

28 August 2024

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

**Platinum Asset Management Limited (PTM) – 2024 Full-Year Financial Results**

PTM encloses for release to the market the following information:

1. Appendix 4E
2. Chair's Report 2024
3. Managing Director's Letter 2024
4. PTM Annual Report 2024

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 ASSET MANAGEMENT LIMITED |
|--|-----------------------------------|
| ASX Code                                   | PTM                               |
| Year Ended                                 | 30 June 2024                      |
| Previous corresponding period – Year Ended | 30 June 2023                      |
| ABN  | 13 050 064 287                    |

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

This announcement to the market for the Platinum Asset Management Limited Consolidated Group should be read in conjunction with the attached 30 June 2024 Annual Financial Report.

|  | \$A'000  | UP/DOWN | % CHANGE |
|--|----------|---------|----------|
| Total revenue and other income                   | 184,980  | down    | 14.9%    |
| Profit from ordinary activities after income tax | 45,135   | down    | 44.2%    |
| Net profit attributable to members               | 45,011   | down    | 44.3%    |
| Adjusted EBIT*                                   | 82,893   | down    | 18.8%    |
| Basic EPS (cents per share)                      | 7.95 cps |         |          |
| Diluted EPS (cents per share)                    | 7.79 cps |         |          |

\* Adjusted EBIT is calculated as total fee revenue (which excludes interest income and other income) less adjusted expenses. Adjusted expenses is total expenses excluding the turnaround program implementation costs.

Funds Under Management ("FUM") at 30 June 2024 were \$13.0 billion and this represented a decrease of 25.2% from the 30 June 2023 closing FUM of \$17.3 billion. Average FUM of \$15.3 billion for the year was lower than the average FUM of \$18.1 billion for the previous year. The change in closing FUM was driven by positive investment returns of \$0.7 billion, net fund outflows of \$4.9 billion and the 30 June 2024 net distribution.

The Group's statutory profit before tax was \$73.1 million for the year ended 30 June 2024 ("FY24"), a \$43.6 million decrease from the previous year. The main cause of the decrease in profit was a \$27.1 million decrease in management fees due primarily to a decrease in average funds under management. The Group earned no performance fee revenue (2023: \$1.2 million).

Adjusted expenses, which excludes turn around program implementation costs, decreased \$9.2 million to \$91.5 million in FY24. The decrease in adjusted expenses reflects a decrease in employee expenses due to lower compensation costs as well as reduced marketing and insurance expenditure.

The FY24 turn around program implementation costs included employee expenses of \$19.5 million, the majority of which related to a \$11.4 million non-cash charge for accelerated share-based payment expenses in respect to those employees who ceased employment during FY24.

The Adjusted Earnings Before Interest and Tax ("Adjusted EBIT") profit margin fell slightly, from 50% to 48%, due to the \$28.3 million decrease in total fee revenue being largely offset by the \$9.2 million decrease in adjusted expenses.

The following table summarises the Group's profitability over the past two financial years, showing the 30 June 2023 financial year reported statutory numbers against 30 June 2024 financial year adjusted numbers to separately disclose the impact of the turnaround program implementation costs:

|   | 30 JUNE 2024<br>\$'000 | 30 JUNE 2023<br>\$'000 | % CHANGE       |
|---|------------------------|------------------------|----------------|
| Management fees                             | 174,344                | 201,439                | (13.5%)        |
| Performance fees                            | -                      | 1,225                  | Large          |
| <b>Total revenue</b>                        | <b>174,344</b>         | <b>202,664</b>         | <b>(14.0%)</b> |
| Adjusted expenses                           | (91,451)               | (100,640)              | (9.1%)         |
| <b>Adjusted EBIT</b>                        | <b>82,893</b>          | <b>102,024</b>         | <b>(18.8%)</b> |
| <b>Adjusted EBIT margin %</b>               | <b>48%</b>             | <b>50%</b>             |                |
| Interest income                             | 9,385                  | 5,164                  | 81.7%          |
| <b>Adjusted operating profit before tax</b> | <b>92,278</b>          | <b>107,188</b>         | <b>(13.9%)</b> |
| Other income                                | 1,251                  | 9,582                  | (86.9%)        |
| Turn around program implementation costs    | (20,385)               | -                      | Large          |
| <b>Statutory net profit before tax</b>      | <b>73,144</b>          | <b>116,770</b>         | <b>(37.4%)</b> |
| Income tax expense                          | (28,009)               | (35,907)               | (22.0%)        |
| <b>Statutory net profit after tax</b>       | <b>45,135</b>          | <b>80,863</b>          | <b>(44.2%)</b> |
| Adjusted EBIT per share (cents per share)   | 14.6                   | 17.8                   | (18.0%)        |

Refer to the Chair's report, Managing Director's Letter and audited financial statements for more financial information on the Consolidated Group results.

## DIVIDENDS

|                                  |  |
|----------------------------------|--|
| <b>FINAL DIVIDEND DETERMINED</b> | <b>4 CENTS PER SHARE FULLY FRANKED</b> |
| Ex-dividend date                 | 5 September 2024                       |
| Record date                      | 6 September 2024                       |
| Payment date                     | 20 September 2024                      |

The interim dividend paid for the half-year ended 31 December 2023 was 6 cents per share fully franked.

## DIVIDEND REINVESTMENT PLAN

Whilst the Company has a Dividend Reinvestment Plan in place, it has not been activated.

OTHER INFORMATION

| NET TANGIBLE ASSETS   | 30 JUN 2024 | 30 JUN 2023 |
|---|-------------|-------------|
| Net tangible assets per share of the consolidated entity attributable to owners | \$0.52      | \$0.55      |

Joanne Jefferies  
Company Secretary  
28 August 2024

Dear fellow shareholders,

We recognise that it has been a challenging year for the Company and consequently our shareholders. Recognising the need for change, in August 2023 we announced that Andrew Clifford would step aside as Managing Director and Chief Executive Officer whilst the Board embarked on a search for Andrew's replacement. Following an extensive international search, we were pleased to welcome Jeff Peters to the role of CEO in January 2024 bringing with him deep asset management and turnaround experience.

Shortly after Jeff's appointment we announced our "turnaround program" making some significant changes during the first six months of this calendar year to "reset" and "right size" the business for future growth. The focus of the program to date has been on expense reduction, review of our product offerings and distribution channels, examination of our investment platform, renewal of our communication strategy and a review of our remuneration framework. With most of this work complete, we are now moving into the "growth" phase of the program. I encourage you to read the Managing Director's letter to shareholders by Jeff Peters, which provides further detail on Platinum's turnaround program and discusses Platinum's investment and business outlook.

Now onto the business results.

### FUNDS UNDER MANAGEMENT ("FUM")

FUM as of 30 June 2024 was \$13.0 billion, a decrease of 25.2% from the 30 June 2023 closing FUM of \$17.3 billion. Average FUM for the year decreased by 15.5% to \$15.3 billion from an average FUM of \$18.1 billion for the previous year.

The change in FUM was driven by investment performance of \$0.7 billion, net fund outflows of \$4.9 billion and the net distribution paid to investors of \$0.1 billion. The net outflows included some large individual outflows including \$1.2 billion from one institutional client and \$0.2 billion as a result of product rationalisation initiatives as part of the turnaround program.

Although the majority of Platinum's investment strategies delivered absolute returns above 5% for the year ended 30 June 2024, most of our managed funds and portfolios lagged the broader market returns for the 12 months to 30 June 2024<sup>1</sup>. The strongest performing fund was the Platinum International Technology Fund returning 26% for the year ended 30 June 2024<sup>1</sup>.

### OPERATING PERFORMANCE

Profit before tax decreased by 37.4% to \$73.1 million for the year ended 30 June 2024 (2023: \$116.8 million). Basic earnings per share for the 2024 financial year were down 6.1 cents to 8.0 cents per share (2023: 14.1 cents). The main drivers of the decrease in profit and earnings per share were a decrease in fee revenues and turnaround program implementation costs.

Adjusted EBIT, which excludes other income and turnaround program implementation costs, was down 18.8% to \$82.9 million (2023: \$102.0 million). The decrease in adjusted EBIT was largely attributable to a decrease in fee revenue being somewhat offset by the \$9.2 million decrease in adjusted expenses. Pleasingly, adjusted EBIT margin remains relatively consistent at 48% (2023: 50%).

Total fee revenue decreased by 14.0% to \$174.3 million for the year ended 30 June 2024 (2023: \$202.7 million). Management fees decreased by 13.5%, due primarily to the 15.5% decline in average FUM. In addition, no performance fees were earned (2023: \$1.2 million).

Seed investments, including the share of associates' profits and losses, contributed a loss before tax for the year of \$0.6 million (2023: profit before tax of \$6.3 million). The result on seed investments largely reflected a strong return on Platinum's health care strategy being offset by a revaluation of Platinum's investment in Platinum Asia Investments Limited.

### COSTS

Total expenses for the 2024 financial year increased by \$11.2 million to \$111.8 million. However, adjusted expenses (which excludes turnaround program implementation costs of \$20.4 million) decreased \$9.2 million. The decrease in adjusted expenses largely reflects the initial progress on Platinum's target of at least \$25 million in annualised run rate savings that was announced on 26 March 2024.

<sup>1</sup> Fund returns are calculated using the relevant fund's NAV unit price for C Class and represent the combined income and capital returns over the specified period. Fund returns are net of accrued fees and costs, pre-tax, and assume the reinvestment of distributions. **Past performance is not a reliable indicator of future returns.**

Total employee expenses (including share-based payment expenses) increased by \$9.2 million on the prior financial year. The increase in employee expenses reflects the employee-related turnaround program implementation costs of \$19.5 million, the majority of which related to a \$11.4 million share-based payment expenses in respect to those employees who ceased employment during the year.

Other (non-employee) costs increased by \$2.0 million on the prior year due to turnaround program implementation costs \$0.9 million, technology development \$0.5 million and professional costs associated with product changes. These costs were partly offset by cost savings achieved in business development and insurance.

## DIVIDENDS

The Directors have determined to pay a 2024 final fully franked ordinary dividend of 4 cents per share. This will be paid on 20 September 2024. When determining the 2024 final dividend the Board considered that it was appropriate exclude the after tax impact of turnaround program implementation costs from earnings per share when assessing dividend capacity. As a result, the total dividend paid for the 2024 financial year of 10 cents per share is higher than statutory basic earnings per share of 7.95 cents.

A 2024 interim fully franked ordinary dividend of 6 cents per share was paid during the year. The full-year dividend of 10 cents represents a dividend yield of 9.6% based on the 30 June 2024 closing share price.

Whilst the Company has a dividend reinvestment plan in place, it has not been activated.

## ENVIRONMENTAL, SOCIAL & GOVERNANCE ("ESG")

We continue to progress our approach to ESG and investing. Developments during 2024 included launching a Human Rights Policy, publishing our first UN Global Compact Communication on Progress and joining the Responsible Investment Association Australasia, Investors Against Slavery & Trafficking – APAC alliance and the Financial Services Council.

For further information on Platinum's approach to ESG, please read Platinum's Sustainability and Stewardship Report available on our website [www.platinum.com.au/stewardship](http://www.platinum.com.au/stewardship).

## ANNUAL GENERAL MEETING

The Company's annual general meeting ("AGM") will be held as a hybrid event, whereby shareholders can either attend in person or join online. The AGM notice will include details of how to attend the meeting and will be dispatched to shareholders in the coming weeks.

## REMUNERATION

At our 2023 AGM, we incurred a 'first strike', with more than 25% of votes cast against the adoption of the 2023 remuneration report. We have actively sought feedback from our stakeholders and have responded by making significant changes to our remuneration framework, some of which will be visible this financial year and others which will flow through to next financial year. Importantly, remuneration is a key tenet of our turnaround program. As such, we are focussed on ensuring that remuneration is aligned with the financial outcomes of our business whilst still being able to attract and retain talent to deliver on the next phase of our turnaround program.

Included in the remuneration report on page 16 of the Company's 2024 annual report is a letter from the Chair of the Nomination and Remuneration Committee (NRC) which provides full details of these changes. I encourage all shareholders to read the letter, which outlines the significant actions that the Board has taken to respond to stakeholder feedback.

## BOARD RENEWAL

With the appointment of Jeff Peters as the our new fully dedicated CEO, we took the opportunity to streamline the Board and enhance its independence in line with corporate governance best practice. In February 2024 Andrew Clifford (Co-Chief Investment Officer), Elizabeth Norman (Director of Investor Services and Communications) and Andrew Stannard (Finance Director) stepped down from the Board. On behalf of the Board, I would like to thank Andrew, Elizabeth and Andrew for their many years of service as Board Directors and their continued service to Platinum.

As part of our ongoing Board renewal process, I am pleased to advise that Rachel Grimes will be joining the Board as an independent non-executive director with effect from 2 September 2024.

## FINALLY

In conclusion, meaningful transformation takes time. However, we are making good progress and I am confident that we will deliver on our turnaround program. Importantly, our strong balance sheet provides us with excellent optionality for both organic and inorganic future opportunities.

Guy Strapp  
Chair  
28 August 2024

## INVESTMENT PERFORMANCE

### Investment performance of the Platinum Trust Funds to 30 June 2024

| Fund                               | 1-year p.a. | 5-year compound p.a. | 10-year compound p.a. |
|------------------------------------|-------------|----------------------|-----------------------|
| International Fund                 | 4.8%        | 6.3%                 | 7.9%                  |
| Global Fund (Long Only)            | 6.1%        | 6.4%                 | 8.5%                  |
| Asia Fund                          | 4.9%        | 5.8%                 | 8.0%                  |
| European Fund                      | 3.3%        | 4.3%                 | 7.3%                  |
| Japan Fund                         | -3.3%       | 3.6%                 | 8.7%                  |
| International Brands Fund          | -9.1%       | 3.7%                 | 7.1%                  |
| International Health Sciences Fund | 5.6%        | 6.8%                 | 10.4%                 |
| International Technology Fund      | 25.9%       | 13.4%                | 12.1%                 |

Source: Platinum Investment Management Limited.

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

Global equity markets performed strongly over the financial year as concerns over inflation and interest rates continued to recede. A notable feature of the market was the relatively small number of large capitalisation stocks that contributed to the market's performance. While the MSCI World Index returned 19.0%, the average return of each stock in the index was only 4.5%.<sup>1</sup> The concentrated, strong returns within market were centred primarily around the artificial intelligent (AI) and GLP-1 weight loss drugs investment thematics.

Otherwise, the softer performance of the broad market was reflective of a patchy global economic environment and receding inflationary pressures that had acted as a tailwind for the earnings of many companies. The US economy led the way, particularly notable was a strong capital spending cycle, where significant government subsidies encouraged investment in areas such as semiconductors and the energy transition. Toward the end of the period, there were increasing signs of the US economy slowing as higher interest rates impacted activity. This points to the probability of more difficult times ahead for the US, though these may be offset by falling interest rates. That the US governments fiscal position is already stretched before the arrival of a lower period of growth is concerning.

China's economy continues to struggle under the weight of the collapse in the property market. While there are pockets of strength across the economy in areas such as car sales and tourism, broadly the consumer remains cautious and this has been reflected in the earnings of many companies, including multinationals with substantial China businesses. While the government continues to take measures to resolve the property crisis and to stimulate the economy, it is yet to make an impact on the low level of consumer and business confidence. The other major economies of Europe and Japan continue to meander along.

Adding to the uncertainty of the economic environment has been a deteriorating global political environment. In term of importance to markets, the most critical issue is US-China relationship, with the US continuing to escalate its restrictions on China's access to semiconductor technology. With the US presidential election later this year, this is likely to remain a source of uncertainty for businesses and investors with potential impacts on companies across the globe. Conflicts in Ukraine and Israel while having a significant humanitarian cost, have had minimal impact on global economic activity and markets, though the potential for this to change is ever present.

Against this economic and market backdrop, it has been a difficult environment for Platinum's contrarian approach to investing. The 12 year-long bull market has generated strong client interest for passive investment products over actively managed investments, and flows have favoured 'growth-style' funds, which tend to generate strong relative performance in these bull markets. We believe this growth-style of investing could be challenged in the near term, as recent market corrections have indicated, and it is for this reason that we believe our investment approach will be rewarded over the course of the cycle.

<sup>1</sup> Source: MSCI. Year to 30 June 2024, AUD.



## FUNDS UNDER MANAGEMENT - RETENTION AND GROWTH

To 30 June 2024

|                                   | FY2024  | FY2023  | Variance |
|-----------------------------------|---------|---------|----------|
| Net retail outflows (A\$m)        | (2,365) | (1,241) | (1,124)  |
| Net institutional outflows (A\$m) | (2,531) | (1,154) | (1,377)  |
| Average FUM* (A\$b)               | 15.3    | 18.1    | (2.8)    |

\*Average FUM excludes impact of annual distributions

While the second half of the financial year saw an improvement in absolute investment returns for our two largest funds, the Platinum International Fund and Platinum Asia Fund (and many of the other funds), the weaker relative investment returns across the board resulted in a significant reduction in funds under management of 25% (average FUM down 15%) and net outflows of funds of \$4.9 billion over the course of the year.

Upon my appointment to the role of CEO at the beginning of this calendar year, the priority was therefore to undertake a broad-based turnaround program to revitalise the Company, including a deep examination of our investment platform. The 'reset' phase of this program has been implemented and I'm pleased to report significant progress across the business with the following outcomes:

- **Deep examination of our investment platform.**

A review and reorganisation of our investment team, a review of our portfolio construction and risk management processes as well as existing product design and governance, noting that our investment philosophy will not change. We remain a contrarian and absolute return focused manager, and whilst this approach has been a significant headwind over more recent years, there is ongoing work on how to better position our offering.

- **Alignment of our expense base to current revenue conditions.**

A 26% reduction (\$25 million savings) in the Company's annualised half year expense base of approximately \$96 million encompassing people and non-people costs; these cost savings will be progressively realised during 2025 and 2026.

- **Review of our existing product offerings and distribution channels: both onshore and offshore.**

Rationalisation of our offshore distribution efforts, the closure of a domestic product and a full review of our domestic listed company offerings.

- **Renewal of our client communication strategy: explaining our investment positioning and ability to meet clients' needs.**

Proactive communication with our investor base and the roll out of a full meeting program with advisers to primarily explain the reasoning behind our investment positioning. This was well received and importantly, this strategy will be ongoing and continue into the next half of the year.

- **Review of our remuneration framework.**

As outlined within this Annual Report, the 'Remuneration Report', has been simplified, whilst improving alignment with clients and shareholders to ensure clear accountability.

We are currently working through the next phase of the turnaround program, the 'growth' phase, to be implemented over the next six plus months. This phase is integral to rebuilding the business, with the aim of achieving the following:

- **Implementation of recommendations to further enhance our investment platform.**

Based on the work already undertaken on portfolio construction and risk management processes.

- **Build improved product and distribution capability through new channels.**

Examination and leveraging of our distribution capabilities of existing products and the potential for new sub-advisory products given Platinum's strong brand and reach.

- **Exploration of growth and diversification opportunities, both organic and inorganic.**

Ability to seed new strategies and able to move on attractive inorganic opportunities as they arise.

- **Completion of our outsourcing projects.**

Whilst the overhaul of our investment-related back office has been completed enhancing the capability, scalability and resilience of our operations and related technology stack, the middle office part of the project, focusing on the data and reporting side, is due for completion by the end of this calendar year.

In other progress, Platinum continues to maintain a persistent commitment to responsible and sustainable business practices, including strong corporate governance, and environmental and social awareness. Platinum and the companies we invest in continue to face a wide range of ESG and sustainability issues as stakeholder expectations and the regulatory and policy settings surrounding these issues continue to evolve. We are proud to share the progress and achievements of both our investment stewardship and corporate sustainability activities in our 'FY2024 Sustainability and Stewardship Report' and commit to continuous improvement and adaptation of our approaches in coming years.

## OUTLOOK

Whilst we have achieved our initial objectives over the course of the 'reset' phase, there is much to deliver over the next phase of business turnaround program. There are many activities throughout the organisation that will be rejuvenated, developed and launched over the coming period, and I look forward to providing a further progress update to shareholders at our Annual General Meeting in November.

I would also like to thank Platinum's staff whose contribution has been integral to ensuring continuity of the existing business as well as embracing this period of transition; this includes the teams of investment, client service, distribution and communications, unit registry, investment operations, legal and compliance, finance, IT, data and operations.

I look forward to your support as CEO over the coming years.

Jeff Peters  
Managing Director

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# Annual Financial Report

30 June 2024

## DIRECTORS

Guy Strapp  
 Anne Loveridge AM  
 Brigitte Smith  
 Philip Moffitt  
 Jeff Peters (appointed as Managing Director 19 March 2024)  
 Andrew Clifford (resigned as Board Director 1 February 2024)  
 Elizabeth Norman (resigned as Board Director 1 February 2024)  
 Andrew Stannard (resigned as Board Director 1 February 2024)  
 Stephen Menzies (retired 15 November 2023)

## COMPANY SECRETARY

Joanne Jefferies

## SHAREHOLDER LIAISON

Elizabeth Norman

## REGISTERED OFFICE

Level 8, 7 Macquarie Place  
 Sydney NSW 2000  
 Phone 1300 726 700 (Australia only)  
 Phone 0800 700 726 (New Zealand only)  
 Phone +61 2 9255 7500

## SHARE REGISTRAR

Computershare Investor Services Pty Ltd  
 Level 3, 60 Carrington Street  
 Sydney NSW 2000  
 Phone 1300 855 080 (Australia only)  
 Phone +61 3 9415 4000  
 Fax +61 3 9473 2500

## AUDITOR AND TAXATION ADVISOR

Ernst & Young  
 The EY Centre  
 Level 34, 200 George Street  
 Sydney NSW 2000

## SECURITIES EXCHANGE LISTING

Platinum Asset Management Limited shares are listed on the Australian Securities Exchange (ASX code: **PTM**)

## WEBSITE

[www.platinum.com.au/ptm-shareholder](http://www.platinum.com.au/ptm-shareholder)

## CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement can be viewed at  
[www.platinum.com.au/media/Platinum/About/ptm\\_corp\\_gov.pdf](http://www.platinum.com.au/media/Platinum/About/ptm_corp_gov.pdf)

The shareholder information set out below was applicable as at 13 August 2024.

## DISTRIBUTION OF ORDINARY SHARES

Analysis of number of ordinary shareholders by size of holding:

|  | NUMBER OF HOLDERS OF ORDINARY SHARES |
|--|--------------------------------------|
| 1 to 1,000                                       | 4,246                                |
| 1,001 to 5,000                                   | 7,938                                |
| 5,001 to 10,000                                  | 2,952                                |
| 10,001 to 100,000                                | 3,482                                |
| 100,001 and over                                 | 230                                  |
| <b>Total</b>                                     | <b>18,848</b>                        |
| Holding less than a marketable parcel (of \$500) | 1,704                                |

## ORDINARY SHAREHOLDERS

### Twenty largest ordinary shareholders

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

|   | ORDINARY SHARES    |                          |
|---|--------------------|--------------------------|
|   | NUMBER HELD        | % OF TOTAL SHARES ISSUED |
| K Neilson   | 126,037,420        | 21.65                    |
| HSBC Custody Nominees (Australia) Limited                       | 58,149,569         | 9.99                     |
| J P Morgan Nominees Australia Pty Limited                       | 46,376,573         | 7.97                     |
| Citicorp Nominees Pty Limited                                   | 39,791,607         | 6.84                     |
| Platinum Investment Management Limited (nominee)                | 29,364,201         | 5.04                     |
| Pacific Custodians Pty Limited (Platinum EMP Share TST A/C)     | 20,986,546         | 3.60                     |
| ABN Amro Clearing Sydney Nominees Pty Limited                   | 10,002,422         | 1.72                     |
| Tsou Enterprise Pty Limited                                     | 7,155,600          | 1.23                     |
| Jilliby Pty Ltd   | 6,500,000          | 1.12                     |
| J Clifford  | 5,000,000          | 0.86                     |
| National Nominees Limited                                       | 4,905,077          | 0.84                     |
| BNP Paribas Nominees Pty Ltd (Agency Lending A/C)               | 3,910,975          | 0.67                     |
| Starbrook Enterprises Pty Limited                               | 3,600,000          | 0.62                     |
| BNP Paribas Nominees Pty Limited (IB AU NOMS Retail Client DRP) | 3,472,777          | 0.60                     |
| 3rd Wave Investors Pty Limited                                  | 3,000,000          | 0.52                     |
| Neweconomy Com Au Nominees Pty Limited                          | 2,478,983          | 0.43                     |
| BNP Paribas NOMS Pty Limited                                    | 2,465,285          | 0.42                     |
| HSBC Custody Nominees (Australia) Limited - A/C 2               | 2,365,597          | 0.41                     |
| Garrett Smythe Limited  | 2,152,500          | 0.37                     |
| IOOF Investment Services Limited (IOOF IDPS)                    | 1,981,504          | 0.34                     |
|   | <b>379,696,636</b> | <b>65.22</b>             |

### Unquoted ordinary shares

There are no unquoted ordinary shares, however, the Company has share-based payment arrangements through which a total of 31,185,595 deferred and performance rights have been allocated to eligible employees of Platinum Investment Management Limited, and on vesting and exercise of these rights, an equivalent number of PTM shares will be allocated to these employees (please refer to the Remuneration Report and Note 17 for further details).

## SUBSTANTIAL SHAREHOLDERS

The following parties have notified the Company that they have a substantial relevant interest in the ordinary shares of Platinum Asset Management Limited in accordance with section 671B of the *Corporations Act 2001*:

|  | ORDINARY SHARES          |                          |
|--|--------------------------|--------------------------|
|  | NUMBER HELD              | % OF TOTAL SHARES ISSUED |
| K Neilson                                | 126,037,420 <sup>^</sup> | 21.48                    |
| J Clifford, Moya Pty Limited, A Clifford | 32,831,449 <sup>^</sup>  | 5.60                     |

<sup>^</sup> based on the last substantial shareholder notice lodged.

## 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      | 5 September 2024  |
| Record date (books close) for dividend | 6 September 2024  |
| Dividend payment date                  | 20 September 2024 |

*These dates are indicative and may be changed.*

## NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of Platinum Asset Management Limited will be held as a hybrid meeting on Wednesday, 12 November 2024. Details of how to attend 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 email your question to [invest@platinum.com.au](mailto:invest@platinum.com.au).

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereinafter as the 'consolidated entity', 'Group' or 'Platinum') consisting of Platinum Asset Management Limited (referred to hereinafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

## DIRECTORS

The following persons were Directors of Platinum Asset Management Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

### Current Directors

|                   |  |
|-------------------|--|
| Guy Strapp        | Chair and Non-Executive Director   |
| Anne Loveridge AM | Non-Executive Director   |
| Brigitte Smith    | Non-Executive Director   |
| Philip Moffitt    | Non-Executive Director   |
| Jeff Peters       | Chief Executive Officer/Managing Director (appointed as Board Director 19 March 2024)* |

### Former Directors

|                  |   |
|------------------|---|
| Andrew Clifford  | Chief Executive Officer/Managing Director (resigned as Board Director 1 February 2024)*                               |
| Elizabeth Norman | Executive Director and Director of Investor Services and Communications (resigned as Board Director 1 February 2024)* |
| Andrew Stannard  | Executive Director and Finance Director (resigned as Board Director 1 February 2024)*                                 |
| Stephen Menzies  | Non-Executive Director (retired 15 November 2023)   |

\* Further information about these changes is provided below.

## APPOINTMENT OF CEO AND BOARD RESTRUCTURE

The Company announced the appointment of Mr Jeff Peters as Chief Executive Officer ("CEO") on 8 January 2024.

Mr Peters' appointment follows an extensive global search to replace co-founder Andrew Clifford as CEO following the Company's announcement in August 2023 that he would be stepping aside from the CEO role.

With over 30 years of industry experience, Mr Peters brings to Platinum an extensive asset management background, together with strategic and management consulting skills. He previously led the institutional and international businesses of two large global asset management firms, Columbia Threadneedle Investments and Putnam Investments, respectively, following his time running the asset management practice at McKinsey. Mr Peters was educated at Princeton University and holds an MBA from Harvard Graduate School of Business Administration.

The Board utilised Mr Peters' appointment as an opportunity to restructure its composition to ensure that it remains independent and meets best practice corporate governance standards. Accordingly, Andrew Clifford, Elizabeth Norman and Andrew Stannard stepped down from the Board on 1 February 2024. Mr Clifford continues in his role as Co-Chief Investment Officer and Ms Norman and Mr Stannard will continue to perform their management duties, reporting to Mr Peters.

## PRINCIPAL ACTIVITIES

The Company is the non-operating holding company of Platinum Investment Management Limited ("PIML") and its controlled entities. PIML, trading as Platinum Asset Management, operates a funds management business.

## OPERATING AND FINANCIAL REVIEW

Funds Under Management ("FUM") at 30 June 2024 were \$13.0 billion and this represented a decrease of 25.2% from the 30 June 2023 closing FUM of \$17.3 billion. Average FUM of \$15.3 billion for the year was lower than the average FUM of \$18.1 billion for the previous year. The change in closing FUM was driven by positive investment returns of \$0.7 billion, net fund outflows of \$4.9 billion and the 30 June 2024 net distribution.



The following table summarises the Group's profitability over the past two financial years, showing the 30 June 2023 financial year reported statutory numbers against 30 June 2024 financial year adjusted numbers to separately disclose the impact of the turnaround program implementation costs:

|   | 30 JUNE 2024<br>\$'000 | 30 JUNE 2023<br>\$'000 |
|---|------------------------|------------------------|
| Management fees   | 174,344                | 201,439                |
| Performance fees  | -                      | 1,225                  |
| <b>Total revenue</b>                                    | <b>174,344</b>         | <b>202,664</b>         |
| Adjusted expenses <sup>1</sup>                          | (91,451)               | (100,640)              |
| <b>Adjusted EBIT<sup>2</sup></b>                        | <b>82,893</b>          | <b>102,024</b>         |
| <b>Adjusted EBIT margin %</b>                           | <b>48%</b>             | <b>50%</b>             |
| Interest income   | 9,385                  | 5,164                  |
| <b>Adjusted operating profit before tax<sup>3</sup></b> | <b>92,278</b>          | <b>107,188</b>         |
| Other income  | 1,251                  | 9,582                  |
| Turnaround program implementation costs                 | (20,385)               | -                      |
| <b>Statutory net profit before tax</b>                  | <b>73,144</b>          | <b>116,770</b>         |
| Income tax expense                                      | (28,009)               | (35,907)               |
| <b>Statutory net profit after tax</b>                   | <b>45,135</b>          | <b>80,863</b>          |
| Basic earnings per share (cents per share)              | 8.0                    | 14.1                   |
| Adjusted EBIT per share (cents per share)               | 14.6                   | 17.8                   |

The Group's statutory profit before tax was \$73.1 million for the year ended 30 June 2024 ("FY24"), a \$43.6 million decrease from the previous year. The main cause of the decrease in profit was a \$27.1 million decrease in management fees due primarily to a decrease in average FUM. The Group earned no performance fee revenue (2023: \$1.2 million).

Adjusted expenses, which excludes turnaround program implementation costs, decreased \$9.2 million to \$91.5 million in FY24. The decrease in adjusted expenses reflects a decrease in employee expenses due to lower compensation costs as well as reduced marketing and insurance expenditure.

The FY24 turnaround program implementation costs included employee expenses of \$19.5 million, the majority of which related to a \$11.4 million non-cash charge for accelerated share-based payment amortisation in respect to those employees who ceased employment during FY24.

The Adjusted Earnings Before Interest and Tax ("adjusted EBIT") profit margin fell slightly, from 50% to 48%, due to the \$28.3 million decrease in total fee revenue being largely offset by the \$9.2 million decrease in adjusted expenses.

<sup>1</sup> Adjusted expenses is total expenses excluding the turnaround program implementation costs in FY24.

<sup>2</sup> Adjusted EBIT is calculated as total fee revenue (which excludes interest income and other income) less adjusted expenses.

<sup>3</sup> Adjusted operating profit before tax is the sum of adjusted EBIT and interest income.

Non-IFRS financial measures are measures that are not defined or specified under IFRS. The Directors believe non-IFRS financial measures such as adjusted EBIT and adjusted expenses assist in providing additional meaningful information about Platinum's performance by adjusting for non-recurring items such as turnaround program implementation costs which affect the Group's statutory financial results. These financial measures should be viewed in addition to, and not as a substitute for, the Group's statutory results.

Performance of the Company during FY24 continued to be impacted by investment performance and reductions in FUM. A new CEO was appointed during the year and, after a thorough review, has embarked on a turnaround program to address performance and simplify the company. The full impact of the turnaround program will take some time to be reflected in FUM and the Company results.

The Chair's report and Managing Director's Letter to shareholders provide further discussion and analysis of the Group's financial results and investment performance.

## LIKELY DEVELOPMENTS

Information about the business strategies and prospects for future financial years of the consolidated entity are included in the Operating and Financial Review. Further information about likely developments in the operations of the consolidated entity and the expected results of those operations in future financial years has not been included in this report because disclosure of such information would likely result in unreasonable prejudice to the consolidated entity as the information is commercially sensitive.

## DIVIDENDS

The Company has limited capital requirements and generally expects that most, if not all, future profits will continue to be distributed by way of dividends, subject to ongoing capital requirements.

Since the end of the financial year, the Directors have determined a 2024 final fully franked dividend of 4 cents per share (\$23,286,685 including dividend paid on treasury shares), with a record date of 6 September 2024 and payable to shareholders on 20 September 2024.

A 2024 interim fully franked dividend of 6 cents per share (\$34,930,027 including dividend paid on treasury shares) was paid on 22 March 2024. A 2023 final fully franked dividend of 7 cents per share (\$41,067,523 including dividend paid on treasury shares) was paid on 15 September 2023.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity not disclosed elsewhere in the report during the financial year and up to the date of this report.

## ENVIRONMENTAL, SOCIAL & GOVERNANCE ("ESG") REPORTING

Shareholders are encouraged to read Platinum's Corporate Responsibility and Sustainability Report which is available at [www.platinum.com.au/stewardship](http://www.platinum.com.au/stewardship).

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

## INFORMATION ON DIRECTORS

### **Guy Strapp** BCom, DIP AF&I, CFA

Mr Guy Strapp is an independent Non-Executive Director (since 27 August 2020). He has been Board Chair since 21 November 2020. Mr Strapp is a member of the Audit, Risk & Compliance Committee, Investment Committee and Nomination & Remuneration Committee.

Mr Strapp has over 35 years' experience in the investment and financial services sectors, having worked in a variety of roles in Australia and abroad at Bank of America, JP Morgan Investment Management, Citigroup Asset Management and BT Financial Group. Mr Strapp's most recent executive role was as CIO and CEO of Eastspring Investments (formerly Prudential Asset Management) in Hong Kong.

Mr Strapp brings to the Board extensive local and international experience in asset management, gained on both the investment and distribution side of the business.

### **Anne Loveridge** AM, BA (Hons), FCA (Australia), GAICD

Ms Anne Loveridge is an independent Non-Executive Director (since 22 September 2016). She is Chair of the Audit, Risk & Compliance Committee and a member of the Nomination & Remuneration Committee.

Ms Loveridge has over 35 years' experience in business. She has a breadth of experience in people leadership and remuneration as well as audit, risk, regulatory compliance and finance skills. Ms Loveridge had a 30-year career at PwC Australia, where she retired as Senior Audit Partner and Deputy Chair in 2015.

Ms Loveridge brings to the Board extensive financial services and company director experience gained through her numerous senior leadership and director roles in highly regulated ASX listed organisations (in financial services and health sectors) as well as arts related not-for-profit and Government entities.

Ms Loveridge is a Non-Executive Director of ASX listed companies National Australia Bank Limited, NIB Holdings Limited and Accent Group Limited and of the government agency, Destination NSW. She was previously the Chair of Bell Shakespeare. In 2023, Ms Loveridge was awarded as a Member of the Order of Australia for significant service to theatre administration and to business.

### **Brigitte Smith** B.Chem Eng (Hons), MBA, MALD, FAICD

Ms Brigitte Smith is an independent Non-Executive Director (since 31 March 2018). She is a member of the Audit, Risk & Compliance Committee and Chair of the Nomination & Remuneration Committee.

Ms Smith has over 20 years' experience in the investment and financial services sector. Ms Smith brings to the Board extensive financial services experience within Australia and the US with a focus on supporting business strategy, human resources and operations.

Ms Smith is the co-founder and Managing Director of GBS Venture Partners. Prior to GBS, Ms Smith worked in the US and Australia in operating roles with fast growth technology-based businesses, and at Bain & Company as a strategic management consultant.

Ms Smith is a Non-Executive Director of Amber Electric and Moximed Inc, serves as an Investment Committee member for Diversified Impact Fund at Social Ventures Australia and Investment Advisor to the Victorian Government's Equity Investment Attraction Fund.

### **Philip Moffitt** BEcon (Hons), BLAS Psych (Hons), GradDipPsych, Associate FINSIA

Mr Philip Moffitt is an independent Non-Executive Director (since 17 December 2021). He is a member of the Audit, Risk & Compliance Committee, Nomination & Remuneration Committee and became Chair of the Investment Committee on 23 August 2023.

Mr Moffitt has over 35 years' experience in investment management.

Mr Moffitt was previously a partner at Goldman Sachs (London and Sydney) and also Chair of Goldman Sachs Australia Managed Fund Board. Prior to this he held a number of senior roles within Tokai Asia in Hong Kong and Bankers Trust in Australia.

Mr Moffitt is a Non-Executive Director of Aware Super and serves as Chair of its Investment Committee and Direct Assets Committee, is a Director of Green Road Consulting, and the Chair of Newington College Foundation.

## **Jeff Peters** BA (Princeton), MBA (Harvard)

Mr Jeff Peters was appointed as Chief Executive Officer ("CEO") on 8 January 2024 and as Managing Director on 19 March 2024.

With over 30 years of industry experience, Jeff brings to Platinum an extensive asset management background, together with strategic and management consulting skills. He previously led the institutional and international businesses of two large global asset management firms, Columbia Threadneedle Investments and Putnam Investments, respectively, following his time working in the asset management practice at McKinsey.

## **INFORMATION ON FORMER DIRECTORS**

### **Stephen Menzies** BEcon, LLB, LLM

Mr Stephen Menzies was an Independent Non-Executive Director from 11 March 2015 to 15 November 2023. During his tenure as an Independent Non-Executive Director, he served as a member of the Audit, Risk & Compliance Committee and Nomination and Remuneration Committee (Chair until 26 October 2021).

Mr Menzies has over 30 years' experience as a corporate lawyer specialising in capital markets and mergers and acquisitions. Mr Menzies is a retired partner of Ashurst law firm and prior to his retirement in 2015 was consistently ranked as one of Australia's leading corporate lawyers. During his time at Ashurst he was the Head of China Practice and oversaw the Shanghai and Beijing offices of that firm.

Mr Menzies was previously a Non-Executive director of Platinum World Portfolios Plc.

### **Andrew Clifford** BCom (Hons)

Mr Andrew Clifford was an Executive Director from 8 May 2013 to 1 February 2024 and was Platinum's Managing Director from 1 July 2018 to 1 February 2024. Mr Clifford is a co-founder of Platinum and continues to serve as the Co-Chief Investment Officer since 8 May 2013.

Mr Clifford has over 30 years' experience in investment and funds management with a focus on global equity markets.

Prior to co-founding Platinum, Mr Clifford was a Vice President at Bankers Trust Australia covering Asian equities and managing the BT Select Market Trust - Pacific Basin Fund, where he worked alongside Platinum's other co-founder, Kerr Neilson.

### **Elizabeth Norman** BA, Graduate Diploma in Financial Planning

Ms Elizabeth Norman was an Executive Director from 8 May 2013 to 1 February 2024. She is Platinum's Director of Investor Services and Communications.

Ms Norman joined Platinum in February 1994 in a role of Investor Services and Communications Manager.

Ms Norman has over 30 years' experience in investor services and communications.

Prior to joining Platinum, Ms Norman worked at Bankers Trust Australia in product development and within the retail funds management team.

### **Andrew Stannard** BMS(Hons), Graduate Diploma in Applied Finance and Investment, CA

Mr Andrew Stannard was an Executive Director from 10 August 2015 to 1 February 2024. He is Platinum's Finance Director.

Mr Stannard has over 30 years' experience in finance with expertise in audit, financial control, operations, funds management, financial services regulation and corporate governance.

Prior to joining Platinum, Mr Stannard was Chief Financial Officer of Alliance Bernstein for its Asia-Pacific region.

## INFORMATION ON COMPANY SECRETARY

**Joanne Jefferies**, BCom, LLB, MAICD

Ms Joanne Jefferies is Platinum's General Counsel and Group Company Secretary (since 17 October 2016). Ms Jefferies is the Company Secretary for Platinum and a number of its subsidiary entities and ASX listed investment companies, Platinum Asia Investments Limited and Platinum Capital 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 United Kingdom 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.

## MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors ("the Board") and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each Director were:

|                                  | SCHEDULED<br>BOARD | AD HOC<br>BOARD | NOMINATION &<br>REMUNERATION<br>COMMITTEE* | AUDIT, RISK AND<br>COMPLIANCE<br>COMMITTEE* | INVESTMENT<br>COMMITTEE* | DUE DILIGENCE<br>COMMITTEE* |
|----------------------------------|--------------------|-----------------|--|---|--------------------------|-----------------------------|
|                                  | ATTENDED/HELD      | ATTENDED/HELD   | ATTENDED/HELD                              | ATTENDED/HELD                               | ATTENDED/HELD            | ATTENDED*/HELD              |
| <b>Directors at 30 June 2024</b> |                    |                 |  |   |                          |                             |
| Guy Strapp                       | 4/4                | 4/5             | 8/8  | 4/4   | 2/2                      | 3/3                         |
| Anne Loveridge AM                | 4/4                | 4/5             | 7/8  | 4/4   | -                        | -                           |
| Brigitte Smith                   | 4/4                | 4/5             | 8/8  | 4/4   | -                        | -                           |
| Philip Moffitt                   | 3/4                | 5/5             | 6/8  | 4/4   | 2/2                      | -                           |
| Jeff Peters <sup>1</sup>         | 2/2                | 1/1             | -  | -   | 2/2                      | -                           |
| <b>Previous Directors</b>        |                    |                 |  |   |                          |                             |
| Stephen Menzies <sup>2</sup>     | 2/2                | 3/3             | 3/3  | 2/2   | -                        | -                           |
| Andrew Clifford <sup>3</sup>     | 2/2                | 4/4             | -  | -   | 2/2                      | 3/3                         |
| Elizabeth Norman <sup>3</sup>    | 2/2                | 4/4             | -  | -   | -                        | 3/3                         |
| Andrew Stannard <sup>3</sup>     | 2/2                | 4/4             | -  | -   | -                        | 2/3                         |
| <b>Company Secretary</b>         |                    |                 |  |   |                          |                             |
| Joanne Jefferies <sup>4</sup>    | -                  | -               | -  | -   | -                        | 3/3                         |

\* Executive Directors may be invited to attend committee meetings as guests.

1. Jeff Peters was appointed as a Board Director on 19 March 2024. He attended one Board meeting as a guest and two Board meetings as a Director.

2. Stephen Menzies retired as a non-executive director on 15 November 2023 and was only eligible to attend meetings prior to his retirement date.

3. Andrew Clifford, Elizabeth Norman and Andrew Stannard stepped down from the Board on 1 February 2024 and were only eligible to attend meetings prior to resignation date. Mr Clifford continues in his role as Co-Chief Investment Officer and member of Investment Committee and Ms Norman and Mr Stannard will continue to perform their management duties, reporting to the new CEO.

4. Joanne Jefferies is not a director of the Company, however, is the Group Company Secretary and also a member of Due Diligence Committee.

## RISK MANAGEMENT FRAMEWORK

Platinum believes that the management of risk is a continual process and an integral part of good business management and corporate governance. Platinum's risk management framework is set in our risk management policy (available at [www.platinum.com.au/ptm-shareholder](http://www.platinum.com.au/ptm-shareholder)) which is approved by the Board. The framework sets the Board's risk appetite for the Company and mechanisms to manage the material risks within the approved risk appetite. The material risks are set out below:

| RISK CATEGORY   | RISK DESCRIPTION   | RISK MANAGEMENT   |
|---|--|---|
| <b>Strategic Risk</b>                                     | Strategic Risk is defined as adverse strategic decisions, improper implementation of strategic decisions, a lack of responsiveness to industry changes or exposure to economics, market or demographic considerations that affect our market position. | <ul style="list-style-type: none"> <li>• Board approved strategic objectives</li> <li>• Regular reporting to the Board of management activities to achieve objectives</li> <li>• KMP's KPI's aligned to strategic objectives</li> </ul>   |
| <b>Legal, Regulatory and Compliance Risk</b>              | The risk that the framework of rules, relationships, systems and processes within Platinum does not enforce compliance with the Group's obligations arising as a listed entity and financial services licensee.  | <ul style="list-style-type: none"> <li>• Defined compliance framework with documented policies</li> <li>• Training on compliance policies to applicable teams</li> <li>• Regulatory change forum monitors impact of new legislation on Platinum's business and products</li> </ul>  |
| <b>Operational Risk</b>                                   | Operational Risk is the risk of losses resulting from inadequate or failed internal processes, people and systems, or from external events.  | <ul style="list-style-type: none"> <li>• Defined risk management framework with supporting policies</li> <li>• Independent control testing as part of control self-assessment program</li> <li>• Compliance and Risk Department review incidents and breaches to assess control breakdowns and improvements</li> <li>• Insurance arrangements cover material insurable risks</li> </ul> |
| <b>Outsourcing Risk</b>                                   | Outsourcing risk is the risk arising from failure in processes and or controls undertaken by third parties which result in the breakdown in Platinum's ability to provide its services.  | <ul style="list-style-type: none"> <li>• Periodical due diligence review of material service providers</li> <li>• Legal contracts in place with material services providers</li> </ul>  |
| <b>Market and Investment Risk</b>                         | Market and Investment Risk is the risk of losses resulting from ineffective investment strategies, management or structures resulting in sustained under performance relative to benchmarks and investment objectives.                                 | <ul style="list-style-type: none"> <li>• Clearly defined investment strategy</li> <li>• Formation of the Investment Oversight Group responsible for overseeing that Platinum's investment strategies are managed in-line with agreed investment and risk management processes</li> <li>• Independent pre and post-trade investment mandate compliance monitoring</li> </ul>             |
| <b>Financial Risk (including Liquidity)</b>               | Financial Risk is the risk that Platinum or the Schemes cannot meet its contractual, payment or redemption obligations in a timely manner.   | <ul style="list-style-type: none"> <li>• Monitoring of seed capital risks</li> <li>• Monitoring of regulatory capital requirements</li> <li>• Regular review and approval of cashflow forecasts</li> </ul>  |
| <b>Information Technology (IT) and Cybersecurity Risk</b> | IT and Cybersecurity Risk is the risk of financial loss, disruption or damage to the reputation of an organisation from a failure of its information technology systems.   | <ul style="list-style-type: none"> <li>• Defined IT security policies</li> <li>• Independent security testing</li> <li>• Business continuity plan regularly tested</li> <li>• Periodic cyber training provided to staff</li> </ul>  |

| RISK CATEGORY  | RISK DESCRIPTION   | RISK MANAGEMENT  |
|--|--|--|
| <b>People, Culture and Conduct Risk</b>                | People, Culture and Conduct Risk is the uncertainty and potential for loss or failure arising from conduct by employees, directors or service providers that does not align with Platinum's values. The risk arising from an inability to attract and retain talent to execute the strategy of Platinum. | <ul style="list-style-type: none"> <li>Clearly defined Business Rules of Conduct (BROC) outlines Platinum's expected standards of behaviour by staff and consequence management framework</li> <li>Mandatory training for all staff on the BROC</li> <li>Annual staff attestation of the BROC</li> <li>Mandatory training on appropriate workplace behaviour and ongoing measure of engagement through the employee engagement survey</li> <li>Deferred remuneration awards aligned to shareholder outcomes</li> <li>Succession planning for key roles across the Group</li> </ul> |
| <b>Environmental, Social and Governance (ESG) Risk</b> | ESG Risk is the risk arising from inappropriate or inadequate ESG considerations in business and investment decision making.   | <ul style="list-style-type: none"> <li>Head of Stewardship leads Platinum's investment stewardship and corporate sustainability approaches</li> <li>Defined responsibilities for reviewing ESG developments impacting the Group and monitoring of ESG initiatives</li> </ul>   |

## INTERESTS IN REGISTERED SCHEMES

The relevant interests in units of registered managed investment schemes managed by PIML, for each Director is set out below.

| REGISTERED SCHEME                                       | DIRECTOR          | 30 JUNE 2024 | 30 JUNE 2023 |
|---|-------------------|--------------|--------------|
| Platinum Asia Fund                                      | Philip Moffitt    | 87,160       | 87,160       |
|   | Andrew Clifford   | n/a*         | 5,881,457    |
|   | Elizabeth Norman  | n/a*         | 900,169      |
| Platinum International Fund                             | Andrew Clifford   | n/a*         | 36,771,659   |
|   | Elizabeth Norman  | n/a*         | 577,119      |
| Platinum Global Fund                                    | Andrew Clifford   | n/a*         | 6,799,140    |
|   | Elizabeth Norman  | n/a*         | 737,039      |
| Platinum European Fund                                  | Elizabeth Norman  | n/a*         | 324,327      |
| Platinum Japan Fund                                     | Elizabeth Norman  | n/a*         | 267,109      |
| Platinum Global Fund (Long Only)                        | Elizabeth Norman  | n/a*         | 186,478      |
| Platinum International Health Sciences Fund             | Elizabeth Norman  | n/a*         | 187,350      |
| Platinum International Fund (Quoted Managed Hedge Fund) | Anne Loveridge AM | 19,075       | 17,897       |
| Platinum Asia Fund (Quoted Managed Hedge Fund)          | Anne Loveridge AM | 18,967       | 18,550       |
|   | Brigitte Smith    | 126,917      | 124,118      |

\* Not applicable as Andrew Clifford and Elizabeth Norman resigned from the Board on 1 February 2024.



## INDEMNITY AND INSURANCE OF DIRECTORS AND OFFICERS

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

The Group insures the Directors and officers of the Group to the extent permitted by law for losses, liabilities, costs and charges in defending any legal proceedings arising out of their conduct while acting in the capacity of Directors and officers of the Group, other than conduct involving a wilful breach of duty in relation to the Group or a contravention of sections 182 and 183 of the *Corporations Act 2001*. During the year, the Group paid insurance premiums to insure the Directors and officers of the Company and its subsidiaries as permitted by the *Corporations Act 2001*. The terms of the contract prohibit the disclosure of the premiums paid.

## INDEMNITY OF AUDITOR

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made in satisfaction of any indemnity provided to Ernst & Young Australia during or since the financial year.

## NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 24 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial 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*.

The Directors are of the opinion that the services as disclosed in Note 24 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 by the Audit, Risk and Compliance Committee 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.

## 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 that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

## 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 appropriate amount of tax to the relevant authorities.



## 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 43.

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



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Guy Strapp  
Chair

28 August 2024  
Sydney



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Jeff Peters  
Managing Director

## A MESSAGE FROM THE CHAIR OF THE NOMINATION AND REMUNERATION COMMITTEE (“COMMITTEE”)

Dear fellow shareholders

I am pleased to present Platinum's FY2024 Remuneration Report.

In this report we detail the substantial effort that the Remuneration Committee and Board have put into revising PTM's remuneration framework following some significant changes in our business structure and competitive environment, and addressing some strong feedback we received from shareholders about our prior years' remuneration arrangements at our 2023 AGM.

By way of background, as our Chair and CEO outlined earlier in this annual report, Platinum's business is currently undergoing a period of significant change. A key and important milestone for the Board during FY24 was the appointment of Platinum's new Chief Executive Officer, Mr Jeff Peters, following an extensive international search. Jeff Peters was selected by the Board for his impressive global credentials and previous experience with turnaround situations.

Since his appointment in early January this year, Jeff has together with the Board, developed a strategic “turnaround” plan aimed at restoring Platinum's investment performance and operating effectiveness, ahead of plans to deliver sustainable growth going forward, aligned with the long-term financial interests of our shareholders.

The first six months of the turnaround program (the “reset phase”) has been focused on “right-sizing” the business, simplifying our existing product offerings and distribution channels, restructuring our investment platform and renewing our client communication strategy. We have made strong progress in this initial phase. The second phase (the “growth” phase) is the key catalyst and context for our revised remuneration arrangements for our key executives and professional staff, as detailed below.

### **Remuneration is a key pillar of our turnaround program.**

To this end, the Board has undertaken a wholesale review of Platinum's remuneration framework with the primary objective of ensuring greater alignment of remuneration outcomes with the financial performance of the business and attracting and retaining key talent to deliver on the turnaround program, and ultimately our shareholders' experience.

### **We have listened and responded to stakeholder feedback as a central part of this re-design process.**

At the 2023 AGM, Platinum received a “first strike” against adoption of the 2023 Remuneration Report. In response to this, the Board has actively engaged with our shareholders, proxy advisers and other stakeholders during the first half of calendar 2024 to test our remuneration design proposals and seek their feedback. We have listened carefully and made changes to our framework in response to feedback received. We made some changes that took effect immediately within FY24, with further changes decided on, to take effect in the 2024/2025 financial year. We have comprehensively addressed every point that has been raised by our shareholders.

In particular, in our engagements with key stakeholders, we heard concerns regarding:

#### *Misalignment of pay, performance and shareholder outcomes and our complicated remuneration framework.*

Our Response: We substantially reduced our total variable remuneration awards for our existing KMP (excluding our newly appointed CEO) this financial year by 59% on the previous financial year.

For the financial year 2024/2025 we have simplified our remuneration framework by closing the Investment Team Plan and the Profit Share Plan for future awards. Going forward, all variable awards will be paid out of a single General Employee Plan for all staff with the size of the pool linked to the Company's profit and revenue, to ensure that total variable remuneration outcomes are aligned with the financial performance of the Company. This single incentive pool will also drive focus and teamwork across Platinum.

#### *Excessive remuneration for our former CEO, in light of company performance.*

Our Response: Some stakeholders raised concerns regarding excessive remuneration for our previous CEO/CIO. We have addressed this by providing increased accountability and transparency through the separation of the CEO and Co-Chief Investment Officer (“Co-CIO”) roles, with the prior CEO stepping aside. As part of the CEO selection process, our new CEO's total remuneration was benchmarked against industry data and publicly available information for comparable ASX listed companies, with more emphasis placed on financial KPI's. The Board is confident that the new CEO's remuneration quantum and structure are appropriate, providing a suitable baseline for day job responsibilities as well as incentives to deliver short-term commercial objectives (at least 50% of KPI's are financial) and alignment with longer-term shareholder interests.

*Lack of quantifiable key performance indicators (“KPIs”) for our Executive Key Management Personnel (“Executive KMP”) and insufficient financial metrics.*

Our Response: For the 2023/24 financial year the Board increased the weighting of the financial metrics for our Executive KMP to 45% (from 20%), with our CEO's KPIs for the period to 30 June 2024 entirely linked to the successful delivery of the “re-set phase” of our turnaround program.

For the 2024/2025 financial year, our Executive KMP will have at least 50% of their KPI's weighted to financial metrics.

*Inadequate design of the Platinum Partners Long Term Incentive Plan (“Partners Plan”)*

Our Response: In 2023/24 financial year, no new awards were made under the Partners Plan.

For 2024/25 and beyond, we are currently in the design phase for a new Plan which incorporates the specific feedback we have received from key stakeholders. We anticipate sharing the details in late 2024.

## **Changes to Key Management Personnel.**

In parallel with the separation of the CEO and Co-CIO roles and the appointment of Mr Jeff Peters as our new dedicated CEO, we took the opportunity to streamline the Board and enhance its independence in line with corporate governance best practice. In February 2024 Andrew Clifford (Co-Chief Investment Officer), Elizabeth Norman (Director of Investor Services and Communications) and Andrew Stannard (Finance Director) stepped down from the Board, with both Andrew Clifford and Elizabeth Norman also ceasing to be KMP from this point.

The effect of these changes is that the entire Board now comprises a majority of independent non-executive directors, with only Mr Peters remaining as an executive director on the five-member Board. In closing, I would like to thank my fellow Directors on the Remuneration Committee, the Board, our CEO Jeff Peters, as well as the broader Platinum team. Their commitment and hard work have helped us to commence and successfully deliver on the first phase of Platinum's turnaround program. We look forward to moving into the growth phase of the turnaround, strategy and delivering strong, sustainable financial value to all of our shareholders.

Brigitte Smith  
Chair of Nomination & Remuneration Committee

## INTRODUCTION

This report details the remuneration framework and outcomes for Key Management Personnel (“KMP”) of Platinum Asset Management Limited for the year ended 30 June 2024. It has been prepared and audited in accordance with the disclosure requirements of the *Corporations Act 2001*.

### 1. PLATINUM’S RESPONSE TO CONCERNS RAISED IN RELATION TO THE FY2023 REMUNERATION REPORT

This is a transition year as we restructure the business and commence the first phase of the turnaround program. The remuneration report reflects these changes.

As part of making these changes we have been careful to listen to shareholder feedback, especially to the concerns highlighted as part of last year’s remuneration strike. The table below reflects the main issues raised and our response to them:

| WHAT WE HEARD   | WHAT WE HAVE DONE  |
|---|--|
| <b>Misalignment of Pay for Performance</b><br><br>Remuneration outcomes were misaligned with the financial outcomes of the Company and the experience of shareholders<br><br>Excessive CEO remuneration and link to the business strategy<br><br>Timing difference between performance assessment period (ending March) and financial year end (June) have led to misalignment between shareholder and employee outcomes<br><br>Too much compensation is determined by measures unrelated to the firm’s revenue/profits | <ul style="list-style-type: none"> <li>• More defined and targeted KPIs that derived an appropriate outcome reflective of business outcomes.</li> <li>• We reduced our total variable remuneration awards for our existing executive KMP (excluding our newly appointed CEO) this financial year by 59% on the previous financial year.</li> <li>• 48% reduction in total variable actual remuneration award for 2023/24 from the previous year.</li> <li>• To retain employees and align with future shareholder outcomes, 57% of awards were deferred for up to four years.</li> <li>• The Chief Executive Officer (“CEO”) role and Chief Investment Officer (“CIO”) roles have now been split following Jeff Peters’ appointment in January 2024 and market relative remuneration established for both roles.</li> <li>• Realigned the staff performance measurement period to the financial year, to better align staff with shareholders.</li> <li>• Investment performance measures for the investment team have been re-aligned to longer time frames that should more closely correlate with future revenue growth.</li> <li>• We have realigned to a single profit pool that rises and falls with the firm’s overall fee revenue and profitability.</li> <li>• Executive KMP KPIs are adjusted to focus more on revenue/profitability.</li> </ul> |
| <b>Short Term Incentive (“STI”) Plans &amp; Approach</b><br><br>The Remuneration structure being too complex with too many plans, some of which are not fully aligned with shareholder outcomes<br><br>Key performance indicators (“KPIs”) for our executive Key Management Personnel (“KMP”) were not quantifiable and lacked sufficient weighting toward financial metrics  | <ul style="list-style-type: none"> <li>• We have simplified the framework, closing the Investment Team Plan (“ITP”), Profit Share Plan (“PSP”), Fund Appreciation Rights Plan (“FARP”) and Options and Performance Rights Plan (“OPRP”) schemes.</li> <li>• Replaced the above schemes with one variable reward pool for all staff.</li> <li>• The Board made changes to the balanced scorecard for this financial year by increasing the weighting of the financial metrics for executive KMP to an average of 45% (from 20% on the prior financial year).</li> <li>• Our CEO’s KPIs for the period from his commencement in January 2024 to 30 June 2024 were linked entirely to the successful delivery of the “reset phase” of our turnaround program.</li> <li>• For financial year 2024/2025, executive KMP will have at least 50% of their KPIs weighted to financial metrics and the turnaround program.</li> </ul>  |

## LONG TERM INCENTIVE ("LTI") PLANS & APPROACH

The current Long-Term Incentive ("LTI") had a number of features, including a multiplier, hurdles and vesting timeframes that were not in line with market practice.

- No new awards made in 2023/24 and these issues are explicitly being addressed in the review of the plan.

## 2. OVERVIEW OF REMUNERATION FRAMEWORK

The core purpose of the Company is to deliver strong investment returns to clients over the medium to long-term, consistent with a risk profile that seeks to protect clients' capital against downside market risk. The Company can only achieve this by attracting and retaining superior investment talent, supported by a team of similarly talented client service, business development and operational staff.

Platinum's remuneration program has three key elements:

- Fixed Remuneration:** This is set at a level sufficient to attract and retain talent. It includes salary, benefits and superannuation. Fixed remuneration is benchmarked to external market data at least annually and reflects the nature of the role and the required levels of skill and experience.
- Short Term Incentives (STI):** cash and deferred equity: Each employee is assessed annually across a range of quantitative and/or qualitative KPIs, cascaded down from the strategic KPIs set by the Board for our executive KMP, to support the achievement of the Company's strategy. Risk and behavioural criteria are also an important component of our framework. STI recommendations are made based on meeting performance objectives (which may include corporate or investment performance goals depending on role) following thorough review by senior management and the Nomination and Remuneration Committee (comprised entirely of non-executive directors), before ultimately being approved by the Board. This year eligibility for STI awards was also subject to a risk gateway. Variable awards can be made in the form of cash or deferred equity.
- Long Term Incentives (LTI):**<sup>1</sup> Key staff will be periodically invited by the Board (upon the recommendation of the Nomination and Remuneration Committee), to participate in the company's Long Term Incentive Plan in order to directly align their remuneration with future shareholder value creation.

Platinum's remuneration framework is designed to align outcomes with shareholders' financial experience (by including significant financial KPIs for our KMP and long deferral of variable remuneration), promote staff acquisition and retention during the turnaround program and foster sound financial, operational and risk management practices.

<sup>1</sup> Platinum also has two inactive long term variable remuneration plans, being an "Options and Performance Rights Plan" (OPRP) and a "Fund Appreciation Rights Plan" (FARP). There were no allocations under either plan in the current or prior year. There were no new allocations in 2023/24 to the Platinum "Partners Plan".

## 3. KEY MANAGEMENT PERSONNEL (“KMP”)

For the purposes of this report, the KMP of the consolidated entity in office during the financial year were:

| NAME                            | POSITION  | TERM IN 2024           | TERM IN 2023 |
|---------------------------------|---|------------------------|--------------|
| <b>CURRENT KMP</b>              |   |                        |              |
| Guy Strapp                      | Chair and Non-Executive Director  | Full year              | Full year    |
| Anne Loveridge AM               | Non-Executive Director  | Full year              | Full year    |
| Brigitte Smith                  | Non-Executive Director  | Full year              | Full year    |
| Philip Moffitt                  | Non-Executive Director  | Full year              | Full year    |
| Jeff Peters <sup>(1)</sup>      | Managing Director, Chief Executive Officer (CEO)  | From 8 January 2024    | -            |
| Andrew Stannard <sup>(2)</sup>  | Finance Director  | Full year              | Full year    |
| <b>FORMER KMP</b>               |   |                        |              |
| Stephen Menzies <sup>(3)</sup>  | Non-Executive Director  | Until 15 November 2023 | Full year    |
| Andrew Clifford <sup>(4)</sup>  | Former Managing Director, Chief Executive Officer (CEO) and Co-Chief Investment Officer | Until 1 February 2024  | Full year    |
| Elizabeth Norman <sup>(4)</sup> | Director of Investor Services and Communications  | Until 1 February 2024  | Full year    |

1. Mr. Peters was appointed CEO on 8 January 2024.

2. Mr Stannard resigned from the Board on 1 February 2024 but remained a KMP.

3. Mr. Menzies retired from the Board on 15 November 2023 and ceased being a KMP on that date.

4. Mr. Clifford and Mrs. Norman resigned from the Board on 1 February 2024 and ceased being a KMP on that date.

With the separation of the CEO and Co-CIO roles and the appointment of Jeff Peters to the CEO role at the start of the calendar year, we took this opportunity to streamline the Board. With effect from 1 February 2024 Andrew Clifford (Co-Chief Investment Officer), Elizabeth Norman (Director of Investor Services and Communications) and Andrew Stannard (Finance Director) resigned from their positions as executive Directors on the Board. Andrew Clifford and Elizabeth Norman also ceased to be KMP with effect from this date.

## 4. REMUNERATION OF EXECUTIVE KMP

### a) EXECUTIVE KMP REMUNERATION FRAMEWORK

The table below summarises Platinum's remuneration framework for its executive KMP:

|                 | FIXED REMUNERATION   | VARIABLE REMUNERATION   |   |
|-----------------|--|---|---|
|                 |  | SHORT TERM VARIABLE REMUNERATION (STI)  | LONG TERM VARIABLE REMUNERATION (LTI)   |
| <b>PURPOSE</b>  | Attract and retain executives.   | Rewards for performance during current year.  | Rewards for performance and creates alignment with the shareholder experience. Retains critical talent. |
| <b>DELIVERY</b> | Base salary (including salary sacrifice) and superannuation.   | All KMP have at least 50% of any award delivered as deferred equity.  | All executive KMP are eligible to participate in the LTI program.                                       |
| <b>APPROACH</b> | Annual review against industry data and publicly available information for comparable ASX listed companies | Annual performance is measured using a mix of financial and non-financial KPIs, linked to delivery against the Company's strategy.<br><br>Board has discretion to adjust remuneration outcomes based on raw scores for anomalies. | There are no new awards being made during FY2024.   |

### b) EXECUTIVE KMP PERFORMANCE AGAINST FY2023/2024 KPIS

Following feedback from last year's report, the Board ensured that each of the executive KMP had clear, measurable KPIs that aligned to the outcomes of the business. As was noted earlier, in 2023/24, we restructured the KPIs for executive KMP to make them more aligned with shareholder outcomes and ensure they were for performance beyond their day to day roles.

Company and executive KMP performance was assessed by reference to a balanced scorecard, underpinned by five key strategic areas, each with set metrics and targets.

The following table summarises the KPIs and the aggregate outcome assessed for all executive KMP (other than Jeff Peters) for the period. A detailed assessment of each KMP's individual assessments can be found in Appendix E.

| EXECUTIVE KPIS   | OUTCOMES    | COMMENTARY   |
|--|-------------|--|
| <b>FINANCIAL PERFORMANCE:</b>  | 20%         | Half year EPS was narrowly missed.   |
| Key measures were Earnings Per Share ("EPS") versus consensus and Run Rate Flows | achievement | However, overall financial performance has continued to deteriorate due to ongoing net outflows.   |
| <b>CLIENT:</b>   | 90%         | The retention of ratings with research houses and key adviser groups despite difficult investment performance outcomes. Introduction of new market offerings such as a SMA solution which successfully secured \$100.6m of flows in this period. |
| Key measures were the retention of research house ratings and key adviser groups | achievement |  |
| <b>INVESTMENT RETURNS:</b>   | 10%         | Investment performance in this 12 month period was below expectations and as a result a review of the investment process has been undertaken. One of the downside capture measures was met resulting in the 10% achievement of this KPI.         |
| A mix of measures including absolute and relative performance over 1 and 3 years | achievement |  |
| <b>OPERATIONS:</b>   | 70%         | Our target operating model program for the outsourcing of back and middle office functions met its FY2024 milestones.  |
| Project milestones for the outsourcing of back and middle office                 | achievement | The project to replace unit registry software was a few months behind FY2024 milestones, although the overall project remains on track.  |
| Project milestones for the operating model for Unit Registry                     |             |  |
| <b>PEOPLE:</b>   | 50%         | Engagement results lagged our previous period results (57% vs 71% previously) with a required focus on Organisational Direction and Leadership.  |
| Engagement Results   | achievement |  |
| Retention of key staff and overall turnover                                      |             |  |

| EXECUTIVE KPIS | OUTCOMES | COMMENTARY   |
|----------------|----------|--|
|                |          | Retention of key resources remained strong (0% regretted turnover) and better than industry comparables (<15% turnover rate across the Platinum business). |

Following Jeff Peters commencement as CEO, a turnaround strategy was announced to shareholders. This has been reflected in the KPIs set for Mr Peters by the Board for his first six months in the role.

## Jeff Peters – CEO and Managing Director (January to June 2024)

Jeff Peters KPIs were aligned to the turnaround program that the Board announced to the market in February 2024.

| INITIATIVE             | WEIGHTING   | KPI   | WEIGHTED ASSESSMENT  |
|------------------------|-------------|---|--|
| Expense Control        | 30%         | Re-organisation of investment team, other headcount and non-people expense savings  | Fully Achieved - 100%<br>Has identified \$25 million in annualised run rate savings. This savings target represents a 26% reduction in the Company's annualised half year expense base of approximately \$96 million.  |
| Remuneration Revision  | 10%         | Review market positioning by role<br>Link overall incentive pool creation to revenue and profitability<br>KPIs to drive performance and remuneration positioning<br>Alignment of performance and financial year.  | Fully Achieved - 100%<br>Restructured the remuneration arrangements for staff and implemented a series of changes in 2023/24. Re-positioned individual remuneration against market.  |
| "FUM Defence" Plan     | 25%         | Refresh explanation of investing with Platinum<br>Meet with key advisers to gain commitment to retain "at risk" clients with Platinum<br>Commitment of FUM retention by advisers  | Fully Achieved – 100%<br>Engagement with 83% of the target population of >\$8bn in FUM. Over 60% indicated an intention to remain invested in Platinum funds for the short to medium term.   |
| Investment Performance | 25%         | Complete analysis fund by fund in order to make recommendations as they relate to: <ul style="list-style-type: none"> <li>Product positioning</li> <li>Philosophy</li> <li>Team quality</li> <li>Process and risk management</li> <li>Performance expectations</li> </ul> | Partially Achieved – 80%<br>While immediate past investment performance remains below expectations, the majority of the goals under this performance assessment for the CEO was around establishing management and infrastructure to secure ongoing superior performance in the future, and the CEO's results in this regard have been very pleasing |
| New Product Discovery  | 10%         | Review existing product opportunities<br>Examine adjacent product opportunities   | Fully Achieved - 100%<br>Closure of sub-scale funds undertaken and new partnerships for expanding revenue opportunities is underway.   |
| <b>Overall</b>         | <b>100%</b> |   | <b>95% achievement</b>   |



## c) EXECUTIVE KMP REMUNERATION OUTCOMES FOR FY2023/24

From 1 February 2024, Platinum reviewed the composition of the Board and the roles of the leadership team, and as a result determined that the Company had two executive KMP (as outlined in section 3). They are Mr Jeff Peters in the role of CEO and Mr Andrew Stannard in the role of Finance Director. Their remuneration arrangements are outlined in the table below.

| REMUNERATION COMPONENT                                 | JEFF PETERS, CEO<br>PRO-RATED FY2024 <sup>1,2</sup>   | ANDREW STANNARD, FINANCE<br>DIRECTOR  |
|--|---|---|
| Fixed remuneration (ex super) <sup>3</sup>             | \$448,271<br>(Annual \$1,000,000 plus an amount in lieu of super of \$27,500 for FY2024)                      | \$475,000   |
| Short Term Incentive maximum                           | \$500,000<br>(Annual \$1,000,000)   | \$1,000,000   |
| Short Term Incentive awarded <sup>4</sup>              | \$475,000 <ul style="list-style-type: none"> <li>\$237,500 cash</li> <li>\$237,500 deferred rights</li> </ul> | \$450,000 <ul style="list-style-type: none"> <li>\$225,000 cash</li> <li>\$225,000 deferred rights</li> </ul> |
| Long Term maximum                                      | \$750,000<br>(Annual \$1,500,000)   | \$450,000   |
| Long Term Incentive awarded                            | \$0   | \$0   |
| Total reward maximum                                   | \$1,698,271<br>(Annual \$3,500,000)   | \$1,925,000   |
| Total reward actual <sup>1</sup>                       | \$923,271   | \$925,000   |
| Total Actual Remuneration as % of Total Reward Maximum | 53%   | 48%   |

1. Noting that Mr Jeff Peters' remuneration is for a pro-rated period of approximately 6 months. The salary refers to the proportion that he has received since joining Platinum on 8 January 2024.
2. Mr Jeff Peters is eligible to receive a sign on award of deferred rights with a face value of \$1,500,000 subject to shareholder approval at the 2024 annual general meeting. As this has not yet been approved or granted, it has not been reflected in this table. The sign on award was disclosed when Mr Jeff Peters joined Platinum and was revised in an announcement to the ASX on 12 July 2024. Vesting of the award is subject to a four year continuous service condition, malus and clawback.
3. As Mr Jeff Peters is not an Australian citizen, he also receives a cash payment equivalent to the superannuation guarantee cap. Mr Andrew Stannard receives superannuation in accordance with the superannuation guarantee legislation.
4. The deferred component of the short term incentive is the face value of deferred rights issued under the Deferred Remuneration Plan. These rights will be granted on 30 August 2024 and subject to a four year continuous service vesting condition, "good leaver" provisions and other forfeiture and malus provisions. The STI amount of \$475,000 for Mr Jeff Peters relates to a 95% achievement of his KPIs, pro-rated for his tenure.

The following table outlines the terms of the deferred rights issued to the executive KMP under the Deferred Remuneration Plan as part of their STI awards for this financial year:

| TERM                        | DEFERRED RIGHTS – DEFERRED REMUNERATION PLAN  |
|-----------------------------|---|
| Structure and vesting       | Awards subject to a four year continuous service vesting condition, subject to “good leaver” provisions   |
| Number of rights            | Face value of award is divided by the PTM share price using a volume-weighted average price (VWAP) at which PTM shares were traded on the ASX over the seven trading days prior to the grant date |
| Exercise                    | No exercise condition   |
| Dividend policy             | No entitlement to voting or dividends until the awards have vested  |
| Dividend equivalent payment | Payable once awards have vested as if the employee had held the shares from grant date  |
| Malus and clawback          | Awards are subject to malus and clawback provisions   |
| Forfeiture                  | Awards are subject to forfeiture upon leaving Platinum except in certain circumstances  |
| Settlement                  | Awards will be equity settled   |

There is no proposed change to fixed remuneration or maximum total reward opportunity for any of the executive KMP for the next financial year.

The Board continues to recognise the importance of remuneration outcomes that are reflective of the business performance and consistent with market norms.

Further detail on the remuneration outcomes of employees who were executive KMP for part of the financial year and who are no longer KMP can be found in Appendix A and Appendix C.

In addition to these outcomes, executive KMP remuneration outcomes were significantly reduced consistent with the shareholder experience through their unexercised deferred equity (“STI awards”) and unvested performance rights (“LTI awards”). As the table below shows, in the year to 30 June 2024, Mr Andrew Stannard experienced meaningful decreases in the market value (“mark to market losses”) on his historic STI awards and, in addition, his FY2024 tranche of LTI awards lapsed as a consequence of the total shareholder return (“TSR”) hurdles not being achieved.

| FY2024 STI AND LTI EXPERIENCE<br>(SEE APPENDIX D FOR DETAILS) | STI MARK TO MARKET LOSS FY2024 | VALUE OF LTI AWARDS <sup>1</sup> FORFEITED<br>FY2024 |
|---|--------------------------------|--|
| Andrew Stannard   | (325,751)                      | (215,982)  |

Further detail on the vesting outcomes of employees who were executive KMP for part of the financial year and who are no longer KMP can be found in Appendix D.

<sup>1</sup> At award face value on grant date.

## d) VARIABLE REMUNERATION PLANS

We believe a simplification of plans is beneficial for both our employees' (including Executive KMP) and stakeholders' understanding of our remuneration framework. As a result, we have progressively reduced the number and complexity of our variable remuneration plans.

|   | FY2022/23<br>Remuneration<br>Framework   | FY2023/24<br>Remuneration<br>Framework  | FY2024/25<br>Remuneration<br>Framework   |
|---|--|---|--|
| <b>Fixed Remuneration</b>   | <b>Base Salary and Super</b>   | <b>Base Salary and Super</b>  | <b>Base Salary and Super</b>   |
| <b>Short term at-risk remuneration<br/>(cash and deferred equity issued under<br/>the Deferred Remuneration Plan<sup>1</sup>)</b> | <u><b>Investment Team</b></u><br>Profit Share Plan<br>Investment Team Plan<br><u><b>Other Staff</b></u><br>General Employee Plan | <u><b>Investment Team</b></u><br>Profit Share Plan<br>(no awards made this year<br>as criteria not met)<br>Investment Team Plan<br>(discretionary awards<br>made this year)<br><u><b>Other Staff</b></u><br>General Employee Plan | <u><b>All Staff</b></u><br>General Employee Plan –<br>with pool size tied to<br>revenue and profit |
| <b>Long term at-risk remuneration<br/>(deferred equity – performance rights)</b>  | <u><b>Platinum Partners Plan</b></u>   | <u><b>Platinum Partners Plan</b></u><br>(no new awards made in<br>2023/24)  | <u><b>New LTI Plan</b></u>   |

### Platinum Variable Remuneration Plans which will no longer be used

| VARIABLE<br>REMUNERATION PLAN                   | CLOSED OR<br>SUSPENDED IN<br>FY2024/2025 | PLAN DESIGN   |
|---|--|---|
| Investment Team Plan<br>("ITP")                 | ✓<br>(closed)                            | Investment performance did not meet the required levels of out-performance to generate a pool under this plan. Andrew Clifford was the only Executive KMP participating in this plan and his award aligns with his KPI balanced scorecard outcome of 23%. The award was deferred delivered as deferred rights under the Deferred Remuneration Plan. From 2024/25 the Investment Team Plan will no longer operate. |
| Profit Share Plan ("PSP")                       | ✓<br>(closed)                            | As investment performance did not meet the required levels of out-performance to generate a pool under this plan, no available PSP allocations were made. From 2024/25 this plan will no longer operate.  |
| Options and Performance<br>Rights Plan ("OPRP") | ✓<br>(closed)                            | There were no awards made in 2022/23 or 2023/24 under this plan due to it being inactive and the plan will be formally closed in 2024/25.   |
| Fund Appreciation Rights<br>Plan ("FARP")       | ✓<br>(closed)                            | There were no awards made in 2022/23 or 2023/24 under this plan due to it being inactive and the plan will be formally closed in 2024/25.   |
| Platinum Partners Long<br>Term Incentive Plan   | Suspended in<br>FY2024                   | There were no new awards made under this plan in 2023/24. Existing awards from previous years will remain on foot and be subject to the TSR hurdles that have been previously outlined.   |

Refer to Appendix F for full details of the terms of the plans.

<sup>1</sup> For Investment Team members, in 2024/25, up to 50% into their award will be deferred to align with fund performance. The remaining 50% will be deferred equity.

## General Employee Plan for FY2024/2025

On an annual basis a single variable remuneration pool for all staff will be calculated by reference to a percentage of revenue and profit that is overseen by the Board. Allocations of both STI awards and LTI awards will be allocated from this pool. The pool will be distributed on the basis of individual and division performance by reference to KPIs.

STI awards will be allocated as a mixture of cash and deferred equity awards using a pre-determined formula, except for executive KMP where at least 50% of their STI awards must be deferred equity. For executive KMP and non-investment team staff, deferred awards will be allocated in the form of deferred equity (to align with shareholder experience).

For investment team members deferred awards may be allocated as a combination of the deferred equity and deferred rights to units in Platinum managed funds (to align with client experience).

## Executive KMP KPIs for FY 2024/2025

The KPIs for the executive KMP for financial year 2024/2025 are centred around the achievement of the turnaround program. The Board have established measures of performance that include threshold, target and maximum. Given the commercial sensitivity of the specific targets they will not be prospectively disclosed.

## Mr Jeff Peters (CEO and Managing Director)

| KEY RESULT AREAS                    | WEIGHTING | OBJECTIVES   | METRICS   |
|-------------------------------------|-----------|--|---|
| <b>Financially Aligned (60%)</b>    |           |  |   |
| Profitability                       | 50%       | Deliver turnaround financial outcomes              | Profit Margin<br>Maximum – 5% above budget<br>Target – At budget<br>Threshold – 5% below budget   |
|                                     |           | Deliver sustainable profitability                  | Net Profit Before tax (NPBT)<br>Maximum – 5% above budget<br>Target – At budget<br>Threshold – 5% below budget  |
| New Product                         | 10%       | Grow alternative revenue sources                   | Flows from new products<br>Commercially sensitive based on agreements with third parties.   |
| <b>Investment Performance (20%)</b> |           |  |   |
| Client                              | 20%       | Strong investment performance outcomes for clients | Investment performance over 3 years for PIF and PAF against appropriate benchmarks  |
| <b>Non-Financial (20%)</b>          |           |  |   |
| People                              | 10%       | Deliver an inclusive high achievement culture      | Retention of key staff<br>Maximum - No regretted turnover of key staff and overall turnover significantly below industry levels.<br>Target - Minimal regretted turnover of key staff and overall turnover below industry levels.<br>Threshold - Some regretted turnover of key staff and overall turnover at industry levels. |
|                                     |           |  | Improved Employee Engagement<br>Maximum – 23% increase to Employee Engagement<br>Target – 14% increase to Employee Engagement<br>Threshold – 5% increase to Employee Engagement   |
| Strategy <sup>1</sup>               | 10%       | Simplify the business and position for growth      | Board agreed initiatives  |

<sup>1</sup> This KPI is commercially sensitive however it relates to the diversification of the business

## Mr Andrew Stannard (Finance Director)

| KEY RESULT AREAS             | WEIGHTING | OBJECTIVES  | METRICS  |
|------------------------------|-----------|---|--|
| Financially Aligned (50%)    |           |   |  |
| Profitability                | 50%       | Deliver turnaround financial outcomes                   | Profit Margin  |
|                              |           |   | Maximum – 5% above budget  |
|                              |           | Deliver sustainable profitability                       | Target – At budget   |
|                              |           |   | Threshold – 5% below budget  |
|                              |           | Net Profit Before tax (NPBT)                            |  |
|                              |           | Maximum – 5% above budget                               |  |
|                              |           | Target – At budget                                      |  |
|                              |           | Threshold – 5% below budget                             |  |
| Operational Resilience (25%) |           |   |  |
| Client                       | 25%       | Outsource non-core operational processes                | Client service metrics   |
|                              |           |   | Maximum: All critical service standards are met throughout the year  |
|                              |           |   | Target: All critical service standard breaches resolved within 1 month   |
|                              |           |   | Threshold: More than 2 critical service standard breaches are unresolved for 3 months                                      |
|                              |           | Cost savings from outsourcing                           |  |
|                              |           | Maximum – 5% above budget                               |  |
|                              |           | Target – At budget                                      |  |
|                              |           | Threshold – 5% below budget                             |  |
| Non-Financial (25%)          |           |   |  |
| Operational capability       | 10%       | Establish an operating infrastructure to support growth | Efficacy of model to bring new products to market in a timely manner   |
|                              |           |   | Target: Operating model established and operational by launch date, within agreed cost framework                           |
|                              |           |   | Threshold: Operating model established and operational one month after scheduled launch date, within agreed cost framework |
| Strategy <sup>1</sup>        | 15%       | Simplify the business and position for growth           | Board agreed initiatives   |

<sup>1</sup> This KPI is commercially sensitive however it relates to the diversification of the business

## 4 REMUNERATION OF NON-EXECUTIVE DIRECTORS

### Remuneration Policy

The Company's remuneration policy for non-executive directors is designed to ensure that the Company can attract and retain suitably qualified and experienced directors.

Non-executive directors receive a fixed fee and mandatory superannuation payments, which are market relative. Non-executive directors do not receive variable remuneration and are not eligible to participate in any variable remuneration plans. The aggregate amount of remuneration that can be paid to the non-executive directors, which was approved by shareholders at a general meeting in April 2007, is \$2 million per annum (including superannuation).

No other retirement benefits (other than mandatory superannuation) are provided to the non-executive directors. There are no termination payments payable on the cessation of office and any non-executive director may retire or resign from the Board, or be removed by a resolution of shareholders.

### Remuneration Structure

The following table displays the non-executive directors in office during the financial year and the relevant Board and Committee Chairs at 30 June 2024:

| NON-EXECUTIVE DIRECTOR              | GUY STRAPP | ANNE LOVERIDGE AM | BRIGITTE SMITH | PHILIP MOFFITT | STEPHEN MENZIES* |
|-------------------------------------|------------|-------------------|----------------|----------------|------------------|
| Board                               | Chair      | Director          | Director       | Director       | Director         |
| Audit, Risk & Compliance Committee  | Member     | Chair             | Member         | Member         | Member           |
| Nomination & Remuneration Committee | Member     | Member            | Chair          | Member         | Member           |
| Investment Committee**              | Member     | -                 | -              | Chair          | -                |

\* Mr Menzies retired from the Board on 15 November 2023.

\*\* The Investment Committee was a temporary committee that was established in 2023/24 when a significant review of Platinum's investment processes was initiated. This committee was disbanded on 28 August 2024.

The table below shows the annualised fixed remuneration (excluding superannuation) amounts for the non-executive directors during the financial year based on the Board and Committee Chair positions held at 30 June 2024.

| NON-EXECUTIVE DIRECTOR              | GUY STRAPP       | ANNE LOVERIDGE AM | BRIGITTE SMITH   | PHILIP MOFFITT   | STEPHEN MENZIES* |
|-------------------------------------|------------------|-------------------|------------------|------------------|------------------|
| Board                               | \$230,000        | \$130,000         | \$130,000        | \$130,000        | \$130,000        |
| Audit, Risk & Compliance Committee  | \$15,000         | \$30,000          | \$15,000         | \$15,000         | \$15,000         |
| Nomination & Remuneration Committee | \$15,000         | \$15,000          | \$30,000         | \$15,000         | \$15,000         |
| Investment Committee                | \$15,000         | -                 | -                | \$15,000         | -                |
| <b>Total</b>                        | <b>\$275,000</b> | <b>\$175,000</b>  | <b>\$175,000</b> | <b>\$175,000</b> | <b>\$160,000</b> |

\* Mr Menzies retired from the Board on 15 November 2023.

The table below presents actual amounts received by the non-executive directors. The decrease in total remuneration is primarily due to non-executive director changes.

|                                  | CASH<br>SALARY | SUPERANNUATION | VARIABLE<br>REMUNERATION<br>(CASH) | VARIABLE<br>REMUNERATION<br>(DEFERRED) | TOTAL          |
|----------------------------------|----------------|----------------|------------------------------------|--|----------------|
|                                  | \$             | \$             | \$                                 | \$                                     | \$             |
| <b>2024</b>                      |                |                |                                    |  |                |
| Guy Strapp                       | 272,863        | 27,399         | -                                  | -                                      | 300,262        |
| Anne Loveridge AM                | 175,000        | 19,250         | -                                  | -                                      | 194,250        |
| Brigitte Smith                   | 175,000        | 19,250         | -                                  | -                                      | 194,250        |
| Philip Moffitt                   | 172,863        | 19,015         | -                                  | -                                      | 191,878        |
| Stephen Menzies (until 15/11/23) | 58,478         | 6,433          | -                                  | -                                      | 64,911         |
|                                  | <b>854,204</b> | <b>91,347</b>  | <b>-</b>                           | <b>-</b>                               | <b>945,551</b> |

|                               |                |                |          |          |                  |
|-------------------------------|----------------|----------------|----------|----------|------------------|
| <b>2023</b>                   |                |                |          |          |                  |
| Guy Strapp                    | 260,000        | 25,292         | -        | -        | 285,292          |
| Anne Loveridge AM             | 175,000        | 18,375         | -        | -        | 193,375          |
| Brigitte Smith                | 175,000        | 18,375         | -        | -        | 193,375          |
| Philip Moffitt                | 160,000        | 16,800         | -        | -        | 176,800          |
| Stephen Menzies               | 160,000        | 16,800         | -        | -        | 176,800          |
| Kerr Neilson (until 16/11/22) | 61,074         | 6,413          | -        | -        | 67,487           |
|                               | <b>991,074</b> | <b>102,055</b> | <b>-</b> | <b>-</b> | <b>1,093,129</b> |

Stephen Menzies was Platinum Investment Management Limited's (PIML's) representative on the Board of the Dublin domiciled Platinum World Portfolios Plc (PWP) and his director's fees were paid by PWP until 27 September 2023. Amounts paid in the current year were €5,837 (equivalent to A\$9,569) (2023: €24,000 (equivalent to A\$36,962)).



## 5 OVERSIGHT AND GOVERNANCE

The Nomination and Remuneration Committee performs a range of roles including:

- Recommending the appointment of the CEO
- Oversight of leadership capability and structure
- Design and delivery of remuneration programs and outcomes that align with shareholder results
- Responding to key stakeholder feedback on remuneration and link to remuneration
- Oversight of key people related measures such as Diversity, Equity and Inclusion and Succession Planning

## 6 REMUNERATION SERVICES PROVIDED TO THE NOMINATION AND REMUNERATION COMMITTEE

The Company utilised Financial Institutions Remuneration Group (FIRG) and McLagan as the primary sources of remuneration benchmarking data. In addition, executive KMP roles were benchmarked to publicly available information of comparable ASX listed companies. No recommendations were made by any of these parties.

## 7 KEY TERMS OF KMP EMPLOYMENT/SERVICE CONTRACTS

The key aspects of the KMP service contracts are outlined below:

|  | Executive KMP   | Non-Executive KMP  |
|--|---|--|
| Length of contract                       | Permanent, open ended employment contract   | Open ended appointment terms subject to re-election at AGM   |
| Remuneration review period               | 1 July to 30 June annually (from 2024/25)   | No contractual periodic review   |
| Short Term Incentive (STI) participation | Eligible to be considered for an STI that ensures a large part of the remuneration package is "at risk" | No eligibility to receive an STI   |
| Long Term Incentive (LTI) participation  | Eligible to be considered for an "at risk" LTI that ensures alignment to shareholder interests          | No eligibility to receive an LTI   |
| Termination of employment                | Must provide six months prior notice<br><br>Eligible for statutory entitlements and superannuation      | No notice provisions but must stand for re-election every 3 years at AGM if wish to remain on Board after their 3-year term.<br><br>Eligible for statutory entitlements and superannuation |
| Post employment restrictions             | Restrictions include non-compete and non-solicitation provisions applicable for up to 12 months         | N/A  |

## 8 INTERESTS OF KMP IN PTM SHARES

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

|                                   | OPENING<br>BALANCE | ADDITIONS | CEASED TO BE<br>KMP | CLOSING<br>BALANCE | CONTINGENT<br>RIGHTS <sup>(1)</sup> | VESTED<br>RIGHTS <sup>(1)</sup> |
|-----------------------------------|--------------------|-----------|---------------------|--------------------|-------------------------------------|---------------------------------|
| Guy Strapp                        | 100,000            | -         | -                   | 100,000            | -                                   | -                               |
| Anne Loveridge AM                 | 50,000             | -         | -                   | 50,000             | -                                   | -                               |
| Brigitte Smith                    | 84,000             | -         | -                   | 84,000             | -                                   | -                               |
| Philip Moffitt                    | 50,000             | -         | -                   | 50,000             | -                                   | -                               |
| Jeff Peters                       | -                  | -         | -                   | -                  | -                                   | -                               |
| Andrew Stannard                   | -                  | -         | -                   | -                  | 704,290                             | 119,211                         |
| Stephen Menzies (until 15/11/23)  | 40,000             | -         | (40,000)            | -                  | -                                   | -                               |
| Andrew Clifford (until 1/2/2024)  | 32,831,449         | -         | (32,831,449)        | -                  | n/a <sup>(3)</sup>                  | n/a <sup>(3)</sup>              |
| Elizabeth Norman (until 1/2/2024) | 766,748            | -         | (766,748)           | -                  | n/a <sup>(3)</sup>                  | n/a <sup>(3)</sup>              |

1. Represents contingent rights to receive shares and vested, but unexercised, rights to receive shares pursuant to awards made under the Company's Deferred Remuneration Plan or Long Term Incentive Plan as at 30 June 2024.

2. Net change other represents the number of ordinary shares held by Stephen Menzies, Andrew Clifford and Elizabeth Norman on the date ceased to be a KMP.

3. No amount is shown as Elizabeth Norman and Andrew Clifford were not KMP at 30 June 2024.

## 9 DIRECTORS' INTERESTS IN CONTRACTS

The directors received remuneration that is ultimately derived from net income arising from Platinum Investment Management Limited's investment management contracts and its role as responsible entity of its registered managed investment schemes.

## 10 LOANS TO KMP AND THEIR RELATED PARTIES

No loans were provided to KMP or their related parties during the year or at the date of this report.

## 11 OTHER RELATED-PARTY PAYMENTS INVOLVING KMP

No other related-party payments were made to KMP during the year or as at the date of this report.

## 12 SHAREHOLDERS' APPROVAL OF THE FY2023 (PRIOR YEAR) 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. At the last AGM (held on 15 November 2023), the Company's remuneration report was not carried on a poll and received a vote against of 59.30%. Platinum's response to shareholder concerns in relation to the 2023 remuneration report is set out on in section one of this report and in the covering letter from the Chair of the Remuneration & Nomination Committee.

## APPENDIX A: EXECUTIVE KMP REMUNERATION DISCLOSURE (STATUTORY DISCLOSURE IN ACCORDANCE WITH ACCOUNTING STANDARDS)

Please note that the following table has been prepared in accordance with accounting standards and differs with the way in which remuneration is awarded, as set out in Appendix C.

Under the requirements of AASB 124 *Related Party Disclosures*, the remuneration disclosures for the years ended 30 June 2024 and 30 June 2023 only include remuneration relating to the portion of the relevant period that each person was an Executive KMP.

In addition, the FY2024 figures reflect such items as the compounding accounting amortization of prior year LTI awards, relocation costs, and accruals for stub period STI payments related to the realignment of the remuneration assessment period from 31 March to 30 June.

|                                 | FIXED<br>REMUNERATION |                | SHORT<br>TERM<br>INCENTIVE | OTHER SHORT TERM BENEFITS <sup>(1)</sup> |                         |                                    |              | SHARE BASED<br>EXPENSES              | TOTAL            | VARIABLE<br>REMUNERATION<br>AS A % OF TOTAL<br>REMUNERATION <sup>(4)</sup> |
|---------------------------------|-----------------------|----------------|----------------------------|--|-------------------------|------------------------------------|--------------|--------------------------------------|------------------|--|
|                                 | Cash salary           | Superannuation | Cash <sup>(2)</sup>        | Leave accruals                           | Relocation<br>allowance | Stub STI<br>accrual <sup>(7)</sup> | Allowances   | STI & LTI<br>Deferred <sup>(3)</sup> |                  |  |
|                                 | \$                    | \$             | \$                         | \$                                       | \$                      | \$                                 | \$           | \$                                   | \$               |  |
| <b>2024</b>                     |                       |                |                            |  |                         |                                    |              |                                      |                  |  |
| Jeff Peters <sup>(5)</sup>      | 448,271               | -              | 237,500                    | 55,559                                   | 105,468                 | -                                  | 271          | 41,325                               | 888,394          | 31%  |
| Andrew Stannard                 | 475,000               | 27,399         | 225,000                    | 9,794                                    | -                       | 50,625                             | -            | 382,928                              | 1,170,746        | 52%  |
| Andrew Clifford <sup>(6)</sup>  | 291,667               | 15,983         | -                          | 11,952                                   | -                       | -                                  | 360          | 440,101                              | 760,063          | 58%  |
| Elizabeth Norman <sup>(6)</sup> | 277,083               | 15,983         | 322,917                    | (1,472)                                  | -                       | -                                  | 377          | 330,762                              | 945,650          | 69%  |
|                                 | <b>1,492,021</b>      | <b>59,365</b>  | <b>785,417</b>             | <b>75,833</b>                            | <b>105,468</b>          | <b>50,625</b>                      | <b>1,008</b> | <b>1,195,116</b>                     | <b>3,764,853</b> | <b>60%</b>   |
| <b>2023</b>                     |                       |                |                            |  |                         |                                    |              |                                      |                  |  |
| Andrew Stannard                 | 475,000               | 25,292         | 300,000                    | 25,134                                   | -                       | -                                  | -            | 286,024                              | 1,111,450        | 53%  |
| Andrew Clifford                 | 500,000               | 25,292         | -                          | (8,427)                                  | -                       | -                                  | -            | 415,145                              | 932,010          | 45%  |
| Elizabeth Norman                | 475,000               | 25,292         | 500,000                    | 11,924                                   | -                       | -                                  | -            | 448,023                              | 1,460,239        | 65%  |
|                                 | <b>1,450,000</b>      | <b>75,876</b>  | <b>800,000</b>             | <b>28,631</b>                            | <b>-</b>                | <b>-</b>                           | <b>-</b>     | <b>1,149,192</b>                     | <b>3,503,699</b> | <b>56%</b>   |

1. "Other short term benefits" includes the increase/(decrease) in the accounting provision for annual and long service leave as well as an accounting accrual for STI arising from the realignment of the performance measurement period from the year ended 31 March to the year ended 30 June. These amounts were not received by the KMP and represent provisions made in the consolidated entity's statement of financial position. Other benefits also include relocation costs for Jeff Peters and allowances received for mobile phone usage.
2. See the "Variable Remuneration Plans" section for further details.
3. The accounting fair value attributed to each deferred STI and LTI award is spread over the respective five-year and nine-year service periods. More details of KMP awards can be found at Appendix D. Under accounting standards LTI expenses continue to be recorded even where those awards fail to meet their respective total shareholder return hurdles and thus lapse. This was the case in respect to all KMP LTI awards tested against total shareholder return hurdles thus far.
4. Fixed remuneration refers to salary, superannuation and provisions or payments made for annual and long service leave. Variable remuneration refers to both cash and deferred components.
5. Jeff Peters became a KMP on 8 January 2024.
6. Andrew Clifford and Elizabeth Norman ceased being KMP on 1 February 2024. FY2024 remuneration represents amounts that relate to the KMP service period.
7. In order to align the staff performance assessment year with the financial year, a "stub period" was introduced. This period was from 1 April 2024 to 30 June 2024 and employees received a pro-rata variable reward for this period. All subsequent variable rewards will be paid in September annually. Mr Jeff Peters was ineligible for a "stub payment" as his remuneration arrangements were already aligned to the new staff performance year.

## APPENDIX B: LINK BETWEEN COMPANY PERFORMANCE AND KMP REMUNERATION PAID BY THE CONSOLIDATED ENTITY

The Board recognises that the underlying business performance was below expectations. This prompted a change of CEO for the organisation in this financial year as well as the establishment of a clear turnaround program to restore business performance.

The table below shows Platinum's five-year performance across a range of metrics and corresponding KMP remuneration outcomes. Some of the variable remuneration outcomes will only eventuate if there is a significant improvement in both the share price and dividends of Platinum. The number of executive KMP referenced in 2024 (4 executive KMP) is higher than in previous periods (3 executive KMP).

|   | 2024      | 2023      | 2022      | 2021      | 2020      |
|---|-----------|-----------|-----------|-----------|-----------|
| Closing funds under management (\$m)                          | 12,969    | 17,327    | 18,214    | 23,522    | 21,385    |
| Average funds under management (\$m)                          | 15,311    | 18,061    | 21,350    | 23,363    | 23,749    |
| Net flows (\$m)   | (4,929)   | (2,438)   | (2,169)   | (2,255)   | (3,031)   |
| Average base management fee (bps p.a.)                        | 114       | 112       | 115       | 114       | 116       |
| Base fee revenue (\$m)  | 174       | 201       | 246       | 265       | 276       |
|   |           |           |           |           |           |
| Total revenue and other income (\$'000)                       | 174,344   | 217,410   | 232,847   | 316,419   | 298,666   |
| Total expenses (\$'000)                                       | 111,836   | 100,640   | 86,129    | 82,207    | 77,897    |
| Profit after income tax expense (\$'000)                      | 45,135    | 80,863    | 101,493   | 163,258   | 155,611   |
| Basic earnings per share (cents per share)                    | 7.95      | 14.10     | 17.54     | 28.17     | 26.76     |
| Total dividends (cents per share)                             | 10        | 14        | 17        | 24        | 24        |
| Share price at end of year                                    | 1.04      | 1.74      | 1.74      | 4.91      | 3.73      |
|   |           |           |           |           |           |
| Total aggregate KMP fixed remuneration (\$) <sup>(1)(2)</sup> | 2,688,815 | 2,684,598 | 2,737,141 | 2,717,490 | 2,854,551 |
| Total aggregate KMP variable remuneration (\$) <sup>(3)</sup> | 2,031,158 | 1,949,192 | 1,602,696 | 2,237,498 | 1,738,200 |

1. Total aggregate fixed remuneration paid represents salaries and superannuation (and includes the director's fees disclosed and paid to Stephen Menzies for his directorship of the Dublin domiciled Platinum World Portfolios PLC).

2. The decrease in 2024 KMP fixed remuneration reflects a reduction in the number of executive and non-executive KMP during the year ended 30 June 2024.

3. The increase in 2024 KMP variable remuneration reflects additional share-based payments expenses for awards granted following shareholder approval at the 2023 AGM. These awards will only vest if the relevant TSR CAGR hurdles are met and if the staff member meets the continuous services obligations for 4 years post the vesting date. The increased value of KMP remuneration is in large part due to the number of KMP (4, up from 3 in previous periods) and the accounting treatment of the previously awarded STI and LTI grants.

The level of aggregate KMP remuneration paid each year reflects a combination of factors, including investment performance for clients, the operating performance of the Company, individual and team performance, and the degree of competition for executive talent.

## APPENDIX C: EXECUTIVE KMP REMUNERATION RECEIVED FOR FY2024

The table below presents disclosure of the remuneration received by executive KMPs of the consolidated entity during the financial year and is prepared on a different basis to the statutory disclosures in Appendix A. Any remuneration received that related to the relevant period that each person was an executive KMP is also disclosed.

|                    | CASH<br>SALARY <sup>(1)</sup> | SUPER         | SHORT TERM<br>INCENTIVE<br>(CASH) <sup>(2)</sup> | VESTED SHORT<br>TERM<br>INCENTIVE<br>(DEFERRED) <sup>(3)</sup> | VESTED LONG<br>TERM<br>INCENTIVE | TOTAL            | VARIABLE<br>REMUNERATION<br>AS A % OF TOTAL<br>REMUNERATION <sup>(4)</sup> |
|--------------------|-------------------------------|---------------|--|--|----------------------------------|------------------|--|
|                    | \$                            | \$            | \$   | \$   | \$                               | \$               |  |
| <b>2024</b>        |                               |               |  |  |                                  |                  |  |
| <b>CURRENT KMP</b> |                               |               |  |  |                                  |                  |  |
| Jeff Peters*       | 448,271                       | -             | 237,500  | -  | -                                | 685,771          | 35%  |
| Andrew Stannard    | 475,000                       | 27,399        | 275,625  | 43,030   | -                                | 821,054          | 39%  |
| <b>FORMER KMP</b>  |                               |               |  |  |                                  |                  |  |
| Andrew Clifford**  | 291,667                       | 15,983        | -  | -  | -                                | 307,650          | 0%   |
| Elizabeth Norman** | 277,083                       | 15,983        | 322,917  | -  | -                                | 615,983          | 61%  |
|                    | <b>1,492,021</b>              | <b>59,365</b> | <b>836,042</b>                                   | <b>43,030</b>  | <b>-</b>                         | <b>2,430,458</b> | <b>39%</b>   |

\* Jeff Peters became a KMP on 8 January 2024. As per his engagement letter, Mr Peters is entitled to a cash sum equivalent to what Platinum would otherwise be required to contribute on his behalf to superannuation. In addition to the amounts above Mr Peters also received benefits associated with his relocation in the amount of \$105,468 and Jeff Peters, Andrew Clifford and Elizabeth Norman also received allowances in respect to their mobile phone usage.

\*\* Andrew Clifford and Elizabeth Norman ceased being KMP on 1 February 2024. The awards shown represent 10/12 of the performance assessment year to 31 March 2024. The table includes short term incentive that related to the period that the individual was KMP and therefore does not include short term incentives from prior periods that vested after 1 February 2024.

|                  |                  |               |                |                |          |                  |            |
|------------------|------------------|---------------|----------------|----------------|----------|------------------|------------|
| <b>2023</b>      |                  |               |                |                |          |                  |            |
| Andrew Clifford  | 500,000          | 25,292        | -              | -              | -        | 525,292          | 0%         |
| Elizabeth Norman | 475,000          | 25,292        | 500,000        | 129,348        | -        | 1,129,640        | 56%        |
| Andrew Stannard  | 475,000          | 25,292        | 300,000        | 55,435         | -        | 855,727          | 42%        |
|                  | <b>1,450,000</b> | <b>75,876</b> | <b>800,000</b> | <b>184,783</b> | <b>-</b> | <b>2,510,659</b> | <b>39%</b> |







1. Cash salary was last increased on 1 July 2022. There were no cash salary increases for any of the executive KMP on 1 July 2023 or 1 July 2024.

2. See the "Variable Remuneration Plans" section for further details.

3. The "vested short term incentive (deferred)" amount noted above reflects the number of shares that vested in the period multiplied by the closing Platinum share price on the date of vesting. Jeff Peters received no vested awards. Andrew Clifford received no vested awards (2023: no vested awards), Elizabeth Norman received no vested awards when a KMP (2023: 76,087 shares at \$1.70) and Andrew Stannard received 40,215 vested shares at \$1.07 per share (2023: 32,609 vested shares at \$1.70)

4. Fixed remuneration refers to salary and superannuation. Variable remuneration refers to both cash and deferred components.

For executive KMP who were employed at the beginning of the period, their variable awards were down significantly on the prior year:

| EXECUTIVE KMP                          | KPI OUTCOME | STI  | LTI <sup>5</sup>  |
|--|-------------|--|---|
| Andrew Clifford, CIO (ex CEO)          | 23%         | -30% <sup>6</sup>  | -100%  |
| Andrew Stannard, Director Finance      | 45%         | -18%               | -100%  |
| Liz Norman, Director Investor Services | 50%         | -9%                | -100%  |

<sup>5</sup> No awards were made under the LTI Plan during 2023/24.

<sup>6</sup> Mr Andrew Clifford's STI was determined in accordance with the methodology outlined in the plans in which he participated and his entire award related to his time as KMP, was as deferred equity.

## APPENDIX D: STI AND LTI EQUITY AWARDS TO EXECUTIVE KMP

The following tables set out details of STI and LTI awards associated with Platinum equity granted to those executives who were KMP during the year. A significant portion of executive KMP remuneration is delivered by way of deferred equity.

### Short-term incentive ("STI") plan

|                  | AWARD DATE     | OPENING RIGHTS # | MARKET VALUE 30 JUNE 2023 <sup>1</sup> | AWARD RIGHTS     | AWARD VALUE | CLOSING RIGHTS # | MARKET VALUE 30 JUNE 2024 <sup>2</sup> | REDUCTION IN MARKET VALUE FY2024 | CUMULATIVE REDUCTION IN MARKET VALUE |
|------------------|----------------|------------------|--|------------------|-------------|------------------|--|----------------------------------|--------------------------------------|
| Jeff Peters      | 30 August 2024 | -                | -                                      | n/a <sup>3</sup> | 237,500     | n/a <sup>3</sup> | 237,500                                | -                                | -                                    |
| Andrew Stannard  | 30 August 2024 | -                | -                                      | n/a <sup>3</sup> | 275,625     | n/a <sup>3</sup> | 275,625                                | -                                | -                                    |
|                  | 20 June 2023   | 147,495          | 256,641                                |                  |             | 147,495          | 153,395                                | -103,246                         | -96,607                              |
|                  | 20 June 2022   | 147,501          | 256,652                                |                  |             | 147,501          | 153,401                                | -103,249                         | -96,601                              |
|                  | 20 June 2021   | 51,154           | 89,008                                 |                  |             | 51,154           | 53,200                                 | -35,808                          | -196,801                             |
|                  | 20 June 2020   | 40,215           | 69,974                                 |                  |             | 40,215           | 41,824                                 | -28,150                          | -108,177                             |
|                  | 20 June 2019   | 32,609           | 56,740                                 |                  |             | 32,609           | 33,913                                 | -22,827                          | -116,086                             |
|                  | 20 June 2018   | 24,835           | 43,213                                 |                  |             | 24,835           | 25,828                                 | -17,385                          | -124,173                             |
|                  | 20 June 2017   | 21,552           | 37,500                                 |                  |             | 21,552           | 22,414                                 | -15,086                          | -77,585                              |
|                  |                | <b>465,361</b>   | <b>809,728</b>                         |                  |             | <b>465,361</b>   | <b>759,600</b>                         | <b>-325,751</b>                  | <b>-816,030</b>                      |
| Andrew Clifford  | 30 August 2024 | -                | -                                      | n/a <sup>3</sup> | 918,075     | n/a <sup>3</sup> | 918,075                                | -                                | -                                    |
|                  | 20 June 2018   | 165,563          | 288,080                                |                  |             | 165,563          | 172,186                                | -115,894                         | -826,159                             |
|                  |                | <b>165,563</b>   | <b>288,080</b>                         |                  |             | <b>165,563</b>   | <b>1,090,261</b>                       | <b>-115,894</b>                  | <b>-826,159</b>                      |
| Elizabeth Norman | 30 August 2024 | -                | -                                      | n/a <sup>3</sup> | 352,188     | n/a <sup>3</sup> | 352,188                                | -                                | -                                    |
|                  | 20 June 2023   | 147,495          | 256,641                                |                  |             | 147,495          | 153,395                                | -103,246                         | -96,607                              |
|                  | 20 June 2022   | 147,501          | 256,652                                |                  |             | 147,501          | 153,401                                | -103,251                         | -96,601                              |
|                  | 20 June 2021   | 102,308          | 178,016                                |                  |             | 102,308          | 106,400                                | -71,616                          | -393,601                             |
|                  | 20 June 2020   | 120,644          | 209,921                                |                  |             | 120,644          | 125,470                                | -84,451                          | -324,528                             |
|                  | 20 June 2019   | 76,087           | 132,391                                |                  |             | 76,087           | 79,130                                 | -53,261                          | -270,866                             |
|                  | 20 June 2018   | 57,948           | 100,830                                |                  |             | 57,948           | 60,266                                 | -40,564                          | -289,735                             |
|                  | 20 June 2017   | 64,656           | 112,501                                |                  |             | 64,656           | 67,242                                 | -45,259                          | -232,759                             |
|                  | 20 June 2016   | 48,623           | 84,604                                 |                  |             | 48,623           | 50,568                                 | -34,036                          | -249,432                             |
|                  |                | <b>765,262</b>   | <b>1,331,556</b>                       |                  |             | <b>765,262</b>   | <b>1,148,060</b>                       | <b>-535,684</b>                  | <b>-1,954,129</b>                    |

<sup>1</sup> Based on 30 June 2023 closing share price of \$1.74.

<sup>2</sup> Based on 30 June 2024 closing share price of \$1.04.

<sup>3</sup> Number of rights not available as it will be calculated at the award date.

## Long-term incentive (“LTI”) plan

|                  | AWARD DATE  | AWARD RIGHTS # | AWARD VALUE \$   | OPENING RIGHTS # | ISSUED DURING PERIOD |                  | FORFEITED DURING PERIOD |                             | CLOSING RIGHTS # |
|------------------|-------------|----------------|------------------|------------------|----------------------|------------------|-------------------------|-----------------------------|------------------|
|                  |             |                |                  |                  | RIGHTS #             | AWARD VALUE \$   | RIGHTS #                | AWARD VALUE \$ <sup>1</sup> |                  |
| Jeff Peters      | -           | -              | -                | -                | -                    | -                | -                       | -                           | -                |
| Andrew Stannard  | 20 Nov 2023 | -              | -                | -                | 298,507              | 367,164          | -74,627                 | -91,791                     | 223,880          |
|                  | 20 Nov 2022 | 268,521        | 450,000          | 201,391          |                      |                  | -67,130                 | -124,191                    | 134,261          |
|                  |             | <b>268,521</b> | <b>450,000</b>   | <b>201,391</b>   | <b>298,507</b>       | <b>367,164</b>   | <b>-141,757</b>         | <b>-215,982</b>             | <b>358,141</b>   |
| Andrew Clifford  | 20 Nov 2023 | -              | -                | -                | 2,152,338            | 2,647,376        | -538,085                | -661,844                    | 1,614,253        |
|                  | 20 Nov 2022 | 895,070        | 1,500,000        | 671,303          |                      |                  | -223,768                | -413,970                    | 447,535          |
|                  |             | <b>895,070</b> | <b>1,500,000</b> | <b>671,303</b>   | <b>2,152,338</b>     | <b>2,647,376</b> | <b>-761,853</b>         | <b>-1,075,814</b>           | <b>2,061,788</b> |
| Elizabeth Norman | 20 Nov 2023 | -              | -                | -                | 298,507              | 367,164          | -74,627                 | -91,791                     | 223,880          |
|                  | 20 Nov 2022 | 268,521        | 450,000          | 201,391          |                      |                  | -67,130                 | -124,191                    | 134,261          |
|                  |             | <b>268,521</b> | <b>450,000</b>   | <b>201,391</b>   | <b>298,507</b>       | <b>367,164</b>   | <b>-141,757</b>         | <b>-215,982</b>             | <b>358,141</b>   |

No long-term incentive awards vested at 30 June 2024. The TSR outcomes for each long-term incentive award tested at 30 June 2024 are summarised below.

| TSR MEASUREMENT PERIOD      | PLATINUM ANNUALISED TSR | MINIMUM TSR VESTING HURDLE |
|-----------------------------|-------------------------|----------------------------|
| 1 July 2021 to 30 June 2024 | -32.0%                  | 7.5%                       |
| 1 July 2022 to 30 June 2024 | -13.2%                  | 7.5%                       |
| 1 July 2023 to 30 June 2024 | -30.7%                  | 7.5%                       |

The non-vesting of long-term incentive awards reflects strong alignment of executive KMPs’ realised awards with shareholder outcomes.

## STI and LTI mark to market loss and forfeitures

| FY2024 STI AND LTI EXPERIENCE | STI MARK TO MARKET LOSS FY2024 | VALUE OF LTI AWARDS <sup>2</sup> FORFEITED FY2024 |
|-------------------------------|--------------------------------|---|
| Andrew Stannard               | (325,751)                      | (215,982)   |
| Andrew Clifford               | (115,894)                      | (1,075,814)                                       |
| Elizabeth Norman              | (535,684)                      | (215,982)   |
|                               | <b>(977,329)</b>               | <b>(1,507,778)</b>                                |

<sup>1</sup> Based on grant date share price.

<sup>2</sup> At award face value on grant date.

## APPENDIX E: DETAILED SUMMARY OF KPI ASSESSMENTS FOR EXECUTIVE KMP

Andrew Clifford

| CATEGORY           | WEIGHTING   | MEASURE  | 2023/2024<br>ASSESSMENT<br>AGAINST KPI'S | ACHIEVEMENT AGAINST KPIS  |
|--------------------|-------------|--|--|---|
| Financial          | 30%         | <ul style="list-style-type: none"> <li>Meet or exceed FY23 and half year FY24 consensus EPS forecasts</li> </ul>   | 0%                                       | Half year EPS was narrowly missed. However, overall financial performance has continued to deteriorate due to ongoing net outflows.   |
| Client             | 10%         | <ul style="list-style-type: none"> <li>Run Rate gross flows +1b, net flows turn positive</li> <li>Retention of research house ratings</li> </ul>   | 5%                                       | Research house ratings and flows into SMA positive, but overall net flows remain negative   |
| Investment Returns | 40%         | <ul style="list-style-type: none"> <li>+7% weighted absolute Return over 1 and 3 years or</li> <li>+3% weighted average 1 and 3 relative return</li> <li>PIF and PAF in top quartile v Peers on 1 and 3 year basis or</li> <li>PIF and PAF downside capture &lt;75%</li> </ul> | 5%                                       | Investment performance in this 12 month period was below expectations and as a result a review of the investment process has been undertaken. One of the downside capture measures was met resulting in the 10% achievement of this KPI.  |
| People             | 20%         | <ul style="list-style-type: none"> <li>&lt;10% regretted turnover within core leadership and iTeam (with overall turnover &lt;15%)</li> <li>&gt;71% Employee Engagement Score</li> </ul>   | 13%                                      | Engagement results lagged our previous period results (57% vs 71% previously) with a required focus on Organisational Direction and Leadership.<br><br>Retention of key resources remained strong (0% regretted turnover) and better than industry comparables (<15% turnover rate across the Platinum business). |
| <b>Total</b>       | <b>100%</b> |  | <b>23%</b>                               |   |



## Elizabeth Norman

| CATEGORY     | WEIGHTING   | MEASURE  | 2023/2024<br>ASSESSMENT<br>AGAINST KPI'S | ACHIEVEMENT AGAINST KPIS  |
|--------------|-------------|--|--|---|
| Financial    | 30%         | <ul style="list-style-type: none"> <li>Meet or exceed FY23 and half year FY24 consensus EPS forecasts</li> <li>Run Rate gross flows +1b, net flows turn positive</li> </ul>              | 0%                                       | <p>Half year EPS was narrowly missed.</p> <p>Negative net flows.</p> <p>However, overall financial performance has continued to deteriorate due to ongoing net outflows.</p>  |
| Client       | 20%         | <ul style="list-style-type: none"> <li>Retention of research house ratings and key adviser groups</li> <li>SMA Solution Launched achieves run rate flows &gt;\$100m pa</li> </ul>        | 20%                                      | <p>Retained research house ratings despite challenging investment returns and the SMA solution successfully secured \$100.6m of flows in this period following a re-designed approach.</p>  |
| Client       | 20%         | <ul style="list-style-type: none"> <li>Structural enhancements of digital capability with Website launch on time and budget being a key plank</li> </ul>                                 | 20%                                      | <p>The new internet was completed on-time and within the budget.</p>  |
| Client       | 15%         | <ul style="list-style-type: none"> <li>Deliver offshore inflows in excess of \$100m</li> </ul>   | 0%                                       | <p>No flows were delivered</p>  |
| People       | 15%         | <ul style="list-style-type: none"> <li>&lt;10% regretted turnover within core leadership and iTeam (with overall turnover &lt;15%)</li> <li>&gt;71% Employee Engagement Score</li> </ul> | 10%                                      | <p>Engagement results lagged our previous period results (57% vs 71% previously) with a required focus on Organisational Direction and Leadership.</p> <p>Retention of key resources remained strong (0% regretted turnover) and better than industry comparables (&lt;15% turnover rate across the Platinum business).</p> |
| <b>Total</b> | <b>100%</b> |  | <b>50%</b>                               |   |

## Andrew Stannard

| CATEGORY     | WEIGHTING   | MEASURE  | 2023/2024<br>ASSESSMENT<br>AGAINST KPI'S | ACHIEVEMENT AGAINST KPIS  |
|--------------|-------------|--|--|---|
| Financial    | 30%         | <ul style="list-style-type: none"> <li>Meet or exceed FY23 and half year FY24 consensus EPS forecasts</li> <li>Run Rate gross flows +1b, net flows turn positive</li> </ul>  | 0%                                       | <p>Half year EPS was narrowly missed.</p> <p>However, overall financial performance has continued to deteriorate due to ongoing net outflows.</p>   |
| Operations   | 20%         | <p>Deliver 2023/2024 ToM project plan</p> <ul style="list-style-type: none"> <li>a new integration platform</li> <li>a new IBOR/data store solution sourced and in parallel run with legacy system</li> <li>a new outsourced Middle Office solution on track for implementation by mid FY25</li> <li>Custody on track for implementation by mid FY25</li> <li>Run rate savings by end of FY24</li> </ul> | 17%                                      | <p>Our target operating model program for the outsourcing of back and middle office functions met its FY2024 milestones.</p> <p>The project to replace unit registry software was a few months behind FY2024 milestones, although the overall project remains on track.</p>   |
| Operations   | 20%         | <p>Deliver the implement plan for GROW</p> <ul style="list-style-type: none"> <li>To develop (with GROW) a new core registry software solution by December 2023</li> <li>To develop (with GROW) a new dual listed/unlisted registry software solution by June 2024</li> <li>On track to trial at least one fund on the new registry system by FY25 (subject to ASX dependency)</li> </ul>                | 3%                                       | <p>There have been delays to this project which have resulted in deferred deadlines.</p>  |
| Client       | 20%         | <ul style="list-style-type: none"> <li>Implement to revised operating model for EU distribution</li> </ul>   | 20%                                      | <p>The EU business was closed.</p>  |
| People       | 10%         | <ul style="list-style-type: none"> <li>&lt;10% regretted turnover within core leadership and iTeam (with overall turnover &lt;15%)</li> <li>&gt;71% Employee Engagement Score</li> </ul>   | 5%                                       | <p>Engagement results lagged our previous period results (57% vs 71% previously) with a required focus on Organisational Direction and Leadership.</p> <p>Retention of key resources remained strong (0% regretted turnover) and better than industry comparables (&lt;15% turnover rate across the Platinum business).</p> |
| <b>Total</b> | <b>100%</b> |  | <b>45%</b>                               |   |

## APPENDIX F: LEGACY VARIABLE REMUNERATION PLAN TERMS

| Plan  | Eligibility  | Description  |
|---|--|--|
| Investment Team Plan ("ITP")  | Only members of the investment team were eligible          | <p>Under this plan, in a period where there was aggregate weighted average outperformance (relative to a weighted benchmark comprised of nominated market indices) the annual investment team award pool was calculated as a percentage of the aggregate base salary of the investment team. The percentage level related to the weighted average of 1- year and 3-year rolling outperformance of all funds and mandates under management (relative to a weighted benchmark comprised of nominated market indices). The pool started at 100% of the aggregate of the base salaries of the investment team. For each 1% increase in this average outperformance, the pool was increased by 20% and is then capped at 2 times aggregate base salaries when average outperformance is 5% or more.</p> <p>The pool was allocated across the investment team having regard to performance assessments that are based on both quantitative and qualitative measures. Quantitative measures used to assess individual performance included the performance of any portfolios under the management of an individual and the performance of the individual investment ideas that the person has proposed. Individual investment performance was assessed over a rolling 1- year and 3-year timeframe and relative to a nominated market index.</p> <p>The total remuneration outcome (comprising both fixed and variable components) for each investment professional was also benchmarked to appropriate external market data.</p> <p>In a period where there was aggregate weighted average underperformance or where performance is uneven across different funds or portfolio managers, annual awards for investment team members was determined by an individual assessment of each employee's contribution to the investment team during the period. Individual awards generally ranged from 0% to 120% of base salary and reflect the business necessity of retaining high-performing talent during the inevitable short term dips in weighted 1- and 3-year investment performance.</p> |
| Profit Share Plan ("PSP")   | Only selected members of the investment team were eligible | <p>The PSP was designed to reward key members of the investment team for their contribution to the development of Platinum's business through the generation of strong investment performance (relative to a weighted benchmark comprised of nominated market indices). Eligible members of the investment team were issued notional units in the PSP. The notional units had no capital value and couldn't be sold or transferred to a third party. Notional units of an eligible member of the PSP were adjusted each year based upon a prospective assessment of each such member's long-term contribution potential to the future development of Platinum. Each year the profit share percentage pool was determined based upon the weighted average 1-year and 3-year rolling outperformance of all funds and mandates under management (relative to a weighted benchmark comprised of nominated market indices).</p> <p>There was no profit share until weighted average 1-year and 3-year rolling outperformance is greater than 1%. So, for example, if the average of the 1- and 3-year rolling performance of our funds and mandates exceeded the weighted benchmark by 2.5%, then 1.5% of the Company's adjusted net profit (excludes investment income) would be made available to the PSP pool. The profit share figure was limited each year to 5% of adjusted net profit, though the Nomination and Remuneration Committee could have elected to carry over investment outperformance to future periods if investment returns indicate a profit share in excess of the 5% level.</p>  |
| Platinum Partners Long Term Incentive Plan ("Platinum Partners Plan") | By invitation of the Board only                            | <p>LTI awards were previously made under the Platinum Partners LTIP. Eligible employees were invited to participate in the Platinum Partners LTIP by the Board (upon the recommendation of the Nomination and Remuneration Committee). The number of performance rights awarded was determined by dividing the dollar amount of the award amount by the PTM share price, using a volume-weighted average price (VWAP) at which PTM shares were traded on the ASX over the seven trading days prior to the grant date.</p> <p>The vesting of previous awards of the performance rights is conditional upon the Company meeting minimum Total Shareholder Return (TSR) compound annual growth rate (CAGR) performance hurdles (TSR Hurdle) as set forth in the table below.</p>  |

| Plan   | Eligibility | Description  |   |                       |                                   |   |
|--|-------------|--|---|-----------------------|-----------------------------------|---|
|  |             | Award Performance Period   | Proportion of award that is tested against the TSR hurdle | TSR                   | TSR Hurdle (vesting condition)    | Entitlement to resulting PTM shares per performance right |
| Platinum Partners Long Term Incentive Plan (continued) |             | Year 1   | 25%   | 1-Year TSR            | TSR < 7.5%                        | Nil   |
|  |             | Year 2   | 25%   | 2-Year annualised TSR | TSR between 7.5% and 10% (target) | Between 0.75 and 1 (on a pro-rata straight line basis)    |
|  |             | Year 3   | 25%   | 3-Year annualised TSR | TSR between 10% and 15%           | Between 1 and 2 (on a pro-rata straight line basis)       |
|  |             | Year 4   | 25%   | 4-Year annualised TSR | TSR at or above 15%               | 2   |
|  |             | <p>Each award that was granted, was divided into four equal tranches, with one quarter of the award being tested annually against the TSR Hurdle measured from the beginning of the relevant performance period to the end of the relevant performance period, for up to four years (each a Performance Period). The start price for the TSR Hurdle calculation will be the VWAP at which PTM shares were traded on the ASX over the seven trading days prior to the first ASX trading day of the relevant Performance Period, and the end price will be the VWAP at which PTM shares were traded on the ASX over the seven trading days up to and including the ASX last trading day of the relevant Performance Period. The number of PTM shares that an employee was entitled to receive upon exercise of a performance right within a tranche, depends on the annualised TSR achieved by the Company during the relevant Performance Period (see table below). If the minimum TSR Hurdle (i.e. 7.5%) for a Performance Period is not met, then that tranche of performance rights being tested will not meet the vesting condition and will lapse.</p> <p>The exercise of performance rights that have vested i.e. those performance rights that have met or exceeded the TSR Hurdle for a Performance Period, is also subject to an eight-year continuous service condition. Under the “bad leaver” rules, if an eligible employee leaves Platinum prior to the expiry of the eight-year service condition, the employee will forfeit all performance rights awarded (both vested and unvested) if the Board determines, acting reasonably, that the employee is a “bad leaver”. A bad leaver is defined under the plan rules, and includes a failure to comply with Platinum’s non-compete / non-solicit / non-poaching conditions. Furthermore, awards of performance rights may also be forfeited in accordance with the malus and clawback provisions of the plan rules.</p> <p>Following the expiry of the eight-year service condition, an eligible employee has a further five years to exercise any vested performance rights. In certain limited situations, as set forth in the plan rules, the right to exercise performance rights (both vested and those that subsequently vest after the relevant leaving date) may be accelerated if an eligible employee leaves Platinum prior to the expiry of the eight-year service condition, provided that the Board has not determined that the employee is a “bad leaver”.</p> <p>The Company intends to either purchase PTM shares on-market and hold these shares within an employee share trust or issue shares to satisfy performance rights that are exercised. No amount is payable in cash by any eligible employee on either grant or exercise of a performance right.</p> <p>Eligible employees will have no voting or dividend rights until their performance rights have been exercised and their shares have been allocated. However, the performance rights carry an entitlement to an alternative dividend equivalent payment. This entitlement arises once a tranche of an award meets its TSR Hurdle for a Performance Period and continues until the corresponding performance rights are exercised (Holding Period). During the Holding Period, an eligible employee will receive an amount approximately equal to the amount of dividends that would have been paid to the employee had they held the relevant resultant number of shares from the date the TSR Hurdle was met.</p> |   |                       |                                   |   |



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## Auditor's independence declaration to the directors of Platinum Asset Management Limited

As lead auditor for the audit of the financial report of Platinum Asset Management Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- No contraventions of any applicable code of professional conduct in relation to the audit; and
- No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Platinum Asset Management Limited and the entities it controlled during the financial year.

Ernst & Young

Rita Da Silva  
Partner  
28 August 2024

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## GENERAL INFORMATION

The financial statements cover Platinum Asset Management Limited as a consolidated entity consisting of Platinum Asset Management Limited (the "Company") and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The Company 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 consolidated entity'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 28 August 2024.

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

# Consolidated statement of profit or loss and other comprehensive income

FOR THE YEAR ENDED 30 JUNE 2024

|   |      | CONSOLIDATED   |                |
|---|------|----------------|----------------|
|   | NOTE | 2024<br>\$'000 | 2023<br>\$'000 |
| <b>Revenue</b>  |      |                |                |
| Management fees   |      | 174,344        | 201,439        |
| Performance fees  |      | -              | 1,225          |
| Total revenue   | 3    | 174,344        | 202,664        |
| <b>Other income</b>   |      |                |                |
| Interest  |      | 9,385          | 5,164          |
| Distributions and dividends   | 3    | 2,264          | 2,899          |
| Share of profit/(loss) of associates net of impairment and other        | 6    | (581)          | 2,245          |
| Gains/(losses) on financial assets at fair value through profit or loss |      | (50)           | 4,070          |
| Foreign exchange gains/(losses) on overseas bank accounts               |      | (382)          | 368            |
| Total revenue and other income  |      | 184,980        | 217,410        |
| <b>Expenses</b>   |      |                |                |
| Employee expenses   |      |                |                |
| • Salaries and employee-related expenses                                |      | 53,048         | 56,465         |
| • Amortisation of share-based payments                                  | 17   | 25,578         | 12,931         |
| Fund administration   |      | 6,075          | 5,756          |
| Business development  |      | 7,040          | 7,845          |
| Technology, research and data   |      | 7,484          | 6,479          |
| Legal, compliance and other professional                                |      | 5,821          | 4,529          |
| Depreciation of right-of-use assets                                     | 9    | 2,043          | 1,940          |
| Depreciation of fixed assets  | 9    | 1,074          | 789            |
| Mail house, periodic reporting and share registry                       |      | 1,233          | 1,152          |
| Insurance   |      | 1,146          | 1,983          |
| Rent and other occupancy  | 15   | 430            | 308            |
| Finance costs on lease liabilities                                      |      | 433            | 104            |
| Other   |      | 431            | 359            |
| Total expenses  |      | 111,836        | 100,640        |
| <b>Profit before income tax expense</b>                                 |      | <b>73,144</b>  | <b>116,770</b> |
| Income tax expense  | 7    | 28,009         | 35,907         |
| <b>Profit after income tax expense</b>                                  |      | <b>45,135</b>  | <b>80,863</b>  |
| <b>Other comprehensive income</b>                                       |      |                |                |
| Exchange rate translation impact of foreign subsidiaries and associates |      | 382            | 288            |
| Other comprehensive income for the year, net of tax                     |      | 382            | 288            |
| <b>Total comprehensive income for the year</b>                          |      | <b>45,517</b>  | <b>81,151</b>  |
| <b>Profit after income tax expense for the year is attributable to:</b> |      |                |                |
| Owners of Platinum Asset Management Limited                             |      | 45,011         | 80,851         |
| Non-controlling interests   |      | 124            | 12             |
|   |      | <b>45,135</b>  | <b>80,863</b>  |
| Basic earnings per share (cents per share)                              | 8    | 7.95           | 14.10          |
| Diluted earnings per share (cents per share)                            | 8    | 7.79           | 13.99          |

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

# Consolidated statement of financial position

AS AT 30 JUNE 2024

| <b>Assets</b>   | <b>NOTE</b> | <b>2024<br/>\$'000</b> | <b>2023<br/>\$'000</b> |
|---|-------------|------------------------|------------------------|
| <b>Current assets</b>   |             |                        |                        |
| Cash and cash equivalents   |             | 120,408                | 86,183                 |
| Term deposits   |             | 129,876                | 99,876                 |
| Trade and other receivables   | 12          | 17,496                 | 24,977                 |
| Income tax receivable   |             | 2,654                  | 1,422                  |
| <b>Total current assets</b>   |             | <b>270,434</b>         | <b>212,458</b>         |
| <b>Non-current assets</b>   |             |                        |                        |
| Equity investments in associates  | 6           | 27,600                 | 71,696                 |
| Financial assets at fair value through profit or loss                               | 10          | 33,414                 | 62,250                 |
| Fixed assets  | 9           | 2,111                  | 1,664                  |
| Right-of-use assets   | 9           | 11,690                 | 2,914                  |
| Net deferred tax assets   | 7           | 958                    | -                      |
| <b>Total non-current assets</b>   |             | <b>75,773</b>          | <b>138,524</b>         |
| <b>Total assets</b>   |             | <b>346,207</b>         | <b>350,982</b>         |
| <b>Liabilities</b>  |             |                        |                        |
| <b>Current liabilities</b>  |             |                        |                        |
| Trade and other payables  | 14          | 9,629                  | 8,658                  |
| Employee benefits   | 13          | 4,839                  | 4,973                  |
| Lease liabilities   | 15          | 1,708                  | 2,141                  |
| Income tax payable  |             | 280                    | 658                    |
| <b>Total current liabilities</b>  |             | <b>16,456</b>          | <b>16,430</b>          |
| <b>Non-current liabilities</b>  |             |                        |                        |
| Provisions  | 13          | 1,547                  | 1,408                  |
| Employee benefits   | 13          | 766                    | 970                    |
| Lease liabilities   | 15          | 10,639                 | 1,112                  |
| Net deferred tax liabilities  | 7           | -                      | 1,531                  |
| <b>Total non-current liabilities</b>  |             | <b>12,952</b>          | <b>5,021</b>           |
| <b>Total liabilities</b>  |             | <b>29,408</b>          | <b>21,451</b>          |
| <b>Net assets</b>   |             | <b>316,799</b>         | <b>329,531</b>         |
| <b>Equity</b>   |             |                        |                        |
| Issued capital  | 18          | 696,116                | 702,022                |
| Reserves  | 19          | (530,700)              | (551,440)              |
| Retained profits  |             | 148,818                | 177,589                |
| <b>Total equity attributable to the owners of Platinum Asset Management Limited</b> |             | <b>314,234</b>         | <b>328,171</b>         |
| Non-controlling interests   |             | 2,565                  | 1,360                  |
| <b>Total equity</b>   |             | <b>316,799</b>         | <b>329,531</b>         |

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



# Consolidated statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2024

|  | ISSUED<br>CAPITAL | RESERVES         | RETAINED<br>PROFITS | NON-<br>CONTROLLING<br>INTERESTS | TOTAL<br>EQUITY |
|--|-------------------|------------------|---------------------|----------------------------------|-----------------|
|  | \$'000            | \$'000           | \$'000              | \$'000                           | \$'000          |
| <b>Consolidated</b>  |                   |                  |                     |                                  |                 |
| Balance at 1 July 2023   | 702,022           | (551,440)        | 177,589             | 1,360                            | 329,531         |
| Profit after income tax expense for the year   | -                 | -                | 45,011              | 124                              | 45,135          |
| <i>Other comprehensive income</i>  |                   |                  |                     |                                  |                 |
| Exchange rate translation impact of foreign subsidiaries and associates                    | -                 | 299              | -                   | -                                | 299             |
| Exchange rate translation impact of deconsolidation of foreign subsidiaries and associates | -                 | 83               | -                   | -                                | 83              |
| Total comprehensive income for the year  | -                 | 382              | 45,011              | 124                              | 45,517          |
| Treasury shares acquired (net) (Note 18)   | (341)             | -                | -                   | -                                | (341)           |
| Share-based payments reserve   | -                 | 20,358           | -                   | -                                | 20,358          |
| Shares bought back on-market   | (5,565)           | -                | -                   | -                                | (5,565)         |
| Dividends paid   | -                 | -                | (73,782)            | -                                | (73,782)        |
| Transactions with non-controlling interests  | -                 | -                | -                   | 1,081                            | 1,081           |
| <b>Balance at 30 June 2024</b>   | <b>696,116</b>    | <b>(530,700)</b> | <b>148,818</b>      | <b>2,565</b>                     | <b>316,799</b>  |
|  | ISSUED<br>CAPITAL | RESERVES         | RETAINED<br>PROFITS | NON-<br>CONTROLLING<br>INTERESTS | TOTAL<br>EQUITY |
|  | \$'000            | \$'000           | \$'000              | \$'000                           | \$'000          |
| <b>Consolidated</b>  |                   |                  |                     |                                  |                 |
| Balance at 1 July 2022   | 706,595           | (560,123)        | 177,082             | -                                | 323,554         |
| Profit after income tax expense for the year   | -                 | -                | 80,851              | 12                               | 80,863          |
| <i>Other comprehensive income</i>  |                   |                  |                     |                                  |                 |
| Exchange rate translation impact of foreign subsidiaries and associates                    | -                 | 288              | -                   | -                                | 288             |
| Total comprehensive income for the year  | -                 | 288              | 80,851              | 12                               | 81,151          |
| Treasury shares acquired (net) (Note 18)   | (4,573)           | -                | -                   | -                                | (4,573)         |
| Share-based payments reserve   | -                 | 8,395            | -                   | -                                | 8,395           |
| Dividends paid   | -                 | -                | (80,344)            | -                                | (80,344)        |
| Transactions with non-controlling interests  | -                 | -                | -                   | 1,348                            | 1,348           |
| <b>Balance at 30 June 2023</b>   | <b>702,022</b>    | <b>(551,440)</b> | <b>177,589</b>      | <b>1,360</b>                     | <b>329,531</b>  |

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

# Consolidated statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2024

|   |      | CONSOLIDATED    |                 |
|---|------|-----------------|-----------------|
|   | NOTE | 2024<br>\$'000  | 2023<br>\$'000  |
| <b>Cash flows from operating activities</b>                   |      |                 |                 |
| Receipts from operating activities                            |      | 182,320         | 207,509         |
| Payments for operating activities                             |      | (81,576)        | (81,047)        |
| Finance costs paid  |      | (433)           | (104)           |
| Income taxes paid   |      | (33,357)        | (44,337)        |
| Income tax refund received                                    |      | 1,605           | 1,336           |
| <b>Net cash from operating activities</b>                     | 16   | <b>68,559</b>   | <b>83,357</b>   |
| <b>Cash flows from investing activities</b>                   |      |                 |                 |
| Interest received   |      | 8,840           | 4,341           |
| Proceeds on maturity of term deposits                         |      | 149,753         | 110,521         |
| Purchase of term deposits                                     |      | (179,753)       | (120,521)       |
| Payments for purchases of fixed assets                        |      | (1,594)         | (363)           |
| Receipts from sale of financial assets                        |      | 49,111          | 20,347          |
| Payments for purchases of financial assets                    |      | (21,793)        | (33,394)        |
| Proceeds from sale of investments in associates               | 6(c) | 53,322          | 60,205          |
| Payments of purchases of investments in associates            | 6(c) | (8,561)         | (38,314)        |
| Dividends and distributions received                          |      | 2,276           | 2,896           |
| <b>Net cash provided by/(used in) investing activities</b>    |      | <b>51,601</b>   | <b>5,718</b>    |
| <b>Cash flows from financing activities</b>                   |      |                 |                 |
| Dividends paid  |      | (73,782)        | (80,344)        |
| Payments for purchases of treasury shares                     |      | (5,562)         | (9,707)         |
| Payment of lease liability principal                          |      | (1,724)         | (2,006)         |
| Proceeds from units issued from non-controlling interests     |      | 1,080           | 1,348           |
| Shares bought back on-market                                  | 18   | (5,565)         | -               |
| <b>Net cash used in financing activities</b>                  |      | <b>(85,553)</b> | <b>(90,709)</b> |
| Net movement in cash and cash equivalents                     |      | 34,607          | (1,634)         |
| Cash and cash equivalents at the beginning of the year        |      | 86,183          | 87,449          |
| Effects of exchange rate changes on cash and cash equivalents |      | (382)           | 368             |
| <b>Cash and cash equivalents at the end of the year</b>       |      | <b>120,408</b>  | <b>86,183</b>   |

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

## NOTE 1. CORPORATE INFORMATION

Platinum Asset Management Limited (the "Company") is a for-profit entity that is incorporated and domiciled in Australia. The Company is listed on the Australian Securities Exchange (ASX code: PTM). The principal activities of the Company and its subsidiaries (the "Group") are described in Note 4 segment information. This financial report was authorised for issue in accordance with a resolution of the Directors on 28 August 2024 and Directors have the power to amend and reissue the financial report.

## NOTE 2. MATERIAL ACCOUNTING POLICIES

### Basis of preparation

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*. The consolidated financial statements comply with International Financial Reporting Standards ("IFRS") adopted by the International Accounting Standards Board ("IASB").

The consolidated financial statements are presented in Australian Dollars, which is also the Company's functional currency. All values are rounded to the nearest thousand dollars (\$'000), in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise stated. The consolidated financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial assets at fair value through profit or loss.

The material accounting policies have been included in the relevant notes to which the policy relates and have been consistently applied to all financial years presented in these consolidated financial statements.

### Critical accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions. The areas where assumptions and estimates are significant to the consolidated financial statements are outlined after the relevant accounting policy in the relevant notes.

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

The accounting impact of the treatment of the products that Platinum Investment Management Limited ("PIML") has seeded or invested in, is the most critical accounting judgement, estimate or assumption within these consolidated financial statements. This includes the assessment of whether the Group has significant influence or control of those entities and impacts on how their financial results are presented within these financial statements and the valuation of these investments (including impairment assessment).

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the right, volatility and dividend yield and making assumptions about service period completion. The Group initially measures the fair value of these share rights using a Monte Carlo simulation option pricing model.

### Accounting standards and interpretations not yet mandatory or early adopted during the year

The AASB has issued several new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods that have not been early adopted by the Group.

The impact of these standards are currently being assessed.

### Accounting Standards adopted during the year

There are no standards that are effective for the first time in the current period that have a material impact on the Group.

**NOTE 3. REVENUE & OTHER INCOME**

The Group derived revenue (management and performance fees) from Australian and offshore investment vehicles and mandates as follows:

|   | 2024<br>\$'000 | 2023<br>\$'000 |
|---|----------------|----------------|
| <b>Revenue breakdown by geographic region</b>       |                |                |
| Australia   | 172,950        | 199,199        |
| Offshore: United States, Ireland and Cayman Islands | 1,394          | 3,465          |
|   | <b>174,344</b> | <b>202,664</b> |

|  | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| <b>Distributions and dividends is comprised of:</b>  |                |                |
| Dividends received from equity securities held by Platinum Global Transition Fund (Quoted Managed Hedge Fund) ("PGTX") | 219            | 79             |
| Dividend received from Platinum Asia Investments Limited ("PAI")   | 1,200          | 1,500          |
| Dividend received from equity securities held by the Cayman and other seed funds                                       | 835            | 1,314          |
| Distribution received from investment in the Platinum Trust funds  | 10             | 6              |
| <b>Total distributions and dividends</b>   | <b>2,264</b>   | <b>2,899</b>   |

**ACCOUNTING POLICY**

Revenue is measured at an amount the Group expects to be entitled to receive in exchange for services provided to clients and recognised as performance obligations to the client are satisfied.

Management fees are recognised over the period the service is provided. Management fees are based on a percentage of net assets/portfolio value of the fund or mandate and calculated in accordance with the relevant investment management agreement or constitution. The majority of management fees were derived from the Platinum Trust funds C Class. The management fee for this Class was calculated at 1.35% per annum of each fund's daily net asset value.

Performance fees are a form of variable consideration. Performance fees are recognised as revenue only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Other income is recognised if it meets the criteria below:

- *Interest income*: recognised in the consolidated statement of profit or loss and other comprehensive income and is based on the effective interest method.
- *Distributions*: recognised when the Group becomes entitled to the income.
- *Dividends*: brought to account on the applicable ex-dividend date.
- *Net gains/(losses) on financial assets at fair value through profit and loss*: relates to net gains/(losses) on financial assets classified and measured as at fair value through profit or loss.

## NOTE 4. SEGMENT INFORMATION

The Group is organised into two main operating segments being:

- funds management: through the generation of management and performance fees from Australian investment vehicles, its US-based investment mandates and Platinum World Portfolios Plc. ("PWP")\* and associated costs; and
- investments and other: through the Group's investment in the (a) ASX listed, PAI (b) PWP\* (c) unlisted Platinum Trust funds and (d) other investments and seed funds. Also included in this category are Australian dollar term deposits as well as associated interest derived from these.

The segment financial results, segment assets and liabilities are disclosed below:

|   | 30 JUNE 2024                  |                                    |                 | 30 JUNE 2023                  |                                    |                 |
|---|-------------------------------|------------------------------------|-----------------|-------------------------------|------------------------------------|-----------------|
|   | FUNDS<br>MANAGEMENT<br>\$'000 | INVESTMENTS<br>AND OTHER<br>\$'000 | TOTAL<br>\$'000 | FUNDS<br>MANAGEMENT<br>\$'000 | INVESTMENTS<br>AND OTHER<br>\$'000 | TOTAL<br>\$'000 |
| <b>Revenue and other income</b>                                 |                               |                                    |                 |                               |                                    |                 |
| Management and performance fees                                 | 174,344                       | -                                  | 174,344         | 202,664                       | -                                  | 202,664         |
| Interest  | 4,283                         | 5,102                              | 9,385           | 1,960                         | 3,204                              | 5,164           |
| Net gains/(losses) on financial assets and equity in associates | -                             | (631)                              | (631)           | -                             | 6,315                              | 6,315           |
| Distributions and dividends                                     | -                             | 2,264                              | 2,264           | -                             | 2,899                              | 2,899           |
| Foreign exchange (losses)/ gains on overseas bank accounts      | -                             | (382)                              | (382)           | -                             | 368                                | 368             |
| <b>Total revenue and other income/(loss)</b>                    | <b>178,627</b>                | <b>6,353</b>                       | <b>184,980</b>  | <b>204,624</b>                | <b>12,786</b>                      | <b>217,410</b>  |
| Expenses  | 111,296                       | 540                                | 111,836         | 99,890                        | 750                                | 100,640         |
| <b>Profit/(loss) before income tax expense/(benefit)</b>        | <b>67,331</b>                 | <b>5,813</b>                       | <b>73,144</b>   | <b>104,734</b>                | <b>12,036</b>                      | <b>116,770</b>  |
| Income tax expense/(benefit)                                    | 26,265                        | 1,744                              | 28,009          | 32,296                        | 3,611                              | 35,907          |
| <b>Profit/(loss) after income tax expense/(benefit)</b>         | <b>41,066</b>                 | <b>4,069</b>                       | <b>45,135</b>   | <b>72,438</b>                 | <b>8,425</b>                       | <b>80,863</b>   |
| Other comprehensive income/(loss)                               | (12)                          | 394                                | 382             | 89                            | 199                                | 288             |
| <b>Total comprehensive income/(loss)</b>                        | <b>41,054</b>                 | <b>4,463</b>                       | <b>45,517</b>   | <b>72,527</b>                 | <b>8,624</b>                       | <b>81,151</b>   |
| <b>Total assets</b>   | <b>74,427</b>                 | <b>271,780</b>                     | <b>346,207</b>  | <b>67,167</b>                 | <b>283,815</b>                     | <b>350,982</b>  |
| <b>Total liabilities</b>  | <b>29,389</b>                 | <b>19</b>                          | <b>29,408</b>   | <b>20,836</b>                 | <b>615</b>                         | <b>21,451</b>   |
| <b>Net assets</b>   | <b>45,038</b>                 | <b>271,761</b>                     | <b>316,799</b>  | <b>46,331</b>                 | <b>283,200</b>                     | <b>329,531</b>  |

\* PWP redeemed effective 29 April 2024.

## ACCOUNTING POLICY

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Executive Officer ("CEO"). The CEO is responsible for the allocation of resources to operating segments and assessing their performance.

**NOTE 5. GROUP INFORMATION**

The consolidated financial statements of the Group include:

| NAME   | PRINCIPAL PLACE OF BUSINESS/<br>COUNTRY OF INCORPORATION | OWNERSHIP<br>INTEREST |           |
|--|--|-----------------------|-----------|
|  |  | 2024<br>%             | 2023<br>% |
| McRae Pty Limited  | Australia  | 100                   | 100       |
| Platinum Asset Pty Limited   | Australia  | 100                   | 100       |
| Platinum Investment Management Limited ("PIML")                    | Australia  | 100                   | 100       |
| Platinum Employee Incentive Trust <sup>^</sup>                     | Australia  | 100                   | 100       |
| Platinum GP Pty Limited  | Australia  | 100                   | 100       |
| Platinum Arrow Trust   | Australia  | 100                   | 100       |
| Platinum Global Transition Fund (Quoted Managed Hedge Fund)        | Australia  | 81                    | 89        |
| Platinum UK Asset Management Limited                               | United Kingdom   | 100                   | 100       |
| Platinum Management Malta Limited <sup>*</sup>                     | Malta  | 100                   | 100       |
| Platinum Global Opportunities Fund LP                              | United States of America                                 | 100                   | 100       |
| Platinum Asia Ex-Japan Opportunities Fund LP                       | United States of America                                 | 100                   | 100       |
| Platinum Japan Opportunities Fund LP                               | United States of America                                 | 100                   | 100       |
| Platinum Europe Opportunities Fund LP                              | United States of America                                 | 100                   | 100       |
| Platinum Asia Ex-Japan Opportunities Master Fund Ltd <sup>**</sup> | Cayman Islands   | 100                   | 100       |
| Platinum Asia Ex-Japan Opportunities Fund Ltd <sup>**</sup>        | Cayman Islands   | 100                   | 100       |
| Platinum Global Opportunities Master Fund Ltd <sup>**</sup>        | Cayman Islands   | 100                   | 100       |
| Platinum Global Opportunities Fund Ltd <sup>**</sup>               | Cayman Islands   | 100                   | 100       |
| Platinum Europe Opportunities Master Fund Ltd <sup>**</sup>        | Cayman Islands   | 100                   | 100       |
| Platinum Europe Opportunities Fund Ltd <sup>**</sup>               | Cayman Islands   | 100                   | 100       |
| Platinum Japan Opportunities Master Fund Ltd <sup>**</sup>         | Cayman Islands   | 100                   | 100       |
| Platinum Japan Opportunities Fund Ltd <sup>**</sup>                | Cayman Islands   | 100                   | 100       |

<sup>^</sup> Platinum Employee Incentive Trust holds PTM shares on behalf of employees selected to participate in the Deferred Remuneration Plan and Platinum Partners' LTIP (see Note 17 for further details).

<sup>\*</sup> Platinum Management Malta Limited was liquidated on 31 July 2024. This is not expected to have a material impact on the Group.

<sup>\*\*</sup> Cayman Funds commenced liquidation in November 2023. This did not have a material impact on the Group. PIML's participating shares were redeemed in December 2023 but PIML continued to hold 100% of the management shares until the entities were dissolved in July 2024.

**ACCOUNTING POLICY****Foreign currency translation**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at balance date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss and other comprehensive income.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each financial position presented are translated at closing rate at the balance date;

**NOTE 5. GROUP INFORMATION (CONTINUED)****ACCOUNTING POLICY (CONTINUED)***Foreign currency translation (continued)*

- income and expenses included in the consolidated statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income in the foreign currency translation reserve.

Where subsidiaries are deconsolidated or disposed of the cumulative amount in the foreign currency translation reserve is reclassified to profit or loss.

*Principles of consolidation*

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Platinum Asset Management Limited as at 30 June 2024 and the results of all subsidiaries for the financial year. Platinum Asset Management Limited and its subsidiaries together are referred to in these consolidated financial statements as the 'consolidated entity' or 'Group'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns, through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, all intercompany transactions, balances and unrealised gains arising within the consolidated entity are eliminated in full.

**NOTE 6. EQUITY INVESTMENTS IN ASSOCIATES**

The Group's investment in PAI and PWP (until 29 April 2024) represents interests in associates which are accounted for using the equity method of accounting. Information relating to this is shown below:

**(a) Interests in associates**

| ENTITY | COUNTRY OF INCORPORATION | EQUITY INTEREST % |      | FAIR VALUE \$'000 |               | CARRYING AMOUNT \$'000 |               | REASON FOR ASSESSMENT OF SIGNIFICANT INFLUENCE  |
|--------|--------------------------|-------------------|------|-------------------|---------------|------------------------|---------------|---|
|        |                          | 2024              | 2023 | 2024              | 2023          | 2024                   | 2023          |   |
| PAI    | Australia                | 8.1               | 8.1  | 27,600            | 25,650        | 27,600                 | 31,086        | Ownership interest was 8.1% at 30 June 2024; PIML acts as investment manager (IM) in accordance with an investment management agreement; PIML provides performance and exposure reports to the PAI Board. |
| PWP    | Ireland                  | -                 | 26.1 | -                 | 40,610        | -                      | 40,610        | PWP was fully redeemed effective 29 April 2024 to simplify Platinum's product range. PIML fully redeemed its interest on 29 April 2024.   |
|        |                          |                   |      | <b>27,600</b>     | <b>66,260</b> | <b>27,600</b>          | <b>71,696</b> |   |

The fair value of PAI reflects the 30 million shares held multiplied by the PAI closing share price at 30 June 2024 of \$0.92 (2023: \$0.855).

The carrying value reflects the Group's share of each associate's net assets, applying the equity method, including assessment of any impairment (see Note 6c for further details).

## NOTE 6. EQUITY INVESTMENTS IN ASSOCIATES (CONTINUED)

### (b) Associates' statement of financial position

| 30 JUNE 2024  | TOTAL ASSETS <sup>^</sup><br>\$'000 | TOTAL LIABILITIES*<br>\$'000 | NET ASSETS<br>\$'000 |
|---|-------------------------------------|------------------------------|----------------------|
| Associates' financial position                                  |                                     |                              |                      |
| • PAI   | 383,098                             | 910                          | 382,188              |
| • PWP**   | -                                   | -                            | -                    |
| <b>Total associates' statement of financial position</b>        |                                     |                              | <b>382,188</b>       |
| Group's share of associate                                      |                                     |                              |                      |
| • PAI   | 31,080                              | 74                           | 31,006               |
| • Adjustment for impairment of PAI                              |                                     |                              | (3,406)              |
| • PWP**   | -                                   | -                            | -                    |
| <b>Total Group's carrying amount of investment in associate</b> |                                     |                              | <b>27,600</b>        |
| 30 JUNE 2023  | TOTAL ASSETS <sup>^</sup><br>\$'000 | TOTAL LIABILITIES*<br>\$'000 | NET ASSETS<br>\$'000 |
| Associates' financial position                                  |                                     |                              |                      |
| • PAI   | 384,846                             | 1,425                        | 383,421              |
| • PWP   | 157,959                             | 2,218                        | 155,741              |
| <b>Total associates' statement of financial position</b>        |                                     |                              | <b>539,162</b>       |
| Group's share of associate                                      |                                     |                              |                      |
| • PAI   | 31,201                              | 115                          | 31,086               |
| • PWP   | 40,734                              | 124                          | 40,610               |
| <b>Total Group's carrying amount of investment in associate</b> |                                     |                              | <b>71,696</b>        |

<sup>^</sup> Associates' total assets include non-current assets of \$1,771,000 (2023: \$3,936,000).

\* Associates' total liabilities include non-current liabilities of \$0 (2023: \$0).

\*\* PWP redeemed effective 29 April 2024.



**NOTE 6. EQUITY INVESTMENTS IN ASSOCIATES (CONTINUED)****(c) Carrying amount of investment using the equity method**

|  | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| Opening balance  | 71,696         | 92,394         |
| Purchase of PWP units  | 8,561          | 38,314         |
| Redemption of PWP units                                      | (53,322)       | (60,205)       |
| Share of associates' total profit/(loss) (see Note 6d)       | 5,264          | 803            |
| Exchange rate translation impact                             | -              | 1,917          |
| Dividends received and dilution of unitholding (see Note 6d) | (1,193)        | (1,527)        |
| Adjustment for impairment of PAI (see Note 6d)               | (3,406)        | -              |
| <b>Closing balance (see Note 6a)</b>                         | <b>27,600</b>  | <b>71,696</b>  |

**(d) Associates' net income**

| 30 JUNE 2024  | PAI<br>\$'000  | PWP*<br>\$'000 | TOTAL<br>\$'000 |
|---|----------------|----------------|-----------------|
| <b>Associates' net income</b>   |                |                |                 |
| Total investment income/(loss)  | 24,132         | 8,452          | 32,584          |
| Total expenses  | (5,547)        | (1,969)        | (7,516)         |
| Profit/(loss) before tax  | 18,585         | 6,483          | 25,068          |
| Income tax expense  | (4,862)        | -              | (4,862)         |
| <b>Total profit/(loss) after tax</b>                                    | <b>13,723</b>  | <b>6,483</b>   | <b>20,206</b>   |
| <b>Group's share of associate</b>                                       |                |                |                 |
| Total investment income/(loss)  | 1,957          | 5,411          | 7,368           |
| Total expenses  | (450)          | (1,260)        | (1,710)         |
| Profit/(loss) before tax  | 1,507          | 4,151          | 5,658           |
| Income tax expense  | (394)          | -              | (394)           |
| <b>Share of associates' total profit/(loss)</b>                         | <b>1,113</b>   | <b>4,151</b>   | <b>5,264</b>    |
| Dividend/distribution received and dilution of unitholding              | (1,193)        | -              | (1,193)         |
| Transfer from foreign currency translation reserve                      | -              | (1,246)        | (1,246)         |
| Adjustment for impairment of PAI  | (3,406)        | -              | (3,406)         |
| <b>Share of profit/(loss) of associates net of impairment and other</b> | <b>(3,486)</b> | <b>2,905</b>   | <b>(581)</b>    |

\* PWP redeemed effective 29 April 2024.

**NOTE 6. EQUITY INVESTMENTS IN ASSOCIATES (CONTINUED)****(d) Associates' net income (continued)**

30 JUNE 2023

|   | PAI<br>\$'000  | PWP<br>\$'000 | TOTAL<br>\$'000 |
|---|----------------|---------------|-----------------|
| <b>Associates' net income</b>   |                |               |                 |
| Total investment income/(loss)  | 12,526         | 11,818        | 24,344          |
| Total expenses  | (5,477)        | (4,366)       | (9,843)         |
| Profit/(loss) before tax  | 7,049          | 7,452         | 14,501          |
| Income tax expense  | (2,513)        | -             | (2,513)         |
| <b>Total profit/(loss) after tax</b>                                    | <b>4,536</b>   | <b>7,452</b>  | <b>11,988</b>   |
| <b>Group's share of associate</b>                                       |                |               |                 |
| Total investment income/(loss)  | 1,016          | 1,814         | 2,830           |
| Total expenses  | (444)          | (1,378)       | (1,822)         |
| Profit/(loss) before tax  | 572            | 436           | 1,008           |
| Income tax expense  | (205)          | -             | (205)           |
| <b>Total profit/(loss) after tax</b>                                    | <b>367</b>     | <b>436</b>    | <b>803</b>      |
| Dividend received and dilution of unitholding                           | (1,527)        | -             | (1,527)         |
| Transfer from foreign currency translation reserve                      | -              | 2,969         | 2,969           |
| <b>Share of profit/(loss) of associates net of impairment and other</b> | <b>(1,160)</b> | <b>3,405</b>  | <b>2,245</b>    |

**ACCOUNTING POLICY**

Investments in associates are accounted for using the equity method. The share of profit recognised under the equity method is the consolidated entity's share of the associate's profit or loss based on the ownership interest held. Associates are entities in which the consolidated entity, as a result of its voting rights and other factors, has significant influence, but not control or joint control, over its financial and operating policies.

Investments in associates are carried at the lower of the equity accounted carrying amount and the recoverable amount. When the consolidated entity's share of losses exceeds the carrying amount of the equity accounted investment (including assets that form part of the net investment in the associate), the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the consolidated entity has obligations in respect of the associate.

Dividends from associates represent a return on the consolidated entity's investment and, as such, are applied as a reduction to the carrying value of the investment. Unrealised gains arising from transactions with equity accounted investments are eliminated against the investment in the associate to the extent of the consolidated entity's interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Other movements in associates' reserves are recognised applying the equity method.

**Critical accounting judgements, estimates and assumptions**

**Assessment of significant influence:** At 30 June 2024, the consolidated entity was assessed as having significant influence over PAI, as a result of its direct investment and investment management activities and other factors outlined in Note 6a.

We have conducted an impairment assessment of the carrying amount of the investment in associates, including a look-through of each of the underlying assets and liabilities. The investment in PAI has been adjusted based on the ASX closing price which is the recoverable amount.

**NOTE 7. INCOME TAX****(a) Income tax expense**

The income tax expense attributable to profit comprises:

|                           | 2024<br>\$'000 | 2023<br>\$'000 |
|---------------------------|----------------|----------------|
| Current tax               | 30,408         | 38,329         |
| Deferred tax              | (2,399)        | (2,422)        |
| <b>Income tax expense</b> | <b>28,009</b>  | <b>35,907</b>  |

*Numerical reconciliation of income tax expense:*

|   |        |         |
|---|--------|---------|
| <b>Profit before income tax expense</b>     | 73,144 | 116,770 |
| <b>Tax at the statutory tax rate of 30%</b> | 21,943 | 35,031  |

Tax effect amounts which are not deductible/(taxable) in calculating taxable income:

|   |               |               |
|---|---------------|---------------|
| • Tax rate differential on offshore business income | (12)          | (269)         |
| • Non-taxable losses/(gains) on investments         | 113           | -             |
| • Share-based payments                              | 6,593         | 1,856         |
| • Other non-deductible expenses                     | 189           | 92            |
| • Prior year and other adjustments                  | 8             | 5             |
| • Franking credits and foreign tax credit received  | (825)         | (808)         |
| <b>Income tax expense</b>                           | <b>28,009</b> | <b>35,907</b> |

**(b) Non-current (assets)/liabilities – net deferred tax (assets)/liabilities:**

|  | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| <i>Deferred tax liabilities comprise temporary differences attributable to:</i>        |                |                |
| • Unrealised foreign exchange gains/(losses) on cash                                   | 7              | (1)            |
| • Share-based payments   | 2,303          | 3,882          |
| • Employee provisions  | (2,145)        | (2,205)        |
| • Unrealised gains/(losses) on investments   | (148)          | 922            |
| • Capital expenditure on fixed assets and lease liabilities not immediately deductible | (555)          | (661)          |
| • Expense accruals   | (420)          | (406)          |
| <b>Net deferred tax (assets)/liabilities</b>   | <b>(958)</b>   | <b>1,531</b>   |

The net deferred tax assets figure is comprised of \$3,268,000 (2023: \$3,273,000) of deferred tax assets and \$2,310,000 (2023: \$4,804,000) of deferred tax liabilities.

The deferred tax assets that will be recovered or settled within 12 months are estimated to be \$2,565,000 at 30 June 2024 (2023: \$2,611,000).

Deferred tax includes \$90,000 (2023: \$520,000) recorded in the share-based payments reserve and foreign currency translation reserve within equity.

**NOTE 7. INCOME TAX (CONTINUED)****ACCOUNTING POLICY***Current tax*

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

*Deferred tax*

Deferred tax is accounted for in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the asset can be utilised.

*Tax consolidation*

The Company and its wholly-owned Australian controlled entities are part of a tax consolidated group under Australian tax legislation. The Company is the head entity of the tax-consolidated group.

**Critical accounting judgements, estimates and assumptions**

*Recovery of deferred tax assets:* Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

**NOTE 8. EARNINGS PER SHARE**

|   | 2024<br>\$'000 | 2023<br>\$'000 |
|---|----------------|----------------|
| Profit after income tax attributable to the owners of Platinum Asset Management Limited   | 45,011         | 80,851         |
|   | <b>NUMBER</b>  | <b>NUMBER</b>  |
| Weighted average number of ordinary shares used in calculating basic earnings per share   | 566,279,352    | 573,594,056    |
| Adjustment for performance rights   | 11,717,636     | 4,179,326      |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 577,996,988    | 577,773,382    |
|   | <b>CENTS</b>   | <b>CENTS</b>   |
| Basic earnings per share  | 7.95           | 14.10          |
| Diluted earnings per share  | 7.79           | 13.99          |

**ACCOUNTING POLICY***Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Platinum Asset Management Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year. The weighted average number of ordinary shares used to calculate basic (and diluted) earnings per share does not include treasury shares.

*Diluted earnings per share*

Diluted earnings per share adjusts the weighted average number of shares used to determine basic earnings per share to take into account any potential ordinary shares that have a dilutive impact.

**NOTE 9. DEPRECIABLE ASSETS**

|                                | <b>2024</b><br><b>\$'000</b> | <b>2023</b><br><b>\$'000</b> |
|--------------------------------|------------------------------|------------------------------|
| Fixed assets – at cost         | 7,086                        | 6,344                        |
| Less: Accumulated depreciation | (4,975)                      | (4,680)                      |
|                                | <b>2,111</b>                 | <b>1,664</b>                 |
| Right-of-use asset – at cost   | 21,460                       | 10,642                       |
| Less: Accumulated depreciation | (9,770)                      | (7,728)                      |
|                                | <b>11,690</b>                | <b>2,914</b>                 |

**Reconciliations**

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

|                                | <b>FIXED ASSETS</b><br><b>\$'000</b> | <b>RIGHT-OF-USE ASSET</b><br><b>\$'000</b> |
|--------------------------------|--------------------------------------|--|
| Balance at 1 July 2022         | 2,103                                | 4,851                                      |
| • Additions                    | 363                                  | 3  |
| • Disposal                     | (13)                                 | -  |
| • Depreciation expense         | (789)                                | (1,940)                                    |
| <b>Balance at 30 June 2023</b> | <b>1,664</b>                         | <b>2,914</b>                               |
| • Additions                    | 1,590                                | 10,819                                     |
| • Disposal                     | (69)                                 | -  |
| • Depreciation expense         | (1,074)                              | (2,043)                                    |
| <b>Balance at 30 June 2024</b> | <b>2,111</b>                         | <b>11,690</b>                              |

**ACCOUNTING POLICY**

Fixed assets are stated at historical cost less depreciation. Fixed assets (other than in-house software and applications in the course of construction and development) are depreciated over their estimated useful lives of 2.5 to 8 years using the diminishing balance method.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. A fixed asset is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets are measured at cost comprising the amount of the measurement of the lease liability adjusted for any lease payments made before commencement date. Right-of-use assets are depreciated over the lease term on a straight-line basis.

## NOTE 10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

|  | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| Platinum Trust fund investments                  | 214            | 189            |
| Equity securities held by the seeded investments | 26,963         | 55,681         |
| Unlisted shares                                  | 6,237          | 6,237          |
| Platinum Asia Investments Limited options*       | -              | 143            |
|  | <b>33,414</b>  | <b>62,250</b>  |

\* The 7,500,000 PAI options expired on 28 March 2024.

### ACCOUNTING POLICY

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the consolidated entity's process for managing them. The consolidated entity's investments are measured at fair value through profit or loss.

The consolidated entity has applied AASB 13: *Fair Value Measurement* as the basis to value its financial assets at fair value through profit or loss. AASB 13 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 consolidated entity, the last-sale or "last" price is the most representative price within the bid-ask spread, because it represents the price that the unit last changed hands from seller to buyer.

The fair value includes the impact of the 30 June distribution for the Platinum Trust Funds.

Unlisted shares are valued based on the most recent capital raising activity.

## NOTE 11. FAIR VALUE MEASUREMENT

### Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the consolidated entity to classify those assets measured at fair value using the following fair value hierarchy model:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (ii) inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices) (level 2); and
- (iii) inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (level 3).

The investment in PAI may not be measured at fair value because is classified as an equity investment in associate. If it was to be measured at fair value, PAI would be classified as level 1. Further details of the fair value of investments in associates is provided in Note 6.

**NOTE 11. FAIR VALUE MEASUREMENT (CONTINUED)****Fair value hierarchy (continued)**

The following table analyses within the fair value hierarchy model, the consolidated entity's assets and liabilities, measured or disclosed at fair value, using the three-level hierarchy model at 30 June 2024 and 30 June 2023.

| 2024                                 | LEVEL 1<br>\$'000 | LEVEL 2<br>\$'000 | LEVEL 3<br>\$'000 | TOTAL<br>\$'000 |
|--------------------------------------|-------------------|-------------------|-------------------|-----------------|
| <b>Financial assets</b>              |                   |                   |                   |                 |
| Equity securities held by seed funds | 26,860            | 103               | -                 | 26,963          |
| Unlisted shares                      | -                 | -                 | 6,237             | 6,237           |
| Platinum Trust fund investments      | -                 | 214               | -                 | 214             |
|                                      | <b>26,860</b>     | <b>317</b>        | <b>6,237</b>      | <b>33,414</b>   |
| <hr/>                                |                   |                   |                   |                 |
| 2023                                 | LEVEL 1<br>\$'000 | LEVEL 2<br>\$'000 | LEVEL 3<br>\$'000 | TOTAL<br>\$'000 |
| <b>Financial assets</b>              |                   |                   |                   |                 |
| Equity securities held by seed funds | 55,521            | 303               | -                 | 55,824          |
| Unlisted shares                      | -                 | -                 | 6,237             | 6,237           |
| Platinum Trust fund investments      | -                 | 189               | -                 | 189             |
|                                      | <b>55,521</b>     | <b>492</b>        | <b>6,237</b>      | <b>62,250</b>   |

**Valuation techniques used to classify assets as level 2**

The direct investments in the Platinum Trust funds are valued using their respective net asset values (adjusted for the buy-sell spread) and include the impact of the 30 June distribution. Accordingly, management has assessed the fair value investments as being level 2 investments.

**Valuation techniques used to classify assets as level 3**

Level 3 financial assets consist of:

- Investment in unlisted equity investment. The investment is initially recognised at fair value, being the consideration given. After initial recognition, the shareholding continues to be measured at fair value based on the recent transaction price between independent parties.

These assets are valued in accordance with a valuation policy established by PIML. Level 3 assets were 2.0% of net assets at 30 June 2024 (2023: 1.9%). Further details related to the level 3 securities are not disclosed, as the amounts are not material to the Group.

|                                | 2024<br>\$'000 | 2023<br>\$'000 |
|--------------------------------|----------------|----------------|
| Opening balance                | 6,237          | 5,000          |
| Gains/(losses) during the year | -              | 1,237          |
| <b>Closing balance</b>         | <b>6,237</b>   | <b>6,237</b>   |

**NOTE 12. TRADE AND OTHER RECEIVABLES**

|                             | 2024<br>\$'000 | 2023<br>\$'000 |
|-----------------------------|----------------|----------------|
| Management fees receivable  | 13,033         | 20,539         |
| Performance fees receivable | -              | 1,009          |
| Prepayments                 | 2,742          | 2,260          |
| Distribution receivable     | 10             | 21             |
| Interest receivable         | 1,525          | 980            |
| Sundry debtors              | 186            | 168            |
|                             | <b>17,496</b>  | <b>24,977</b>  |

Management and performance fees receivable(s) are received between three to 30 days after balance date.

**ACCOUNTING POLICY**

Trade receivables represent amounts receivable for services that have been delivered. These amounts are initially recognised at fair value. An analysis is performed at each balance date to measure any expected credit loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. No material adjustment was required for expected credit losses during the year or prior period.

Distributions are recognised when the consolidated entity becomes entitled to the income.

**NOTE 13. PROVISIONS & EMPLOYEE BENEFITS**

|   | 2024<br>\$'000 | 2023<br>\$'000 |
|---|----------------|----------------|
| <b>Current liabilities</b>                              |                |                |
| Annual leave  | 2,724          | 2,825          |
| Long service leave                                      | 2,115          | 2,148          |
|   | <b>4,839</b>   | <b>4,973</b>   |
| <b>Non-current liabilities</b>                          |                |                |
| Long service leave                                      | 766            | 970            |
| Provision for payroll tax on Deferred Remuneration Plan | 1,547          | 1,408          |
|   | <b>2,313</b>   | <b>2,378</b>   |

**ACCOUNTING POLICY**

Employee benefit liabilities represents accrued annual and long-service leave entitlements and other incentives (including any provision for estimated staff incentive payments and related on-costs), that are recognised in respect of employee services up to balance date and are measured at the amounts expected to be paid when the liabilities are settled and include related on-costs, such as payroll tax.



**NOTE 14. TRADE AND OTHER PAYABLES**

|                | 2024<br>\$'000 | 2023<br>\$'000 |
|----------------|----------------|----------------|
| Trade payables | 8,530          | 7,085          |
| GST payable    | 1,099          | 1,573          |
|                | <b>9,629</b>   | <b>8,658</b>   |

**ACCOUNTING POLICY**

Payables represent amounts owing at balance date. Trade payables relate to services provided to the consolidated entity at balance date, which are unpaid. Due to their general short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 14 to 30 days of being invoiced.

**NOTE 15. LEASES**

- The Group has entered into lease agreements for the Sydney and London premises it occupies and pays rent on a monthly basis.
- Set out below are the carrying amounts of lease liabilities for the Sydney premises and the movements during the period:

|                                      | 2024<br>\$'000 | 2023<br>\$'000 |
|--------------------------------------|----------------|----------------|
| Balance at 1 July                    | 3,253          | 5,254          |
| • Exercise of lease extension option | 10,822         | -              |
| • Payments                           | (2,161)        | (2,105)        |
| • Accretion of interest              | 433            | 104            |
| <b>Balance at 30 June</b>            | <b>12,347</b>  | <b>3,253</b>   |
| • Current                            | 1,708          | 2,141          |
| • Non-current                        | 10,639         | 1,112          |

The following amounts are recognised in the statement of profit or loss in respect of leases:

|                                    | 30 JUNE 2024<br>\$'000 | 30 JUNE 2023<br>\$'000 |
|------------------------------------|------------------------|------------------------|
| Rent* and other occupancy          | 430                    | 308                    |
| Depreciation of right of use asset | 2,043                  | 1,940                  |
| Finance costs on lease liabilities | 433                    | 104                    |
|                                    | <b>2,906</b>           | <b>2,352</b>           |

Future minimum rentals payable under short-term leases are as follows:

|                  | 30 JUNE 2024<br>\$'000 | 30 JUNE 2023<br>\$'000 |
|------------------|------------------------|------------------------|
| Within one year* | -                      | 78                     |

\* Primarily relates to the short-term lease for the London premises. The London premises lease was terminated with no further payments to be made.

**NOTE 15. LEASES (CONTINUED)****ACCOUNTING POLICY**

Assets and liabilities arising from the premises lease are initially measured on a present value basis. Lease liabilities include the net present value of the future lease payments, less any lease incentives receivable. The lease payments used to determine the lease liability were discounted using an estimated incremental borrowing rate of 5.4% at the date of option exercise (2023: the lease payments used to determine the lease liability were discounted using an estimated incremental borrowing rate of 2.5%).

If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The consolidated entity is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease payments for short-term leases are charged to the consolidated statement of profit or loss and other comprehensive income.

**NOTE 16. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES**

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| Profit after income tax expense for the year           | 45,135        | 80,863        |
| Adjustments for:                                       |               |               |
| • Amortisation of share-based payments                 | 25,578        | 12,931        |
| • Foreign exchange differences on foreign bank account | 382           | (368)         |
| • Distributions and dividends                          | (2,264)       | (2,899)       |
| • Depreciation of fixed assets                         | 1,074         | 789           |
| • Loss on fixed assets disposal                        | 74            | 12            |
| • Depreciation of right-of-use asset                   | 2,043         | 1,940         |
| • Interest income                                      | (9,385)       | (5,164)       |
| • (Gain)/loss on investments                           | 630           | (6,315)       |
| Movement in operating assets and liabilities:          |               |               |
| • Movement in trade and other receivables              | 7,493         | 5,306         |
| • Movement in income tax payable                       | (1,610)       | (4,065)       |
| • Movement in trade and other payables                 | 2,097         | 2,405         |
| • Movement in deferred tax assets                      | 1,541         | (1,174)       |
| • Movement in deferred tax liabilities                 | (4,029)       | (1,768)       |
| • Movement in provisions                               | (200)         | 864           |
| <b>Net cash from operating activities</b>              | <b>68,559</b> | <b>83,357</b> |

**NOTE 17. SHARE-BASED PAYMENTS****Deferred Remuneration Plan**

In June 2016, a “Deferred Bonus Plan” (now known as a “Deferred Remuneration Plan” or “DRP”) was approved by the Nomination & Remuneration Committee of the Company. The main objective of the Deferred Remuneration Plan is to recognise the contributions made by key employees and to retain their skills within the firm.

Vesting is conditional on continuous employment for a period of four years from the date of grant. Upon vesting and exercise of the deferred rights, employees will receive ordinary shares in the Company.

The deferred rights also carry an entitlement to a dividend equivalent payment. Upon the valid exercise of a deferred right, or deemed exercise, of a deferred right, an eligible employee will be entitled to receive an amount approximately equal to the amount of dividends that would have been paid to the eligible employee had they held the share from the grant date to the date that the deferred rights are exercised.

The number of rights granted and the accounting expense for the current and comparative year is shown below. The Platinum Employee Incentive Trust will generally purchase an equivalent number of the Company’s shares on market and will hold these shares until the vesting date (four years from each grant) and subsequent exercise.

|   | <b>NUMBER OF DEFERRED RIGHTS</b> |                   |
|---|----------------------------------|-------------------|
|   | <b>2024</b>                      | <b>2023</b>       |
| Opening balance                             | 15,289,467                       | 11,156,804        |
| Granted during the year <sup>(1)</sup>      | -                                | 5,222,868         |
| Forfeited during the year                   | (274,442)                        | (131,734)         |
| Vested and exercised                        | (858,172)                        | (958,471)         |
| <b>Closing balance</b>                      | <b>14,156,853</b>                | <b>15,289,467</b> |
| <b>Exercisable at the end of the period</b> | <b>2,609,005</b>                 | <b>2,004,143</b>  |

(1) The grants in respect to the year ended 30 June 2024 were finalised after financial year end in order to align the staff performance measurement period to the financial year.

**NOTE 17. SHARE-BASED PAYMENTS (CONTINUED)****Long-Term Remuneration Plan**

The Nomination & Remuneration Committee approved the Platinum Partners Long Term Incentive Plan ("Platinum Partners' LTIP") in July 2021. The objective of the Platinum Partners' LTIP is to directly align employees' compensation with shareholder value creation, foster sustainable growth, sound financial, operational and risk management practices, and to retain key talent.

The vesting of the performance rights is conditional upon the Company meeting minimum Total Shareholder Return ("TSR") performance hurdles as set forth in the table below ("TSR Hurdle"). Each award that is granted, is divided into four tranches, with one quarter of the award being tested against the TSR Hurdle at the end of each year following the award grant date ("Performance Period"), for four years. The start price for the TSR Hurdle calculation will be the VWAP at which PTM shares were traded on the ASX over the seven trading days prior to the first trading day of the relevant Performance Period, and the end price will be the VWAP at which PTM shares were traded on the ASX over the seven trading days up to and including the last trading day of the relevant Performance Period. The number of PTM shares that an employee will be entitled to receive upon exercise of a performance right within a tranche, will depend on the annualised TSR achieved by the Company during the relevant Performance Period (see table below). If the minimum TSR Hurdle (i.e. 7.5%) for a Performance Period is not met, then that tranche of performance rights will not meet the vesting condition and will lapse.

| Award performance period | Proportion of award that is tested against the hurdle | Hurdle                | TSR Hurdle (vesting condition)    | Entitlement to resulting PTM shares per performance right |
|--------------------------|---|-----------------------|-----------------------------------|---|
| Year 1                   | 25%   | 1-Year TSR            | TSR < 7.5%                        | Nil   |
| Year 2                   | 25%   | 2-Year annualised TSR | TSR between 7.5% and 10% (target) | Between 0.75 and 1 (on a pro-rata straight line basis)    |
| Year 3                   | 25%   | 3-Year annualised TSR | TSR between 10% and 15%           | Between 1 and 2 (on a pro-rata straight line basis)       |
| Year 4                   | 25%   | 4-Year annualised TSR | TSR at or above 15%               | 2   |

The exercise of performance rights that have vested (i.e. those performance rights that have met or exceeded the TSR Hurdle for a Performance Period) is also subject to an eight-year continuous service condition unless "good leaver" provisions apply.

Eligible employees will have no voting or dividend rights until their performance rights have been exercised and their shares have been allocated. However, the performance rights carry an entitlement to an alternative dividend equivalent payment. This entitlement arises once a tranche of an award meets its TSR Hurdle for a Performance Period and continues until the corresponding performance rights are exercised ("Holding Period"). During the Holding Period, an eligible employee will receive an amount approximately equal to the amount of dividends that would have been paid to the employee had they held the relevant resultant number of shares from the date the TSR Hurdle was met.

The third 25% of the June 2021 Platinum Partners' LTIP grant was tested against TSR hurdles for the period ended 30 June 2024 and did not vest (2023: The second 25% of this grant was tested against TSR hurdles for the period ended 30 June 2023 and did not vest).

The second 25% of the June 2022 Platinum Partners' LTIP grant and the November 2022 KMP Partner Plan grant was tested against TSR hurdles for the period ended 30 June 2024 and did not vest (2023: The first 25% of these grants tested against TSR hurdles for the period ended 30 June 2023 and did not vest).

The first 25% of the June 2023 Platinum Partners' LTIP grant and the November 2023 KMP Partner Plan grant were tested against TSR hurdles for the period ended 30 June 2024 and did not vest.

In the current year, nil performance rights have been granted (2023: 9,165,888 performance rights were granted at \$13,565,514).

**NOTE 17. SHARE-BASED PAYMENTS (CONTINUED)****Long-Term Remuneration Plan (continued)**

In the current year, the total fair value of performance rights arising from the KMP awards approved at Platinum's annual general meeting in November 2023 was \$1,402,170 (30 June 2023 allocation: \$2,262,737), which was based on the 2,749,352 rights (2023: 1,432,112 rights) granted. The fair value of rights was estimated at \$0.51 (2023: \$1.58) based on the share price at grant date of \$1.23 (2023: \$1.85) adjusted for the fair value of dividends forfeited and graded vesting based on the TSR Hurdle. The fair value was estimated using a Monte Carlo model with expected volatility of 35% (2023: 35%), expected dividend yield of 8.2% (2023: 7.2%) and risk-free rate of 4.2% (2023: 3.1%).

**Expenses arising from Share-Based Payment transactions (DRP & Platinum Partners' LTIP)**

| <b>ACCOUNTING EXPENSE</b>  | <b>2024<br/>\$'000</b> | <b>2023<br/>\$'000</b> |
|--|------------------------|------------------------|
| Performance rights granted in 2023: Platinum Partners' LTIP  | 1,480                  | 1,311                  |
| Performance rights granted in 2022: Platinum Partners' LTIP  | 1,612                  | 1,860                  |
| Performance rights granted in 2021: Platinum Partners' LTIP  | 2,816                  | 2,435                  |
| Deferred rights granted in respect to 2024: DRP  | 2,410                  | -                      |
| Deferred rights granted in respect to 2023: DRP  | 1,400                  | 1,540                  |
| Deferred rights granted in respect to 2022: DRP  | 1,432                  | 1,429                  |
| Deferred rights granted in respect to 2021: DRP  | 1,598                  | 1,500                  |
| Deferred rights granted in respect to 2020: DRP  | 1,469                  | 1,486                  |
| Deferred rights granted in respect to 2019: DRP  | -                      | 1,370                  |
| <b>Total amortisation of share-based payments for continuing employees</b>                                 | <b>14,217</b>          | <b>12,931</b>          |
| Share-based payment expense accelerated due to turnaround program discontinuing employees <sup>(1)</sup> : |                        |                        |
| Platinum Partners' LTIP  | 8,888                  | -                      |
| Deferred rights  | 2,473                  | -                      |
| <b>Total amortisation of share-based payments</b>  | <b>25,578</b>          | <b>12,931</b>          |

(1) Where employees cease employment without forfeiting rights there is a shortening of the service period and therefore the share-based payment expense is accelerated based on the new service period. The original vesting dates are not amended.

## NOTE 17. SHARE-BASED PAYMENTS (CONTINUED)

### ACCOUNTING POLICY

AASB 2: *Share-based Payment* requires an organisation to recognise an expense for equity provided for services rendered by employees. The amount that is recognised as an expense for share-based payments is derived from the fair value of the equity instruments granted. Deferred incentives to be settled in the Company's shares are considered to be a share-based payments award.

The fair value of the equity instruments granted and measured at grant date is recognised over the term of the service period. The accounting expense will commence when there is a "shared understanding" of the terms and conditions of the offer. The service period may commence prior to grant date. In this case, the expense is estimated and trued-up at grant date.

The fair value of the rights granted is recognised in the consolidated financial statements as an expense with a corresponding entry to reserves. The fair value is measured at grant date and amortised on a straight-line basis over the vesting period that an employee becomes unconditionally entitled to the share. In measuring the share-based payment expense, an allowance has been made for the risk or probability of forfeiture, which measures the risk of selected eligible employees leaving Platinum and forfeiting their rights. For employees who leave Platinum and are deemed to be 'good leavers' the full accelerated amortisation expense is recorded immediately.

At each balance date, the Company reviews the number of deferred and performance rights granted. Adjustments are made to the share-based payments expense, if the number of deferred and performance rights has changed (e.g. through forfeitures). The impact of any revision to the original estimate will be recognised in the consolidated statement of profit or loss and other comprehensive income with the corresponding entry to reserves.

The purchase of shares on-market by the Company through an employee share trust for future allocation to key employees is shown in the consolidated statement of financial position as a debit entry to the "treasury shares" account with the corresponding credit entry to "cash".

**NOTE 18. ISSUED CAPITAL**

|                                  | 2024<br>SHARES     | 2023<br>SHARES     | 2024<br>\$'000 | 2023<br>\$'000 |
|----------------------------------|--------------------|--------------------|----------------|----------------|
| Ordinary shares – fully paid (a) | 582,167,116        | 586,678,900        | 745,790        | 751,355        |
| Treasury shares (b)              | (21,714,233)       | (17,949,392)       | (49,674)       | (49,333)       |
| <b>Total issued capital</b>      | <b>560,452,883</b> | <b>568,729,508</b> | <b>696,116</b> | <b>702,022</b> |

- (a) *Ordinary shares*: entitles shareholders to participate in dividends as determined and in the event of winding up of the Company, to participate in the proceeds in proportion to the number of and amounts paid on the ordinary shares held. Ordinary shares entitle the shareholder to one vote per share, either in person or by proxy, at a meeting of the Company's shareholders. All ordinary shares issued have no par value. On 15 September 2023, the Company announced a 12-month extension to the on-market share buy-back program, in which shares will be bought-back, should the Board consider that such is in the interest of shareholders as a whole. 4,511,784 shares at a cost of \$5,566,183 have been bought-back as at 30 June 2024 (June 2023: no shares bought back).
- (b) *Treasury shares*: are shares that have been purchased by the Employee Share Trust, pursuant to the Deferred Remuneration Plan (Refer to Note 17). Treasury shares are held by the Employee Share Trust for future allocation to employees. Details of the balance of treasury shares at the end of the financial year were given below:

|   | 2024<br>SHARES    | 2023<br>SHARES    | 2024<br>\$'000 | 2023<br>\$'000 |
|---|-------------------|-------------------|----------------|----------------|
| Opening balance                                 | 17,949,392        | 13,858,865        | 49,333         | 44,760         |
| Shares acquired by the employee share trust     | 5,864,618         | 5,675,399         | 6,112          | 9,691          |
| Shares transferred to employees                 | (2,099,777)       | (1,584,872)       | (5,771)        | (5,118)        |
| <b>Balance at the end of the financial year</b> | <b>21,714,233</b> | <b>17,949,392</b> | <b>49,674</b>  | <b>49,333</b>  |

**ACCOUNTING POLICY***Ordinary shares*

Ordinary shares are recognised as the amount paid per ordinary share, net of directly attributable issue costs.

*Treasury shares*

Where the consolidated entity purchases shares in the Company, the consideration paid is deducted from total shareholders' equity and the shares are treated as treasury shares. Treasury shares are recorded at cost and when restrictions on employee shares are lifted which is dependent on vesting and exercise of the rights, the cost of such shares will be adjusted to the share-based payments reserve.

*Share buy-back*

Where the consolidated entity purchases shares in the Company, as the result of a share buy-back, the consideration paid is deducted from total shareholders' equity and the shares are cancelled. The total acquisition cost, inclusive of transaction costs, was deducted from contributed equity.

**NOTE 19. RESERVES**

|                                      | 2024<br>\$'000   | 2023<br>\$'000   |
|--------------------------------------|------------------|------------------|
| Foreign currency translation reserve | 69               | (313)            |
| Capital reserve                      | (588,144)        | (588,144)        |
| Share-based payments reserve         | 57,375           | 37,017           |
|                                      | <b>(530,700)</b> | <b>(551,440)</b> |

**Foreign currency translation reserve**

Exchange differences arising on translation of foreign controlled entities and associates are recognised in other comprehensive income and accumulated as a separate reserve within equity. The movement in the current year relates primarily to the realisation of investments in PWP and the Cayman Funds.

**NOTE 19. RESERVES (CONTINUED)****Capital reserve**

In 2007, in preparation for listing, a restructure was undertaken in which the Company sold or transferred all of its assets, other than its beneficial interest in shares in Platinum Asset Pty Limited and sufficient cash to meet its year to date income tax liability.

The Company then split its issued share capital of 100 shares into 435,181,783 ordinary shares. It then took its beneficial interests in PIML to 100%, through scrip for scrip offers, in consideration for the issue of 125,818,217 ordinary shares in the Company.

As a result of the share split and takeover offers, the Company had 561,000,000 ordinary shares on issue and beneficially held 100% of the issued share capital of PIML. Subsequently, 140,250,000 shares on issue representing 25% of the issued shares of the Company were sold to the public by existing shareholders.

The amount of \$588,144,000 was established on listing as a result of the difference between the consideration paid for the purchase of non-controlling interests and the share of net assets acquired in the minority interests.

**Share-based payments reserve**

The amount in the share-based payments reserve is comprised of the amortisation of the rights granted and any associated future tax deduction.

**Movements in reserves:**

Movements in each class of reserve during the current and previous financial year are set out below:

|  | SHARE-BASED<br>PAYMENTS<br>\$'000 | FOREIGN<br>CURRENCY<br>\$'000 | CAPITAL<br>\$'000 | TOTAL<br>\$'000  |
|--|-----------------------------------|-------------------------------|-------------------|------------------|
| Balance at 30 June 2022                  | 28,622                            | (601)                         | (588,144)         | (560,123)        |
| Exchange rate translation impact         | -                                 | 288                           | -                 | 288              |
| Movement in share-based payments reserve | 8,395                             | -                             | -                 | 8,395            |
| <b>Balance at 30 June 2023</b>           | <b>37,017</b>                     | <b>(313)</b>                  | <b>(588,144)</b>  | <b>(551,440)</b> |
| Exchange rate translation impact         | -                                 | 382                           | -                 | 382              |
| Movement in share-based payments reserve | 20,358                            | -                             | -                 | 20,358           |
| <b>Balance at 30 June 2024</b>           | <b>57,375</b>                     | <b>69</b>                     | <b>(588,144)</b>  | <b>(530,700)</b> |

**NOTE 20. DIVIDENDS PAID AND PROPOSED****Dividends paid**

Dividends paid during the financial year were as follows:

|   | 2024<br>\$'000 | 2023<br>\$'000 |
|---|----------------|----------------|
| Final dividend paid for the 2023 financial year (7 cents per share)   | 39,872         | -              |
| Interim dividend paid for the 2024 financial year (6 cents per share) | 33,910         | -              |
| Final dividend paid for the 2022 financial year (7 cents per share)   | -              | 40,145         |
| Interim dividend paid for the 2023 financial year (7 cents per share) | -              | 40,199         |
|   | <b>73,782</b>  | <b>80,344</b>  |



**NOTE 20. DIVIDENDS PAID AND PROPOSED (CONTINUED)****Dividends not recognised at year-end**

Since 30 June 2024, the Directors determined to pay a 2024 final fully franked dividend of 4 cents per share, payable out of profits for the 12 months to 30 June 2024. The dividend has not been provided for at 30 June 2024, because the dividend was determined after year-end.

**Franking credits**

|  | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| Franking credits available at reporting date based on a tax rate of 30%  | 73,008         | 74,469         |
| Franking credits/(debits) that will arise from the payment/(refund) of the provision for income tax at the reporting date based on a tax rate of 30% | (2,654)        | (1,422)        |
| Franking credits available for subsequent financial years based on a tax rate of 30%   | 70,354         | 73,047         |

**ACCOUNTING POLICY**

A provision is made for the amount of any dividend determined by the Directors before or at the end of the financial year but not distributed at balance date.

**NOTE 21. FINANCIAL RISK MANAGEMENT****Financial risk management objectives**

The Group's activities expose it to both direct and indirect financial risk, including: market risk, credit risk and liquidity risk. Material direct exposure to financial risk occurs through the impact on profit of movements in funds under management ("FUM") and through its direct investments in:

- PAI; and
- Equity and other securities held by the seeded investments, being, Platinum Global Transition Fund (Quoted Managed Hedge Fund) ("PGTX"), other seed funds and investments.

Indirect exposure occurs because PIML is the investment manager for various investment vehicles, including:

- investment mandates;
- various unit trusts, namely the Platinum Trust funds, Platinum Global Fund, Platinum International Fund (Quoted Managed Hedge Fund) ("PIXX"), Platinum Asia Fund (Quoted Managed Hedge Fund) ("PAXX") and PGTX; and
- its ASX-listed investment companies, Platinum Capital Limited ("PMC") and PAI.

The Group does not derive any management fees or performance fees directly from PIXX and PAXX. PIXX and PAXX invest in Platinum International Fund and Platinum Asia Fund respectively. Management and performance fees are borne at the Platinum International Fund/Platinum Asia Fund level and are paid directly by these funds to the Group.

This note mainly discusses the direct exposure to risk of the Group. The Group's risk management procedures focus on managing the potential adverse effects on financial performance caused by volatility of financial markets.

## NOTE 21. FINANCIAL RISK MANAGEMENT (CONTINUED)

### Market risk

The key direct risks associated with the Group are those driven by investment and market volatility and the resulting impact on FUM or a reduction in the growth of FUM. Reduced FUM will directly impact on management fee income and profit because management fee income is calculated as a percentage of FUM. FUM can be directly impacted by a range of factors including:

- (i) poor investment performance: absolute negative investment performance will reduce FUM and relative under performance to appropriate market benchmarks could reduce the attractiveness of Platinum's investment products to investors, which would impact on the growth of the business. Poor investment performance could also trigger redemptions from Platinum's investment products and the termination of investment mandate arrangements;
- (ii) market volatility: Platinum invests in global markets. It follows that a decline in overseas stock markets, adverse exchange rates and/or interest rate movements will all impact on FUM;
- (iii) a reduction in the ability to retain and attract investors: that could be caused by a decline in investment performance, but also a range of other factors, such as the high level of competition in the funds management industry;
- (iv) a loss of key personnel; and
- (v) investor allocation decisions: investors constantly re-assess and re-allocate their investments on the basis of their own preferences. Investor allocation decisions could operate independently from investment performance, such that fund outflows occur despite positive investment performance.

A decline in investment performance will also directly impact on performance fees earned by the Group. Historically, the amount of performance fees earned by the Group has fluctuated significantly from year to year and could be a material source of fee revenue.

For those funds or investment mandates that pay a performance fee, the fee is calculated either semi-annually or annually and is based on an absolute or relative outperformance.

Performance fees may be earned by the Group, if the investment return of a Platinum Trust fund, PMC, PAI, PGTX or any other applicable investment mandate exceeds their hurdle rates. Should the actual performance of one or more of these entities be higher than the applicable hurdle rate, a performance fee would be receivable. As at 30 June 2024, no performance fees (2023: \$1,009,000) were receivable.

If global equity markets fell 10% over the course of the year and consequently the Group's FUM fell in line with global equity markets, it follows that management fees would fall by 10%. If there was a 10% decrease in the performance of investment funds or mandates over the course of the year that resulted in negative absolute performance for the year, then no performance fee would be earned.

The above analysis assumes a uniform 10% fall across all global equity markets. This is extremely unlikely as there is a large degree of variation and volatility across markets. For example, it is quite feasible for the Chinese market to fall whilst other Asian markets go up.

Platinum may seek to manage market risk through the use of the funds it manages. Market risk may be managed through derivative contracts, including futures, options and swaps. Currency risk may be managed through the use of forward currency contracts.

The section below mainly discusses the direct impact of foreign currency risk, price risk and interest rate risk on the Group's financial instruments held at 30 June 2024.

### Foreign currency risk

The Group is exposed to foreign currency risk, because it holds foreign currency cash, as well as securities which are denominated in foreign currencies, either directly or through its direct investments in PAI, PGTX and other seed funds and receivables/ payables dominated in USD.

The following tables demonstrate the sensitivity to a reasonably possible change in USD and HKD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of financial assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

## NOTE 21. FINANCIAL RISK MANAGEMENT (CONTINUED)

### Foreign currency risk (continued)

| FINANCIAL ASSETS AND LIABILITIES                   | IMPACT ON NET PROFIT BEFORE TAX OF 10% INCREASE/<br>(DECREASE) IN AUSTRALIAN DOLLAR |               |                     |               |
|--|---|---------------|---------------------|---------------|
|  | USD<br>\$'000   |               | HKD<br>\$'000       |               |
|  | INCREASE/(DECREASE)   |               | INCREASE/(DECREASE) |               |
|  | 30 JUNE 2024  | 30 JUNE 2023  | 30 JUNE 2024        | 30 JUNE 2023  |
| Cash and cash equivalents                          | (364)/445   | (733)/895     | -                   | -             |
| Investments in:                                    |   |               |                     |               |
| • PWP*   | -   | (3,692)/4,512 | -                   | -             |
| • PAI  | -   | -             | (2,509)/3,067       | (2,826)/3,454 |
| • Equity securities held by the seeded investments | (2,236)/2,733   | (5,062)/6,187 | -                   | -             |
| • Platinum Trust Funds                             | (19)/24   | (17)/21       | -                   | -             |
| Receivables  | (27)/32   | (36)/43       | -                   | -             |
| Payables   | 22/(27)   | 58/(71)       | -                   | -             |

\* PWP redeemed effective 29 April 2024.

#### US Dollar fees

If the Australian Dollar had been 10% higher/lower against the US Dollar than the prevailing exchange rate used to convert the US mandate and PWP fees, with all other variables held constant, then net profit before tax would have been A\$126,691 lower/A\$154,825 higher (2023: A\$319,386 lower/A\$390,360 higher).

### Price risk

The Group is exposed to indirect price risk through its equity-accounted investments and investments in financial assets at fair value through profit or loss. The impact of price risk is summarised in the table below:

| ENTITY                                       | IMPACT ON NET PROFIT BEFORE TAX OF 10% INCREASE<br>(DECREASE) IN 30 JUNE VALUES |                     |
|--|---|---------------------|
|  | 2024<br>\$'000  | 2023<br>\$'000      |
|  | INCREASE/(DECREASE)   | INCREASE/(DECREASE) |
| PAI  | 2,760/(2,760)   | 3,109/(3,109)       |
| PWP*   | -   | 4,061/(4,061)       |
| Equity securities held by seeded investments | 2,460/(2,460)   | 5,568/(5,568)       |
| Platinum Trust Funds                         | 21/(21)   | 19/(19)             |
| PAI option**                                 | -   | 14/(14)             |
| Unlisted shares                              | 624/(624)   | 624/(624)           |

\* PWP redeemed effective 29 April 2024.

\*\* The 7,500,000 PAI options expired on 28 March 2024.

### Interest rate risk

At 30 June 2024, cash and term deposits are the only significant assets with potential exposure to interest rate risk held by the Group. A movement of +/-1% in Australian interest rates occurring throughout the year ended 30 June 2024 would cause the Group's net profit before tax to be \$2,502,843 higher/lower (2023: \$1,860,596 higher/lower), based on the impact on its interest-bearing cash balances. An interest rate movement at 30 June 2024 will not impact the profit earned from term deposits, as term deposit interest rates are determined on execution.

**NOTE 21. FINANCIAL RISK MANAGEMENT (CONTINUED)****Credit risk**

Credit risk relates to the risk of a counterparty defaulting on a financial obligation resulting in a loss to the Group (typically "non-equity" financial instruments). Credit risk also arises from the financial assets of the Group that include: cash and term deposits and trade and other receivables.

The maximum exposure to direct credit risk at balance date is the carrying amount recognised in the consolidated statement of financial position. No assets are past due or impaired.

Any default in the value of a financial instrument held within any of the entities for which PIML is the investment manager, will result in reduced investment performance. There is no direct loss for the Group other than through the ensuing reduction in FUM, as noted above in the section on "market risk".

The credit quality of cash and term deposits held by each entity in the Group, by counterparty, can be assessed by reference to the counterparty's external credit ratings. All term deposits are held with Australian banks that have a credit rating of AA- (2023: AA-) or higher. At 30 June 2024 and 30 June 2023, the relevant credit ratings were as follows:

|               | 2024<br>\$'000 | 2023<br>\$'000 |
|---------------|----------------|----------------|
| <b>Rating</b> |                |                |
| AA-           | 248,533        | 180,775        |
| A+            | 1,507          | 4,575          |
| A             | 244            | 709            |
|               | <b>250,284</b> | <b>186,059</b> |

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its liabilities. The Group manages liquidity risk by maintaining sufficient cash reserves to cover its liabilities and receiving management fees to meet operating expenses on a regular basis. Management monitors its cash position on a daily basis and prepares forecasts on a weekly basis.

*Remaining contractual maturities*

The following table details the Group's remaining contractual maturity for its trade and other payables and lease liabilities. The table has been drawn up based on the undiscounted cash flows of liabilities based on the earliest date on which the liabilities are required to be paid.

|                          | AT CALL<br>\$'000 | WITHIN 30 DAYS<br>\$'000 | BETWEEN 1<br>AND 3 MONTHS<br>\$'000 | OVER 3<br>MONTHS<br>\$'000 | TOTAL<br>\$'000 |
|--------------------------|-------------------|--------------------------|-------------------------------------|----------------------------|-----------------|
| <b>2024</b>              |                   |                          |                                     |                            |                 |
| Trade and other payables | -                 | 9,629                    | -                                   | -                          | 9,629           |
| Lease liabilities        | -                 | 191                      | 382                                 | 13,785                     | 14,358          |
| <b>Total</b>             | -                 | <b>9,820</b>             | <b>382</b>                          | <b>13,785</b>              | <b>23,987</b>   |

**NOTE 21. FINANCIAL RISK MANAGEMENT (CONTINUED)****Liquidity risk (continued)***Remaining contractual maturities (continued)*

|                          | AT CALL | WITHIN 30 DAYS | BETWEEN 1<br>AND 3 MONTHS | OVER 3<br>MONTHS | TOTAL  |
|--------------------------|---------|----------------|---------------------------|------------------|--------|
|                          | \$'000  | \$'000         | \$'000                    | \$'000           | \$'000 |
| <b>2023</b>              |         |                |                           |                  |        |
| Trade and other payables | -       | 8,658          | -                         | -                | 8,658  |
| Lease liabilities        | -       | 185            | 370                       | 2,814            | 3,369  |
| Total                    | -       | 8,843          | 370                       | 2,814            | 12,027 |

**Financial liabilities at fair value through profit or loss**

The Group had no financial liabilities at fair value through profit or loss at 30 June 2024 or 30 June 2023. The Group does not have a significant direct exposure to liquidity risk.

**Fair value of financial instruments**

Unless otherwise stated, the carrying amounts of financial instruments reasonably approximate their fair value.

**Capital risk management***(i) Capital requirements*

The Company has limited capital requirements and generally expects that most, if not all, future profits will continue to be distributed by way of dividends, subject to ongoing capital requirements.

*(ii) External requirements*

PIML is required to hold an Australian Financial Services Licence ("AFSL") issued by the Australian Securities and Investments Commission ("ASIC"). The AFSL authorises PIML to deal in certain financial products, provide general financial product advice in respect of certain financial products and to operate registered managed investment schemes. PIML has complied with all financial conditions of its AFSL during the financial year.

**NOTE 22. RELATED PARTY TRANSACTIONS****Subsidiaries and associates**

Interests in subsidiaries and associates are set out in Note 5 and Note 6.

**Key management personnel**

Disclosures relating to key management personnel are set out in Note 23 and the Remuneration Report in the Directors' Report.

**Tax consolidation and dividend transactions**

Platinum Asset Management Limited is the head entity of the Australian consolidated tax group and is also the parent entity, and consequently, is the entity that ultimately pays out dividends to shareholders. The amounts paid are disclosed in the consolidated statement of cash flows and Note 20. Tax payable by the Australian consolidated group and dividends to shareholders are paid using income sourced from the main operating subsidiary, PIML.

**NOTE 22. RELATED PARTY TRANSACTIONS (CONTINUED)****Fees received**

PIML provides investment management services to:

- (i) the Platinum Trust funds and Platinum Global Fund;
- (ii) the Irish domiciled, PWP (until 29 April 2024);
- (iii) two ASX-listed investment companies, PMC and PAI;
- (iv) three ASX quoted managed funds, PIXX, PAXX and PGTX; and
- (v) the Cayman Funds (until 30 November 2023).

PIML is entitled to receive a monthly management fee, either directly or indirectly, from each of these entities and a performance fee based on the relative investment performance of the Platinum Trust Funds, PWP, PMC, PAI and PGTX. The Group does not derive any management fees or performance fees directly from PIXX and PAXX. Management and performance fees are borne at the Platinum International Fund/Platinum Asia Fund level and are paid directly by these funds to the Group. The total related party fees, receivables and payables were as follows:

|  | 2024<br>\$  | 2023<br>\$  |
|--|-------------|-------------|
| Recognised in the statement of profit or loss and other comprehensive income | 145,129,728 | 163,636,309 |
| Receivable in the statement of financial position                            | 11,888,188  | 15,202,485  |
| Payable in the statement of financial position                               | 81,005      | -           |

PIML recognised management fee of \$4,082,494 (2023: \$4,076,916) from PAI. PIML recognised management fee less expense cap reimbursements of negative \$166,574 (2023: \$1,433,012) from PWP.

**Investment transactions**

During the year, the subsidiary PIML received a final 2023 fully franked dividend of \$750,000 (2022: \$750,000) and an interim 2024 fully franked dividend of \$450,000 (2023: \$750,000) from its investment in PAI.

On 13 April 2023, PIML was allotted PAI options on a one for four basis. PIML was allotted 7,500,000 PAI options for 30 million ordinary shares that it held in the Company. The 7,500,000 PAI options expired on 28 March 2024.

PIML also received the 30 June 2024 distribution of \$9,587 from the Platinum Trust Funds (2023: \$5,703).

**Other related-party transactions**

PIML incurred a fee of \$3,484,209 (2023: \$2,925,017) for general marketing and distribution services provided by Platinum UK Asset Management Limited. PIML incurred a fee of \$15,242 (2023: \$182,863) for general marketing and distribution services provided by Platinum Management Malta Limited.

In the current year, the cash amount transferred to the Platinum Employee Incentive Trust was \$3,750,000 (2023: \$8,900,000).

**Loan Agreements with related parties**

There were no formal loan agreements executed with related parties at the current and previous reporting date, but there are intercompany receivables and payables.

**Guarantees entered into by the parent entity in relation to the debts of its subsidiaries**

There are no guarantees entered into by the parent entity in relation to debts of its subsidiaries, no contingent liabilities and no capital commitments.

## NOTE 23. KEY MANAGEMENT PERSONNEL

The aggregate remuneration that the Group provided to Executive and Non-Executive Directors was as follows:

|  | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| Cash salary, Directors' fees and short-term incentive cash awards  | 3,289          | 3,241          |
| Accounting expense related to the KMP allocation under the Deferred Remuneration Plan and Platinum Partners' LTIP <sup>A</sup> | 1,195          | 1,149          |
| Superannuation   | 151            | 178            |
| Increase in the Group's annual and long service leave provision  | 75             | 29             |
|  | 4,710          | 4,597          |

<sup>A</sup> Jeff Peters, Andrew Clifford, Elizabeth Norman and Andrew Stannard are the only members of KMP who have received an allocation of rights under the Deferred Remuneration Plan and Platinum Partners' LTIP.

## Interests of Non-Executive and Executive Directors in shares

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

|  | OPENING<br>BALANCE | ADDITIONS | DISPOSALS | NET<br>CHANGE<br>OTHER | CLOSING<br>BALANCE | CONTINGENT<br>RIGHTS <sup>(1)</sup> | VESTED<br>RIGHTS <sup>(1)</sup> |
|--|--------------------|-----------|-----------|------------------------|--------------------|-------------------------------------|---------------------------------|
| Guy Strapp   | 100,000            | -         | -         | -                      | 100,000            | -                                   | -                               |
| Stephen Menzies <sup>(2)</sup>                         | 40,000             | -         | -         | (40,000)               | -                  | -                                   | -                               |
| Anne Loveridge AM                                      | 50,000             | -         | -         | -                      | 50,000             | -                                   | -                               |
| Brigitte Smith   | 84,000             | -         | -         | -                      | 84,000             | -                                   | -                               |
| Philip Moffitt   | 50,000             | -         | -         | -                      | 50,000             | -                                   | -                               |
| Elizabeth Norman (until<br>1/2/2024) <sup>(1)(2)</sup> | 766,748            | -         | -         | (766,748)              | -                  | n/a <sup>(3)</sup>                  | n/a <sup>(3)</sup>              |
| Andrew Stannard <sup>(1)</sup>                         | -                  | -         | -         | -                      | -                  | 704,290                             | 119,211                         |
| Andrew Clifford (until 1/2/2024) <sup>(1)(2)</sup>     | 32,831,449         | -         | -         | (32,831,449)           | -                  | n/a <sup>(3)</sup>                  | n/a <sup>(3)</sup>              |

1. Represents contingent rights to receive shares and vested, but unexercised, rights to receive shares pursuant to awards made under the Company's Deferred Remuneration Plan or Platinum Partners' LTIP as at 30 June 2024.

2. Net change other represents the number of ordinary shares held by Stephen Menzies, Andrew Clifford and Elizabeth Norman on the dates they retired and resigned as a director and therefore ceased to be a KMP.

3. No amount is shown as Elizabeth Norman and Andrew Clifford were not Directors at 30 June 2024.

**NOTE 24. REMUNERATION OF AUDITORS**

During the financial year, the following fees were paid or payable for services provided by the auditor of the Company, Ernst & Young Australia ("EY"), and its overseas network firms as indicated below:

|  | <b>FIRM</b> | <b>2024</b><br>\$ | <b>2023</b><br>\$ |
|--|-------------|-------------------|-------------------|
| <b>Audit services</b>  |             |                   |                   |
| Audit and review of the financial statements and AFSL audit                    | EY          | 194,988           | 177,103           |
| Audit of financial statements  | Overseas EY | -                 | 10,312            |
| <b>Total audit, compliance and assurance services</b>                          |             | <b>194,988</b>    | <b>187,415</b>    |
| <b>Taxation services</b>   |             |                   |                   |
| Compliance services  | EY          | 70,950            | 35,200            |
| Compliance services  | Overseas EY | 30,000            | 1,706             |
| <b>Total taxation services</b>   |             | <b>100,950</b>    | <b>36,906</b>     |
| <b>Other services</b>  |             |                   |                   |
| Other services   | EY          | 29,152            | -                 |
| <b>Total other services</b>  |             | <b>29,152</b>     | <b>-</b>          |
| <b>Total fees paid and payable to the auditors and their related practices</b> |             | <b>325,090</b>    | <b>224,321</b>    |



**NOTE 25. PARENT ENTITY INFORMATION**

Set out below is supplementary information about the parent entity.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

|                                   | <b>PARENT</b> |               |
|-----------------------------------|---------------|---------------|
|                                   | <b>2024</b>   | <b>2023</b>   |
|                                   | <b>\$'000</b> | <b>\$'000</b> |
| Profit after income tax           | 75,720        | 83,000        |
| <b>Total comprehensive income</b> | <b>75,720</b> | <b>83,000</b> |

**STATEMENT OF FINANCIAL POSITION**

|                           | <b>PARENT</b>  |                |
|---------------------------|----------------|----------------|
|                           | <b>2024</b>    | <b>2023</b>    |
|                           | <b>\$'000</b>  | <b>\$'000</b>  |
| Total current assets      | 67,541         | 76,029         |
| Total assets              | 767,109        | 752,360        |
| Total current liabilities | -              | -              |
| Total liabilities         | -              | -              |
| <b>Net assets</b>         | <b>767,109</b> | <b>752,360</b> |
| Equity                    |                |                |
| Issued capital            | 696,116        | 702,023        |
| Reserves                  | 69,065         | 48,132         |
| Retained profits          | 1,928          | 2,205          |
| <b>Total equity</b>       | <b>767,109</b> | <b>752,360</b> |

**ACCOUNTING POLICY**

The accounting policies of the parent entity are consistent with those of the consolidated entity except for the following:

- Investments in subsidiaries are accounted for at cost in the parent entity; and
- Dividends received from subsidiaries are recognised as other income by the parent entity.

**NOTE 26. EVENTS AFTER THE REPORTING PERIOD**

Apart from the dividend determined on 28 August 2024, no other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

| NAME  | BODY CORPORATE, PARTNERSHIP OR TRUST | BODY CORPORATE COUNTRY OF INCORPORATION | OWNERSHIP INTEREST % | COUNTRY OF TAX RESIDENCE |
|---|--------------------------------------|---|----------------------|--------------------------|
| McRae Pty Limited   | Body corporate                       | Australia                               | 100                  | Australian               |
| Platinum Asset Pty Limited                                  | Body corporate                       | Australia                               | 100                  | Australian               |
| Platinum Investment Management Limited                      | Body corporate                       | Australia                               | 100                  | Australian               |
| Platinum Asset Management Limited Employee Incentive Trust  | Trust                                | Australia                               | 100                  | Australian               |
| Platinum GP Pty Limited                                     | Body corporate                       | Australia                               | 100                  | Australian               |
| Platinum Arrow Trust  | Trust                                | Australia                               | 100                  | Australian               |
| Platinum Global Transition Fund (Quoted Managed Hedge Fund) | Trust                                | Australia                               | 81                   | Australian               |
| Platinum UK Asset Management Limited                        | Body corporate                       | United Kingdom                          | 100                  | United Kingdom           |
| Platinum Management Malta Limited                           | Body corporate                       | Malta                                   | 100                  | Malta                    |
| Platinum Global Opportunities Fund LP                       | Limited Partnership                  | United States of America                | 100                  | Australian               |
| Platinum Asia Ex-Japan Opportunities Fund LP                | Limited Partnership                  | United States of America                | 100                  | Australian               |
| Platinum Japan Opportunities Fund LP                        | Limited Partnership                  | United States of America                | 100                  | Australian               |
| Platinum Europe Opportunities Fund LP                       | Limited Partnership                  | United States of America                | 100                  | Australian               |
| Platinum Asia Ex-Japan Opportunities Master Fund Ltd        | Body corporate                       | Cayman Islands                          | 100                  | Australian               |
| Platinum Asia Ex-Japan Opportunities Fund Ltd               | Body corporate                       | Cayman Islands                          | 100                  | Australian               |
| Platinum Global Opportunities Master Fund Ltd               | Body corporate                       | Cayman Islands                          | 100                  | Australian               |
| Platinum Global Opportunities Fund Ltd                      | Body corporate                       | Cayman Islands                          | 100                  | Australian               |
| Platinum Europe Opportunities Master Fund Ltd               | Body corporate                       | Cayman Islands                          | 100                  | Australian               |
| Platinum Europe Opportunities Fund Ltd                      | Body corporate                       | Cayman Islands                          | 100                  | Australian               |
| Platinum Japan Opportunities Master Fund Ltd                | Body corporate                       | Cayman Islands                          | 100                  | Australian               |
| Platinum Japan Opportunities Fund Ltd                       | Body corporate                       | Cayman Islands                          | 100                  | Australian               |

## BASIS OF PREPARATION

This consolidated entity disclosure statement (CEDs) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Further information on changes in subsidiaries during the year is provided in Note 5 to the financial statements.

## DETERMINATION OF TAX RESIDENCY

Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency: The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5
- Foreign tax residency: Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the *Corporations Act 2001*).

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described under Basis of Preparation to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- the consolidated entity disclosure statement on page 80 required by section 295(3A) of the *Corporations Act 2001* is true and correct as at 30 June 2024; and
- there are reasonable grounds to believe that the Company and consolidated entity will be able to pay their debts as and when they become due and payable.

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



Guy Strapp  
Chair

28 August 2024  
Sydney



Jeff Peters  
Managing Director

## Independent auditor's report to the members of Platinum Asset Management Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Platinum Asset Management Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policies, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Groups financial position as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### 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 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 and 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.

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

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

## Revenue recognition of management and performance fees

| Why significant   | How our audit addressed the key audit matter   |
|---|--|
| <p>The Group's key revenue streams are management and performance fees earned by Platinum Investment Management Limited (PIML), a consolidated subsidiary, through the Investment Management Agreements in place with Platinum Funds and other investment vehicles.</p> <p>For the year ended 30 June 2024, management fees were \$174,344,000 as disclosed in Note 3 to the financial report. There were no performance fees earned during the year.</p> <p>Due to the quantum of these revenue streams and the impact that the variability of market-based returns can have on the recognition and earning of performance fees, this was considered a key audit matter.</p> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>▶ Recalculating management fees, on a sample basis, in accordance with contractual arrangements.</li> <li>▶ Assessing the performance fees revenue recognition methodology applied in accordance with contractual arrangements and the requirements of AASB 15 <i>Revenue from Contracts with Customers</i>.</li> <li>▶ Assessing the adequacy of the disclosures included in Note 3 to the financial report in accordance with Australian Accounting Standards.</li> </ul> |

## Accounting for investments in associates

| Why significant  | How our audit addressed the key audit matter   |
|--|--|
| <p>The Group's investments in associates where significant influence was deemed to be present as at 30 June 2024 totalled \$27,600,000 as disclosed in Note 6 to the financial report.</p> <p>The determination of the appropriate accounting treatment of investments held by the Group depends upon its ability to exercise control or significant influence on the investees.</p> <p>During the year, the Group disposed of a number of investments which have been assessed in accordance with the requirements of AASB 128 <i>Investments in Associates and Joint Ventures</i>.</p> <p>Judgement is required in determining the appropriate accounting treatment, particularly due to the Group's practice of seeding investment products, resulting in ownership percentages changing over time, accordingly this was considered a key audit matter.</p> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>▶ Evaluating the Group's assessment of control or significant influence for each investment vehicle, and the requirements of Australian Accounting Standards.</li> <li>▶ Performing independent assessment of control or significant influence over the associate investments with consideration to: <ul style="list-style-type: none"> <li>○ Equity ownership</li> <li>○ Representation on the Board of the directors of the investee</li> <li>○ Participation and ability for the Group to influence decision making of the investee</li> <li>○ Material transactions between the Group and the investee</li> </ul> </li> <li>▶ Obtaining external confirmation of the Group's ownership interest in the investees, recalculated the carrying amount by agreeing inputs such as net asset value and share prices of the investees.</li> <li>▶ Performing an impairment assessment on investment in associates. This included an assessment of objective evidence of impairment, in accordance with the requirements of Australian Accounting Standards, for associates where the carrying amount exceeded the fair value.</li> <li>▶ Testing the appropriateness and accuracy of the accounting for the sale of investments.</li> <li>▶ Assessing the adequacy of the disclosures included in Note 6 to the financial report in accordance with Australian Accounting Standards.</li> </ul> |

## Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report, but does not include the financial report and our auditor's report thereon. We obtained the Directors' Report and Corporate Directory that are to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report 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, with the exception of the Remuneration Report and our related assurance opinion.

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, 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.

## Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on the audit of the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 42 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Platinum Asset Management Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

### 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.



Ernst & Young



Rita Da Silva  
Partner  
Sydney  
28 August 2024