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

**Platinum Asset Management Limited (PTM)  
2024 Annual General Meeting Chair and Managing Director Address and Presentation Slides**

PTM will hold its 2024 Annual General Meeting (AGM) today at 10.00am (AEDT). Attached is a copy of the Chair and Managing Director/CEO address and associated presentation slides to be given at the AGM.

Authorised by

Joanne Jefferies | Company Secretary

Investor contact

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## Platinum Asset Management Limited, 2024 Annual General Meeting – Chair address



### Introduction and welcome

Good morning Ladies and Gentleman and welcome to today's Annual General Meeting. My name is Guy Strapp and I am delighted to address you as a Director and the Chair of Platinum Asset Management Limited.

I would like to begin by acknowledging that I am speaking to you today from the lands of the Gadigal people of the Eora nation. I also acknowledge the traditional custodians of the various lands on which each of you join the meeting from today. I hereby pay my respects to their Elders past, present and emerging.

It is now 10:00am (AEDT), the appointed time for holding the meeting and I am advised that the necessary quorum is present.

The Notice of Meeting dated 11 October 2024 was published on the ASX market announcements platform and sent to Shareholders so, unless there are any objections, I will take the notice as read.

There are no objections, so I declare the meeting open.

This year we are again holding our AGM as a hybrid meeting. We hope that in doing so, we have been able to encourage broader participation amongst our Shareholders.

Please now allow me to introduce your Board of Directors:

Firstly, Jeff Peters our new Chief Executive Officer and Managing Director.....and now my fellow Non-Executive Directors:

Anne Loveridge AM (Chair of the Company's Audit, Risk and Compliance Committee), Brigitte Smith (Chair of the Company's Nomination and Remuneration Committee), Philip Moffitt and Rachel Grimes AM.

We also have present Rita Da Silva, the Ernst & Young partner in charge of auditing the Consolidated Group's financial statements.

## Investment Performance to 30 June 2024

Performance of Platinum Trust Funds A\$ At 30 June 2024		1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	FUM (A\$b)
International Fund	Absolute Return	4.8%	4.0%	6.3%	7.9%	5.3
Asia Fund	Absolute Return	4.9%	-2.9%	5.8%	8.0%	2.1
Japan Fund	Absolute Return	-3.3%	1.8%	3.8%	8.7%	0.3
European Fund	Absolute Return	3.3%	3.3%	4.3%	7.3%	0.3
Brands Fund	Absolute Return	-9.1%	-7.6%	3.7%	7.1%	0.3
Health Sciences Fund	Absolute Return	5.0%	-7.0%	6.8%	10.4%	0.3
Global (Long Only) Fund	Absolute Return	6.1%	2.9%	6.4%	8.5%	0.2
Technology Fund	Absolute Return	25.9%	6.0%	13.4%	12.1%	0.1
Subtotal (A\$b)						8.9
% of Total FUM						68%

Source: Platinum. Fund returns are annualised, calculated using the relevant fund's NAV unit price for C Class and represent the combined income and capital returns over the specified period. Fund returns are net of accrued fees and costs, pre-tax, and assume the reinvestment of distributions. Past performance is not a reliable indicator of future performance.



### Markets and returns

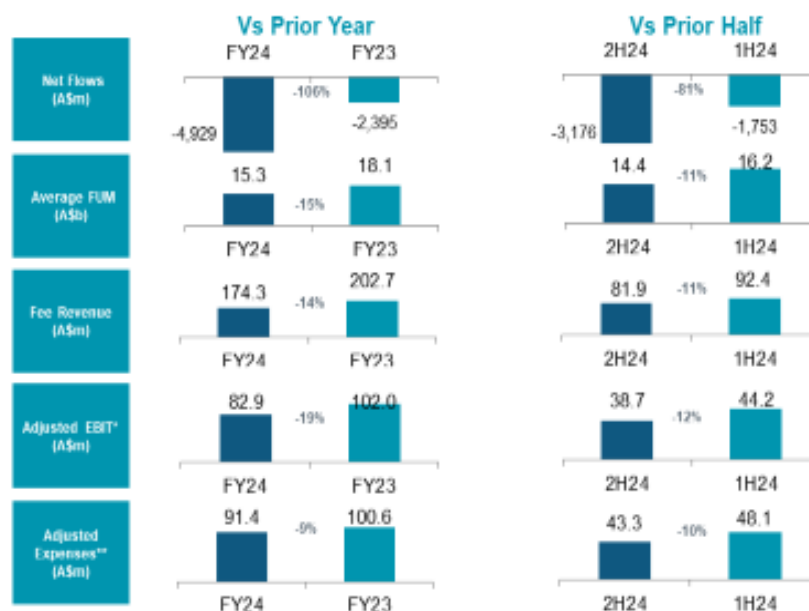
Global equity markets once again performed strongly over the last financial year with the MSCI AC World Net Index delivering 19% for the year to 30 June 2024, driven by the "Magnificent Seven" stocks, a group which has distorted relative outcomes in recent years.

Platinum's funds, for the most part, delivered reasonable absolute investment performance during this period, however, most of our funds and portfolios lagged the broader market, largely due to the index composition being heavily dominated by mega-cap US technology stocks, further exacerbated by a weak Chinese market.

The strongest-performing fund during the period was the Platinum International Technology Fund returning 26% for the year ended 30 June 2024.

As I have previously mentioned, Platinum's investment philosophy and approach delivers a highly differentiated investment portfolio vis a vis the index and Platinum's peers, providing a source of return which is much less correlated to other global equity investments which investors may hold in their investment portfolios. That said, for a large number of investors, relative investment performance also matters. This combined with the trend towards lower cost passive ETFs meant that net outflows continued during the period putting downward pressure on FUM.

## Flows, FUM and Operating Results



Source: Platinum

\* Adjusted EBIT is calculated as total fee revenue (which excludes interest income and other income) less adjusted expenses.

\*\* Adjusted expenses is total expenses excluding the turnaround program implementation costs in FY24.



### Financial results and dividends

At 30 June 2024, FUM stood at \$13 billion. The change in FUM was predominantly driven by net fund outflows of \$4.9 billion which included some large individual outflows including \$1.2 billion from one institutional client.

Total fee revenue decreased by 14% to \$174 million, and no performance fees were earned.

Adjusted expenses (excluding non-cash accelerated share-based payments expense of \$11.4m and turnaround program costs of \$9.0 million) decreased by \$9.2 million. The decrease in adjusted expenses, which predominantly occurred in the second half of 2024, largely reflects the initial progress on Platinum's target of annualised run rate savings of at least \$25 million, previously announced to the market.

Adjusted Earnings Before Interest and Tax, which is fee revenue less adjusted expenses and excluding interest income, other income and the turnaround program implementation costs, was down 19% at \$82.9 million.

With respect to dividends, the Board determined to pay a 2024 final fully franked dividend of 4 cents per share, taking total dividends for the 2024 financial year to 10 cents per share, delivering a yield of 9.6% based on the closing share price at 30 June 2024.

# Turnaround and inorganic activity

- New CEO, Jeff Peters appointed in January this year following extensive global search.
- Ambitious mandate to embark on a comprehensive “turnaround strategy”.
- “Stabilise” and “reset” phases are largely complete, with excellent progress made to date. Transitioning to “growth” phase, BUT turnarounds take time.
- Initial NBIO received from Regal rejected. Currently undergoing period of mutual and non-exclusive due diligence.

## Turnaround strategy

Following our decision last year to separate the CEO and Chief Investment Officer roles, we conducted an extensive global search in late 2023, appointing Jeff Peters as Platinum’s new CEO and Managing Director in January this year. With over 30 years of industry experience, Jeff brings extensive asset management experience, strategic and management consulting skills, and a new energy and focus to the business.

Jeff has been given an ambitious mandate to renew the organisation, embarking on a comprehensive turnaround strategy since the start of this year. The “stabilise” and “reset” phases of this strategy have focussed on cost control, client retention, resetting remuneration, product rationalisation and a deep examination of the investment platform, in order to create the conditions necessary to enable the delivery of sustainable financial results in the coming periods. With these initial phases of the turnaround largely successfully completed, the Company has started to transition to the next phase of the turnaround. Jeff will provide further details on the progress being made after my address. However, as you are no doubt aware, successful turnarounds do not happen overnight and whilst we are starting to see “green shoots”, we are only 9 months into what is essentially a three year plan. Jeff has so far delivered exceptionally well on the initial phases of the turnaround. I am confident that he will continue to deliver on the next phase of the plan.

## Inorganic activity

In mid-September Platinum announced the receipt of an unsolicited confidential, non-binding, indicative proposal from Regal Partners Limited (“Regal”) under which PTM shareholders would receive 0.274 RPL shares for each PTM share – an implied value of \$1.10 based on RPL’s closing share price prior to the announcement. The Board rejected Regal’s proposal on 26 September 2024, and subsequently announced that we had agreed to an initial period of non-exclusive, mutual due diligence with Regal to provide an opportunity for an improved proposal and so that

the Board could assess the absolute and relative value of Regal and the costs and benefits of any combination.

This initial period of mutual due diligence is still ongoing and the Board will continue to keep the market updated in accordance with its continuous disclosure obligations.

We are also engaged with certain parties who have approached Platinum to explore various forms of transactions, which we will assess - as it relates to both commercial logic and value enhancement opportunity for our shareholders - both on their individual merits but also relative to our ongoing standalone restructure and turn around strategy. If these discussions progress, we will update investors in due course.

## Capital management

- Solid balance sheet.
- Strong dividend pay-out ratio.
- Sufficient cash to seed new strategies to grow FUM.
- Sufficient capital to move on attractive inorganic opportunities.
- Considering a fully-franked special dividend – no decision on this has been made yet.

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### Capital management

Before I move on to remuneration matters I wanted to touch on the Board's capital management policy. The Board aims to maintain:

- a solid balance sheet;
- a strong dividend pay-out ratio;
- sufficient cash to seed new strategies to grow FUM; and
- sufficient capital to be able to move on attractive inorganic opportunities as they arise.

As part of this the Board has been considering paying shareholders a fully-franked special dividend. No decision on this has been made yet.

## FY 2024 remuneration outcomes

- Remuneration is also a key pillar of our turnaround strategy.
- We have listened carefully to shareholder feedback when considering remuneration outcomes for the 2023/2024 financial year.
- We have made a number of changes to our remuneration framework which will be visible for this financial year.
- Changes will flow through to the 2024/2025 financial year.

### Remuneration

As I have already alluded to, Platinum is currently undergoing a significant period of change as we implement a turnaround strategy that aims to reset the business and return it to growth and resetting remuneration has been a key pillar of this strategy.

Following the 2023 AGM, where Platinum received a ‘first strike’ against the adoption of its 2023 Remuneration Report, the Board sought further feedback from shareholders and proxy advisors.

## Our response to feedback received



What we heard	What we have done
KPIs too qualitative, lacked quantifiable targets with insufficient financial metrics	<ul style="list-style-type: none"> <li>• Implemented more financially oriented and quantifiable KPIs for our executive KMP (ex CEO).</li> <li>• CEO's KPIs linked to “stabilised” and “reset” phases of turnaround.</li> </ul>
Misalignment of pay, performance and shareholder outcomes	<ul style="list-style-type: none"> <li>• Variable remuneration outcomes for executive KMP (ex CEO) down 59% in aggregate on prior year.</li> <li>• 50% of variable awards allocated as deferred equity.</li> <li>• Performance period aligned to financial year.</li> <li>• New a single variable remuneration pool for FY2024/25 as a % of revenue and profit.</li> </ul>
Remuneration framework overly complex	<ul style="list-style-type: none"> <li>• Simplified our remuneration plans – closed ITP, PSP, ORP and FARP.</li> <li>• Closed LTI plan to new awards - new plan will be rolled out in Q1 2025.</li> </ul>

The changes instituted to our remuneration framework this year have been informed by the feedback that we received from these engagements. As a result:

- we implemented more financially oriented and quantifiable KPIs for our former executive KMP, resulting in a substantial reduction of their total variable remuneration awards by 59% in aggregate on the previous financial year;
- we simplified our remuneration framework by ceasing use of a range of remuneration plans, including the long-term incentive (“LTI”) plan;
- we did not make any new LTI awards related to the performance period;
- we introduced the concept of a single variable remuneration pool determined as a proportion of fee revenue and profit for 2024/2025; and
- we aligned Platinum’s remuneration cycle to its financial year.

The combination of better defined KPIs, lower overall STI outcomes for our former executive KMP and no allocation of LTI demonstrates that the Board has taken clear steps towards aligning remuneration outcomes with the financial performance of the organisation.

Our newly appointed CEO’s KPIs for the period to 30 June 2024 were explicitly constructed to align with the turnaround plan. They included measures on cost reduction, re-orientation of remuneration, client retention, rationalisation of products and enhancement of the investment process.

The Board is satisfied that the initial goals linked to the turnaround plan have been delivered exceptionally well by Mr Peters, and consequently he was assessed at 95% achievement on his STI scorecard for his first six months in the role.

We acknowledge the concerns of shareholders and we are actively trying to address these through the turnaround. We have taken clear steps and are making progress but it will take time. I would therefore strongly urge shareholders to support the Remuneration Report as a signal of the significant progress we have made.



## Board renewal

- With our new MD/CEO, Jeff Peters, in place we revisited our Board composition – in February Andrew Clifford, Liz Norman and Andrew Stannard stepped down from the Board.
- Rachel Grimes AM was appointed to the Board in September this year and is standing for election today (Resolution 1).
- Brigitte Smith, having served 2 x three year consecutive terms, will retire after the close of the AGM.
- James Simpson, a self nominated candidate, is standing for election today (Resolution 2).



### Board renewal

Lastly, with the appointment of Jeff Peters as our new fully dedicated CEO, we took the opportunity to streamline the Board and enhance its independence in line with corporate governance best practice, having previously received criticism for our higher than usual number of executive directors. As such, in February 2024 Andrew Clifford, Liz Norman and Andrew Stannard stepped down from the Board.

As mentioned in the notice of meeting, Brigitte Smith, having served two three year successive terms, will retire from the Board at the close of the meeting. I would like to thank Brigitte on behalf of the Board for her valuable contribution over the last six years.

In accordance with ordinary Board renewal practices, Rachel Grimes AM has been appointed to the Board and will be standing for election. We also have James Simpson standing for election to the Board at today's meeting. James is a self-nominated candidate and the Board is endorsing his election.

### Conclusion

To conclude, despite the challenges facing the firm, Platinum's brand as an Australian retail provider of active global equity management remains strong. We have a solid dividend payout record (driven by profit and franking) and our balance sheet continues to be robust, providing a measure of future flexibility for organic and inorganic growth opportunities.

I thank you for your attention and now invite Jeff Peters to provide an update on Platinum's general business.

### Platinum Asset Management Limited, 2024 Annual General Meeting – CEO address

Good morning and let me add my welcome to this AGM. Having been here 10 months now, I thought I would focus my remarks on the turnaround program we have embarked on at Platinum. It is early in that process but we are seeing some positive signs coming from our initial efforts.

## Platinum has significant strengths

### Strengths

- A strong Australian brand in global equities
- Large, loyal retail and adviser client base
- Distinctive investment driven culture and heritage
- Large and well-regarded investment team with strong client service
- Strong balance sheet and solid operational platform
- Listed vehicle with strong track record of dividends

9 Source: Platinum



But

before diving into that, I thought I would start with some context. I am often asked about why I joined Platinum. The answer is that Platinum has great potential. From our brand to our investment heritage, strong client service and operations, there is a great platform to build on at Platinum.

## But as of the start of the year also was facing major challenges

### Challenges

- Difficult investment performance both absolute and relative
- Flagship product positioning of benchmark agnostic style compared to the relative index
- Funds in outflow which will take time to halt / reverse
- Industry pressures such as rise of passive investing, ETFs and private assets
- Pressure on revenue and margins

10 Source: Platinum



That said, the firm faces challenges both internal and external – specifically, relative investment performance and flows, product positioning and move to passive and other assets, all which have led to pressure on our financials and difficult share price performance, particularly coming into 2024.

## Turnaround Program – stabilise, reset and grow

Objectives	Actions	Progress Update
<b>STABILISE</b>	<ul style="list-style-type: none"> <li>• Reduce expense base</li> <li>• Revamp remuneration framework</li> </ul>	<ul style="list-style-type: none"> <li>✓ Run rate expense reductions delivered; further reductions planned</li> <li>✓ New model in place</li> </ul>
<b>RESET</b>	<ul style="list-style-type: none"> <li>• Review investment function organisation and processes</li> <li>• Simplify / enhance existing product offerings</li> <li>• Roll-out Client Engagement Program</li> <li>• Update back office and operations platform</li> </ul>	<ul style="list-style-type: none"> <li>✓ Investment team re-organised</li> <li>✓ Investment process reviewed with enhancements rolling out</li> <li>✓ Closed products and vehicles to simplify operations</li> <li>✓ Engaged with 80% of target client list-program continuing</li> <li>✓ Transitioned custody and middle office as first steps toward Target Operating Model</li> </ul>
<b>GROW</b>	<ul style="list-style-type: none"> <li>• Develop product market growth strategy</li> <li>• Build distribution and marketing capability</li> <li>• Evolve culture and capability</li> <li>• Explore inorganic opportunities</li> </ul>	<ul style="list-style-type: none"> <li>✓ Growth strategy developed and implementation beginning</li> </ul>

11 Source: Platinum

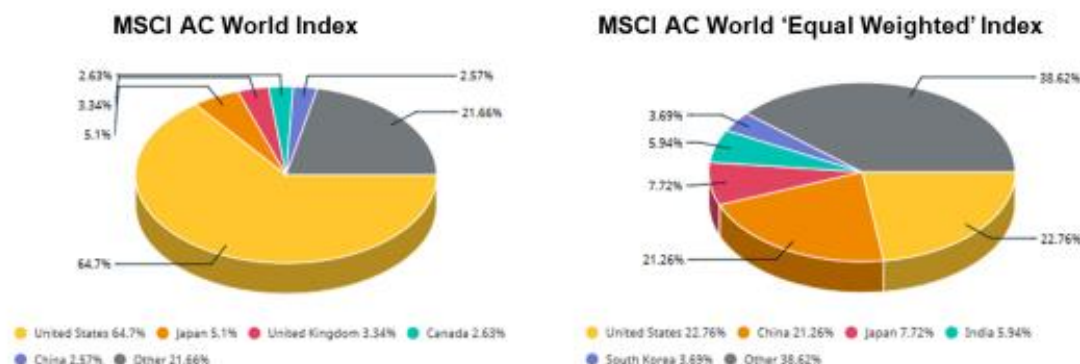


As a result, when I joined we articulated a turnaround plan which kicked off in earnest in February and March this year. I have covered much of this program previously but to reiterate, it has 3 phases-immediate actions to stabilise the business including reducing costs and revamping remuneration, a second set of “reset” actions around the key parts of the business and then a “growth” phase which is now underway.

Regarding the first phase, the expense reductions are on track with more to come as the operating model advances. Remuneration has also been addressed as you have heard about already today. So, let me spend most of my time on the other two phases of the turnaround.

## Equal weighted index – a better gauge for stock picking

Look at the difference: MSCI AC World Index vs the MSCI AC World 'Equal Weighted' Index\*



Platinum's exposure is more aligned to the equal weighted index

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Source: MSCI AC World Index Fact Sheets – 30 June 2024

\* The MSCI equal weighted index offer an alternative to market capitalisation weighted indexes. Equal weighting holds the same dollar value in each stock, representing an equal part of the value of the portfolio. Thus, the performance of each company's stock carries equal importance in determining the total value of the index. It therefore avoids concentrating too much of the portfolio into a few large stocks.

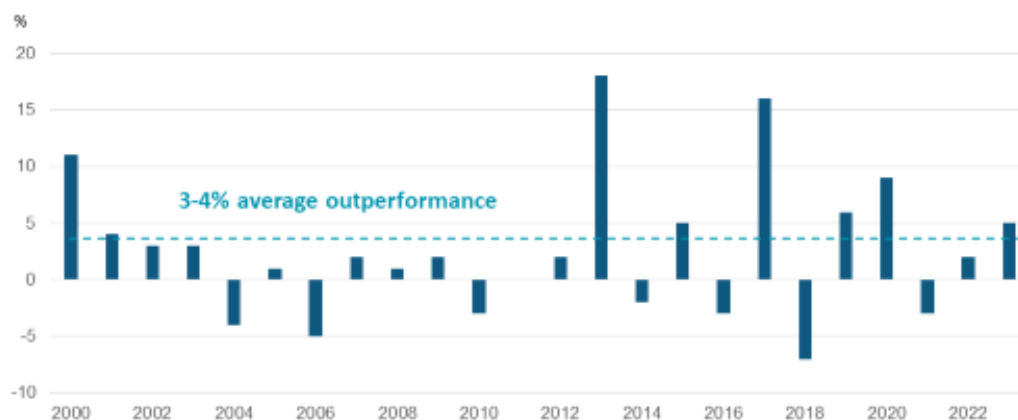


First, let me focus on investments. As you heard earlier, Platinum has a benchmark agnostic or unaware philosophy in how we run money. We pick stocks without regard to any benchmark and we have always done this. So, our first step in looking at the investment area was to examine how our stock picks for our international strategy are working. To do that, the best proxy for our process is to look at our performance against an equal weighted global index. Said simply, an equal weighted global index represents the return from investing equal amounts of capital in each stock in the index. This is very different to a market weighted index approach where one would hold more of a particular stock if it made up more of the index.

You can see the different percentages of each country under the two different approaches, with the US dominating the market weighted global index due to the so-called “Magnificent 7” stocks and the rest of the world making up much more of the equal weight index.

## Platinum demonstrates historical stock picking skill

Outperformance over time comparing MSCI ACWI Equal Weighted Index with the Platinum International Fund (extracted performance)



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Source: Platinum and Fidelity Research Systems. Returns are the fund's annual gross returns (i.e. before fees and expenses) for the long portfolio (based on stock prices) for each calendar year relative to the stated index. This is extracted performance and not total returns. Investors would not have experienced these returns. \* The MSCI equal weighted index offers an alternative to market capitalization-weighted indexes. Equal weighting holds the same dollar value in each stock, representing an equal part of the value of the portfolio. Thus, the performance of each company's stock carries equal importance in determining the total value of the index. Past performance is not a reliable indicator of future returns.



What we have learnt is that against an equal weighted measure, we add value, outperforming by 3-4% per annum on average against this index over a very long period. That is positive news.

But our performance versus the market weighted global index has lagged significantly as our investment approach has been out of favour, as you have heard already today.

We know this is an issue and we look to identify opportunities to improve how we do things both in terms of our team and our processes. We have taken actions in both areas.

## Examination of investment platform: re-organisation

### What we did:

- Separated research and portfolio management roles
- Increased research resources directly supporting flagship Platinum International Fund
- Focused decision making and simplified portfolios by removing sleeves
- Appointed lead PMs to each sector fund to heighten accountability



### Benefits:

- Less complexity, more concentrated, simplified portfolios
- Research effort more streamlined and collaborative

Team structures now well embedded - no regretted departures since roll-out

14 Source: Platinum.



The first thing we did was look at our investment team. Our prior team structure had the same people doing both research and managing money. This led to issues in terms how people spent their time and a lack of role clarity. Portfolios were also managed as separate parts, or sleeves, which led to complexity.

To address this, we reorganised the team to separate research and portfolio management roles and we eliminated the sleeves. We emerged with a less complex and clearly defined investment team structure which has been in place for 6 months and is well embedded.

## Examination of investment platform: governance

### Product Review Framework



### Enhancement Actions

- Review Platinum's investment philosophy - re-affirmed overall and tailored to individual products
- Systematically review each investment strategy process to:
  - ✓ enhance portfolio construction
  - ✓ standardised research template and better defined research coverage agenda
  - ✓ enhanced portfolio construction tools
- Strengthen risk management:
  - ✓ added "guardrails" for country and sector monitoring
  - ✓ enhance guidelines and processes for shorting, cash management and portfolio holding ("sell discipline")
- Increase investment oversight and governance:
  - ✓ formed Investment Oversight Group (CIOs, CEO, Head of Investments, Compliance and Board representative)

15 Source: Platinum.



We also examined our investment processes across each fund from our beliefs, to how we pick stocks, to our processes to build and manage the portfolios. Based on this work we have commenced the roll out of enhancements to how we work. We examined our beliefs and enhanced how we do research, risk management, shorting and cash management, as well as our overall investment governance structure.

## Green Shoots in Investment Performance

Absolute performance to 31 October 2024

Fund	Nominated MSCI Index (Net)	YTD (%)	1 year (%)	3 years (% pa)	5 years (% pa)
Asia	AC Asia	21%	21%	3%	8%
Arrow (strategy)	Cash +	18%	15%	15%	18% (SI*)
Health Sciences	ACWI Health Care	14%	32%	-1%	9%
Brands	ACWI	11%	7%	-3%	5%
Europe	AC Europe	5%	11%	4%	4%
International	ACWI	8%	9%	7%	6%
Japan	Japan	-3%	1%	2%	3%
Technology	ACWI Info Tech	19%	27%	7%	12%

Above Nominated Index and Cash plus 5% return
  Above Cash plus 5% return

Source: Pensions for Fund returns. Source: FactSet Research Systems for Index returns. Fund returns (excluding Arrow strategy) are calculated using the Fund's NAV unit price (i.e. exclude a buy/sell spread) for C Class and represent the combined income and capital returns for the specified period to 31 October 2024. All returns (including Arrow) are pre-tax, net of fees and costs and assume the reinvestment of distributions. 3 and 5 year returns are annualised compound returns. Arrow strategy returns are gross returns (i.e. they do not take in to account the impact of fees and costs, which would reduce the return, as this is an internally seeded strategy which is not publicly available. \*Arrow since inception date is 31 August 2020. Past performance is not a reliable indicator of future returns.



And I am pleased to say that we are seeing some early signs of improvement. Year-to-date, our absolute investment returns are up broadly versus the end of 2023 including in both the International and Asia funds. Our Health Care and Brands funds are performing better as well. And both Asia and Health Care funds have outperformed relative to their nominated indices over the past 12 months. There is still work to do but these “green shoots” are nice to see.

## Product line review

### Initiative

### Status

#### • Strategy review

- Reviewed entire product range
- Platinum Global Transition Fund (ASX: PGTX) closed

Complete  
Complete

#### • Vehicle review

- Decision to simplify product range
- Platinum Asia Investments Limited (PAI) to merge with PAXX <sup>1</sup>
- Platinum Capital Limited (PMC) to merge with PIXX <sup>2</sup>

Complete  
Q2 2025  
Q2 2025

#### • Offshore distribution review

- Termination of Irish UCITS platform <sup>3</sup>
- Closed London office
- Cayman funds closed

Complete  
Complete  
Complete

17 Source: Platinum. 1 and 2. The proposed scheme of arrangements is subject to PMO/PAI shareholder and Court approval. 3. UCITS refers to the Platinum World Portfolio PLC.



We also looked at our product line and closed several vehicles to remove complexity and cost. Our two listed investment companies, Platinum Asia Investments Limited and Platinum Capital Limited are also undergoing a process to merge with our active ETFs, PIXX and PAXX. PIXX and PAXX, being open-ended, trade close to NAV which will benefit our PAI and PMC shareholders.

## Client engagement and retention

### Renewed client communication

- Target client coverage of financial advisers and researchers - \$8.6bn FUM



To date covered 83% of the total target group

### Key takeaways

- ✓ Platinum brand remains strong overall
- ✓ Advisers and researchers understand Platinum investment philosophy and its role in their diversified portfolios
- ✓ Indications of support for retaining current investments with Platinum, subject to investment performance
- ✓ However, impatient for improved investment performance

Early signs of flow improvement:

- Run rate daily net outflows\* reduced by 13% since turnaround began in February 2024

19 Source: Platinum. \* Based on quarterly averages, starting from 1 February 2024 and ending 31 October 2024



The third element of our plan was to engage more actively with our clients. This was critical to understand their needs better and gain their feedback. We targeted in person meetings with over 80% of our advised FUM and have to date met or spoke with 83% of this group.



Our key takeaways are as follows:

- our brand, is still strong and well regarded;
- advisers and researchers with major holdings in our funds understand our unique philosophy and our role in their portfolios and have urged us not to change it;
- but they recognise our relative performance challenges and are demanding better, as are we.

We continue to engage with our clients and are moving on a second round of engagement focusing on what we are doing to improve and we are starting to see the first beginnings of a slowdown in outflows with run rate daily net outflows down 13% since the start of the turnaround in February this year.

## | Simplify back office

### • **Back and Middle Office Target Operating Model:**

- Phase 1: Middle Office outsourcing (completed May-24)
- Phase 2: Custody and Fund Administration Transition (completed Oct-24)
- Phase 3: Hiport / Annova replacement with NEOXAM (due Dec-24)

### • **Project GROW (outsource unit registry):**

- Phase1: Software design (beta) (due 2H-25)
- Phase 2: Transition to GROW (due 1H-26)

### Expected Benefits

- Single source of data
- Leaner team structure
- Flexibility to scale up or down
- Risk reduction from improved speed and data quality
- Lowers key person and legacy tech risks
- Some expense reduction



The fourth element of the “reset” phase has involved upgrading our operational capability including by outsourcing our investment support “middle office” and transitioning our back office (custody and fund administration) to Northern Trust. We have also replaced some of our legacy IT systems.

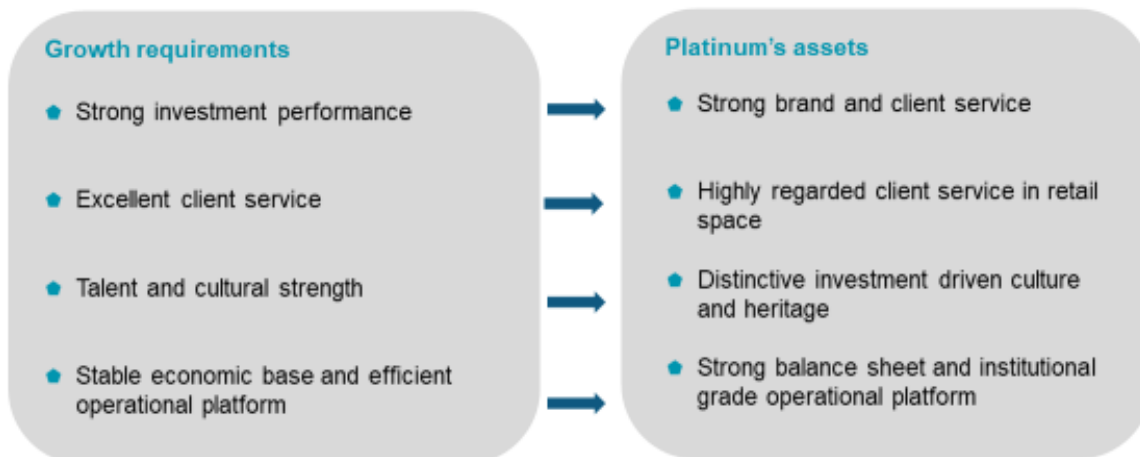
We are also on track to outsource our unlisted unit registry function by 2026. The sum total of these actions should allow us to be more scalable, reduce risk and capture some economies.

So, our “reset” phase is on track and beginning to show positive signs. With that, it is now important to develop our next phase - the strategy to grow Platinum again.



## Platinum growth strategy

Our growth strategy seeks to capitalise on our strengths



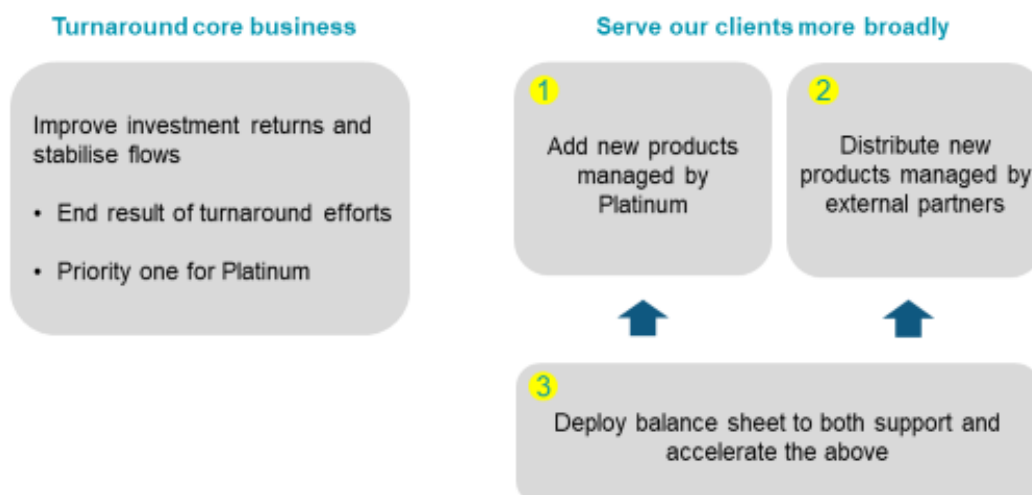
20 Source: Platinum



In terms of growth, I have worked in this industry over the past 25 years, and I believe that all successful and growing asset managers share some fundamental elements: strong performance, good client service, top notch talent and a stable financial and operating platform. In my experience, this is the same whether a firm is based here in Australia or in Europe, Asia or the US.

Platinum has many of these strengths - a strong brand, a distinctive investment heritage, a well regarded client service capability and an institutional grade operational platform.

## Grow by leveraging all of Platinum's assets



21 Source: Platinum



To grow, we need to leverage all of these assets and diversify our investment product range to better meet our clients' needs.

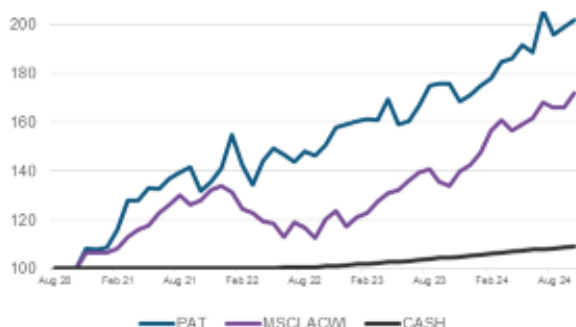
First and foremost, we must improve our core business and stabilise FUM. This is our top priority.

To buttress that, however, we will be undertaking two efforts to diversify our business, adding new products which will serve our clients more broadly. Such diversification is highly attractive given our narrow current focus and client demand for other asset classes.

Firstly, there are select opportunities to add new products managed inhouse. And secondly, we have an opportunity to distribute outstanding products managed by external partners in asset classes where we do not currently play.

## Platinum Arrow Strategy Overview

Annualised Gross Performance %	1 year p.a.	2 year p.a.	3 year p.a.	Since Inception p.a.
Arrow (strategy)	14.8%	15.8%	15.3%	18.4%



### From inception (August 2020) to 31 October 2024

Absolute Return	18.4% gross p.a.
Annualised Alpha (Annual Fund Return – (Beta x Annualised Market Return))	11.7%
Sharpe Ratio (Excess return over volatility)	1.24
Max Drawdown*	16.8%
Positive Months	66%
Beta (to MSCI ACWI)	0.38

Source: Platinum for Arrow strategy, Factset Research Systems for MSCI returns. Performance is to 31 October 2024. Past performance is not a reliable indicator of future results. Investment returns (other than those in the graph, which are cumulative) are annualised. Arrow strategy returns are gross i.e. they do not take in to account the impact of fees and costs, which would reduce the return – this is an internally seeded strategy that is not publicly available. \*From 13 February to 5 April 2022, and recovered by December 2022.

Let me talk about the first internally managed opportunity. An example of a new Platinum capability to provide growth is our internally seeded Arrow strategy. It is over 4 years old and has \$15m of internally seeded money in it. It invests quantitatively at its core and aims to provide a strong absolute return.

You can see from this chart how it has done 18% per year since inception (gross) outperforming both cash and the MSCI ACWI (Net) since inception. And it has done it within reasonable risk parameters. I won't go through the technical measures on the right but a key one to focus on is the Sharpe ratio, which equals excess return per unit of risk. Any number over 1 is considered excellent. Arrow is at 1.24 since inception.

## Potential product expansion options

### BUILD

- Long lead time
- Limited asset class options due to narrow PTM focus
- Focus on select, existing opportunities (Platinum Arrow Trust)

### BUY / LIFT OUT

- Long lead time to rebuild track records and ratings
- Need to ensure cultural and fit alignment
- Opportunistic in nature

### DISTRIBUTE

- Quickest option to add saleable products
- Leverage strong performance, brand presence of partner and PTM brand and reach
- Sacrifices some profitability - focus on attractive, additive, non-competing asset classes
- **But**, lowers fixed costs and potentially lessens capital requirements for launch

23 Source: Platinum



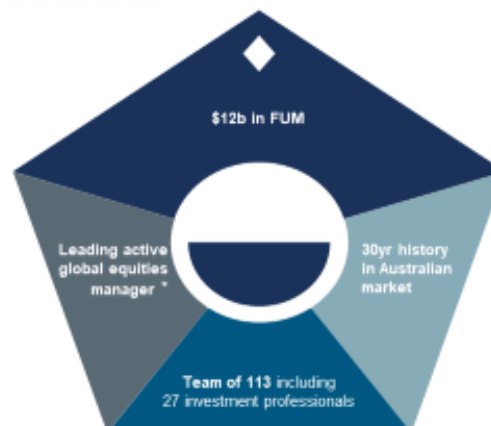
We have also looked at diversifying our product line into asset classes that we aren't active in but which could be of interest to our clients. In general, new asset classes can be built, bought or accessed from third parties. Building is difficult beyond global equities due to our specific focus. Buying is addressed via inorganic strategy which has been spoken of. And while accessing third parties sacrifices some profit, it has the benefits of being quick to market as well as having lower fixed costs and lower capital requirements as partners can contribute seed.

## Platinum Partner Series

Example focus areas - Global Small Cap, Private Credit (and possibly Private Equity), Credit/retirement

### Potential Benefits

- Provides fast and efficient way to grow into attractive end markets
- Brings highly regarded, high performing and trusted partners without Australian retail presence to investors
- Provides potential source of seed capital for new vehicles



24 Source: Platinum as at 31 October 2024. \*By FUM size. NMG Consulting, 30 September 2023, based on direct retail FUM size.

For those reasons, we have announced the Platinum Partner Series, which will bring new products to market leveraging the Platinum brand and reach, two of our biggest strengths. We are focusing

on wholly additive asset classes where we do not have a presence, working with strong global partners who have distinctive performance and institutional presence in Australia but not a retail presence. We are in discussions with several such firms and will update the market when we are more advanced in finalising our partnerships. This will be an added source of new revenue over time enabling us to broaden our ability to better serve investors' needs.

## Looking ahead

### Focus on implementation of growth initiatives

- First phases of turnaround well advanced
- Focus is on delivering the growth strategy:
  - Build on Platinum's strengths
  - Improve investment performance
  - Deepen client and adviser relationships
  - Diversify and grow revenue base
- "Green shoots" to date:
  - Expenses down
  - Improving investment performance
  - Outflows beginning to slow
  - Target operating model on track

26 Source: Platinum



So, to sum up, we have made good progress since I joined. The initiatives in our turnaround program are on track and our growth efforts are kicking off. I am happy to see "green shoots" beginning to emerge:

- our cost base has been reset to better match revenue conditions;
- we see performance improvement across our product line, although there is more to do;
- we have re-engaged with our clients and have seen the first signs of a slow-down in outflows; and
- our simplified operating model project is on track.

This is solid progress, and I look forward to providing further positive updates as we advance at Platinum.

Thank you.