.

The Dividend Reinvestment Plan ("DRP") is in operation. Participating shareholders will be entitled to be allotted the number of shares (rounded down to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be the volume-weighted average share price of the Company's shares sold on the ASX over the five business days subsequent to the date on which the Company's shares cease to trade cum-dividend. No DRP discount will apply to the dividend.

ROUNDING OF AMOUNTS

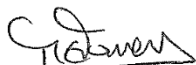
The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to "rounding-off". Amounts in this report have been rounded off in accordance with this Instrument to the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

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Margaret Towers
Chair

Richard Morath
Director

22 February 2024
Sydney



Auditor's Independence Declaration

As lead auditor for the review of Platinum Capital Limited for the half-year ended 31 December 2023, 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.

A handwritten signature in black ink, appearing to read 'CJ Cummins', is written over a horizontal line.

CJ Cummins
Partner
PricewaterhouseCoopers

Sydney
22 February 2024

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GENERAL INFORMATION

The interim financial report is presented in Australian dollars, which is Platinum Capital Limited's functional and presentation currency.

Platinum Capital Limited is a listed public company limited by shares, incorporated and domiciled in Australia. The Company's registered office and principal place of business is:

Level 8, 7 Macquarie Place
Sydney NSW 2000

The interim financial report was authorised for issue, in accordance with a resolution of Directors, on 22 February 2024.

Statement of profit or loss and other comprehensive income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	NOTE	HALF-YEAR ENDED 31 DEC 2023 \$'000	HALF-YEAR ENDED 31 DEC 2022 \$'000
Investment income			
Dividends		3,352	2,554
Interest income		676	539
Net gains/(losses) on equities, convertible notes, foreign currency forward contracts and other derivatives		3,381	32,285
Net foreign exchange gains/(losses) on overseas bank accounts		(2,557)	(315)
Total investment income		4,852	35,063
Expenses			
Management fees	10	(2,501)	(2,391)
Custody		(92)	(108)
Share registry		(36)	(93)
Continuous reporting disclosure		(104)	(109)
Directors' fees		(72)	(94)
Auditor's remuneration and other services		(55)	(75)
Interest expense		(160)	(50)
Brokerage costs		(129)	(104)
Transaction costs		(72)	(30)
Insurance		(137)	(135)
Other expenses		(16)	(46)
Total expenses		(3,374)	(3,235)
Profit/(loss) before income tax expense/benefit		1,478	31,828
Income tax (expense)/benefit		(430)	(9,554)
Profit/(loss) after income tax (expense)/benefit for the half-year attributable to the owners of Platinum Capital Limited		1,048	22,274
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income/(loss) for the half-year attributable to the owners of Platinum Capital Limited		1,048	22,274
Basic earnings per share (cents per share)	7	0.35	7.57
Diluted earnings per share (cents per share)	7	0.35	7.57

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

AS AT 31 DECEMBER 2023

	NOTE	31 DEC 2023 \$'000	30 JUNE 2023 \$'000
Assets			
Cash at bank		13	23
Cash on deposit held within the portfolio		63,158	57,030
Receivables		6,323	1,755
Financial assets at fair value through profit or loss	3, 9	379,997	405,686
Income tax receivable		566	196
Total assets		450,057	464,690
Liabilities			
Payables		779	802
Financial liabilities at fair value through profit or loss	3, 9	2,484	5,539
Deferred tax liability	2(b)	4,048	7,049
Total liabilities		7,311	13,390
Net assets		442,746	451,300
Equity			
Issued capital	6	393,946	394,682
Accumulated losses		(75,060)	(75,060)
Dividend profit reserve	4	123,860	131,678
Total equity		442,746	451,300

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	NOTE	ISSUED CAPITAL \$'000	ACCUMULATED LOSSES \$'000	RESERVES \$'000	TOTAL EQUITY \$'000
Balance at 1 July 2023		394,682	(75,060)	131,678	451,300
Profit/(loss) after income tax expense/(benefit) for the half-year		-	1,048	-	1,048
Other comprehensive income/(loss) for the half-year, net of tax		-	-	-	-
Total comprehensive income/(loss) for the half-year		-	1,048	-	1,048
Transfer of profit to the dividend profit reserve	4	-	(1,048)	1,048	-
<i>Transactions with owners in their capacity as owners:</i>					
Proceeds from the issue of shares associated with the dividend reinvestment plan and unclaimed dividends	6	967	-	-	967
Net proceeds from issue of shares associated with exercise of options	6	19	-	-	19
Payment for share buyback	6	(1,722)	-	-	(1,722)
Dividends paid	4, 5	-	-	(8,866)	(8,866)
Balance at 31 December 2023		393,946	(75,060)	123,860	442,746

	NOTE	ISSUED CAPITAL \$'000	ACCUMULATED LOSSES \$'000	RESERVES \$'000	TOTAL EQUITY \$'000
Balance at 1 July 2022		392,665	(75,060)	111,457	429,062
Profit/(loss) after income tax expense for the half-year		-	22,274	-	22,274
Other comprehensive income/(loss) for the half-year, net of tax		-	-	-	-
Total comprehensive income/(loss) for the half-year		-	22,274	-	22,274
Transfer of profit to the dividend profit reserve	4	-	(22,274)	22,274	-
<i>Transactions with owners in their capacity as owners:</i>					
Proceeds from the issue of shares associated with the dividend reinvestment plan and unclaimed dividends	6	1,030	-	-	1,030
Dividends paid	4, 5	-	-	(8,818)	(8,818)
Balance at 31 December 2022		393,695	(75,060)	124,913	443,548

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	NOTE	HALF-YEAR ENDED 31 DEC 2023 \$'000	HALF-YEAR ENDED 31 DEC 2022 \$'000
Cash flows from operating activities			
Payments for purchase of financial assets		(155,082)	(87,730)
Proceeds from sale of financial assets		176,133	86,789
Dividends received		3,246	2,923
Interest received/(paid)		765	515
Management fees paid	10	(2,512)	(2,371)
Other expenses paid		(982)	(798)
Income tax paid		(3,291)	(8,524)
Net cash from / used in operating activities		18,277	(9,196)
Cash flows from financing activities			
Dividends paid – net of dividend re-investment plan	5, 6	(7,924)	(7,816)
Proceeds from issue of shares in relation to unclaimed dividends	6	25	28
Proceeds from issue of shares in relation to exercise of options	6	19	-
Payments for share buyback	6	(1,722)	-
Net cash used in financing activities		(9,602)	(7,788)
Net increase/(decrease) in cash and cash equivalents		8,675	(16,984)
Cash and cash equivalents at the beginning of the half-year		57,053	106,044
Effects of exchange rate changes on cash and cash equivalents		(2,557)	(315)
Cash and cash equivalents at the end of the half-year		63,171	88,745

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTE 1. BASIS OF PREPARATION OF THE INTERIM FINANCIAL REPORT

These financial statements for the interim reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

These financial statements for the half-year ended 31 December 2023 do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated. Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

New Accounting Standards and Interpretations

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2023 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

NOTE 2. INCOME TAX**(a) Income tax (payable)/receivable**

The income tax (payable)/receivable as disclosed in the statement of financial position is comprised of:

	AS AT 31 DEC 2023 \$'000	AS AT 30 JUNE 2023 \$'000
Current income tax provision (before foreign & domestic tax credits)	(3,423)	(4,878)
Foreign & domestic tax credits utilised	497	706
Current income tax provision	(2,926)	(4,172)
Income tax instalments paid	3,291	4,368
Income tax (payable)/receivable – prior year	201	-
Income tax (payable)/receivable	566	196

(b) Deferred tax asset/(liability)

The deferred tax asset/(liability) figure in the statement of financial position is comprised of:

	AS AT 31 DEC 2023 \$'000	AS AT 30 JUNE 2023 \$'000
Dividends accrued	(97)	(170)
Unrealised (gains)/losses on investments	(3,966)	(6,909)
Expense accruals	(1)	9
Other	16	21
Deferred tax asset/(liability)	(4,048)	(7,049)

The realised tax balance will depend on the actual gains or losses generated as and when the investments are sold.

NOTE 3. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	AS AT 31 DEC 2023 \$'000	AS AT 30 JUNE 2023 \$'000
Financial assets		
Equity securities	378,962	404,884
Derivative financial instruments	1,035	802
	379,997	405,686
Financial liabilities		
Derivative financial instruments	2,484	5,539
	2,484	5,539

NOTE 4. DIVIDEND PROFIT RESERVE

The Company may set aside some or all of its undistributed profits to a separate dividend profit reserve, to facilitate the payment of future franked dividends, rather than maintaining these profits within accumulated losses. The current period profit after tax was transferred to the dividend profit reserve. The balance of this reserve is as follows.

	AS AT 31 DEC 2023 \$'000	AS AT 30 JUNE 2023 \$'000
Opening balance 1 July 2023 (1 July 2022)	131,678	111,457
Transfer of profit after income tax expense	1,048	37,881
Dividends paid	(8,866)	(17,660)
Closing balance	123,860	131,678

NOTE 5. DIVIDENDS

Dividends paid during the half-year were as follows:

	HALF-YEAR ENDED 31 DEC 2023 \$'000	HALF-YEAR ENDED 31 DEC 2022 \$'000
Final dividend paid for the 2022 financial year (3 cents per ordinary share)	-	8,818
Final dividend paid for the 2023 financial year (3 cents per ordinary share)	8,866	-
	8,866	8,818

Dividends not recognised at half-year end

On 22 February 2024, the Directors determined to pay a 2024 fully-franked interim dividend of 3 cents per share (\$8,848,122) with a record date of 8 March 2024 and payable to shareholders on 28 March 2024, out of the dividend profit reserve.

NOTE 5. DIVIDENDS (CONTINUED)**Franking credits**

	31 DEC 2023 \$'000	30 JUNE 2023 \$'000
Franking credits available at the balance date based on a tax rate of 30%	10,288	10,797
Franking credits/(debits) that will arise from the tax (receivable)/payable at the balance date based on a tax rate of 30%	(566)	(196)
Franking credits available for future franked dividends based on a tax rate of 30%	9,722	10,601
Franking debits that will be utilised from the payment of dividends determined subsequent to the balance date based on a tax rate of 30%	(3,792)	(3,800)
Net franking credits available based on a tax rate of 30%	5,930	6,801

The available franking credit balance after providing for the 2024 interim dividend would enable the payment of future fully-franked dividend of up to 4.7 cents per share.

NOTE 6. ISSUED CAPITAL**Ordinary shares**

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. Every member is entitled to one vote and upon a poll, each share shall have one vote. Where the Company purchases its own issued shares under a buy-back, the consideration paid, including any directly attributable transaction costs, is deducted from issued capital and any shares purchased are cancelled.

Shares on issue as at 31 December 2023 (and 30 June 2023) were as follows:

	31 DEC 2023 SHARES	30 JUNE 2023 SHARES	31 DEC 2023 \$'000	30 JUNE 2023 \$'000
Ordinary shares – fully paid	294,937,400	295,521,661	393,946	394,682

Movements in ordinary share capital during the half-year were as follows:

DETAILS	DATE	SHARES	\$'000
31 DECEMBER 2023			
Balance	1 Jul 2023	295,521,661	394,682
Dividend reinvestment plan	15 Sep 2023	724,940	942
Reinvestment of unclaimed dividends ^(a)	29 Sep 2023	19,429	25
Share issued on exercise of options	Jul - Dec 2023	13,602	19
Share bought back	Oct - Dec 2023	(1,342,232)	(1,722)
Balance	31 Dec 2023	294,937,400	393,946

(a) Dividends that remain unclaimed after 6 months from payment date are automatically reinvested into additional shares in the Company.

NOTE 6. ISSUED CAPITAL (CONTINUED)

DETAILS	DATE	SHARES	\$'000
31 DECEMBER 2022			
Balance	1 Jul 2022	293,924,841	392,665
Dividend reinvestment plan	15 Sep 2022	789,061	1,002
Reinvestment of unclaimed dividends ^(a)	30 Sep 2022	22,888	28
Balance	31 Dec 2022	294,736,790	393,695

(a) Dividends that remain unclaimed after 6 months from payment date are automatically reinvested into additional shares in the Company.

Options

Each eligible shareholder of the Company received one option for every four ordinary shares held as at the record date of 20 April 2023 for nil consideration. A total of 73,875,530 options have been issued by the Company. The options are listed on the ASX (ASX code: PMCO) with an exercise price of \$1.37. Each option provides the holder the right but not an obligation to subscribe for one share at the option exercise price, exercisable on or before 5 pm (AEST) on 28 March 2024.

Options do not carry voting rights or dividend entitlements until they are exercised. Ordinary shares issued upon exercise of the options rank equally with the all other ordinary shares on issue at the time of exercise.

	31 DEC 2023 OPTIONS	30 JUNE 2023 OPTIONS	31 DEC 2023 \$'000	30 JUNE 2023 \$'000
Options issued during the period	-	73,875,530	-	101,209
Options exercised during the period	13,602	28,996	19	40

Share buy-back

On 16 October 2023, the Company released an update to the announcement made by the Company on 25 October 2022 in relation to its buy-back policy and announced the Board's decision to buy-back shares under the '10/12 limit' share buy-back program. During the half-year period ended 31 December 2023, the Company purchased on-market and cancelled 1,342,232 ordinary shares at a total cost of \$1,722,177. Subsequent to balance date and up to 22 February 2024, the Company purchased on-market and cancelled, 1,466,491 ordinary shares, at a total cost of \$1,882,361.

NOTE 7. EARNINGS PER SHARE

	HALF-YEAR ENDED 31 DEC 2023 \$'000	HALF-YEAR ENDED 31 DEC 2022 \$'000
Profit/(loss) after income tax attributable to the owners of Platinum Capital Limited	1,048	22,274
	NUMBER	NUMBER
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	295,609,563	294,399,554
	CENTS	CENTS
Basic earnings per share	0.35	7.57
Diluted earnings per share	0.35	7.57

NOTE 7. EARNINGS PER SHARE (CONTINUED)

Options issued on 27 April 2023 and which remain unexercised at the end of the reporting period are considered potential ordinary shares and included in the determination of diluted earnings per share only to the extent they are dilutive. The options are not considered to have a dilutive effect as the average market price of ordinary shares of the Company during the period did not exceed the exercise price of the options. Accordingly, the options are not included in the calculation of diluted earnings per share for the half-year ended 31 December 2023 as they are antidilutive. However, these options could potentially dilute basis earnings per share in the future. Details of the options are set out in Note 6.

NOTE 8. STATEMENT OF POST-TAX NET TANGIBLE ASSET BACKING (NTA)

Reconciling Net Tangible Asset backing (post-tax) in the statement of financial position to that reported to the ASX:

	AS AT 31 DEC 2023 \$'000	AS AT 30 JUNE 2023 \$'000
Post-tax Net Tangible Asset backing per statement of financial position	442,746	451,300
Post-tax Net Tangible Asset backing as reported to the ASX	442,746	451,300

NOTE 9. FAIR VALUE MEASUREMENT*Fair value hierarchy*

AASB 13: *Fair Value Measurement* requires the Company to classify those assets and liabilities measured at fair value through profit or loss, using the following fair value hierarchy model (consistent with the hierarchy model applied to financial assets and liabilities at 30 June 2023):

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

The following table details the Company's assets and liabilities, measured as disclosed at fair value, using the three-level hierarchy model.

AS AT 31 DECEMBER 2023	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	TOTAL \$'000
Assets				
Equity securities	378,962	-	-	378,962
Derivative financial instruments	-	1,035	-	1,035
Total assets	378,962	1,035	-	379,997
Liabilities				
Derivative financial instruments	-	2,484	-	2,484
Total liabilities	-	2,484	-	2,484

NOTE 9. FAIR VALUE MEASUREMENT (CONTINUED)**AS AT 30 JUNE 2023**

	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	TOTAL \$'000
Assets				
Equity securities	402,665	2,219	-	404,884
Derivative financial instruments	-	802	-	802
Total assets	402,665	3,021	-	405,686
Liabilities				
Derivative financial instruments	-	5,539	-	5,539
Total liabilities	-	5,539	-	5,539

Below is a table showing the Level 3 fair value movement during the period.

	6 MONTHS ENDED 31 DEC 2023 \$'000	12 MONTHS ENDED 30 JUNE 2023 \$'000
Opening balance	-	2
Transfers to Level 1	-	-
Purchases during the period	-	-
Sales during the period	-	-
Gains/(losses) during the period	-	(2)
Closing balance	-	-

Valuation process

The valuation of each investment that the Company holds is the primary responsibility of the Investment Manager. The investment manager's Securities Pricing Committee has authority to review and approve valuation methodologies to be applied to determine the fair values of portfolio securities and other assets held by the Company for which no quoted market price is readily available, and to make recommendations to the Board.

The Securities Pricing Committee also assesses whether an adjustment is required to the quoted market price of any security, if it is considered that the quoted market price is not reasonable (for example securities with a so-called "stale" price). A register is maintained documenting the valuation used and the basis for the valuation of any security or investment that may be manually adjusted or manually priced. The Securities Pricing Committee meets on a quarterly basis, and also on an ad hoc basis as is required.

Fair value of financial instruments not carried at fair value

The carrying value of trade receivables and trade payables are assumed to approximate their fair values.

NOTE 10. INVESTMENT MANAGER FEES

The investment manager receives a monthly management fee for investment services provided in accordance with the investment management agreement (the "Agreement"). The Agreement provides for a management fee payable monthly and calculated at 1.1% (June 2023: 1.1%) per annum of the adjusted portfolio value (which includes cash and deposits and adjusted for any taxes paid/refunded, dividends paid and capital flows).

A performance fee is payable for each financial year ending 30 June equivalent to 15% of the amount by which the portfolio's annual performance exceeds the return achieved by the MSCI (MSCI is the Morgan Stanley Capital International All Country World Net Index in \$A) for that financial year. Where the portfolio's annual performance is less than the MSCI, the amount of the underperformance is aggregated, carried forward and deducted from the annual performance in the subsequent year before calculating any performance fee for that year. The aggregate underperformance is carried forward until a performance fee becomes payable.

NOTE 10. INVESTMENT MANAGER FEES (CONTINUED)

For the 6 months to 31 December 2023, pre-tax performance of the portfolio was 0.2%¹ and the corresponding MSCI was 4.6%. This represents an underperformance of 4.4% against the MSCI for the half-year. Taking into account the aggregate underperformance of 39.2% from the prior periods, no performance fee has been accrued. A total aggregate underperformance of 43.6% will need to be made up before a performance fee will be payable.

Management fees paid and payable for the half-year ended 31 December 2023 is shown below:

	HALF-YEAR ENDED 31 DEC 2023 \$	HALF-YEAR ENDED 31 DEC 2022 \$
Management fees expense	2,501,494	2,390,519
Management fees paid	2,511,680	2,370,988
Management fees payable	409,852	416,586

In the event of termination of the Agreement by the Company for convenience, the Investment Manager will be eligible to receive a termination fee equivalent to the management fee of 1.1% of the portfolio value (adjusted for any taxes paid/refunded, dividends paid and capital flows) and the performance fee (calculated as set forth above) if any, for the period from the first business day of the month in which termination is effective to the date which is the first anniversary of that date. No termination fee is payable to the investment manager where the agreement is terminated for cause.

Each party is required to provide three months' notice to terminate the Agreement for convenience. However, the Company may terminate the Agreement for cause at any time by written notice to the Investment Manager in certain instances.

NOTE 11. EVENTS AFTER THE REPORTING PERIOD

Apart from the dividend declared on 22 February 2024 as set out in Note 5 and share buyback up to 22 February 2024 as set out in Note 6, no other significant matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

¹ The figure represents the 6 month return of the "Portfolio Value" (as defined in of the Agreement), which is defined as the aggregate value of each asset or investment of the Company's portfolio. This differs from the Company's 6-month pre-tax NTA return of 0.2% referred to in the Directors' Report, which also includes non-portfolio and non-investment related assets and liabilities.

In the Directors' opinion:

- the attached financial statements and notes, set out on pages 8 to 18 comply with the *Corporations Act 2001*, Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Margaret Towers
Chair

22 February 2024
Sydney

Richard Morath
Director



Independent auditor's review report to the members of Platinum Capital Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Platinum Capital Limited (the Company) which comprises the statement of financial position as at 31 December 2023, the statement of changes in equity, statement of cash flows and statement of profit or loss and other comprehensive income for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Platinum Capital Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company 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 determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 Company's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written in a cursive style.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'CJ Cummins', written in a cursive style.

CJ Cummins
Partner

Sydney
22 February 2024