

17 August 2023

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

Platinum Capital Limited (PMC) – 2023 Full-Year Financial Results

PMC encloses for release to the market the following information:

1. Appendix 4E
2. Chair's Report 2023
3. Financial Information Summary
4. Annual Financial Report 2023

Authorised by

Joanne Jefferies | Company Secretary

Investor contact

Elizabeth Norman | Director of Investor Services and Communications

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LISTING RULE 4.3A

| COMPANY | PLATINUM CAPITAL LIMITED |
|--|--------------------------|
| ASX Code | PMC |
| Year Ended | 30 June 2023 |
| Previous corresponding period – Year Ended | 30 June 2022 |
| ABN | 51 063 975 431 |

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This announcement to the market should be read in conjunction with the attached 30 June 2023 annual financial report.

| | % MOVEMENT | \$A'000 |
|--|------------|-----------|
| Total revenue and other income | 392% | 60,623 |
| Profit from ordinary activities after income tax | 295% | 37,881 |
| Net profit attributable to members | 295% | 37,881 |
| Basic EPS (cents per share) | | 12.85 cps |
| Diluted EPS (cents per share) | | 12.85 cps |

The Directors consider that 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 12 months to 30 June 2023, the Company's pre-tax NTA per share increased from \$1.47 to \$1.55. The increase is after the payment of 6 cents per share in dividends and the equivalent of 4 cent per share in taxes paid during the financial year.

The Company's compound annualised return to 30 June 2023 (measured by its pre-tax NTA) compared to the benchmark over 1 year, 5 years, 10 years and since inception (June 1994) is shown in the table below:

| INVESTMENT PERFORMANCE | 1 YEAR (% P.A.) | 5 YEARS (% P.A.) | 10 YEARS (% P.A.) | SINCE INCEPTION (% P.A.) |
|---|--------------------|---------------------|----------------------|-----------------------------|
| PMC's performance | 12.7 | 4.8 | 8.4 | 11.1 |
| MSCI AC World Net Index in A\$ ⁱ | 20.4 | 10.4 | 12.3 | 7.6 |
| Outperformance / (underperformance) | (7.7) | (5.6) | (3.9) | 3.5 |

Source: Platinum Investment Management Limited (PMC returns) 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 Company's shares continue to trade at a discount to pre-tax NTA. The discount increased during the financial year, resulting in a total shareholder return, including franking credits, of 7.1% for the year ended 30 June 2023.

| | 1 YEAR (% P.A.) | 5 YEARS (% P.A.) | 10 YEARS (% P.A.) | SINCE INCEPTION (% P.A.) |
|--------------------------------|--------------------|---------------------|----------------------|-----------------------------|
| Pre-tax NTA return | 12.7 | 4.8 | 8.4 | 11.1 |
| Total Shareholder Return (TSR) | 7.1 | (2.8) | 6.1 | 9.5 |

Source: Platinum Investment Management Limited. Both returns assume the reinvestment of dividends. The Total Shareholder Return is calculated using share price movements and dividends paid assuming shareholders obtain the full benefit of franking credits. **Past performance is not a reliable indicator of future performance.**

The Directors consider it appropriate to include franking credits in the TSR when comparing TSR to pre-tax NTA returns.

DIVIDENDS

| FINAL DIVIDEND DETERMINED | 3 CENTS PER SHARE FULLY-FRANKED |
|--|--|
| Ex-dividend date | 24 August 2023 |
| Record date | 25 August 2023 |
| Last date for receipt of election notices for the dividend reinvestment plan | 28 August 2023 |
| Payment date | 15 September 2023 |

This brings the full year fully-franked dividend to 6 cents per share representing a grossed up yield of 6.8% based on the closing share price of \$1.26.

The Company's ability to pay franked dividends is dependent on the Company paying income tax. At 30 June 2023 the Company had an ability to pay fully-franked dividends of up to 5.4 cents per share after allowing for the 2023 fully-franked final dividend of 3 cents per share and adjusting for the 30 June 2023 tax payable. The Board has a policy of dividend smoothing and endeavours to retain a reasonable level of franking credits to enable the payment of fully-franked dividends in the future.

DIVIDEND REINVESTMENT PLAN

The Dividend Reinvestment Plan ('DRP') is in operation and the final 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 for the final dividend will be the volume-weighted average price of the Company's shares traded 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 audited financial statements and financial information summary for financial data on the Company.
- Refer to the attached Chairperson's report

Joanne Jefferies
Company Secretary
17 August 2023

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SUMMARY

Platinum Capital Limited ("PMC" or the "Company") delivered a strong absolute investment return of 12.7% for the year ended 30 June 2023, as measured by its pre-tax net tangible asset backing per share¹. This return was achieved during a period of difficult market conditions including rapid inflation, rising interest rates and multiple bank failures.

Platinum's² investment style provides shareholders with exposure to a portfolio of investments that is quite differentiated from the constituents of the MSCI index³. Shareholders also benefit from the managers ability to actively reduce downside risk during periods of market volatility through short positions and managing the portfolio's net invested position. The strong return for 30 June 2023 was achieved with an average net invested position during the financial year of only 70%.

The return from the Company's investment portfolio resulted in a net profit after tax of \$37.9 million (2022: loss of \$19.4 million). The Company also determined to pay a fully franked final dividend of 3 cents per share, bringing the total dividends determined for the 2023 financial year to 6 cents per share (2022: 6 cents per share). This represents a grossed-up dividend yield of 6.8% based on the closing share price as at 30 June 2023.

As part of the Board's capital management initiatives, all eligible shareholders of the Company received one bonus option for every four ordinary shares held at the record date of 20 April 2023.

INVESTMENT PERFORMANCE

For the 12 months to 30 June 2023, the Company delivered a pre-tax net tangible asset ("pre-tax NTA") return of 12.7%. This is compared to the MSCI index, which delivered a return of 20.4% for the same period¹. The performance differential arose mainly during the last quarter of the financial year and in the June 2023 quarterly report, Platinum commented that:

"The recovery in markets this year has been led by an extraordinary bounce in the technology sector, up 40% in the first six months of the [calendar] year and 13% for the [last] quarter."

"China's stock markets performed poorly over the quarter due to concerns about the subdued nature of the country's economic rebound and ongoing political tensions with the US. As a result, the portfolio's holdings in Chinese companies reduced returns by 1.5% [over the quarter]....."

"The portfolio's positioning remained cautious, with an average net invested position of 71% and an average short position of 15%. Our short positions detracted 2.5% from performance over the quarter...."

"While this is a disappointing outcome in the short term, we remain of the view that the popular growth stocks that have driven the market this quarter remain unattractive and are best avoided, and better returns can be found in out-of-favour areas such as China."

The Company's best-performing investments were primarily in technology (Microchip Technology, Infineon Technologies) and industrials (Airbus, Itochu). Weakness in the Chinese market and our short positions offset positive performance from other regions, especially North America and Europe. The Company's average net invested position over the year was approximately 70%, reflecting cautious positioning during volatile equity markets.

Since inception (29 June 1994) to 30 June 2023, the Company's annualised compound return (measured by its pre-tax NTA) was 11.1% per annum, compared with 7.6% per annum for the MSCI index over the same period.

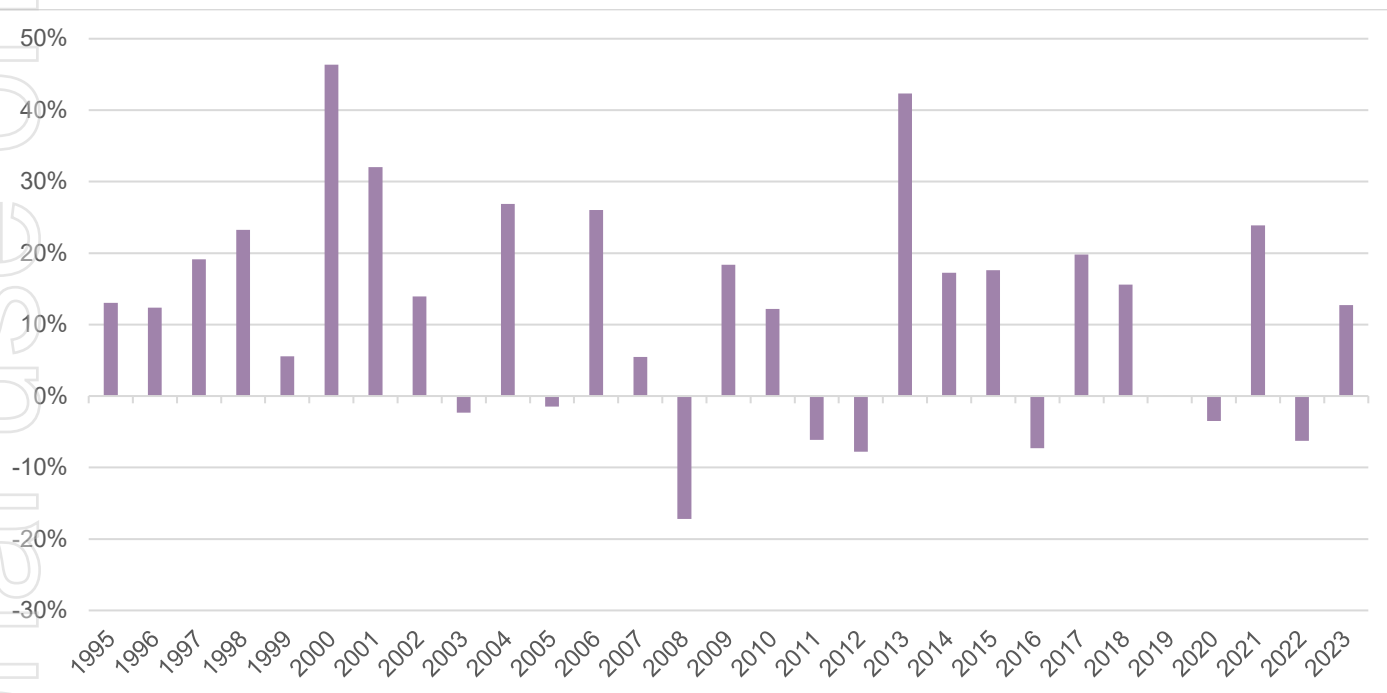
¹ Source: Platinum for Company returns and Factset Research Systems for MSCI index returns. Measured by the Company's pre-tax NTA, which represents the combined capital and income return of the Company's investments after the deduction of fees and expenses, adjusted for corporate taxes paid and any capital flows and assuming the reinvestment of all dividends. Returns have not been calculated using the Company's share price. **Past performance is not a reliable indicator of future returns.**

² Platinum Investment Management Limited.

³ MSCI All Country World Net Index in A\$ terms.

A summary of the Company’s yearly returns to 30 June, is shown in the graph below.

PMC’S YEARLY PRE-TAX NTA RETURNS (YEAR TO 30 JUNE)



Source: Platinum. Past performance is not a reliable indicator of future returns.

A summary of the Company's annualised compound returns over 1, 5 and 10 year periods and since inception to 30 June 2023, versus the MSCI index, is shown in the graph below.

PMC'S PRE-TAX NTA RETURN VERSUS MSCI INDEX RETURN (% COMPOUND P.A. TO 30 JUNE 2023)



Source: Platinum for Company returns and Factset Research Systems for MSCI index returns. **Past performance is not a reliable indicator of future returns.**

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The Company's shares continued to trade at a discount to pre-tax NTA in line with other global equity listed investment companies. The discount increased during the financial year, resulting in a Total Shareholder Return, including franking credits, of 7.1% for the year ended 30 June 2023.

| | 1 YEAR | 5 YEARS (% P.A.) | 10 YEARS (% P.A.) | SINCE INCEPTION (% P.A.) |
|--------------------------------|--------|---------------------|----------------------|-----------------------------|
| Pre-tax NTA return | 12.7 | 4.8 | 8.4 | 11.1 |
| Total Shareholder Return (TSR) | 7.1 | (2.8) | 6.1 | 9.5 |

Source: Platinum. Both returns assume the reinvestment of dividends. The Total Shareholder Return is calculated using share price movements and dividends paid assuming shareholders obtain the full benefit of franking credits. **Past performance is not a reliable indicator of future performance.**

The Board considers it appropriate to include franking credits in the TSR when comparing TSR to pre-tax NTA returns.

STATUTORY ACCOUNTS

For the financial year ended 30 June 2023, the Company made a statutory pre-tax operating profit of \$54.1 million and a post-tax operating profit of \$37.9 million.

The Board maintains that a more appropriate measure of the Company's performance is the percentage change in its pre-tax NTA. On this measure, the Company's return was 12.7% for the 12 months to 30 June 2023.

To keep shareholders fully informed, PMC releases weekly and monthly calculations of its net tangible asset backing per share to the ASX. Platinum publishes monthly investment performance updates and quarterly investment reports to shareholders.

DIVIDENDS

The Company determined to pay a 2023 fully franked final dividend of 3 cents per share, bringing the total dividends determined for the 2023 financial year to 6 cents per share. This represented a grossed-up dividend yield of 6.8% based on the 30 June 2023 closing share price.

The Board aims to deliver a consistent stream of fully franked dividends to shareholders, over time, through its policy of dividend smoothing, subject to future earnings, cash flows, franking credits and accounting profits. The ability to pay future fully franked dividends will continue to depend on the Company's ability to generate realised profits and pay tax.

The Company generates franking credits by paying tax on profits at the Australian company tax rate of 30%. The Australian company tax rate will continue to apply unless the Company qualifies as a 'base rate entity', which would mean that a 25% tax rate would apply for that year.

To the extent that any profits are not distributed as dividends, the Board may set aside such undistributed profits to a separate dividend profit reserve to facilitate the payment of future fully franked dividends, subject to the balance of the franking account. The ability to manage the level of fully franked dividend payments over time is a key strength of the Company's listed investment company structure.

The Company's dividend reinvestment plan ("DRP") provides shareholders with the option to receive some or all of their future dividends as ordinary shares in the Company instead of cash. Under the DRP, the DRP 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 discount will be applied to the DRP issue price.

CAPITAL MANAGEMENT

Following the capital management initiatives announced to the ASX on 25 October 2022, each eligible shareholder of the Company received one bonus option for nil consideration for every four ordinary shares held on the record date of 20 April 2023. The bonus options have an exercise price of \$1.37 and expiry date of 28 March 2024. The bonus options are trading on the ASX under the ASX code PMCO. The Company issued 28,996 new PMC ordinary shares as a result of bonus options exercised during May and June 2023.

On 6 April 2023, the Company extended the on-market share buy-back for up to 10 per cent of PMC's issued share capital for another 12 months. No shares have been bought back as at 30 June 2023.

The Board continues to monitor the Company's share price relative to pre-tax NTA, which is currently at a discount consistent with the broader global equities closed-end listed investment market, generally.

ENVIRONMENTAL, SOCIAL & GOVERNANCE MATTERS (ESG)

The Board acknowledges that ESG is a growing focus for investors. The investment objective of the Company is to provide capital growth over the long-term by investing in undervalued companies from around the world. Platinum may take ESG issues into account as part of its fundamental investment research process to the extent that such issues impact Platinum's view of a company's inherent value. Consideration of such ESG issues provides Platinum with an expanded information set by which Platinum assesses the risks and opportunities facing companies. Platinum's Responsible Investment Policy outlines their approach to ESG.

OTHER CORPORATE GOVERNANCE MATTERS

Mr Jim Clegg retired from the Board with effect from 30 June 2023.

The Board continued to monitor the performance of Platinum and its adherence to the investment management and administration agreements with the full and transparent co-operation of Platinum's management team. The Company's Audit, Risk and Compliance Committee (ARCC) reviewed and recommended to the Board the approval of the full-year and half-year statutory accounts and reports, continued to review the Company's risk management framework, and received regular reporting from Platinum's management team on compliance and risk management matters and the impact of changes to the legal and regulatory environment affecting the Company.

Accordingly, I am confident in the integrity and reporting of the Company's financial results to shareholders.

OUTLOOK FOR 2023-2024

As highlighted recently by Platinum, *"As we have noted in past reports, there continue to be significant divergences in stock price performance and valuations across different sectors and countries. The result is that many companies continue to trade at high valuations, while others trade at levels consistent with difficult economic and market conditions. The opportunity for us here is similar to that at the start of 2022, which is to avoid (or short) the former while buying the latter."*

"While we would not be surprised to see a significant setback in markets as the impact of higher interest rates flows through to earnings, we are not overly focused on such predictions. We believe the best approach is not to get caught up in the short term and instead focus on likely outcomes in different sectors over the next five years and beyond. As such, we continue to focus our search for opportunities amongst companies that will benefit from the decarbonisation of the global economy, diversification of supply chains and reshoring of production, ongoing higher levels of interest rates, and a recovering China."

ANNUAL GENERAL MEETING

My fellow directors and I are pleased to invite you to the Company's annual general meeting ("AGM") to be held on 26 October 2023 as a hybrid event whereby shareholders can either attend in person or otherwise join online.

The AGM notice, including details on how to join the meeting, will be dispatched to shareholders in the coming weeks.

FINALLY

On behalf of the Board, I wish to express our appreciation for the excellent work done by Andrew Clifford, Clay Smolinski and Nikola Dvornak and Platinum's broader investment team over the last year.

I would also like to take the opportunity to thank Mr Jim Clegg for his valuable contribution to the Board over his many years of tenure.

Finally, on behalf of the Board, I thank shareholders for their support.

Margaret Towers
Chairperson
17 August 2023

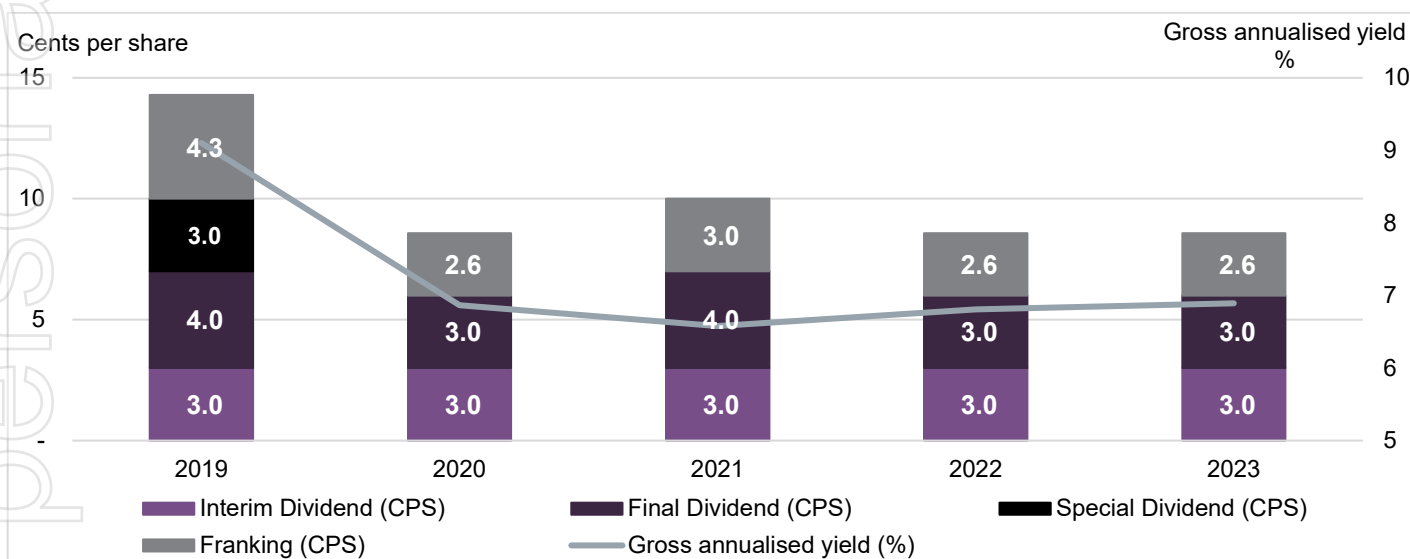
| | | |
|--|---|---|
| 12.7% 12 month performance (based on Pre-Tax NTA ⁱ) | 3cps final fully-franked dividend | 6.8% Gross dividend yield ⁱⁱ |
|--|---|---|

| | |
|--|----------------|
| Inception Date | 29 / 06 / 1994 |
| Market capitalisation | 372.4m |
| Share price | \$1.26 |
| Shares on issue | 295,521,661 |
| Net Tangible Assets (pre-tax) per share | \$1.5503 |
| Net Tangible Assets (post-tax) per share | \$1.5271 |
| Net assets | \$451.3m |
| Fully franked dividend capacity ⁱⁱⁱ | 5.4cps |

PMC'S PRE-TAX NTA RETURN %ⁱ VERSUS MSCI AC WORLD NET INDEX:

| | PMC | MSCI |
|-----------------|-------|-------|
| 1 year | 12.7% | 20.4% |
| 5 years | 4.8% | 10.4% |
| 10 years | 8.4% | 12.3% |
| Since inception | 11.1% | 7.6% |

5 YEAR DIVIDEND HISTORY



- i. The pre-tax NTA return is calculated after the deduction of fees and expenses, adjusted for corporate taxes paid, and any capital flows and assumes the reinvestment of dividends.
- ii. Gross dividend yield is based on the 2023 interim dividend of 3 cents per share plus the 2023 final dividend of 3 cents per share both grossed up for franking credits and the closing share price as at 30 June 2023.
- iii. This is the maximum fully-franked dividend that can be paid based on the franking credit balance and shares on issue as at 30 June 2023 after adjusting for the 2023 tax payable and the 2022 final dividend of 3 cents per share.

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

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Platinum[®]
CAPITAL LIMITED

Annual Report

30 June 2023

Platinum Capital Limited | ABN 51 063 975 431

DIRECTORS

Margaret Towers
Richard Morath
Ian Hunter
Jim Clegg (retired 30 June 2023)
(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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Sydney NSW 2000
Phone 1300 726 700 (Australia only)
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Phone +61 2 9255 7500

SHARE REGISTRAR

Link Market Services Limited
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 and options are listed on the Australian Securities Exchange
ASX code (ordinary shares): **PMC**
ASX code (options): **PMCO**

WEBSITE

www.platinumcapital.com.au

CORPORATE GOVERNANCE STATEMENT

www.platinum.com.au/PlatinumSite/media/Find-a-form/pmc_corp_gov.pdf

The shareholder information set out below was applicable as at 8 August 2023.

DISTRIBUTION OF ORDINARY SHARES

Analysis of number of ordinary shareholders by size of holding:

| | NUMBER OF HOLDERS OF ORDINARY SHARES |
|--|--------------------------------------|
| 1 to 1,000 | 1,066 |
| 1,001 to 5,000 | 1,725 |
| 5,001 to 10,000 | 1,712 |
| 10,001 to 100,000 | 4,938 |
| 100,001 and over | 344 |
| Total | 9,785 |
| Holding less than a marketable parcel (of \$500) | 700 |

TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest shareholders of the Company are listed below:

| | ORDINARY SHARES | |
|---|-------------------|--------------------------|
| | NUMBER HELD | % OF TOTAL SHARES ISSUED |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 18,370,528 | 6.22 |
| SYSHA PTY LTD | 13,960,000 | 4.72 |
| CITICORP NOMINEES PTY LIMITED | 5,960,969 | 2.02 |
| BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD | 5,104,401 | 1.73 |
| NULIS NOMINEES (AUSTRALIA) LIMITED | 4,625,449 | 1.57 |
| LEKK PTY LTD | 4,000,000 | 1.35 |
| MR WILLIAM KERR NEILSON | 1,977,646 | 0.67 |
| JORLYN PTY LTD | 1,900,000 | 0.64 |
| MAD ANT PTY LTD | 1,694,406 | 0.57 |
| INTECH SOLUTIONS PTY LTD | 1,650,000 | 0.56 |
| BNP PARIBAS NOMINEES PTY LTD | 1,571,214 | 0.53 |
| NAVIGATOR AUSTRALIA LTD | 1,414,604 | 0.48 |
| NETWEALTH INVESTMENTS LIMITED | 1,221,939 | 0.41 |
| MR RAYMOND IRESON | 917,193 | 0.31 |
| PERPETUAL CORPORATE TRUST LTD | 859,465 | 0.29 |
| JCHP INVESTMENTS PTY LTD | 841,046 | 0.28 |
| HOWMAINS PTY LTD | 811,972 | 0.27 |
| AUSTRALIAN EXECUTOR TRUSTEES LIMITED | 757,763 | 0.26 |
| DONALD CANT PTY LTD | 640,083 | 0.22 |
| IOOF INVESTMENT SERVICES LIMITED | 624,075 | 0.21 |
| | 68,902,753 | 23.31 |

The optionholder information set out below was applicable as at 8 August 2023.

DISTRIBUTION OF OPTIONS

Analysis of number of option holders by size of holding:

| | NUMBER OF HOLDERS OF OPTIONS |
|--|------------------------------|
| 1 to 1,000 | 2,373 |
| 1,001 to 5,000 | 4,171 |
| 5,001 to 10,000 | 1,693 |
| 10,001 to 100,000 | 1,342 |
| 100,001 and over | 50 |
| Total | 9,629 |
| Holding less than a marketable parcel (of \$500) | 9,379 |

TWENTY LARGEST OPTION HOLDERS*

The names of the twenty largest option holders of the Company are listed below:

| | OPTIONS | |
|---|-------------------|---------------------------|
| | NUMBER HELD | % OF TOTAL OPTIONS ISSUED |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 4,446,285 | 6.02 |
| SYSHA PTY LTD | 3,490,000 | 4.73 |
| BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD | 1,144,954 | 1.55 |
| NULIS NOMINEES (AUSTRALIA) LIMITED | 1,030,847 | 1.40 |
| LEKK PTY LTD | 1,000,000 | 1.35 |
| CITICORP NOMINEES PTY LIMITED | 537,422 | 0.73 |
| MR WILLIAM KERR NEILSON | 494,412 | 0.67 |
| BNP PARIBAS NOMINEES PTY LTD BARCLAYS | 477,983 | 0.65 |
| JORLYN PTY LTD | 475,000 | 0.64 |
| MAD ANT PTY LTD | 423,602 | 0.57 |
| INTECH SOLUTIONS PTY LTD | 412,500 | 0.56 |
| BNP PARIBAS NOMINEES PTY LTD | 368,132 | 0.50 |
| GEMMELL POWELL SUPERFUND PTY LIMITED | 312,953 | 0.42 |
| NAVIGATOR AUSTRALIA LTD | 305,720 | 0.41 |
| SB SMSF PTY LTD | 300,000 | 0.41 |
| CAPITOL SECURITIES PTY LTD | 295,630 | 0.40 |
| MR KAR SIN FOONG | 271,953 | 0.37 |
| NETWEALTH INVESTMENTS LIMITED | 250,007 | 0.34 |
| ASB NOMINEES LIMITED | 250,000 | 0.34 |
| JANUNAN PTY LTD | 249,000 | 0.34 |
| | 16,536,400 | 22.40 |

SUBSTANTIAL SHAREHOLDERS / OPTION HOLDERS

There are no substantial shareholders or option holders in the Company.

VOTING RIGHTS

Ordinary shares

Every shareholder is entitled to one vote and upon a poll each share shall have one vote.

Options

An option holder is not entitled to attend or vote at general meetings.

DISTRIBUTION OF ANNUAL REPORT TO SHAREHOLDERS

The law allows for an “opt in” regime through which shareholders will receive a printed hard copy version of the Annual Report only if they request one. The Directors have decided to only mail out an Annual Report to those shareholders who have “opted in”.

FINANCIAL CALENDAR

| | |
|--|-------------------|
| Ordinary shares trade ex-dividend | 24 August 2023 |
| Record date (books close) for dividend | 25 August 2023 |
| Dividend payment date | 15 September 2023 |

These dates are indicative and are subject to change.

NOTICE OF ANNUAL GENERAL MEETING (“AGM”)

The AGM of Platinum Capital Limited will be held on Thursday, 26 October 2023. Details of how to join the meeting will be included in the AGM notice.

QUESTIONS FOR THE AGM

If you would like to submit a question prior to the AGM, to be addressed at the AGM, you may e-mail your question to invest@platinum.com.au.

INVESTMENT STRUCTURE

Platinum Capital Limited (the “Company”) is a listed investment company (“LIC”) whose shares and options are listed on the Australian Securities Exchange (“ASX”) and traded in the same way as other listed shares and options. Being a LIC, the Company:

- is closed-ended which means that the underlying portfolio can be managed without concern for fluctuating cash flows;
- is taxed at source and can therefore distribute available profits to shareholders in the form of dividends, usually fully franked (depending on the availability of franking credits); and
- has established a dividend profit reserve which creates the opportunity for the smoothing of dividends from year to year, at the discretion of the Board.

Shares in the Company can trade at a premium or discount to their net tangible asset backing per share (“NTA”), which is calculated and announced to the ASX weekly and monthly.

The Company delegates its investment management and administration functions to Platinum Investment Management Limited (trading as Platinum Asset Management) (the “Investment Manager”) which employs a team of experienced investment professionals and administration personnel to perform those services. The Company and the Investment Manager are separate legal entities.

INVESTMENT OBJECTIVE

The investment objective of the Company is to provide capital growth over the long term by investing in companies worldwide which the Investment Manager perceives to be undervalued by the market.

INVESTMENT METHODOLOGY

The Investment Manager’s investment approach is index-agnostic and seeks to identify and take advantage of opportunities created by anomalies between a company’s share price and its intrinsic value. Transitory events can have a disproportionate effect on the share prices of companies, either positive or negative, and hence there is a tendency for share prices to deviate significantly at times from their inherent value.

For a more detailed discussion of the Investment Manager’s methodology and processes we encourage you to visit the Investment Manager’s website at www.platinumcapital.com.au.

MANAGING CURRENCY EXPOSURES

International equity investments create an exposure to foreign currency fluctuations. Consequently, part of the Company’s investment strategy is to assess the potential returns and risks created by currency exposures and to seek to maximise the return as reported in Australian dollars. To this end the Investment Manager uses foreign currency forward contracts, currency swaps, non-deliverable forwards and currency options, as well as spot foreign exchange transactions to actively manage currency exposures.

STRATEGIES AIMED AT CONTAINING LOSSES AND DELIVERING SOLID ABSOLUTE RETURNS

While the Company’s primary objective is to generate capital growth over the long term, the Investment Manager also seeks to mitigate the risk of significant capital losses by employing a range of strategies which include adjusting cash levels, deploying funds from overvalued to undervalued stocks and short selling (usually through equity derivatives).

The Investment Manager has historically endeavoured to maintain an effective cash level of between 15% and 30% of the portfolio value. In the event of a significant downturn, cash not only acts as a valuable cushion but also provides additional liquidity to take advantage of opportunities as they arise.

Timing the implementation of these strategies, however, is challenging and though the rewards can be gratifying, patience is often required. The nature of markets means it can take time for inappropriately valued geographical regions, industry sectors or individual stocks to become more widely recognised and for prices to revert closer to their inherent values.

In respect of the year ended 30 June 2023, the Directors of Platinum Capital Limited (the "Company") submit the following report prepared in accordance with a resolution of the Directors.

DIRECTORS

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

| | |
|-----------------|---|
| Margaret Towers | Chairperson and Independent Non-Executive Director |
| Richard Morath | Independent Non-Executive Director |
| Ian Hunter | Independent Non-Executive Director |
| Jim Clegg | Independent Non-Executive Director (retired 30 June 2023) |

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 12 months to 30 June 2023, the net profit before income tax was \$54,123,000 (2022: loss of \$27,757,000) and net profit after income tax was \$37,881,000 (2022: loss of \$19,425,000).

For the 12 months to 30 June 2023, the Company delivered a return of 12.7%¹ (measured by its pre-tax NTA) compared to a return of 20.4% for the MSCI All Country World Net Index in A\$ terms.²

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 12 months to 30 June 2023 the Company's pre-tax NTA increased from \$1.47 to \$1.55. The increase is after 6 cents per share in dividends and the equivalent of 4 cents per share in taxes paid during the financial year.

In the June 2023 quarterly report the Investment Manager commented that: *"While we would not be surprised to see a significant setback in markets as the impact of higher interest rates flows through to earnings, we are not overly focused on such predictions. We believe the best approach is not to get caught up in the short term and instead focus on likely outcomes in different sectors over the next five years and beyond."*

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

¹ Source: Platinum Investment Management Limited (Company returns) 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).

CAPITAL MANAGEMENT

The Directors continue to monitor the Company's share price relative to pre-tax NTA, which is currently at a discount, consistent with the broader global equities closed-end listed investment market. At this stage the Directors do not see the need to commence an on-market share buy-back.

On 13 April 2023, the Company announced a pro-rata non-renounceable issue of one bonus option for every four ordinary shares held by eligible shareholders on the record date of 20 April 2023. The options have an exercise price of \$1.37 and expiry date of 28 March 2024. Details on options exercised are provided in Note 7 to the financial statements. The options are trading on the ASX under the ASX code PMCO.

One objective of 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 2023 fully franked final dividend of 3 cents per share (\$8,866,000) with a record date of 25 August 2023 and payable to shareholders on 15 September 2023, out of the dividend profit reserve. The total dividend amount is estimated based on the number of shares on issue as at 30 June 2023. The number of shares entitled to a dividend on the record date may increase if options are exercised. Together with the 2023 interim dividend of 3 cents per share this represents a grossed up dividend yield of 6.8% based on the 30 June 2023 closing share price. At 30 June 2023 the available franking credit balance after providing for the 2023 final dividend would enable the payment of a fully franked dividend up to 5.4 cents per share.

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 traded 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 reinvestment.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Apart from the dividend determined, no matter or circumstance has arisen since 30 June 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.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Company will continue to pursue its investment objective which is to provide capital growth over the long term by investing in companies worldwide which the Investment Manager perceives to be undervalued by the market. The methods of operating the Company are not expected to change in the foreseeable future.

ENVIRONMENTAL, SOCIAL & GOVERNANCE ("ESG") REPORTING

Shareholders are encouraged to read the Investment Manager's Corporate Responsibility and Sustainability Report, which is available at www.platinum.com.au/About-Platinum/ptm-shareholders.

For further information on the Investment Manager's approach to ESG refer to the website at <https://www.platinum.com.au/ESG>.

It is noted that the Company is not subject to any significant environmental regulation under Commonwealth, State or Territory laws.

MANAGING TAX RISK

The Board is committed to acting with integrity and transparency in all tax matters. The Company aims to meet all of its obligations under the law and pay the correct amount of tax to the relevant authorities. The Company has established a Tax Risk Management and Governance Policy which ensures an adequate framework is in place to allow for the effective management of tax risks in an appropriate and consistent manner. The policy describes the Company's approach to managing tax risk including key responsibilities, key controls and reporting mechanisms.

INFORMATION ON DIRECTORS

Margaret Towers CA, GAICD

Ms Towers was appointed as an Independent Non-Executive Director on 31 March 2018. Ms Towers is the Board Chair and also serves as a member of the Audit, Risk and Compliance Committee.

Ms Towers has over 35 years' experience operating at board and senior management levels within the wealth management and investment banking sectors of the Australian financial services industry.

Ms Towers is a Non-Executive Director of Platinum Asia Investments Limited. Ms Towers was previously a Non-Executive Director of Platinum Asset Management Limited (serving on its Audit, Risk & Compliance Committee and Nomination & Remuneration Committee) and IMB Limited (serving as Chair and member of IMB's Risk Committee, Audit Committee and Financial Planning Committee).

Ian Hunter BA, LLB, MBA

Mr Hunter was appointed as an Independent Non-Executive Director on 9 September 2021 and serves as a member of the Audit, Risk and Compliance Committee.

Mr Hunter has over 40 years' experience in finance and the investment industry having held several roles in corporate finance and equity capital markets at international banks.

Mr Hunter is a Non-Executive Director of Platinum Asia Investments Limited and Ironbark Capital Limited and was previously a Non-Executive Director of several other listed companies.

Richard Morath BA, FIAA

Mr Morath was appointed as an Independent Non-Executive Director on 27 March 2009 and is Chair of the Audit, Risk & Compliance Committee.

Mr Morath has over 40 years' experience in life insurance, funds management, banking and financial planning.

Mr Morath is a Non-Executive Director of Platinum Asia Investments Limited.

Jim Clegg BRurSc (Hons), DipAgEc

Mr Clegg was appointed as an Independent Non-Executive Director on 5 June 2015 and retired as a director effective 30 June 2023. During his tenure, he was a member of the Audit, Risk and Compliance Committee.

Mr Clegg has over 40 years' experience in the financial services industry.

Mr Clegg was a Non-Executive Director of Platinum Asia Investments Limited and was the founding Managing Director of Pembroke Financial Planners. He has been a Non-Executive Director of Godfrey Pembroke, Berkley Group and Centric Wealth and a trustee of The Walter and Eliza Hall Trust.

INFORMATION ON COMPANY SECRETARY

Joanne Jefferies BCom, LLB

Ms Jefferies was appointed Platinum's General Counsel and Group Company Secretary on 17 October 2016. Ms Jefferies serves as the Company Secretary for Platinum Asset Management Limited and a number of its subsidiary entities. She is also the Company Secretary of Platinum Asia Investment Limited.

Ms Jefferies is an English law qualified solicitor with more than 27 years' experience in financial services law and corporate governance specialising in asset management and banking, in England and across Asia Pacific.

Ms Jefferies previously worked for BNP Paribas Securities Services, where she was Head of Legal, Asia Pacific and Company Secretary of all Australian subsidiaries. Prior to this Ms Jefferies held senior legal positions with Russell Investments, Morley Funds Management (Aviva Investors) and Lord Abbett. She also served as the General Counsel for the UK's funds management industry association, the Investment Association.

Ms Jefferies was a Non-Executive Director of Australian Pain Management Association Limited.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors (the "Board") and Audit, Risk and Compliance Committee held during the year ended 30 June 2023 and the number of meetings attended by each Director/Committee member were:

| | BOARD MEETINGS ATTENDED/HELD | AUDIT, RISK AND COMPLIANCE COMMITTEE MEETINGS ATTENDED/HELD |
|----------------------------------|---------------------------------|---|
| Margaret Towers | 8/8 | 6/6 |
| Richard Morath | 8/8 | 6/6 |
| Ian Hunter | 8/8 | 6/6 |
| Jim Clegg (retired 30 June 2023) | 8/8 | 6/6 |

The Audit, Risk and Compliance Committee meet at least one week prior to the formal adoption of the interim and annual financial statements, in order to carry out a detailed review of the financial statements.

Directors' remuneration is detailed further in the Remuneration Report.

INDEMNITY AND INSURANCE OF DIRECTORS OR OFFICERS

During the year the Company incurred a premium in respect of a contract for indemnity insurance for the Directors and officers of the Company named in this report.

INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the year, indemnified or agreed to indemnify the auditor of the Company against a liability incurred by the auditor in relation to the conduct of the audit. During the year the Company has not paid a premium in respect of a contract to insure the auditor of the Company.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for audit and other (non-audit) services provided during the year by the auditor are outlined in Note 17 to the financial statements.

The Directors are of the opinion that the services as disclosed in Note 17 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110: *Code of Ethics for Professional Accountants* issued by the Accounting Professional and Ethical Standards Board.

The Directors are satisfied that the provision of non-audit services during the year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

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


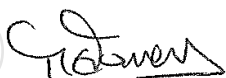
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 14.

AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Margaret Towers
Chairperson

Richard Morath
Director

17 August 2023
Sydney

For personal

EXECUTIVE SUMMARY

- The Company had four key management personnel (“KMP”) during the financial year, being the Directors of the Company.
- The aggregate annual remuneration paid by the Company to the Chairperson during the financial year was \$55,250 (including superannuation).
- The Company does not pay bonuses to any of its Directors.

INTRODUCTION

The Directors of Platinum Capital Limited present the Remuneration Report prepared in accordance with section 300A of the *Corporations Act 2001* for the year ended 30 June 2023.

The information provided in this Remuneration Report forms part of the Directors’ Report and has been audited by the Company’s auditor, PricewaterhouseCoopers, as required by section 308 of the *Corporations Act 2001*.

KEY MANAGEMENT PERSONNEL (“KMP”)

For the purposes of this report the KMP of the Company in office during the financial year were:

| NAME | POSITION |
|-----------------|---|
| Margaret Towers | Chairperson and Independent Non-Executive Director |
| Richard Morath | Independent Non-Executive Director |
| Ian Hunter | Independent Non-Executive Director |
| Jim Clegg | Independent Non-Executive Director (retired 30 June 2023) |

SHAREHOLDERS’ APPROVAL OF THE 2022 REMUNERATION REPORT

A 25% or higher “no” vote on the remuneration report at an AGM triggers a reporting obligation on a listed company to explain in its next annual report how concerns are being addressed.

The Company received 94.44% of “yes” votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

PRINCIPLES, POLICY AND COMPONENTS OF NON-EXECUTIVE DIRECTORS’ REMUNERATION

The Constitution of the Company requires approval by shareholders at a general meeting of a maximum amount of remuneration to be paid to the Non-Executive Directors.

The aggregate amount of remuneration that can be paid to the Non-Executive Directors, which was approved by shareholders at the 2005 Annual General Meeting, is \$350,000 per annum (including superannuation). Despite the ability to pay remuneration up to this level, \$187,850 in aggregate was paid to the Directors in 2023 (2022: \$187,003).

Remuneration paid to the Non-Executive Directors is designed to ensure that the Company can attract and retain suitably qualified and experienced directors.

It is the policy of the Board to remunerate at market rates commensurate with the responsibilities borne by the Non-Executive Directors. Non-Executive Directors received a fixed fee and mandatory superannuation. Directors do not receive performance-based or earnings-based remuneration and are not eligible to participate in any equity-based incentive plans.

Remuneration for the Non-Executive Directors is reviewed annually by the Board and is set at market rates commensurate with the responsibilities borne by the Non-Executive Directors. Independent professional advice may be sought. No other retirement benefits (other than mandatory superannuation) are provided to the Non-Executive Directors. Any Non-Executive Director may retire or resign from the Board or be removed by a resolution of shareholders.

REMUNERATION FOR DIRECTORS

The table below presents amounts received by the Directors.

| NAME | CASH SALARY | SUPERANNUATION | SHORT-TERM INCENTIVES | LONG-TERM INCENTIVES | TOTALS |
|---------------------------|-------------|----------------|-----------------------|----------------------|---------|
| | \$ | \$ | \$ | \$ | \$ |
| Margaret Towers | | | | | |
| FY 2023 | 50,000 | 5,250 | - | - | 55,250 |
| FY 2022 | 51,885 | 5,188 | - | - | 57,073 |
| Richard Morath | | | | | |
| FY 2023 | 40,000 | 4,200 | - | - | 44,200 |
| FY 2022 | 42,828 | 4,283 | - | - | 47,111 |
| Jim Clegg | | | | | |
| FY 2023 | 40,000 | 4,200 | - | - | 44,200 |
| FY 2022 | 42,828 | 4,283 | - | - | 47,111 |
| Ian Hunter | | | | | |
| FY 2023 | 40,000 | 4,200 | - | - | 44,200 |
| FY 2022 | 32,462 | 3,246 | - | - | 35,708 |
| Total Remuneration | | | | | |
| FY 2023 | 170,000 | 17,850 | - | - | 187,850 |
| FY 2022 | 170,003 | 17,000 | - | - | 187,003 |

EMPLOYMENT ARRANGEMENTS OF KMP

The Directors are the Company's KMP. The key aspects of the Directors' contracts are as follows:

- Remuneration and other terms of service for Directors are formalised in letters of appointment that all Directors have signed.
- All contracts with Directors include the components of remuneration that are to be paid to KMP and provide for annual review, but do not prescribe how remuneration levels are to be modified from year to year.
- The tenure of the Directors is subject to approval by shareholders at every third AGM or other general meeting convened for the purposes of election of Directors.
- In the event of termination, all KMP are only entitled to receive their statutory entitlements.
- Directors may resign by written notice to the Chair and where circumstances permit, it is desirable that reasonable notice of an intention to resign is given to assist the Board in succession planning.

LINK BETWEEN THE REMUNERATION OF THE DIRECTORS AND COMPANY PERFORMANCE

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---------|----------|---------|----------|-------------------|
| Total net investment income/(loss) (\$'000) | 60,623 | (20,776) | 103,952 | (8,787) | 6,538 |
| Expenses (\$'000) | (6,500) | (6,981) | (6,671) | (6,481) | (6,558) |
| Net profit/(loss) after tax (\$'000) | 37,881 | (19,425) | 68,272 | (10,125) | (373) |
| Earnings per share (cents per share) | 12.85 | (6.63) | 23.43 | (3.50) | (0.13) |
| Dividends (cents per share) | 6.0 | 6.0 | 7.0 | 6.0 | 10.0 ¹ |
| Net Tangible Asset backing (pre-tax) (30 June) (\$ per share) | 1.5503 | 1.4695 | 1.6773 | 1.4080 | 1.5686 |
| Closing share price (30 June) (\$) | 1.26 | 1.26 | 1.52 | 1.25 | 1.57 |
| Closing option price (30 June) (\$) | 0.017 | | | | |
| Total remuneration (salary and superannuation) paid (\$) | 187,850 | 187,003 | 186,150 | 186,150 | 186,150 |

The remuneration of the Directors is not linked to the performance of the Company.

1. Includes the payment of a 3 cents per share special dividend paid in March 2019.

INTERESTS OF DIRECTORS IN SHARES AND OPTIONS

The relevant interest in ordinary shares of the Company that each Director held at balance date was:

| | OPENING BALANCE | ACQUISITIONS | DISPOSALS | RETIREMENT | CLOSING BALANCE |
|--------------------------|-----------------|--------------|-----------|------------|-----------------|
| Margaret Towers | 50,000 | - | - | - | 50,000 |
| Richard Morath | 42,372 | - | - | - | 42,372 |
| Ian Hunter | 100,000 | - | - | - | 100,000 |
| Jim Clegg ⁽¹⁾ | 59,972 | - | - | (59,972) | - |

1. Retirement represents the number of ordinary shares held by Jim Clegg on the date he retired as a director and therefore ceased to be a KMP.

The relevant interest in the options of the Company that each Director held at balance date was:

| | OPENING BALANCE | ACQUISITIONS | DISPOSALS | RETIREMENT | CLOSING BALANCE |
|--------------------------|-----------------|--------------|-----------|------------|-----------------|
| Margaret Towers | - | 12,500 | - | - | 12,500 |
| Richard Morath | - | 10,593 | - | - | 10,593 |
| Ian Hunter | - | 25,000 | - | - | 25,000 |
| Jim Clegg ⁽¹⁾ | - | 14,993 | - | (14,993) | - |

1. Retirement represents the number of options held by Jim Clegg on the date he retired as a director and therefore ceased to be a KMP.

Options held by the Directors are subject to the same terms and conditions as disclosed in note 7 of the financial statements.



Auditor's Independence Declaration

As lead auditor for the audit of Platinum Capital Limited for the year ended 30 June 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 audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'CJ Cummins'.

CJ Cummins
Partner
PricewaterhouseCoopers

Sydney
17 August 2023

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GENERAL INFORMATION

The financial statements cover Platinum Capital Limited as an individual entity. The financial statements are 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

A description of the nature of the Company's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 17 August 2023.

The Directors have the power to amend and reissue the financial statements.

Statement of profit or loss and other comprehensive income

FOR THE YEAR ENDED 30 JUNE 2023

| | NOTE | 2023 \$'000 | 2022 \$'000 |
|---|------|----------------|-----------------|
| Investment income | | | |
| Dividends | | 7,703 | 8,744 |
| Interest income | | 1,270 | 36 |
| Net gains/(losses) on equities, convertible notes, foreign currency forward contracts and other derivatives | | 52,046 | (32,320) |
| Net foreign exchange gains/(losses) on overseas bank accounts | | (396) | 2,764 |
| Total investment income | | 60,623 | (20,776) |
| Expenses | | | |
| Management fees | 18 | (4,942) | (5,138) |
| Custody | | (156) | (257) |
| Share registry | | (130) | (107) |
| Continuous reporting disclosure | | (225) | (206) |
| Directors' fees | 18 | (188) | (187) |
| Auditor's remuneration and other services | 17 | (105) | (106) |
| Interest expense | | (121) | (167) |
| Brokerage costs | | (201) | (200) |
| Transaction costs | | (61) | (165) |
| Insurance | | (269) | (318) |
| Other expenses | | (102) | (130) |
| Total expenses | | (6,500) | (6,981) |
| Profit/(loss) before income tax expense/benefit | | 54,123 | (27,757) |
| Income tax (expense)/benefit | 3(a) | (16,242) | 8,332 |
| Profit/(loss) after income tax (expense)/benefit for the year attributable to the owners of Platinum Capital Limited | | 37,881 | (19,425) |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive income/(loss) for the year attributable to the owners of Platinum Capital Limited | | 37,881 | (19,425) |
| Basic earnings per share (cents per share) | 10 | 12.85 | (6.63) |
| Diluted earnings per share (cents per share) | 10 | 12.85 | (6.63) |

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 30 JUNE 2023

| | NOTE | 2023 \$'000 | 2022 \$'000 |
|--|-------|----------------|----------------|
| Assets | | | |
| Cash at bank | 11(a) | 23 | 22 |
| Cash on deposit held within the portfolio | 11(a) | 57,030 | 106,022 |
| Receivables | 5 | 1,755 | 2,387 |
| Financial assets at fair value through profit or loss | 4, 13 | 405,686 | 326,099 |
| Income tax receivable | 3(b) | 196 | - |
| Deferred tax asset | 3(c) | - | 4,288 |
| Total assets | | 464,690 | 438,818 |
| Liabilities | | | |
| Payables | 6 | 802 | 774 |
| Financial liabilities at fair value through profit or loss | 4, 13 | 5,539 | 1,845 |
| Income tax payable | 3(b) | - | 7,137 |
| Deferred tax liability | 3(c) | 7,049 | - |
| Total liabilities | | 13,390 | 9,756 |
| Net assets | | 451,300 | 429,062 |
| Equity | | | |
| Issued capital | 7 | 394,682 | 392,665 |
| Accumulated losses | | (75,060) | (75,060) |
| Dividend profit reserve | 8 | 131,678 | 111,457 |
| Total equity | | 451,300 | 429,062 |

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

Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2023

| | NOTE | ISSUED CAPITAL \$'000 | ACCUMULATED LOSSES \$'000 | DIVIDEND PROFIT RESERVE \$'000 | TOTAL EQUITY \$'000 |
|--|------|-----------------------------|---------------------------------|---|---------------------------|
| Balance at 1 July 2021 | | 390,128 | (50,807) | 127,112 | 466,433 |
| Profit/(Loss) after income tax expense for the half to 31 December 2021 | | - | 4,828 | - | 4,828 |
| Profit/(Loss) after income tax expense for the half to 30 June 2022 | | - | (24,253) | - | (24,253) |
| Other comprehensive income/(loss) for the year, net of tax | | - | - | - | - |
| Total comprehensive income/(loss) for the year | | - | (19,425) | - | (19,425) |
| Transfer of profit after income tax for the half to 31 December 2021, to the dividend profit reserve | 8 | - | (4,828) | 4,828 | - |
| <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 | 7 | 2,537 | - | - | 2,537 |
| Dividends paid | 9 | - | - | (20,483) | (20,483) |
| Balance at 30 June 2022 | | 392,665 | (75,060) | 111,457 | 429,062 |

| | NOTE | ISSUED CAPITAL \$'000 | ACCUMULATED LOSSES \$'000 | DIVIDEND PROFIT RESERVE \$'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 to 31 December 2022 | | - | 22,274 | - | 22,274 |
| Profit/(Loss) after income tax expense for the half to 30 June 2023 | | - | 15,607 | - | 15,607 |
| Other comprehensive income/(loss) for the year, net of tax | | - | - | - | - |
| Total comprehensive income/(loss) for the year | | - | 37,881 | - | 37,881 |
| Transfer of profit after income tax for the half to 31 December 2022, to the dividend profit reserve | 8 | - | (22,274) | 22,274 | - |
| Transfer of profit after income tax for the half to 30 June 2023, to the dividend profit reserve | 8 | - | (15,607) | 15,607 | - |
| <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 | 7 | 2,044 | - | - | 2,044 |
| Net proceeds from issue of shares associated with exercise of options | 7 | (27) | - | - | (27) |
| Dividends paid | 9 | - | - | (17,660) | (17,660) |
| Balance at 30 June 2023 | | 394,682 | (75,060) | 131,678 | 451,300 |

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

Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2023

| | NOTE | 2023 \$'000 | 2022 \$'000 |
|--|-------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Payments for purchase of financial assets | | (252,237) | (232,297) |
| Proceeds from sale of financial assets | | 229,190 | 292,655 |
| Dividends received | | 7,039 | 7,275 |
| Interest received/(paid) | | 914 | (148) |
| Management fees paid | 18 | (4,919) | (5,191) |
| Other expenses paid | | (1,413) | (1,735) |
| Income tax paid | | (11,506) | (11,342) |
| Net cash from operating activities | 11(b) | (32,932) | 49,217 |
| Cash flows from financing activities | | | |
| Dividends paid – net of dividend re-investment plan | 7, 9 | (15,671) | (18,007) |
| Proceeds from issue of shares in relation to unclaimed dividends | 7 | 55 | 61 |
| Proceeds from issue of shares in relation to exercise of options | 7 | 39 | - |
| Cost of issuing of shares in relation to exercise of options | 7 | (86) | - |
| Net cash used in financing activities | | (15,663) | (17,946) |
| Net increase/(decrease) in cash and cash equivalents | | (48,595) | 31,271 |
| Cash and cash equivalents at the beginning of the year | | 106,044 | 72,009 |
| Effects of exchange rate changes on cash and cash equivalents | | (396) | 2,764 |
| Cash and cash equivalents at the end of the year | 11(a) | 57,053 | 106,044 |
| Non-cash financing activities: dividend re-investment plan | 7 | | |

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below or in the relevant note to which the policy relates. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value.

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 assets and liabilities. The majority of receivables and payables are expected to be recovered or settled within 12 months, whereas tax and investment balances may be recovered after 12 months.

New and amended 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 2022 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

New standards, amendments and interpretations effective after 1 July 2023 and have not been early adopted

A number of new standards, amendments and interpretations are effective for annual reporting periods beginning on or after 1 July 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Company.

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. Areas of judgement include:

- Fair value measurement (refer to Note 15);
- Deferred tax (refer to Note 3(c)); and
- Financial assets/liabilities at fair value through profit or loss (refer to Note 4).

Functional currency

Items included in the Company's financial statements are measured using the Australian dollar, which is the currency of the primary economic environment in which it operates (the "functional currency") and reflects the currency of the country in which the Company is incorporated, and the currency in which capital is raised and dividends are paid. However, most of the Company's assets and revenues are not denominated in Australian dollars. The Australian dollar is also the Company's presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of profit or loss and other comprehensive income.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment income

Interest income

Interest income from financial assets at amortised cost is recognised on a time proportionate basis using the effective interest method and includes interest from cash and cash equivalents.

Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from convertible notes. Interest from financial assets at fair value through profit or loss is included in net gains/(losses) in equities, convertible notes, foreign currency forward contracts and other derivatives at fair value through profit or loss.

Dividend income

Dividend income is brought to account on the applicable ex-dividend date.

Directors' entitlements

Liabilities for Directors' entitlements to fees are accrued at nominal amounts calculated on the basis of current fee rates. Contributions to Directors' superannuation plans are charged as an expense as they are paid or become payable.

Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Due from/due to brokers for unsettled trades

Amounts due from/due to brokers represent receivables for proceeds from the sale of financial assets (as disclosed in Note 6) and payables on purchase of financial assets/liabilities (as disclosed in Note 7) that have been traded, but not yet settled at reporting date. Proceeds from sale of financial assets are usually received between two and five days after trade date. Payables on purchase of financial assets/liabilities are usually paid between two and five days after trade date.

Expenses

All expenses, including management fees and performance fees (if any), are recognised in the statement of profit or loss and other comprehensive income on an accrual basis.

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 these financial statements have been rounded off in accordance with this instrument to the nearest thousand dollars or, in certain cases, the nearest dollar.

NOTE 2. OPERATING SEGMENTS

An operating segment is a distinguishable component of the Company that is engaged in business activity from which the Company earns revenues and incurs expenses, whose operating results are regularly reviewed by the Company's Investment Manager in order to make decisions about the allocation of resources to the segment and assess its performance and for which discrete financial information is available.

The Company is organised into one main operating segment with only one key function, being the investment of the Company's funds in global equities. It operates predominantly in Australia and in the securities industry. It earns revenue from dividend income and other returns from the investment portfolio. The Company continues to have foreign exposures as it invests in companies which operate internationally. The Company invests in different types of securities as detailed in Note 13.

NOTE 3. INCOME TAX**(a) Income tax (expense)/benefit**

The income tax expense or benefit for the period is the tax payable or receivable on that period's taxable income based on the applicable income tax rate and adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable. Withholding tax expense on foreign dividends has been included as part of income tax expense.

The income tax (expense)/benefit attributable to the profit/(loss) comprises:

| | 2023 \$'000 | 2022 \$'000 |
|--|-----------------|----------------|
| Current income tax provision | (4,172) | (13,583) |
| Movement in deferred tax | (11,337) | 23,149 |
| Withholding tax on foreign dividends | (712) | (1,224) |
| Over/(under) provision of prior period tax | - | (10) |
| Deferred tax assets - credited to equity | (21) | - |
| Income tax (expense)/benefit | (16,242) | 8,332 |

The income tax (expense)/benefit attributable to the financial year differs from the prima facie amount payable on the profit/(loss).

The difference is reconciled as follows:

| | 2023 \$'000 | 2022 \$'000 |
|---|-----------------|----------------|
| Profit/(loss) before income tax (expense)/benefit | 54,123 | (27,757) |
| Prima facie income tax at a tax rate of 30% | (16,237) | 8,327 |
| Foreign tax credits | (5) | 15 |
| Over/(under) provision of prior period tax | - | (10) |
| Income tax (expense)/benefit | (16,242) | 8,332 |

(b) Income tax (payable)/receivable

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

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Current income tax provision (before foreign & domestic tax credits) | (4,878) | (14,696) |
| Foreign & domestic tax credits utilised | 706 | 1,113 |
| Current income tax provision | (4,172) | (13,583) |
| Income tax instalments paid | 4,368 | 6,446 |
| Income tax (payable)/receivable | 196 | (7,137) |

(c) Deferred tax asset/(liability)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered.

NOTE 3. INCOME TAX (CONTINUED)

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same tax authority.

(c) Deferred tax asset/(liability) (continued)

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

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Unrealised (gains)/losses on investments | (6,909) | 4,432 |
| Dividends accrued | (170) | (142) |
| Expense accruals | 9 | (2) |
| Other | 21 | - |
| Deferred tax asset/(liability) | (7,049) | 4,288 |

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

NOTE 4. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

| | 2023 \$'000 | 2022 \$'000 |
|----------------------------------|----------------|----------------|
| Financial assets | | |
| Equity securities | 404,884 | 323,022 |
| Derivative financial instruments | 802 | 3,077 |
| | 405,686 | 326,099 |
| Financial liabilities | | |
| Derivative financial instruments | 5,539 | 1,845 |
| | 5,539 | 1,845 |

Recognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the relevant contractual agreement and recognises changes in the fair value of financial assets or financial liabilities from this date. Investments are derecognised when the contractual right to receive cash flows from the investments have expired or have been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Measurement

The contractual cash flows of equity securities, derivatives and foreign currency forward contracts held by the Company are not comprised of principal and interest. Consequently, these financial assets and financial liabilities are measured at fair value through profit or loss. For convertible notes, the collection of contractual cash flows is only incidental to achieving the Company's business model objective. Consequently, the convertible notes are measured at fair value through profit and loss.

At initial recognition, the Company measures financial assets and financial liabilities at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss and other comprehensive income.

NOTE 4. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Subsequent to initial recognition, gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of profit and loss and comprehensive income within net gains/(losses) in equities, convertible notes, foreign currency forward contracts and other derivatives in the period in which they arise.

Fair value

AASB 13: *Fair Value Measurement* 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". The standard prescribes that the most representative price within the bid-ask spread should be used for valuation purposes. With respect to the Company, the exit or "last" price is the most representative price within the bid-ask spread, because it represents the price that the security last changed hands from seller to buyer. The Company has applied last-sale pricing as the fair value measurement basis for equities and derivatives it invests in.

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.

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 provide 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, options are valued based on option prices provided by an arm's length broker. These valuations are based on option pricing models.

Participatory notes are sometimes used as a convenient means of investing in local securities by a foreign investor. Participatory notes are generally traded over-the-counter as they are issued by a counterparty to provide the investor with exposure to an individual equity, basket of equities or an index, in markets where liquidity, custody or other issues make ownership of the local securities sub-optimal. The valuation of participatory notes depends on the level of trading. If the participatory notes are actively traded, then the market price is used. If the participatory notes are not actively traded, counterparties provide a daily valuation that is based on the intrinsic value of the individual security.

NOTE 5. RECEIVABLES

Receivables include proceeds from the sale of financial assets, dividends, GST, Indian capital gains tax and interest receivables where settlement has not occurred at the end of the reporting period. Receivables are usually received within 30 days of being recognised as a receivable.

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Proceeds from sale of financial assets | - | 800 |
| Dividends receivable | 1,285 | 1,309 |
| Other receivables | 470 | 278 |
| | 1,755 | 2,387 |

NOTE 6. PAYABLES

These amounts represent liabilities for services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Payables on purchase of financial assets | 108 | 102 |
| Other payables | 694 | 672 |
| | 802 | 774 |

NOTE 7. ISSUED CAPITAL**Ordinary shares**

Ordinary shares are classified as equity. 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. Every member is entitled to one vote and upon a poll each share shall have one vote. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. Incremental costs directly attributable to the issue of new shares and options are shown in equity as a deduction, net of tax, from the proceeds.

| | 2023 SHARES | 2022 SHARES | 2023 \$'000 | 2022 \$'000 |
|------------------------------|----------------|----------------|----------------|----------------|
| Ordinary shares – fully paid | 295,521,661 | 293,924,841 | 394,682 | 392,665 |

| DETAILS | DATE | SHARES | \$'000 |
|--|-------------------|-------------|---------|
| Balance | 30 June 2021 | 292,186,708 | 390,128 |
| Dividend reinvestment plan | 16 September 2021 | 980,679 | 1,431 |
| Reinvestment of unclaimed dividends ^(a) | 8 October 2021 | 18,187 | 26 |
| Dividend reinvestment plan | 17 March 2022 | 713,210 | 1,045 |
| Reinvestment of unclaimed dividends ^(a) | 1 April 2022 | 26,057 | 35 |
| Balance | 30 June 2022 | 293,924,841 | 392,665 |

| | | | |
|--|-------------------|-------------|---------|
| Dividend reinvestment plan | 15 September 2022 | 789,061 | 1,002 |
| Reinvestment of unclaimed dividends ^(a) | 30 September 2022 | 22,888 | 28 |
| Dividend reinvestment plan | 17 March 2023 | 735,893 | 987 |
| Reinvestment of unclaimed dividends ^(a) | 31 March 2023 | 19,982 | 27 |
| Share issued on exercise of options | 15 May 2023 | 9,626 | 13 |
| Share issued on exercise of options | 15 June 2023 | 19,370 | 27 |
| Less: issue costs | | | (86) |
| Tax benefit relating to issue costs | | | 21 |
| Closing Balance | 30 June 2023 | 295,521,661 | 394,682 |

(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 were issued by the Company. The options are listed on the ASX (ASX code: PMCO) with an exercise price of \$1.37 and may be exercised at any time before the expiry date of 28 March 2024. Each option provides the holder the right but not an obligation to subscribe for one share at the bonus 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.

NOTE 7. ISSUED CAPITAL (CONTINUED)

| | 2023 OPTIONS | 2022 OPTIONS | 2023 \$'000 | 2022 \$'000 |
|-------------------------------------|-----------------|-----------------|----------------|----------------|
| Options issued during the period | 73,875,530 | - | 101,209 | - |
| Options exercised during the period | 28,996 | - | 40 | - |

Share buy-back

On 6 April 2023, the Company announced a 12-month extension to the on-market share buy-back program. No shares have been bought-back as at 30 June 2023.

NOTE 8. DIVIDEND PROFIT RESERVE

The Company has created a dividend profit reserve. The Board considers transfers of profits to the dividend profit reserve on a semi-annual basis. Dividends are paid from this reserve and undistributed profits are available to be used for dividends in future periods to enable smoothing of dividends for shareholders. The reserve is included when determining the overall equity of the Company for accounting purposes.

A summary of the movements in this account is shown below.

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Opening balance 1 July 2022 (1 July 2021) | 111,457 | 127,112 |
| Transfer of profit after income tax expense | 37,881 | 4,828 |
| Dividends paid | (17,660) | (20,483) |
| Closing balance | 131,678 | 111,457 |

NOTE 9. DIVIDENDS

A provision is recognised if the Directors declared or determined to pay a dividend on or before the balance date and such has not been paid at balance date. Dividends paid during the financial year were as follows:

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Final dividend paid for the 2022 financial year (3 cents per ordinary share) | 8,818 | - |
| Interim dividend paid for the 2023 financial year (3 cents per ordinary share) | 8,842 | - |
| Final dividend paid for the 2021 financial year (4 cents per ordinary share) | - | 11,687 |
| Interim dividend paid for the 2022 financial year (3 cents per ordinary share) | - | 8,796 |
| | 17,660 | 20,483 |

Dividends not recognised at year-end

In addition to the above dividends which were paid during the period, on 17 August 2023 the Directors determined to pay a 2023 fully franked final dividend of 3 cents per share. The aggregate amount of this dividend, expected to be paid on 15 September 2023 but not recognised as a liability at year-end, is \$8,866,000. The dividend will be paid out of the dividend profit reserve. The total dividend amount is estimated based on the number of shares on issue as at 30 June 2023. The number of shares entitled to a dividend on the record date may increase if options are exercised.

NOTE 9. DIVIDENDS (CONTINUED)**Franking credits**

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Franking credits available at the balance date based on a tax rate of 30% | 10,797 | 6,856 |
| Franking credits/(debits) that will arise from the tax (receivable)/payable at balance date based on a tax rate of 30% | (196) | 7,137 |
| Franking credits available for future franked dividends based on a tax rate of 30% | 10,601 | 13,993 |
| Franking debits that will be utilised from the payment of dividends determined subsequent to the balance date based on a tax rate of 30% | (3,800) | (3,779) |
| Net franking credits available based on a tax rate of 30% | 6,801 | 10,214 |

The available franking credits balance after providing for the 2023 final dividend would enable the payment of a fully franked dividend of up to 5.4 cents per share.

NOTE 10. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the profit attributable to the owners of Platinum Capital Limited by the weighted average number of ordinary shares outstanding during the financial year.

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Profit/(loss) after income tax attributable to the owners of Platinum Capital Limited | 37,881 | (19,425) |
| | NUMBER | NUMBER |
| Weighted average number of ordinary shares used in calculating basic earnings per share | 294,787,623 | 293,185,425 |
| Add: number of unexercised options for the purpose of calculating diluted earnings per share | - | - |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 294,787,623 | 293,185,425 |
| | CENTS | CENTS |
| Basic earnings per share | 12.85 | (6.63) |
| Diluted earnings per share | 12.85 | (6.63) |

Options issued on 27 April 2023 and which remain unexercised at the end of the 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 included in the calculation of diluted earnings per share for the year ended 30 June 2023 as they are antidilutive. 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. However, these options could potentially dilute basis earnings per share in the future. Details of the options are set out in Note 7.

NOTE 11. NOTES TO THE STATEMENT OF CASH FLOWS

For the purpose of the statement of cash flows, cash and cash equivalents includes cash at bank, deposits held at call with financial institutions, cash held as collateral in margin accounts by derivatives clearing houses and counterparties, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

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

(a) Components of cash and cash equivalents

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Cash at bank | 23 | 22 |
| Cash on deposit held within the portfolio* | 57,030 | 106,022 |
| | 57,053 | 106,044 |

*Cash on deposit includes \$13,523,000 (2022: \$10,023,000) to cover margin transferred on derivative contracts. These amounts are transferred to the relevant clearing houses and counterparties as collateral. If losses are realised, the cash collateral is set off against those losses. If profits are realised on the close out of derivative contracts, the cash collateral is returned to the Company.

(b) Reconciliation of profit/(loss) after income tax to net cash from operating activities

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Profit/(loss) after income tax expense for the year | 37,881 | (19,425) |
| Adjustments for non-operating and non-cash items: | | |
| Foreign exchange (gains)/losses | 396 | (2,764) |
| Change in operating assets and liabilities: | | |
| Movement in investment securities and foreign currency forward contracts | (75,893) | 93,596 |
| Movement in deferred tax asset | 4,309 | (4,288) |
| Movement in deferred tax liability | 7,049 | (18,861) |
| Movement in receivables | 632 | (1,081) |
| Movement in payables | 27 | (330) |
| Movement in tax receivable/payable | (7,333) | 2,370 |
| Net cash from/(used in) operating activities | (32,932) | 49,217 |

NOTE 12. 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.

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Post-tax net tangible asset backing per statement of financial position | 451,300 | 429,062 |
| Post-tax net tangible asset backing as reported to the ASX | 451,300 | 429,062 |

NOTE 13. INVESTMENTS

All investments below are ordinary shares, unless stated otherwise.

| SECURITY | INVESTMENT TYPE | COUNTRY | VALUES \$'000 |
|--|-----------------------------|--------------------------|----------------------|
| Microchip Technology Inc | Common Stock | United States of America | 16,899 |
| ZTO Express Cayman Inc | Common Stock | China | 16,746 |
| Minebea Mitsumi Inc | Common Stock | Japan | 15,998 |
| Samsung Electronics Co Ltd | Common Stock | South Korea | 14,303 |
| InterGlobe Aviation Ltd | Common Stock | India | 12,813 |
| Ping An Insurance Group Co of China Ltd | Common Stock | China | 11,922 |
| Allfunds Group PLC | Common Stock | United Kingdom | 11,921 |
| Airbus SE | Common Stock | France | 11,101 |
| UPM-Kymmene Oyj | Common Stock | Finland | 10,780 |
| Suzano SA | Common Stock | Brazil | 10,716 |
| St James's Place PLC | Common Stock | United Kingdom | 9,740 |
| Weichai Power Co Ltd | Common Stock | China | 9,415 |
| Infineon Technologies AG | Common Stock | Germany | 9,202 |
| Intercontinental Exchange Inc | Common Stock | United States of America | 9,005 |
| Itochu Corporation | Common Stock | Japan | 8,832 |
| Beazley PLC | Common Stock | United Kingdom | 8,549 |
| TransUnion | Common Stock | United States of America | 8,190 |
| Tencent Holdings Ltd | Common Stock | China | 8,067 |
| Shell PLC | Common Stock | Netherlands | 7,995 |
| LG Chem Ltd | Common Stock | South Korea | 7,629 |
| Alphabet Inc C Class | Common Stock | United States of America | 7,582 |
| Intesa Sanpaolo SpA | Common Stock | Italy | 7,179 |
| Taiwan Semiconductor Manufacturing Co Ltd | Common Stock | Taiwan | 6,851 |
| Trip.com Group Ltd ADR | American Depository Receipt | China | 6,691 |
| Micron Technology Inc | Common Stock | United States of America | 6,079 |
| Schlumberger Ltd | Common Stock | United States of America | 5,854 |
| Wizz Air Holdings | Common Stock | Switzerland | 5,709 |
| China Overseas land & Investment Ltd | Common Stock | China | 5,635 |
| Toyota Motor Corp | Common Stock | Japan | 5,114 |
| Erste Group Bank AG | Common Stock | Austria | 5,052 |
| Contemporary Amperex Technology Co Ltd - Stock Connect | Common Stock | China | 5,041 |
| Raiffeisen Bank International | Common Stock | Austria | 4,628 |
| Iris Energy Ltd | Common Stock | Australia | 4,450 |

| SECURITY | INVESTMENT TYPE | COUNTRY | VALUES \$'000 |
|------------------------------------|-----------------------------|--------------------------|---------------|
| China Resources Land Ltd | Common Stock | China | 4,358 |
| Lixil Corporation | Common Stock | Japan | 4,100 |
| Glencore plc | Common Stock | Australia | 4,071 |
| Bayer AG | Common Stock | Germany | 4,031 |
| Carlisle Cos Inc | Common Stock | United States of America | 3,963 |
| Toyo Seikan Group Holdings Ltd | Common Stock | Japan | 3,913 |
| Alibaba Group Holding Ltd | Common Stock | China | 3,764 |
| Baxter International Inc | Common Stock | United States of America | 3,726 |
| Valeo SA | Common Stock | France | 3,726 |
| RH | Common Stock | United States of America | 3,460 |
| NXP Semiconductors NV | Common Stock | China | 3,395 |
| PDD Holdings Inc ADR | American Depository Receipt | China | 3,197 |
| China Merchants Bank Co Ltd | Common Stock | China | 2,833 |
| Meta Platforms Inc | Common Stock | United States of America | 2,773 |
| Scorpio Tankers Inc | Common Stock | Monaco | 2,749 |
| Valaris Ltd | Common Stock | United States of America | 2,621 |
| Gilead Sciences Inc | Common Stock | United States of America | 2,578 |
| JD.com Inc | Common Stock | China | 2,557 |
| Suncor Energy Inc | Common Stock | Canada | 2,357 |
| Telix Pharmaceuticals Limited | Common Stock | Australia | 2,241 |
| Midea Group Co PN exp 06/02/2024 | Participatory Note | China | 2,219 |
| Vallourec SA | Common Stock | France | 2,212 |
| Cameco Corp | Common Stock | Canada | 2,055 |
| Petroleo Brasil ADR | American Depository Receipt | Brazil | 1,931 |
| Industrial & Commercial Bank China | Common Stock | China | 1,841 |
| Flutter Entertainment PLC | Common Stock | Australia | 1,525 |
| Pigeon Corp | Common Stock | Japan | 1,425 |
| Booking Holdings Inc | Common Stock | United States of America | 1,363 |
| Meituan | Common Stock | China | 1,361 |
| DoorDash Inc | Common Stock | United States of America | 1,192 |
| GE HealthCare Technologies Inc | Common Stock | United States of America | 1,159 |
| Metals Acquisition Corp | Common Stock | Australia | 1,143 |
| AGL Energy Ltd | Common Stock | Australia | 1,065 |
| Block Inc | Common Stock | United States of America | 1,059 |
| NAC Kazatomprom GDR | Common Stock | Kazakhstan | 1,056 |
| Recursion Pharmaceuticals Inc | Common Stock | United States of America | 973 |

| SECURITY | INVESTMENT TYPE | COUNTRY | VALUES \$'000 |
|---------------------------------|-----------------------------|--------------------------|---------------|
| Barclays PLC | Common Stock | United Kingdom | 917 |
| Ally Financial Inc | Common Stock | United States of America | 857 |
| Taisei Corp | Common Stock | Japan | 793 |
| Trip.com Group Ltd | Common Stock | China | 784 |
| ExScientia Ltd ADR | American Depository Receipt | United Kingdom | 749 |
| Prosus NV | Common Stock | China | 700 |
| AK Medical Holdings Ltd | Common Stock | China | 658 |
| Alibaba Group ADR | American Depository Receipt | China | 642 |
| Icosavax Inc | Common Stock | United States of America | 634 |
| Mobileye Global Inc | Common Stock | Israel | 588 |
| Freeport-McMoran Inc | Common Stock | United States of America | 585 |
| B&M European Value Retail SA | Common Stock | United Kingdom | 569 |
| SilverCrest Metals Inc | Common Stock | Canada | 567 |
| Ideaya Biosciences Inc | Common Stock | United States of America | 531 |
| Nintendo Co Ltd | Common Stock | Japan | 527 |
| Universal Music Group NV | Common Stock | Netherlands | 475 |
| Pandora A/S | Common Stock | Denmark | 467 |
| BioArctic AB | Common Stock | Sweden | 437 |
| Lam Research Corp | Common Stock | United States of America | 437 |
| ASML Holding NV | Common Stock | Netherlands | 436 |
| Puma SE | Common Stock | Germany | 431 |
| Toho Titanium Co Ltd | Common Stock | Japan | 382 |
| Foxtons Group PLC | Common Stock | United Kingdom | 379 |
| Microsoft Corp | Common Stock | United States of America | 377 |
| SK Hynix Inc | Common Stock | South Korea | 360 |
| Basic-Fit NV | Common Stock | Netherlands | 351 |
| Quanterix Corp | Common Stock | United States of America | 348 |
| China Construction Bank Corp | Common Stock | China | 328 |
| Match Group Inc | Common Stock | United States of America | 317 |
| PICC Property & Casualty Co Ltd | Common Stock | China | 292 |
| Planet Fitness Inc | Common Stock | United States of America | 292 |
| Nien Made Enterprise Co Ltd | Common Stock | Taiwan | 284 |
| Biogen Inc | Common Stock | United States of America | 248 |
| China Mengniu Dairy Co Ltd | Common Stock | China | 243 |
| 908 Devices Inc | Common Stock | United States of America | 230 |
| Etsy Inc | Short Equity Swap | United States of America | 224 |

| SECURITY | INVESTMENT TYPE | COUNTRY | VALUES \$'000 |
|---|-----------------------------|--------------------------|---------------|
| Roche Holding AG | Common Stock | United States of America | 224 |
| Bio-Rad Laboratories Inc | Common Stock | United States of America | 202 |
| Nine Dragons Paper Holdings | Common Stock | Hong Kong | 199 |
| Galapagos NV | Common Stock | Belgium | 190 |
| Nanostring Technologies Inc | Common Stock | United States of America | 180 |
| BioNTech SE ADR | American Depository Receipt | Germany | 173 |
| Dick's Sporting Goods Inc | Short Equity Swap | United States of America | 151 |
| Moderna Inc | Common Stock | United States of America | 142 |
| Rakuten Group Inc | Short Equity Swap | Japan | 131 |
| Skyworks Solutions Inc | Common Stock | United States of America | 116 |
| AC Immune SA | Common Stock | Switzerland | 99 |
| Cogent Biosciences Inc | Common Stock | United States of America | 99 |
| Ryanair Holdings PLC | Long Equity Swap | Ireland | 78 |
| Esperion Therapeutics Inc | Common Stock | United States of America | 67 |
| DingDong Cayman ADR | American Depository Receipt | China | 64 |
| Industrial & Commercial Bank of China Ltd S | Common Stock | China | 59 |
| Omega Therapeutics Inc | Common Stock | United States of America | 53 |
| Singular Genomics Systems Inc | Common Stock | United States of America | 52 |
| Centogene NV | Common Stock | Germany | 43 |
| Nibe Industrier AB | Short Equity Swap | Sweden | 43 |
| Knight-Swift Transportation Holdings Inc | Short Equity Swap | United States of America | 42 |
| Hutchmed China Ltd | Common Stock | China | 30 |
| EQT AB | Short Equity Swap | Sweden | 15 |
| Partners Group Holding AG | Short Equity Swap | Switzerland | 15 |
| Euroapi SASU | Common Stock | France | 11 |
| AP Moller - Maersk A/S | Short Equity Swap | Denmark | 7 |
| Rayman Hospitality Properties Inc | Short Equity Swap | United States of America | 6 |
| Walt Disney Co/The | Short Equity Swap | United States of America | (2) |
| Nippon Building Fund Inc | Short Equity Swap | Japan | (3) |
| Japan Real Estate Investment Corp | Short Equity Swap | Japan | (4) |
| Credit Acceptance Corp | Short Equity Swap | United States of America | (6) |
| Shimano Inc | Short Equity Swap | Japan | (7) |
| Commonwealth Bank of Australia | Short Equity Swap | Australia | (8) |
| Paramount Global | Short Equity Swap | United States of America | (9) |
| Unibail-Rodamco-Westfield | Short Equity Swap | France | (12) |
| Oriental Land Co Ltd | Short Equity Swap | Japan | (13) |

| SECURITY | INVESTMENT TYPE | COUNTRY | VALUES \$'000 |
|---|-------------------|--------------------------|----------------|
| ChargePoint Holdings Inc | Short Equity Swap | United States of America | (18) |
| Plug Power Inc | Short Equity Swap | United States of America | (22) |
| REA Group Ltd | Short Equity Swap | Australia | (26) |
| Warner Bros Discovery Inc | Short Equity Swap | United States of America | (26) |
| Invesco S&P 500 Equal Weight ETF | Short Equity Swap | United States of America | (35) |
| Sigma Lithium Corp | Short Equity Swap | Brazil | (52) |
| WiseTech Global Ltd | Short Equity Swap | Australia | (54) |
| Starwood Property Trust Inc | Short Equity Swap | United States of America | (60) |
| Wal Mart Stores Inc | Short Equity Swap | United States of America | (64) |
| Kawasaki Kisen Kaisha Ltd | Short Equity Swap | Japan | (83) |
| Wolfspeed Inc | Short Equity Swap | United States of America | (97) |
| Ecopro Co Ltd | Short Equity Swap | South Korea | (106) |
| Xero Ltd | Short Equity Swap | New Zealand | (121) |
| Chipotle Mexican Grill Inc | Short Equity Swap | United States of America | (129) |
| Blackstone Inc | Short Equity Swap | United States of America | (130) |
| Williams-Sonoma Inc | Short Equity Swap | United States of America | (196) |
| Wayfair Inc | Short Equity Swap | United States of America | (228) |
| Carrier Global Corp | Short Equity Swap | United States of America | (299) |
| MongoDB Inc | Short Equity Swap | United States of America | (302) |
| Power Integrations Inc | Short Equity Swap | United States of America | (510) |
| Tesla Inc | Short Equity Swap | United States of America | (665) |
| Saia Inc | Short Equity Swap | United States of America | (776) |
| XPO Inc | Short Equity Swap | United States of America | (1,400) |
| Total | | | 400,147 |
| Financial assets at fair value through profit and loss | | | 405,686 |
| Financial liabilities at fair value through profit and loss | | | (5,539) |
| Total | | | 400,147 |

NOTE 14. FINANCIAL RISK MANAGEMENT

Financial risk management objectives, policies and processes

In pursuing its investment objectives, the Company is exposed to a variety of financial risks: market risk (including interest rate risk, foreign exchange risk and price risk), credit risk and liquidity risk. The management of these risks is carried out by the Investment Manager under the investment management agreement and policies approved by the Directors. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company uses different methods to measure different types of risk to which it is exposed. These methods are explained below.

The Company uses financial derivative instruments (both over-the-counter ("OTC") derivatives and exchange traded derivatives) for risk management purposes and to take opportunities to increase returns, including, for example:

- to gain access to markets not readily available to foreign investors;
- to create a short position in a security;
- to build a position in a security as a short-term strategy to be reversed when physical securities are purchased; and
- to aid in the management of the Company's cash flows (e.g. some stock markets require pre-funding of stock purchases that may be avoided through the use of derivatives).

The underlying value of the Company's derivatives positions may not exceed 100% of the Company's portfolio value. The underlying value of the Company's long stocks and derivative positions may not exceed 150% of the Company's portfolio value. Where options are employed, the underlying value will be the delta-adjusted exposure. The Company will typically have 50% or more net equity exposure. The Company's exposures against these limits are regularly monitored by the Investment Manager. In addition, quarterly exposure reports are provided to the Audit, Risk and Compliance Committee. As ordinary shares of the Company are fully paid, a shareholder's exposure to any losses cannot exceed the value of their shareholding.

Market risk

Price risk

The Company is exposed to equity securities, convertible notes and derivatives price risk. Price risk arises from investments held by the Company for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates which are considered a component of price risk.

Market prices fluctuate due to a range of factors specific to the individual investments or factors affecting the market in general. The Investment Manager's stock selection process is core to the management of price risk. The Investment Manager adopts a "bottom up" stock selection approach and is an "active manager". The Investment Manager seeks a broad range of investments whose businesses and growth prospects, it believes, are being undervalued by the market. Accordingly, the investment holdings in the Company may vary considerably from the make-up of the MSCI All Country World Net index on the basis that the Investment Manager remains index agnostic. The Company may hold long and short positions.

As an additional risk management tool, the Company may enter into short equity swaps and futures to protect against market movements. This may include short positions against market indices and company-specific stocks. The Company may also reduce its net invested position by increasing its cash holdings.

NOTE 14. FINANCIAL RISK MANAGEMENT (CONTINUED)**Market risk (continued)***Price risk (continued)*

The table below summarises the Company's net exposure to price risk (effective exposure is used for derivatives).

| | 2023 \$'000 | 2022 \$'000 |
|-----------------------|----------------|----------------|
| Equities | | |
| Asia | 136,912 | 103,740 |
| Europe | 110,525 | 94,785 |
| North America | 89,222 | 65,787 |
| Japan | 41,084 | 33,511 |
| Other regions | 27,141 | 25,199 |
| Total Equities | 404,884 | 323,022 |
| Derivatives | (79,442) | (74,975) |
| Net exposure | 325,442 | 248,047 |

Foreign exchange risk

Foreign exchange risk is the risk the fair values of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company invests internationally and is exposed to foreign exchange risk arising from buying, selling and holding investments denominated in foreign currencies. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to the changes in exchange. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk not foreign exchange risk. However, management monitors the exposure on all foreign currency denominated assets and liabilities. The Investment Manager selects stocks based on value regardless of geographic location. The Company undertakes a significant number of its transactions denominated in foreign currencies and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Active currency management is an integral part of the management of market risk. The Investment Manager may position the Company's portfolio in what it believes will be stronger performing or undervalued currencies. The Investment Manager may use foreign currency forward contracts, currency swaps, non-deliverable forwards and currency options, as well as spot foreign exchange transactions to position the portfolio in the desired currencies. A currency exposure may be hedged into a different currency from that which the physical exposure is maintained (for example, US Dollar hedges may be used to hedge the currency risk of holding investments in the Japanese Yen).

The table on the next page summarises the Company's exposure to foreign exchange risk.

NOTE 14. FINANCIAL RISK MANAGEMENT (CONTINUED)**Market risk (continued)***Foreign exchange risk (continued)*

| 30 JUNE 2023 | AUSTRALIAN DOLLAR \$'000 | EURO \$'000 | JAPANESE YEN \$'000 | CHINESE YUAN \$'000 | UNITED STATES DOLLAR \$'000 | OTHER CURRENCIES* \$'000 |
|---|--------------------------------|----------------|---------------------------|---------------------------|--------------------------------------|--------------------------------|
| Financial asset | | | | | | |
| Cash at bank | 23 | - | - | - | - | - |
| Cash on deposit held within the portfolio | (166) | 6,634 | 11,022 | - | 16,039 | 23,501 |
| Equity securities | 14,495 | 70,765 | 41,084 | 92,842 | 84,467 | 101,231 |
| Derivative financial instruments | - | 78 | 131 | - | 499 | 94 |
| Receivables | 225 | 552 | 25 | - | 445 | 508 |
| Total financial assets | 14,577 | 78,029 | 52,262 | 92,842 | 101,450 | 125,334 |
| Financial liabilities | | | | | | |
| Payables | 773 | 7 | 4 | - | 18 | - |
| Derivative financial instruments | 88 | 12 | 110 | - | 5,049 | 280 |
| Total financial liabilities | 861 | 19 | 114 | - | 5,067 | 280 |
| Net exposure | 13,716 | 78,010 | 52,148 | 92,842 | 96,383 | 125,054 |
| 30 JUNE 2022 | | | | | | |
| | AUSTRALIAN DOLLAR \$'000 | EURO \$'000 | JAPANESE YEN \$'000 | CHINESE YUAN \$'000 | UNITED STATES DOLLAR \$'000 | OTHER CURRENCIES \$'000 |
| Financial asset | | | | | | |
| Cash at bank | 22 | - | - | - | - | - |
| Cash on deposit held within the portfolio | 274 | 3,194 | 20,685 | - | 55,511 | 26,358 |
| Equity securities | 12,290 | 67,713 | 33,511 | 80,322 | 55,407 | 73,779 |
| Derivative financial instruments | 140 | 410 | 135 | - | 2,365 | 27 |
| Receivables | 706 | 467 | 20 | - | 165 | 1,029 |
| Total financial assets | 13,432 | 71,784 | 54,351 | 80,322 | 113,448 | 101,193 |
| Financial liabilities | | | | | | |
| Payables | 593 | 79 | 7 | - | 95 | - |
| Derivative financial instruments | - | 336 | 241 | - | 1,265 | 3 |
| Total financial liabilities | 593 | 415 | 248 | - | 1,360 | 3 |
| Net exposure | 12,839 | 71,369 | 54,103 | 80,322 | 112,088 | 101,190 |

* Other currencies mainly include British Pound, Korean Won and Indian Rupees.

NOTE 14. FINANCIAL RISK MANAGEMENT (CONTINUED)**Market risk (continued)***Summarised Sensitivity Analysis*

The table below summarises the sensitivities of the Company's profit to price risk and foreign exchange risk. Price risk exposure arises from the Company's investment portfolio which comprises investments in securities and derivatives. The below analysis is based on net effective exposure positions. Foreign exchange risk exposure arises from volatility in both the Australian dollar and other currencies. The effect on profit due to a possible change in market prices, as represented by a +/-10% movement in these markets with all other variables held constant, is illustrated in the table below.

A sensitivity of 10% has been selected as this is considered reasonably possible given current exchange rates and the volatility observed both on a historic basis and after factoring in possible future movements.

| | PRICE RISK | | FOREIGN EXCHANGE RISK | |
|--------------------|------------|--------|-----------------------|----------|
| | -10% | +10% | -10% | +10% |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| As at 30 June 2023 | (32,071) | 32,071 | 50,449 | (41,276) |
| As at 30 June 2022 | (24,805) | 24,805 | 47,610 | (38,954) |

Interest rate risk

Interest rate risk is the possibility the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The majority of the Company's financial assets and liabilities are non-interest bearing as the Company has a policy of not borrowing other than for the short-term settlement of trades. Accordingly, the Company is not exposed to significant interest rate risk.

Credit risk

Credit risk relates to the risk of a counterparty defaulting on a financial obligation resulting in a loss to the Company (typically through OTC derivatives transactions, currency forward contracts and cash holdings).

The exposure to credit risk for cash and cash equivalents, futures, equity swaps, and foreign currency forward contracts is any unrealised profit and collateral paid on the positions (the money the Company would lose if the counterparty defaulted) at reporting date. The table below shows the Company's counterparty credit risk exposure by credit rating.

| RATINGS | 2023 \$'000 | 2022 \$'000 |
|---------|----------------|----------------|
| A+ | 11,010 | 16,837 |
| A | 43,511 | 101,349 |
| Total | 54,521 | 118,186 |

Independent rating agencies consider a credit rating of BBB or higher to be investment grade.

NOTE 14. FINANCIAL RISK MANAGEMENT (CONTINUED)**Credit risk (continued)**

The Investment Manager regularly monitors the Company's credit risk exposure to counterparties and seeks to manage this risk by diversifying the Company's exposure to a number of different counterparties. Over-the-counter derivatives transactions are entered into by the Investment Manager on behalf of the Company under standard ISDA (International Swaps and Derivatives Association) master agreements and English law governed Credit Support Annexes which employ two-way margining of unrealised profits and losses. The Investment Manager typically limits the maturity of derivatives contracts to short-term. Transactions in listed securities and investments are executed by the Investment Manager's approved brokers and are typically cleared through a central clearing counterparty. Settlement is typically on a delivery versus payment basis.

The Company determines credit risk and measures expected credit losses for financial assets measured at amortised cost using probability of default, exposure at default and loss given default. The Board considered both historical analysis and forward-looking information in determining any expected credit loss. At 30 June 2023 and 30 June 2022, all receivables, amounts due from brokers, cash and short-term deposits were held with counterparties with a credit rating of AA/Aa or higher and are either callable on demand or due to be repaid within one week. The Board considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Company.

Liquidity risk

Liquidity risk is the risk the Company will encounter difficulty in meeting its obligations associated with financial liabilities. This includes the risk that the Company will:

- (i) not have sufficient funds to settle a transaction on the due date; and
- (ii) be forced to sell financial assets at a value which is less than what they are worth.

Remaining contractual maturities

The table below details the Company's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities were required to be paid.

| 30 JUNE 2023 | WITHIN 3 MONTHS \$'000 | BETWEEN 3 AND 12 MONTHS \$'000 | TOTAL \$'000 |
|--|-----------------------------------|---|-------------------------|
| Payables | 777 | 25 | 802 |
| Financial liabilities at fair value through profit or loss | 5,539 | - | 5,539 |
| Total | 6,316 | 25 | 6,341 |

| 30 JUNE 2022 | WITHIN 3 MONTHS \$'000 | BETWEEN 3 AND 12 MONTHS \$'000 | TOTAL \$'000 |
|--|-----------------------------------|---|-------------------------|
| Payables | 750 | 24 | 774 |
| Financial liabilities at fair value through profit or loss | 1,845 | - | 1,845 |
| Total | 2,595 | 24 | 2,619 |

At 30 June 2023 and 30 June 2022, there were no other contractual amounts payable after 12 months. The Company has sufficient funds to meet these liabilities as most of the Company's assets can be realised in one year or less.

The risk management guidelines adopted are designed to minimise liquidity risk by:

- (i) ensuring that there is no significant exposure to illiquid or thinly traded financial instruments; and
- (ii) applying limits to ensure there is no concentration of liquidity risk to a particular counterparty or market.

NOTE 14. FINANCIAL RISK MANAGEMENT (CONTINUED)**Liquidity risk (continued)**

The Investment Manager prepares daily cash forecasts on behalf of the Company and maintains sufficient cash to meet normal operating requirements. The Company has a policy of not borrowing money other than on a short-term basis for settlement purposes.

Capital risk management

The Company considers its capital to comprise ordinary share capital, reserves and accumulated retained earnings.

The Company's investment objective is to provide capital growth over the long-term by investing in companies worldwide which the Investment Manager perceives to be undervalued by the market.

The Board regularly and actively reviews the most efficient manner by which the Company manages its capital in response to changing market conditions and risks with the sole aim of enhancing shareholder value through:

- the management of the level of dividends to shareholders;
- the issue of shares by methods such as rights offers, share purchase plans or placements;
- the issue of options and/or the use of share buy-backs.

On 27 April 2023 the Company issued bonus options to eligible shareholders (refer to Note 7).

The Company is an ASX-listed investment company and is subject to the ASX Listing Rules. The Company complies with all externally-imposed capital requirements.

NOTE 15. FAIR VALUE MEASUREMENT

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:

- 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 Company measures and recognises the following financial assets and liabilities at fair value pursuant to AASB 13, on a recurring basis:

- Equity securities, convertible notes, long equity swaps and long futures;
- Short equity swaps and short futures; and
- Foreign currency forward contracts.

NOTE 15. FAIR VALUE MEASUREMENT (CONTINUED)

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

| 30 JUNE 2023 | LEVEL 1 \$'000 | LEVEL 2 \$'000 | LEVEL 3 \$'000 | TOTAL \$'000 |
|--------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Assets | | | | |
| Equity securities | 402,665 | 2,219 | - | 404,884 |
| Derivatives | - | 802 | - | 802 |
| Total assets | 402,665 | 3,021 | - | 405,686 |
| Liabilities | | | | |
| Derivatives | - | 5,539 | - | 5,539 |
| Total liabilities | - | 5,539 | - | 5,539 |
| 30 JUNE 2022 | | | | |
| | LEVEL 1 \$'000 | LEVEL 2 \$'000 | LEVEL 3 \$'000 | TOTAL \$'000 |
| Assets | | | | |
| Equity securities | 312,027 | 10,993 | 2 | 323,022 |
| Derivatives | 748 | 2,329 | - | 3,077 |
| Total assets | 312,775 | 13,322 | 2 | 326,099 |
| Liabilities | | | | |
| Derivatives | - | 1,845 | - | 1,845 |
| Total liabilities | - | 1,845 | - | 1,845 |

NOTE 15. FAIR VALUE MEASUREMENT (CONTINUED)**Assets and liabilities classified as Level 1**

At 30 June 2023 99% (2022: 97%) of the equity securities held by the Company were valued using unadjusted quoted prices in active markets and were classified as Level 1 in the fair-value hierarchy model.

Assets and liabilities classified as Level 2

There were certain financial instruments that were classified as Level 2 because a degree of adjustment has been made to the quoted price i.e. whilst all significant inputs required for fair value measurement are observable and quoted in an active market there was a degree of estimation involved in deriving the fair value. Participatory notes were classified as Level 2 because they were generally traded over-the-counter and were often priced in a different currency to the underlying security. Foreign currency forward contracts are classified as Level 2 even though forward points are quoted in an active and liquid market. The forwards themselves are based on interest rate differentials.

Assets and liabilities classified as Level 3 Assets

As at 30 June 2023, the Company did not hold Level 3 securities.

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

| | 2023 \$'000 | 2022 \$'000 |
|--------------------------------|----------------|----------------|
| Opening balance | 2 | 8,938 |
| Transfers to Level 1 | - | (7,521) |
| Purchases during the year | - | 574 |
| Sales during the year | - | (561) |
| Gains/(losses) during the year | (2) | (1,428) |
| Closing balance | - | 2 |

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.

NOTE 16. OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where there is a legally enforceable right to offset recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Offsetting and master netting agreements

The Company enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master agreements. In general, under these agreements the amounts owed by each counterparty on a single day in respect of the same transaction type outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other if:

- (i) there is a legally enforceable right to set-off the financial asset and financial liability; and
- (ii) the Company intends to settle the financial asset and financial liability on a net basis, or realise the financial asset and settle the financial liability simultaneously.

The gross and net positions of financial asset and liabilities that have been offset in the Statement of Financial Position are disclosed in the first three columns of the following table:

| | AMOUNTS OFFSET IN THE STATEMENT OF FINANCIAL POSITION | | | RELATED AMOUNTS NOT SET OFF IN THE STATEMENT OF FINANCIAL POSITION | | |
|------------------------------|---|--|--|--|-----------------|------------|
| | GROSS AMOUNTS | GROSS AMOUNTS SET-OFF IN THE STATEMENT OF FINANCIAL POSITION | NET AMOUNTS SET-OFF IN THE STATEMENT OF FINANCIAL POSITION | FINANCIAL INSTRUMENT ¹ | CASH COLLATERAL | NET AMOUNT |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| <i>Financial assets</i> | | | | | | |
| 2023 | | | | | | |
| Derivatives | 802 | - | 802 | - | (4) | 798 |
| 2022 | | | | | | |
| Derivatives | 3,077 | - | 3,077 | (788) | (163) | 2,126 |
| <i>Financial liabilities</i> | | | | | | |
| 2023 | | | | | | |
| Derivatives | 5,539 | - | 5,539 | - | (5,539) | - |
| 2022 | | | | | | |
| Derivatives | 1,845 | - | 1,845 | (788) | (1,057) | - |

¹ Shows the impact of arrangements between the Company and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statement of Financial Position, as they are not currently enforceable.

NOTE 17. REMUNERATION OF AUDITORS

During the financial year, the following fees were paid or payable for services provided by PricewaterhouseCoopers, the auditor of the Company:

| | 2023 \$ | 2022 \$ |
|--|------------|------------|
| Audit services – PricewaterhouseCoopers | | |
| Audit and review of the financial statements | 85,755 | 82,315 |
| Other services – PricewaterhouseCoopers | | |
| Tax compliance services | 19,700 | 23,680 |
| | 105,455 | 105,995 |

NOTE 18. RELATED PARTIES

The Investment Manager, Platinum Investment Management Limited, receives a monthly management fee for investment management services provided in accordance with the investment management agreement (“IMA”). This agreement provides for a management fee payable monthly and calculated at 1.1% (2022: 1.1%) per annum of the portfolio value (adjusted for any taxes paid/refunded, dividends paid and capital flows) which includes cash and deposits.

The Investment Manager also receives a performance fee of 15% (calculated annually as at 30 June) of the amount by which the portfolio’s investment performance exceeds the return achieved by the MSCI All Country World Net Index in \$A. Where the portfolio’s return for a year is less than the index, the amount of the underperformance is aggregated, carried forward and deducted from the performance in the subsequent year before calculating any performance fee for that year. The aggregate underperformance from prior periods is carried forward until a performance fee becomes payable.

Investment Manager

For the 12 months to 30 June 2023 the return of the portfolio was 12.4%^[1] and the return of the MSCI All Country World Net Index in \$A was 20.4%. This represents an underperformance of 8.0% against the index for the year ended 30 June 2023. Taking into account the aggregate underperformance of 31.2% from prior periods, no performance fee has been accrued. A total aggregate underperformance of 39.2% will need to be made up before a performance fee will be payable.

The management fees paid and payable are shown in the table below.

| | 2023 \$ | 2022 \$ |
|-------------------------|------------|------------|
| Management fees expense | 4,941,546 | 5,138,192 |
| Management fees paid | 4,918,563 | 5,191,124 |
| Management fees payable | 420,037 | 397,054 |

In the event of termination of the IMA 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.

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

1. This figure represents the 12 month return of the Company based on the adjusted portfolio value. This differs from the Company’s 12 month pre-tax NTA return of 12.7% referred to in the Directors’ Report, which also includes non-portfolio and non-investment related assets and liabilities.

NOTE 18. RELATED PARTIES (CONTINUED)**Administration services**

The Investment Manager provides various administrative services to the Company under an administration services agreement (“ASA”). These include accountancy, corporate secretarial, performance analytics, taxation, compliance and risk monitoring services. The services also include liaising with the external share registry to ensure that accurate share records are maintained and services are provided to shareholders in a timely and efficient manner.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Key Management Personnel disclosures

The Non-Executive Directors are the Company’s key management personnel. Total remuneration paid to the Non-Executive Directors was \$187,850 (2022: \$187,003), with \$170,000 (2022: \$170,003) paid as cash salary and \$17,850 (2022: \$17,000) paid as superannuation. Refer to the Remuneration Report for further details.

The relevant interest in ordinary shares of the Company that each Director held at balance date was:

| 30 JUNE 2023 | OPENING BALANCE | ACQUISITIONS | DISPOSALS | RETIREMENT | CLOSING BALANCE |
|--------------------------|--------------------|--------------|-----------|------------|--------------------|
| Margaret Towers | 50,000 | - | - | - | 50,000 |
| Richard Morath | 42,372 | - | - | - | 42,372 |
| Jim Clegg ⁽¹⁾ | 59,972 | - | - | (59,972) | - |
| Ian Hunter | 100,000 | - | - | - | 100,000 |

1. Retirement represents the number of ordinary shares held by Jim Clegg on the date he retired as a director and therefore ceased to be a KMP.

| 30 JUNE 2022 | OPENING BALANCE | ACQUISITIONS | DISPOSALS | RETIREMENT | CLOSING BALANCE |
|-----------------|--------------------|--------------|-----------|------------|--------------------|
| Margaret Towers | 50,000 | - | - | - | 50,000 |
| Richard Morath | 42,372 | - | - | - | 42,372 |
| Jim Clegg | 59,972 | - | - | - | 59,972 |
| Ian Hunter* | - | 100,000 | - | - | 100,000 |

* Appointed 9 September 2021.

The relevant interest in options of the Company that each Director held at balance date was:

| 30 JUNE 2023 | OPENING BALANCE | ACQUISITIONS | DISPOSALS | RETIREMENT | CLOSING BALANCE |
|--------------------------|--------------------|--------------|-----------|------------|--------------------|
| Margaret Towers | - | 12,500 | - | - | 12,500 |
| Richard Morath | - | 10,593 | - | - | 10,593 |
| Jim Clegg ⁽¹⁾ | - | 14,993 | - | (14,993) | - |
| Ian Hunter | - | 25,000 | - | - | 25,000 |

1. Retirement represents the number of options held by Jim Clegg on the date he retired as a director and therefore ceased to be a KMP.

NOTE 18. RELATED PARTIES (CONTINUED)

| 30 JUNE 2022 | OPENING BALANCE | ACQUISITIONS | DISPOSALS | RETIREMENT | CLOSING BALANCE |
|-----------------|--------------------|--------------|-----------|------------|--------------------|
| Margaret Towers | - | - | - | - | - |
| Richard Morath | - | - | - | - | - |
| Jim Clegg | - | - | - | - | - |
| Ian Hunter* | - | - | - | - | - |

* Appointed 9 September 2021.

NOTE 19. CONTINGENT ASSETS, LIABILITIES AND COMMITMENTS TO CAPITAL EXPENDITURE

No contingent assets and liabilities or commitments existed at 30 June 2023 or 30 June 2022.

NOTE 20. EVENTS AFTER THE REPORTING PERIOD

Apart from the dividend determined as disclosed in Note 9, no other matter or circumstance has arisen since 30 June 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.

Directors' declaration

In the Directors' opinion:


- (a) the financial statements and notes set out on pages 16 to 45 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 Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Margaret Towers
Chairperson

17 August 2023
Sydney



Richard Morath
Director



Independent auditor's report

To the members of Platinum Capital Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Platinum Capital Limited (the Company) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2023
- the statement of profit or loss and other comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Company, its accounting processes and controls and the industry in which it operates.



| Materiality | Audit scope | Key audit matters |
|--|---|--|
| <ul style="list-style-type: none"> For the purpose of our audit we used overall materiality of \$4.513m, which represents approximately 1% of the Company's net assets. We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole. We chose net assets because, in our view: <ul style="list-style-type: none"> - it is the metric against which the performance of the Company is most commonly measured, and - a generally accepted benchmark for listed investment companies. | <ul style="list-style-type: none"> Our audit focused on areas where the Company made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. Our audit approach reflects the nature of the investments held by the Company and the consideration of the work undertaken by third party service organisations. The administration, share registry and custody functions of the Company are conducted by third party service organisations. The Company's third party service organisations engaged an external auditor to provide assurance reports over the design and operating effectiveness of the third party service organisations' key internal controls. | <ul style="list-style-type: none"> Amongst other relevant topics, we communicated the following key audit matter to the Audit and Risk Committee: <ul style="list-style-type: none"> - Investment valuation and existence This is further described in the <i>Key audit matters</i> section of our report. |



- We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

| Key audit matter | How our audit addressed the key audit matter |
|---|--|
| <p>Investment valuation and existence <i>Refer to Note 1 (summary of significant accounting policies) and Note 4 (financial assets and liabilities at fair value through profit or loss) and Note 15 (fair value measurement).</i></p> <p>At 30 June 2023, investments in financial assets at fair value through profit or loss of \$405.686 million and financial liabilities at fair value through profit or loss of \$5.539 million were comprised primarily of investments in equity securities and derivative financial instruments.</p> <p>The existence and valuation of financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss was a key audit matter because they represent the principal elements of the statement of financial position in the financial statements, accounting for approximately 88.67% of net assets. A discrepancy in the valuation or existence of investments could cause net assets to be materially misstated which could also impact the Company's performance as the valuation and existence of investments is the main driver of movements in the profit of the Company.</p> | <p>Our audit procedures over investment valuation included the following, amongst others:</p> <ul style="list-style-type: none"> • We developed an understanding of the Company's pricing policy and read the Securities Pricing Committee minutes. • For a sample of investments in level 1 equity securities and level 2 derivative financial instruments held by the Company, we obtained price data from third party price vendors and compared it to the prices used by the Company. • For level 2 participatory notes held by the Company, we obtained price data from third party price vendors for the underlying equity security of the participatory note in local currency. We translated the price into Australian dollars and compared it to the participatory note price used to value investments held by the Company. <p>Our audit procedures over investment existence included the following, amongst others:</p> <ul style="list-style-type: none"> • We obtained the most recent System and Organization Controls ("SOC 1") Report issued by the custodian, setting out the controls in place at that service organisation, which included an independent assurance opinion over the design and operating effectiveness of those controls. |

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| <i>Key audit matter</i> | <i>How our audit addressed the key audit matter</i> |
|-------------------------|---|
| | <ul style="list-style-type: none">• We assessed the service organisation’s auditor’s objectivity, experience, competency and the results of their procedures.• We assessed the most recent SOC 1 report issued by the custodian by developing an understanding of the control objectives and associated control activities, evaluated the tests undertaken by the auditor and the results of these tests and the auditor’s conclusions on the design and operating effectiveness of the controls to the extent relevant to our audit of the Company. This report and assurance opinion are comparable to the Australian equivalent, Australian Standards on Assurance Engagement 3402 issued by the Auditing and Assurance Standards Board.• For investments held in custody, we obtained an investment holdings confirmation from the custodian as at 30 June 2023 and compared confirmed holdings to the accounting records of the Company. <p>We assessed the adequacy of the disclosures in the financial report in light of the requirements of Australian Accounting Standards.</p> |

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and our auditor’s report thereon. Prior to the date of this auditor’s report, the other information we obtained included the company directory, shareholder information, investment structure, objectives and methodology, and directors’ report. We expect the remaining other information to be made available to us after the date of this auditor’s report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 11 to 13 of the directors' report for the year ended 30 June 2023.

In our opinion, the remuneration report of Platinum Capital Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.



pwc

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

CJ Cummins
Partner

Sydney
17 August 2023

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