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The Manager
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By e-Lodgement

Preliminary discussions regarding potential merger of Platinum and L1 Capital

Platinum Asset Management Limited (ASX:PTM) (“**Platinum**”) advises that it is currently in discussions with the shareholders of L1 Capitalⁱ, a global, independent investment manager, regarding a potential merger of Platinum and L1 Capital (“**Potential Merger**”). The Potential Merger would combine two complementary investment managers to create an investment business with funds under management of approximately A\$18 billionⁱⁱ.

If the Potential Merger proceeds, the combined shareholders are expected to benefit from greater scale and diversity of investment strategies and distribution channels, as well as access to meaningful cost efficiencies. The merger has the potential to deliver material earnings and value accretion for Platinum shareholders over the near term.

The discussions are still at a preliminary stage, and there is no guarantee that any transaction will eventuate from the discussions. Entry into a binding transaction remains subject to a number of conditions, including each of Platinum and L1 Capital completing satisfactory due diligence on the other; entry into binding transaction documentation and final board approvals of each of Platinum and L1 Capital.

Platinum Chief Executive Officer Jeff Peters said:

“L1 Capital is a first-class manager with a strong investment track record. The Potential Merger provides an attractive opportunity to combine expertise and resources, and we will continue to explore if it’s in the best interests of Platinum shareholders.”

The discussions with L1 Capital in relation to a Potential Merger are currently proceeding on the basis of a number of non-binding and indicative key commercial terms, including:

- The Potential Merger being effected by Platinum acquiring L1 Capital in return for the issue of new ordinary shares in Platinum. The transaction would be subject to shareholder approval at a meeting of Platinum shareholders and relevant regulatory approvals.
- Immediately following completion of the Potential Merger, L1 Capital shareholders would own around 75% of the shares in Platinum and existing Platinum shareholders would own around 25% of the shares in Platinum. This ratio accounts for the combined entity receiving participation in performance fees relating to the first 5% of absolute returns (gross performance net of management fees) generated by the L1 Long Short funds (“**LSF**”) with any excess performance fees on returns above 5% in LSF distributed to existing L1 Capital shareholders (subject to catch up for any accrued shortfall from prior years).

Acquisition by L1 Capital of a substantial interest in Platinum

Platinum also notes the substantial shareholder notice lodged by L1 Capital today notifying that it has acquired a 9.6% shareholding in Platinum from Mr Kerr Neilson and that Mr Neilson has also granted a call option to L1 Capital over part of his remaining shareholding in Platinum, which would be exercisable only in the event of a competing proposal for Platinum. Should the call option be exercised, L1 Capital would have a 19.9% aggregate shareholding in Platinum.

Platinum welcomes L1 Capital to the register and looks forward to working with L1 Capital as a major shareholder in Platinum irrespective of the outcome of the Potential Merger discussions referred to above.

Platinum will update the market in relation to the merger discussions in accordance with its continuous disclosure obligations.

Platinum is being advised by Jefferies Australia as financial advisor and Allens as legal advisor.

Authorised by

Board of Platinum Asset Management Limited

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About L1 Capital

L1 Capital is a global investment manager with offices in Melbourne, Sydney, Miami and London. The business was established in 2007 and is owned by its senior staff, led by founders Raphael Lamm and Mark Landau. The team offers a diverse range of strategies, which include Long Short Fund, Catalyst Fund, International Fund, Global Opportunities Fund and U.K Residential Property Fund. L1 Capital serves a diverse investor base that includes large superannuation funds, pension funds, asset consultants, financial planning groups, family offices, private wealth firms, high net worth individuals and retail investors.

ⁱ L1 Capital is a trading name of First Maven Pty Ltd.

ⁱⁱ As at 31 March 2025.