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The Manager  
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### Strategic review of Platinum Capital Limited (“PMC”)

Over the last couple of years, the PMC Board has observed a trend away from closed ended investment vehicles, particularly those that lack sufficient scale to generate the liquidity required to maintain share prices close to the underlying net tangible assets (“NTA”), as illustrated by the table below.

Discounts by LIC/LIT size	Equity LICs/LITs with a Market Cap > \$1B	Equity LICs/LITs with a Market Cap < \$1B
Average Pre-tax NTA Discount March 2024	6.6%	15.4%

Source: Platinum Investment Management Limited using data from “ASX Investment products monthly update” report for March 2024. Average Pre-tax NTA discount uses the closing share price as at the last published NTA date in March (“NTA date”) and the pre-tax NTA as at the NTA date.

Unfortunately, PMC has not been immune from the effects of this general market sentiment.

The PMC Board has sought to create shareholder value through various capital management initiatives, including the issue of bonus options in April 2023 and the operation of an on-market “10/12 limit” share buy-back, which the Board has today extended for a further 12 month period. Despite these actions, PMC has continued to trade at a persistent share price discount for some time.

PMC’s constitution contains a sunset clause that must be tested every five years i.e. on the last business day of the calendar month following each fifth anniversary of the date of quotation of PMC’s shares (“**Assessment Date**”). As PMC was listed on 29 June 1994, the next Assessment Date is 31 July 2024. The sunset clause states that if by the Assessment Date PMC’s share price is trading at an “average discount” of greater than 15% of PMC’s net asset value measured over the 12 calendar weeks preceding the Assessment Date, the PMC Board must call a general meeting of members within 90 days to vote on, amongst other things, all necessary resolutions to effect a voluntary winding up of PMC.

In light of the above, the PMC Board, with the co-operation of Platinum Investment Management Limited (“**Platinum**”), announces that it will be undertaking a formal strategic review of the options available for PMC to maximise value for PMC shareholders as a whole, with the primary objective of reducing the share price discount to pre-tax NTA.

The scope of this review will be broad, including looking at options to build scale and/or convert to an open-ended fund structure allowing investors to trade at or close to net asset value. It ties into Platinum’s

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broader product review, announced by Platinum Asset Management Limited on 29 February 2024 as part of its turnaround program available here: [https://www.platinum.com.au/media/Platinum/ASX-Releases/ptm\\_asx\\_announcestrunaround\\_240229.pdf](https://www.platinum.com.au/media/Platinum/ASX-Releases/ptm_asx_announcestrunaround_240229.pdf)

There are complex legal, tax and operational issues that need to be considered, which will take time to work through. The PMC Board will carefully evaluate all possible options available to it and anticipates being in a position to announce the outcome of the strategic review within the next four months.

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