



# Plato Income Maximiser Limited

## Annual Report 2017

## Table of contents

Glossary .....	1
Chairman's letter .....	3
Investment manager's report .....	6
Directors' report.....	9
Auditors Declaration of Independence .....	19
Financial statements .....	20
Notes to the Financial Statements .....	24
Directors' Declaration.....	41
Independent Auditor's Report .....	42
Shareholder information.....	46
Corporate directory .....	50

## Annual general meeting

The 2017 Annual General Meeting will be held at 2.30pm on 2 November 2017 at The Barnet Long Room, Customs House, 31 Alfred Street, Sydney NSW 2000.

Notice of the Annual General Meeting will be forwarded to all shareholders separately.

## Corporate governance

The Company's corporate governance statement is available on the Company's website at <http://www.plato.com.au/lic-overview/> under the Overview section.

## Glossary

Term	Meaning
<b>Administrator</b>	Pinnacle as the provider of various administration support services to the Company.
<b>Annual General Meeting</b>	the annual general meeting of the Company.
<b>ASX</b>	Australian Securities Exchange.
<b>Benchmark</b>	S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt).
<b>Board</b>	board of Directors.
<b>Company</b>	Plato Income Maximiser Limited (ACN 616 746 215).
<b>Company Secretary</b>	company secretary of the Company.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	director of the Company.
<b>GST</b>	has the meaning given in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
<b>Investment Management Agreement</b>	the investment management agreement dated 1 March 2017 between the Company and the Manager.
<b>Manager</b>	Plato Investment Management Limited (ACN 120 730 136).
<b>NTA</b>	net tangible assets.

<b>Term</b>	<b>Meaning</b>
<b>NTA Performance</b>	the performance of the Company inclusive of portfolio performance after fees, taking into account all other expenses paid and tax on earnings (including on realised gains but excluding any provision for tax on unrealised gains and capitalised share issue costs).
<b>Pinnacle</b>	Pinnacle Investment Management Limited (ACN 109 659 109).
<b>Plato Fund</b>	Plato Australian Shares Income Fund (ARSN 152 590 157).
<b>Services Agreement</b>	the services agreement dated 1 March 2017 between the Company and Pinnacle.
<b>TSR Performance</b>	a measure of the change in the share price and any dividends going ex-dividend during the period, excluding the value of any franking credits which are paid to shareholders and any positive impact shareholders received from owning options issued as part of the IPO.

## Chairman's letter

Dear fellow shareholders,

On behalf of the Directors, I am pleased to present the results of the Company for the period from listing on 5 May 2017 to 30 June 2017.

The Company was established to provide shareholders the opportunity to benefit from an actively managed, well-diversified portfolio of Australian equities and a monthly dividend payment once it has sufficient profit reserves. The Company's appointed investment manager, Plato Investment Management Limited is led by Don Hamson. The Manager comprises a team of 8 investment professionals and 4 members of the team hold PhD qualifications.

The Company's investment objectives are to:

- (1) generate annual income (including franking credits) that exceeds the gross income of the Benchmark; and
- (2) outperform (after fees) the Benchmark in total return terms including franking credits over each full investment cycle (typically 3 to 5 years).

The Company has made progress towards its investment objectives during a time of volatility in the Australian equity market. The Company is actively positioned to deliver superior income and franking returns whilst also being able to allocate to companies that are expected to provide solid capital returns. During this short period, the Company's net profit after income tax was \$863,000.

### Performance

As the Company has only been in operation for a very short period of time, analysis of its performance is of limited value. However, in the interests of keeping shareholders fully informed, we have reported the Company's performance results below. We consider that it is useful to consider performance from three different perspectives:

#### (a) Investment Portfolio Performance

The Company's investment portfolio performance shows how the Manager has performed after deducting management fees and costs<sup>1</sup>, as compared to the Company's investment objectives.

Investment Portfolio Performance as at 30 June 2017 <sup>2</sup>	Since inception <sup>3</sup>	Benchmark	Excess
Total return <sup>4</sup>	-2.6%	-2.3%	-0.3%
Income <sup>5</sup>	1.7%	1.1%	0.6%

<sup>1</sup> Inclusive of the net impact of GST and Reduced Input Tax Credits.

<sup>2</sup> Past performance is not a reliable indicator of future performance. Performance is quoted in AUD net of portfolio related fees, costs and taxes.

<sup>3</sup> Inception date: 28 April 2017.

<sup>4</sup> Inclusive of franking credits.

<sup>5</sup> Includes accrued but not yet distributed dividends and franking credits as income.

Please note that the income measure above represents the accrued income and not distributed income. The Company is currently accruing income to help accumulate sufficient reserves (see **Dividends** section below) before it commences paying out that income as dividends to shareholders. Whilst shareholders have not yet received any dividend income, this measure indicates that the Company is generating more income than its Benchmark.

**(b) NTA Performance**

This measure of Company performance shows the change in the value of the Net Tangible Assets (**NTA**) belonging to shareholders over the period after deducting management fees and other expenses paid and tax on earnings (including on realised gains but excluding any provision for tax on unrealised gains, capitalised share issue costs and income tax losses).

The Company's NTA Performance for the period ended 30 June 2017 was -2.9% (from \$1.069 at inception to \$1.038 as at 30 June 2017), largely reflecting falls in the value of the broad Australian share market in May 2017.

**(c) TSR Performance**

Total Shareholder Return (**TSR**) Performance is a measure of the change in the share price and any dividends paid during the period. It does not include any positive impact shareholders have received from owning options issued as part of the IPO. The TSR Performance can be an important measure as often the share market can trade at a premium or discount to the NTA.

The Company's TSR Performance was -0.5%, which compares favourably with the Benchmark return over the same period of -2.3%. The Company's share price was \$1.095 as at 30 June 2017 compared to an issue price of \$1.10, with no dividends paid during the period.

For those shareholders who have held options since the IPO, the TSR on shares and options combined was +0.6%, with the Company's options valued at 1.2 cents at 30 June 2017.

**Dividends**

The Company aims to pay regular monthly dividends once sufficient reserves have been built up, and it is permitted by law and within prudent business practices to do so.

The Company is currently accumulating reserves in order to commence paying monthly dividends in the near future. Subject to review, the Board expects to declare the first monthly dividend in October 2017.

**Shareholders need to be aware that the Company will not be able to pay to you any dividends declared until your bank account details for receipt of dividends and tax file numbers have been provided.**

Therefore, if you have not already done so, please provide these details by completing and returning the attached form to the share registry, or by updating your details on the share registry's online portal. Thank you for attending to this.

**Options**

Each option is exercisable into one fully paid ordinary share at \$1.10 up until 29 April 2019. Shares that are allotted rank equally with existing ordinary shares for future dividends.

**Annual General Meeting**

The inaugural Annual General Meeting will be held at 2.30pm on 2 November 2017 at The Barnet Long Room, Customs House in Sydney. The Directors encourage you to attend the meeting.

Thank you for your continued support, and we look forward to communicating the declaration of dividends to you during October 2017.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Jonathan Trollip', written in a cursive style.

**Jonathan Trollip**

Chairman

Sydney

24 August 2017

## Investment manager's report

The Company has appointed the Manager as the investment manager of the Company's investment portfolio.

### Investment Strategy

The investment strategy used by the Manager is to invest (directly or indirectly) in an actively managed well-diversified Australian equities portfolio predominately comprised of Australian listed securities, which aims to achieve the investment objectives. The Manager implements the investment strategy by investing in the Plato Fund.

The Manager employs a disciplined systematic process to take advantage of market inefficiencies to seek to deliver higher levels of income (including franking credits) than the Benchmark.

### Investment Philosophy

The Manager's philosophy is centred on the belief that markets are complex and less than perfectly efficient. These market inefficiencies are derived from informational, behavioural and structural sources. The Manager believes a disciplined investment process can take advantage of these market inefficiencies to outperform over a market cycle. Some of these sources of return are exploited on a longer term time horizon and others are extracted on a shorter term basis.

The Manager believes that an actively managed well-diversified portfolio of securities that is cheaper than, of higher quality than and exhibits better business momentum than, the market is likely to outperform standard market benchmarks over the longer term. The Manager considers that there are also shorter term opportunities to outperform the market and generate additional income around dividend events for individual companies.

### Investment Process

The Manager's investment process involves extensive research focusing on relative market values, business momentum, the quality of the potential investee entity and the prospect for dividends.

Once an investment idea has been identified, the Manager will make an assessment of the following factors where relevant to the specific security:

- (a) **Value:** the value of each security relative to the market (using a combination of models, including models focussed on earnings, cash flow, dividends or EBITDA);
- (b) **Business Momentum:** broker earnings forecasts and share prices to determine the relative business momentum of companies on the Australian share market;
- (c) **Quality:** firm quality, having regard to a range of factors including but not limited to the return on equity or change in return on equity, asset turnover (efficiency), and earnings quality;
- (d) **Dividend and dividend run up:** the estimated dividend run-up return of each individual stock in the period leading up to its forecast dividend ex date, as well as the expected size of that dividend payment (including franking credits) as forecast by the Manager. Historically, the Manager has observed a general tendency for securities to outperform the general market in the period leading up to their ex-dividend date.
- (e) **Dividend Trap Avoidance:** the likelihood of a particular entity reducing its dividend as forecast by the Manager using a number of stock specific factors.

These factors are taken into account in assessing the relative merits of entities to invest in. The Manager takes into consideration these factors, as well as investment risk and liquidity when constructing the portfolio. The Manager aims to build a diversified portfolio of securities that it expects it will achieve total returns in excess of, and "generate" more income than, the Benchmark without taking on excessive active portfolio risk. The Manager uses portfolio optimisation software to assist with portfolio construction.



Portfolio optimisation is a quantitative approach that constructs the most efficient combination of securities to satisfy investment objectives whilst balancing expected risk and return. For portfolio construction, individual security weightings, sector weightings, and size exposure are determined by taking into account the following internal guidelines at the time of portfolio construction:

<b>Stock weightings</b>	The weighting of a security in the portfolio will not be 5% more or 5% less than the Benchmark weighting.
<b>Sector weightings</b>	Whilst there is no hard limit to relative or absolute sector weightings, the Manager aims to build a portfolio with similar sector weightings to the Benchmark.
<b>Cash exposure</b>	Maximum 10% exposure to cash although it is the Manager's intention to be largely fully invested as the Manager does not attempt to time markets, rather preferring to be fully invested as much as is practicable.
<b>Number of positions</b>	The portfolio of the Plato Fund is typically comprised of between 50 and 120 securities that the Manager considers to be consistent with the investment strategy.

The Manager will monitor the portfolio risk, returns and implementation, rebalancing the Plato Fund Portfolio when necessary to satisfy the investment objectives.

### **Portfolio Performance**

During the first two months after the Company's funds were fully invested, from 1 May 2017 to 30 June 2017 the Company made progress towards its investment objectives during a time of volatility in the Australian equity market. The investment portfolio returned -2.6% after all fees and expenses and an accrued yield of 1.7% (incl. franking) during the two months since inception. The Benchmark performance was -2.3% and a yield of 1.1% over the same period.

The underlying investment portfolio's five best performing stocks over the two months from inception were overweights in Qantas (up 34.9%), Bluescope Steel (up 12.9%), Caltex (up 5.8%) Rio Tinto, (up 4.7%), as well as an underweight in Commonwealth Bank (down 4.3%).

### **Market Commentary**

The Australian equity market fell 2.3% (incl. franking credits) in the two months from 1 May 2017 to the end of June. The best performing industries over that period were industrials and healthcare, led higher by stocks such as Qantas (up 34.9%) in the industrials sector and Cochlear (up 11.1%), Resmed (up 10.1%) and Sonic Healthcare (up 9.6%) in the healthcare sector. However, the market was dragged lower by the poor performance of financials (in particular, the major banks which fell after the Federal government announced a 6 basis points levy in the May budget, and property trusts, which fell after bond yields rose in June after hawkish comments from several key central banks which reduces the attractiveness of interest rate sensitive stocks) and energy, which fell in line with the oil price. The second quarter of 2017 demonstrated the benefit of having a diversified income portfolio rather than one concentrated on the big 4 banks and Telstra (which fell 9.4% in April and 7.7% over the quarter).

### **Sector Allocation and Top Ten Holdings**

As at 30 June 2017, the underlying investment portfolio consisted of 106 stocks which account for 98.0% of the portfolio remaining 2.0% is in cash, cash receivables and franking credits.

## Sector Allocation

Sector Allocation	Index Weight	Active Weight
Energy	4.0%	0.0%
Materials	16.0%	1.1%
Consumer Discretionary	5.0%	-0.3%
Financials (excl Property Trusts)	38.2%	1.3%
Property Trusts	7.4%	-0.4%
Industrials	7.3%	0.2%
Consumer Staples	7.0%	-1.1%
Health Care	7.6%	-2.1%
Utilities	2.3%	0.7%
Information Technology	1.3%	-0.2%
Telecommunication Services	3.8%	-1.0%

## Top 10 Holdings and Top 10 Yielding Stocks as at 30 June 2017

Top 10 Holdings	Top 10 Yielding	Yield % p.a. <sup>4</sup>
AGL Energy	Crown	15.7
BHP Billiton	Telstra	5.2
Commonwealth Bank	NAB	5.2
CSL	Westpac	5.2
Macquarie Group	Bendigo and Adelaide Bank	5.2
NAB	ANZ	5.2
Rio Tinto	AMP	5.2
Suncorp	Commonwealth Bank	5.2
Telstra	Wes Farmers	5.2
Westpac	Suncorp	5.2

1. Including franking credits

Due to the diversified nature of the underlying investment portfolio and the process that the Manager employs, the Company remains actively positioned to deliver superior income and franking whilst also being able to allocate to companies who are providing solid capital returns.

## Directors' report

The Directors present their report together with the financial statements of the Company for the period 10 January 2017 (date of incorporation) to 30 June 2017.

The Company is a company limited by shares and is incorporated in Australia.

### Directors

The following persons held office as directors during the period or since the end of the period and up to the date of this report, unless otherwise stated:

#### **Jonathan Trollip, Independent and non-executive chairman**

- Director since 20 February 2017

#### **Lorraine Berends, Independent non-executive director**

- Director since 20 February 2017

#### **Katrina Onishi, Independent non-executive director**

- Director since 20 February 2017

#### **Alex Ihlenfeldt, Non-independent director**

- Director since 10 January 2017

#### **Donald Hamson, Non-independent director**

- Director since 10 January 2017

#### **Ian Harrison, Non-independent director**

- Director for the period 10 January 2017 to 20 February 2017

### Principal activities

The principal activity of the Company is to provide shareholders the opportunity to benefit from an investment in an actively managed, well-diversified portfolio of Australian listed equities. There have been no significant changes in the nature of this activity during the period.

### Review of operations

The Company was incorporated on 10 January 2017 and was listed on the ASX on 5 May 2017. During the period under review, the Company raised capital of \$325,895,249 by issuing 296,268,408 shares at a price of \$1.10 per share. In addition, the Company issued 296,468,407 options exercisable at \$1.10 at any time between the issue date and 29 April 2019.

The Company offers investors the opportunity to benefit from an investment in an actively managed, well-diversified portfolio of Australian listed equities that aims to:

- (a) generate annual income (including franking credits) in excess of the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt); and
- (b) outperform (after fees) the Benchmark in total return terms including franking credits over each full investment cycle (which the Manager considers to be a period of typically 3 to 5 years).

Investment activities over the period ended 30 June 2017 resulted in an operating profit before tax of \$1,007,000 and an operating profit after tax of \$863,000.

## **Dividend Declared**

No dividend has been declared for the period.

## **Options**

10,000 ordinary shares in the Company were issued during the period following the exercise of the same number of options at an exercise price of \$1.10 per option. As at the date of this report, the Company has 296,258,407 unissued ordinary shares under option. Shareholders are reminded that the options are exercisable at \$1.10 and have until 29 April 2019 to exercise them.

## **Matters subsequent to the end of the financial period**

No matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

## **Likely developments and expected results of operations**

The Company will continue to pursue its investment objectives for the long term benefit of shareholders.

## **Environmental regulation**

The Company is not affected by any significant environmental regulation in respect of its operations.

To the extent that any environmental regulations may have an incidental impact on the Company's operations, the Directors are not aware of any breach by the Company of those regulations.

## **Information on directors**

### **Jonathan Trollip, Chairman and Independent Director**

#### **Experience and expertise**

Jonathan Trollip has over 30 years of legal and commercial experience in the international financial sector. He is currently a principal and director of Sydney-based finance group Meridian International Capital Limited with whom he has worked for the past 23 years. Jonathan has a Bachelor of Arts degree in Economics from the University of Cape Town, post graduate degrees in Economics and Law from the University of Cape Town and the University of London (London School of Economics) and is a Fellow of the Australian Institute of Company Directors.

**Other current directorships**

Jonathan Trollip is chairman and non-executive director of ASX-listed Global Value Fund Limited, Future Generation Investment Company Limited and Antipodes Global Investment Company Limited (listed investment companies) and a non-executive director of Kore Potash Limited. He holds a number of private company directorships in the commercial and not-for-profit sectors including BCAL Diagnostics Pty Limited, the Watarrka Foundation Limited, the University of Cape Town Alumni Trust and Science for Wildlife Limited.

**Former directorships in last 3 years**

Jonathan Trollip has not held any other directorships of listed companies within the last 3 years.

**Special responsibilities**

Chairman of the Board

**Interests in shares and options**

Details of Jonathan Trollip's interests in shares of the Company are included in the Remuneration Report.

**Interests in contracts**

Jonathan Trollip has no interests in contracts of the Company.

**Lorraine Berends, Independent Director****Experience and expertise**

Lorraine Berends has worked in the financial services industry for over 35 years and possesses extensive experience in both investment management and superannuation. Before moving to a non-executive career in 2014 she worked for 15 years with US based investment manager Marvin & Palmer Associates. Lorraine contributed extensively to industry associations throughout her executive career, serving on the boards of the Investment Management Consultants Association (IMCA australia) for 13 years (7 as Chair) and the Association of Superannuation Funds Australia (ASFA) for 12 years (3 as Chair). Lorraine has been awarded Life Membership of both IMCA australia and ASFA. Lorraine holds a BSc from Monash University, is a Fellow of the Actuaries Institute and a Fellow of ASFA.

**Other current directorships**

Lorraine Berends is an independent non-executive director of Antipodes Global Investment Company Limited (listed investment company), director of BT Funds Management Limited, BT Funds Management No. 2 Limited and Westpac Securities Administration Limited. She is a director of MDC Foundation Limited (a not for profit company).

**Former directorships in last 3 years**

Lorraine Berends has not held any other directorships of listed companies within the last 3 years.

**Interests in shares and options**

Details of Lorraine Berends interests in shares of the Company are included in the Remuneration Report.

**Interests in contracts**

Lorraine Berends has no interests in contracts of the Company.

## **Katrina Onishi, Independent Director**

### **Experience and expertise**

Katrina Onishi has over 25 years' experience in financial markets as an equities analyst and portfolio manager, both in Australia and overseas. After a long career in investment markets, in 2000 Katrina co-founded Concord Capital, an Australian Equities funds management firm of which she was an Executive Director for ten years. In addition, Katrina has over 15 years' experience as a company director, including several as a director of ASX-listed companies. Katrina holds a B.A. (Hons) from University of Sydney, is a Chartered Financial Analyst, a Graduate Member of the Australian Institute of Company Directors and a Fellow of FinSIA. Katrina is also a director of and advisor to several not-for-profit organisations.

### **Other current directorships**

Katrina Onishi is currently a non-executive director of Scottish Pacific Ltd and a member of the Audit and Risk Committee. Katrina is a director and advisor to several not-for-profit organisations.

### **Former directorships in last 3 years**

Katrina Onishi was formerly a non-executive director of Vitaco Holdings Ltd.

### **Interests in shares and options**

Details of Katrina Onishi's interests in shares of the Company are included in the Remuneration Report.

### **Interests in contracts**

Katrina Onishi has no interests in contracts of the Company.

## **Alex Ihlenfeldt, Non-executive Director**

### **Experience and expertise**

Alex Ihlenfeldt has over 25 years commercial experience in financial services in Australia and overseas and has proven expertise in the provision of the full suite of turn-key, institutional quality non-investment services for investment managers. He is experienced in operating across the full spectrum, from start-up boutiques to mature investment managers.

Alex is currently Chief Operating Officer and Chief Financial Officer of Pinnacle with whom he has been associated since inception in 2006. Prior to joining Pinnacle in 2011, he spent 10 years with the Wilson HTM Investment Group as Chief Operating Officer, Chief Financial Officer and Head of Wealth Management.

Alex has a Bachelor of Commerce (Hons) and is a member of the Institute of Chartered Accountants Australian and New Zealand as well as a Fellow of the Australian Institute of Company Directors.

### **Other current directorships**

Alex Ihlenfeldt is a non-executive director of Antipodes Global Investment Company Limited; Plato Investment Management Limited; Solaris Investment Management Limited; Antipodes Partners Limited; Antipodes Partners Holdings Limited; Antipodes Partners Services Limited; Pinnacle Charitable Foundation Ltd and alternate director of Foray Enterprises Pty Limited and Resolution Capital Limited.

Alex is also an executive director of Pinnacle; Pinnacle Services Administration Pty Limited; Pinnacle Fund Services Limited and Pinnacle RE Services Limited.

### **Former directorships in last 3 years**

Alex Ihlenfeldt has not held any other directorships of listed companies within the last 3 years.

### **Interests in shares and options**

Details of Alex Ihlenfeldt's interests in shares of the Company are included in the Remuneration Report.

### Interests in contracts

Details of Alex Ihlenfeldt's interests in contracts of the Company are included in the Remuneration Report.

### Don Hamson, Non-executive Director

#### Experience and expertise

Don has over 25 years investment experience and is Managing Director and founder of the Manager. Prior to establishing the Manager in 2006, Don held various investment positions with State Street Global Advisors, Westpac Investment Management and QIC with a focus on Australian and global equities. Don has a Bachelor of Commerce with First Class Honours and a PhD in Finance from the University of Queensland. Before moving to the investment industry Don was a Lecturer in Finance at UQ and a visiting Professor at the University of Michigan Business School.

#### Other current directorships

Don Hamson is Managing Director of the Manager.

#### Former directorships in last 3 years

Don Hamson has not held any other directorships of listed companies within the last three years.

#### Interests in shares and options

Details of Don Hamson's interests in shares of the Company are included in the Remuneration Report.

#### Interests in contracts

Details of Don Hamson's interests in contracts of the Company are included in the Remuneration Report.

### Meetings of directors

The number of Board meetings held during the period ended 30 June 2017, and the number of meetings attended by each Director were:

Director	Board meetings attended	Board meetings eligible to attend
Jonathan Trollip	2	2
Lorraine Berends	2	2
Katrina Onishi	2	2
Alex Ihlenfeldt	3	3
Don Hamson	3	3
Ian Harrison	1	1

## Company Secretary

During the 2017 financial year, the role of Company Secretary was performed by Ian Harrison until 30 June 2017. On and from 30 June 2017, the role of Company Secretary was performed by Calvin Kwok. Calvin Kwok is legal counsel and company secretary of Pinnacle Investment Management Group Limited and Antipodes Global Investment Company Limited and holds a Master of Applied Finance, a Bachelor of Laws and a Bachelor of Commerce.

## Remuneration Report

This report details the nature and amount of remuneration for each director of Plato Income Maximiser Limited in accordance with the Corporations Act. The Company Secretary is remunerated under a service agreement with Pinnacle.

### Details of remuneration

All Directors are non-executive directors. The Board from time to time determines the remuneration of Directors within the maximum amount approved by shareholders at the Annual General Meeting. Directors are not entitled to any other remuneration from the Company.

Fees and payments to directors reflect the demands that are made on them and their responsibilities. The performance of directors is reviewed annually. The Board determines the remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced directors.

The maximum total pooled remuneration of the Directors has been set at \$250,000 per annum. Directors do not receive bonuses nor are they issued options on securities as part of their remuneration. Directors' fees cover all main Board activities.

Directors' remuneration is not directly linked to the Company's performance.

The following tables show details of the remuneration received by the directors of the Company for the current financial year.

	Short term employee benefits	Post employment benefits	
Director	Salary and fees	Superannuation	Total
Jonathan Trollip	\$12,177	\$1,157	\$13,334
Lorraine Berends	\$9,132	\$868	\$10,000
Katrina Onishi	\$9,132	\$868	\$10,000
Alex Ihlenfeldt	\$0	\$0	\$0
Don Hamson	\$0	\$0	\$0
Ian Harrison	\$0	\$0	\$0



<b>Total director remuneration</b>	<b>\$30,441</b>	<b>\$2,893</b>	<b>\$33,334</b>
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The Company has no employees other than non-executive directors and therefore does not have a remuneration policy for employees.

The Directors are the only people considered to be key management personnel of the Company.

#### **Director related entity remuneration**

All transactions with related entities are made on normal commercial terms and conditions.

Don Hamson and Alex Ihlenfeldt, who are Directors, are also directors of the Manager. Alex Ihlenfeldt is a director of Pinnacle, which provides services to the Company in accordance with the Services Agreement.

The fees payable to the Manager and the Administrator are listed below:

#### **Management fee**

In its capacity as investment manager, the Manager is entitled to be paid, and the Company must pay to the Manager, a management fee payable monthly in arrears equivalent to 0.80% per annum (exclusive of GST) of the value of the Company's portfolio calculated daily.

For the year ended 30 June 2017, the Manager was entitled to be paid a management fee of \$442,494 (exclusive of GST).

As at 30 June 2017, the remaining balance payable to the Manager was \$207,233 (exclusive of GST).

#### **Service fee**

The Company has entered into the Services Agreement with Pinnacle for the provision of the following administration support services:

- Middle office portfolio administration;
- Finance, tax and reporting and administration; and
- Legal counsel and company secretarial.

For the year ended 30 June 2017 the Administrator was paid a fee of \$11,846 (exclusive GST).

As at 30 June 2017, the balance payable to the Administrator was nil.

#### **Contracts**

Other than as stated above, no Director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related company with the Director or with a firm of which they are a member or with a company in which they have substantial financial interest since the inception of the Company.

## Equity instrument disclosures relating to directors

As at the date of this report, the Directors and their related parties held the following interests in the Company:

### Ordinary shares held

Director	Acquisitions	Disposals	Balance as at date of this report
Jonathan Trollip*	50,000	0	50,000
Lorraine Berends*	50,000	0	50,000
Katrina Onishi*	50,000	0	50,000
Alex Ihlenfeldt*	535,000	0	535,000
Don Hamson*	250,001	0	250,001
Ian Harrison*	0	0	0
<b>Total shares held*</b>	<b>935,001</b>	<b>0</b>	<b>935,001</b>

\* Held through direct and indirect interests

Directors and director related entities acquired options in the Company on the same terms and conditions available to other shareholders.

### Options held

Director	Acquisitions	Disposals	Balance as at date of this report
Jonathan Trollip*	50,000	0	50,000
Lorraine Berends*	50,000	0	50,000
Katrina Onishi*	50,000	0	50,000
Alex Ihlenfeldt*	535,000	0	535,000
Don Hamson*	250,000	0	250,000
Ian Harrison*	0	0	0
<b>Total options held*</b>	<b>935,000</b>	<b>0</b>	<b>935,000</b>

\* Held through direct and indirect interests

Directors and their related parties acquired options over ordinary shares in the Company on the same terms and conditions available to other shareholders.

The Directors have not been granted options over unissued shares or interests in shares of the Company as part of their remuneration during or since the end of the financial year.

## End of Remuneration Report

## **Insurance and indemnification of officers and auditors**

During or since the end of the financial year the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums.

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director, other than conduct involving a wilful breach of duty in relation to the Company or the improper use by the Directors of their position.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed.

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is or has been an auditor of the Company.

## **Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, or for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act.

## **Non-audit services**

During the year Pitcher Partners, the Company's auditor, performed other services in addition to their statutory duties for the Company as disclosed in note 14 to the financial statements.

The Board is satisfied that the provision of other services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act. The Directors are satisfied that the services disclosed in note 14 did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to the auditor independence in accordance with the APES 110 Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

## **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 19.

## **Rounding of amounts**

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial statements have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

This report is made in accordance with a resolution of the directors.

A handwritten signature in black ink, reading "Jonathan Trollip". The signature is written in a cursive, flowing style.

**Jonathan Trollip**

Chairman

Sydney

24 August 2017

**Auditor's Independence Declaration**  
**To the Directors of Plato Income Maximiser Limited**  
**A.B.N 63 616 746 215**

In relation to the independent audit for the period ended 30 June 2017, I declare that to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of any applicable code of professional conduct.

This declaration is in respect of Plato Income Maximiser Limited.



S M WHIDDETT  
Partner

PITCHER PARTNERS  
Sydney

24 August 2017

## Financial statements

### Statement of profit or loss and other comprehensive income

For the period 10 January 2017 to 30 June 2017

	Notes	30 June 2017 \$'000
<b>Investment income</b>		
Distribution income received		1,620
Interest income received		9
<b>Total investment income</b>		<b>1,629</b>
<b>Expenses</b>		
Management fees		(442)
ASX and share registry fees		(94)
Professional fees		(34)
Director fees		(33)
Other expenses		(19)
<b>Profit before income tax</b>		<b>1,007</b>
Income tax expense		(144)
<b>Net profit after income tax for the period</b>		<b>863</b>
<b>Other comprehensive income/(loss)</b>		
<i>Items that will not be reclassified to profit and loss</i>		
Revaluation of investments		(10,319)
Provision for tax benefit on revaluation of investments		2,838
<b>Other comprehensive loss for the period net of tax</b>		<b>(7,481)</b>
<b>Total comprehensive loss for the period attributable to shareholders</b>		<b>(6,618)</b>
<b>Earnings per share for profit attributable to ordinary equity holders of the Company</b>		
		<b>Cents</b>
Basic and diluted earnings per share	17	0.3

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

## Statement of financial position

As at 30 June 2017

	Note	30 June 2017 \$'000
<b>Assets</b>		
Cash and cash equivalents	5	150
Trade and other receivables	6	2,290
Financial assets at fair value through other comprehensive income	7	305,302
Deferred tax assets	8	5,205
<b>Total assets</b>		<b>312,947</b>
<b>Liabilities</b>		
Trade and other payables	9	280
<b>Total liabilities</b>		<b>280</b>
<b>Net assets</b>		<b>312,667</b>
<b>Shareholders' equity</b>		
Issued capital	10	319,285
Profits reserve	11a	863
Asset revaluation reserve	11b	(7,481)
Retained earnings		-
<b>Total equity</b>		<b>312,667</b>

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

## Statement of changes in equity

For the period 10 January 2017 to 30 June 2017

	Note	Issued capital	Profits reserve	Asset revaluation reserve	Retained earnings	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total comprehensive income</b>						
Profit for the period		-	-	-	863	863
Other comprehensive loss		-	-	(7,481)	-	(7,481)
<b>Total comprehensive income/(loss)</b>		-	-	<b>(7,481)</b>	<b>863</b>	<b>(6,618)</b>
<b>Transfer between reserves</b>						
Transfer to profit reserve	11a	-	863	-	(863)	-
<b>Total transfer between reserves</b>		-	<b>863</b>	-	<b>(863)</b>	-
<b>Transactions with owners in their capacity as owners</b>						
Costs of issued capital (net of tax)	10	(6,621)	-	-	-	(6,621)
Shares issued under IPO	10	325,895	-	-	-	325,895
Shares issued upon exercise of options	10	11	-	-	-	11
<b>Total transactions with owners in their capacity as owners</b>		<b>319,285</b>	-	-	-	<b>319,285</b>
<b>Balance as at 30 June 2017</b>		<b>319,285</b>	<b>863</b>	<b>(7,481)</b>	-	<b>312,667</b>

The above statement of changes in equity should be read in conjunction with the notes to the financial statements.



## Statement of cash flows

For the period 10 January 2017 to 30 June 2017

	Note	30 June 2017 \$'000
<b>Cash flows from operating activities</b>		
Interest received		8
Payments to suppliers		(400)
<b>Net cash provided by operating activities</b>		<b>(392)</b>
<b>Cash flows from investing activities</b>		
Payment for investments		(315,622)
<b>Net cash used in investing activities</b>		<b>(315,622)</b>
<b>Cash flows from financing activities</b>		
Share issue transaction costs, gross of tax		(9,741)
Proceeds from shares issued on initial public offering		325,906
<b>Net cash provided by financing activities</b>		<b>316,164</b>
<b>Net increase in cash and cash equivalents</b>		<b>150</b>
Cash assets at beginning of the financial period		-
<b>Cash assets at the end of the financial period</b>	<b>5</b>	<b>150</b>

The above statement of cash flows should be read in conjunction with the notes to the financial statements.

# Notes to the Financial Statements

For the period ended 30 June 2017

## **Note 1      Summary of significant accounting policies**

The Company was incorporated on 10 January 2017. The Company allotted 296,268,407 shares at \$1.10 per share and 1 share at \$1.00 and issued 296,268,407 options which are exercisable at \$1.10 until 29 April 2019 (expiry date). Quotation of the Company's securities on the ASX commenced on 5 May 2017.

The financial statements were authorised for issue on 24 August 2017 by the Board.

### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Corporations Act, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company is a 'for-profit' entity for financial reporting purposes under Australian Accounting Standards.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected financial assets and financial liabilities.

The financial statements of the Company also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial statements have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise:

#### **(a)      Investments**

The category of financial assets and financial liabilities comprises:

##### *Investments*

- These investments are recognised initially at cost and the Company has elected to present subsequent changes in fair value of equity instruments in other comprehensive income through the asset revaluation reserve after deducting a provision for the potential deferred capital gains/(losses) and deferred tax liability/(asset) as these investments are long term holdings of equity instruments.
- Investments in managed funds are valued daily based on the redemption price of the units held. Listed investments are valued continuously at fair value, which is determined by the unadjusted last-sale price quoted on the Australian Securities Exchange at the measurement date.

#### **(b)      Fair value measurement**

When a financial asset is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date and assumes that the transaction will take place either in the principal market, or in the absence of a principal market, in the most advantageous market.

## **Note 1      Summary of significant accounting policies (continued)**

Fair value is measured using the assumptions that market participants would use when pricing the asset, assuming they act in their economic best interests. Valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets measured on a recurring basis at fair value are classified into 3 levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Further information regarding fair value measurements is provided in note 3.

### **(c)      Income and expenditure**

Distributions from managed funds are recognised on a present entitlements basis and recognised in the statement of profit or loss on the day the distributions are announced.

Interest income and expenses, including interest income and expenses from non-derivative financial assets, are recognised in the statement of profit or loss as they accrue, using the effective interest method of the instrument calculated at the acquisition date. Interest income includes the amortisation of any discount or premium, transaction costs or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis. Interest income is recognised on a gross basis, including any withholding tax, if any.

All other expenses, including performance fees and investment management fees, are recognised in the statement of profit or loss on an accruals basis.

### **(d)      Income 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, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on the applicable tax rate.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date.

Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

### **(e)      Goods and services tax**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

## **Note 1      Summary of significant accounting policies (continued)**

### **(f)      Cash**

Cash includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **(g)      Trade receivables**

Trade and other receivables relate to outstanding settlements as well as accrued income in relation to interest and dividends receivable. Trade receivables are generally due for settlement within 30 days.

### **(h)      Trade and other payables**

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

### **(i)      Share capital**

Ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

### **(j)      Profits reserve**

A profits reserve has been created representing an amount allocated from retained earnings that is preserved for future dividend payments.

### **(k)      Asset revaluation reserve**

Changes in fair value of investments are presented in other comprehensive income through the asset reserve as referred to in note 11. Upon disposal of investments, the net gain or loss is transferred from the asset revaluation reserve to the capital profits reserve.

### **(l)      Earnings per share**

#### **(1)      Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial period adjusted for bonus elements in ordinary shares issued during the period and excluding treasury shares.

#### **(2)      Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares (e.g. options on issue and in the money).

### **(m)      Operating segments**

The Company's investment activities are its only reportable segment. The Company operates from one geographic location, being Australia.

## **Note 1      Summary of significant accounting policies (continued)**

### **(n)      New and revised accounting requirements applicable to the current reporting period**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the Company. The directors' assessment of the impact of these new standards (to the extent relevant to the Company) and interpretations is set out below:

#### *AASB 9 Financial Instruments (effective from 1 January 2018)*

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting and impairment. The standard is not applicable until 1 January 2018 but is available for early adoption.

The directors do not expect this to have a significant impact on the recognition and measurement of the Company's financial instruments as they are carried at fair value through profit or loss.

The derecognition rules have not been changed from the previous requirements, and the Company does not apply hedge accounting. AASB 9 introduces a new impairment model. However, as the Company's investments are all held at fair value through profit or loss, the change in impairment rules will not impact the Company.

The Company will adopt AASB 9 from 1 July 2018.

## **Note 2      Financial risk management**

The risks associated with the financial instruments, such as investments and cash, include credit, markets and liquidity risks which could affect the Company's future financial performance.

The Company holds the following financial instruments:

<b>Financial assets</b>	<b>2017 \$'000</b>
Cash and cash equivalents	150
Trade and other receivables	2,290
Financial assets at fair value through other comprehensive income	305,302
	<b>307,742</b>
<b>Financial liabilities</b>	
Trade and other payables	280
	<b>280</b>

### **(a)      Market Risk**

#### **(1)      Price Risk**

Price risk is the risk that changes in market prices will affect the fair value of the financial instrument. The fair value is determined by the redemption price of the managed fund investment at the measurement date.

The Company is exposed to price risk through the movement of the unit price of the managed fund which is exposed to variation of security prices of the companies and trusts in which it is invested.

The market value of the managed fund fluctuates daily and the fair value of the portfolio changes continuously, with this change in the fair value recognised through the asset revaluation reserve.

## Note 2 Financial risk management (continued)

### Sensitivity

The table below summarises the impact of increases/decreases in equity securities prices on the Company's net assets before provision for tax on unrealised capital gains at 30 June 2017. The analysis is based on the assumption that equity securities prices had increased/decreased by 10% and 20% with all other variables held constant and the Company's investment moved in correlation with the index.

	Impact on net assets			
	2017		2017	
	\$'000		NTA per share	
	+/- 10%	+/- 20%	+/- 10%	+/- 20%
Company	31,620/(31,620)	63,240/(63,240)	\$0.11/(\$0.11)	\$0.21/(\$0.21)

### (2) Foreign currency risk

The Company is not exposed to foreign currency risk as its investments are quoted in Australian dollars.

### (3) Interest rate risk

The fair value of other financial instruments is unlikely to be materially affected by a movement in interest rates as they generally have short dated maturities and variable interest rates.

### (b) Credit Risk

The Company's credit risk exposures arise from the investment in liquid assets, such as cash and income receivable.

The risk that a financial loss will occur because of counterparty to a financial instrument failing to discharge an obligation is known as credit risk. The credit risk on the Company's financial assets, excluding investments, is the carrying amount of those assets.

Income receivable comprises accrued interest and distributions which were brought to account on the date the units traded ex-distribution.

There are no financial instruments overdue.

All financial assets and their recoverability are continuously monitored by the Administrator and reviewed by the board on a quarterly basis.

### (c) Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due.

The Company manages the liquidity risk by monitoring forecast and actual cash-flows.

### Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities at year end date.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

## Note 2 Financial risk management (continued)

### Contractual maturities of financial liabilities

	1 to 30 days	30 days to 1 year	Total contractual cash flows	Carrying amount
At 30 June 2017	\$'000	\$'000	\$'000	\$'000
Trade and other payables	280	0	280	280
<b>Total financial liabilities</b>	<b>280</b>	<b>0</b>	<b>280</b>	<b>280</b>

## Note 3 Fair value measurements

The Company measures and recognises its investments on a recurring basis.

### (a) Fair value hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) 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
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

### (1) Recognised fair value measurements

The following table presents the Company's assets and liabilities measured and recognised at fair value at 30 June 2017.

	Level 1	Level 2	Level 3	Total
Assets	\$'000	\$'000	\$'000	\$'000
Managed funds	-	305,302	-	305,302
<b>Total assets</b>	<b>-</b>	<b>305,302</b>	<b>-</b>	<b>305,302</b>

The investment included in Level 2 of the hierarchy is the amount of the investment based on the redemption price of the Plato Fund as at the end of the reporting year.

There were no transfers between levels for recurring fair value measurements during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.

### (2) Recognised fair value measurements

The carrying amounts of all financial instruments other than those measured at fair value on a recurring basis are considered to represent a reasonable approximation of their fair values.

## Note 4      Income tax expense

	2017 \$'000
<b>(a)      Income tax expense</b>	
Current tax expense	153
Deferred tax expense	(9)
Total income tax expense in profit or loss	144
Deferred income tax expense included in income tax expense comprises:	
(Increase) in deferred tax assets	(9)
	<b>(9)</b>
<b>(b)      Reconciliation of income tax expense to prima facie tax payable</b>	
Profit before income tax expense	1,007
Tax at the Australian tax rate of 27.5% *	<b>277</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	
Non-assessable fund distribution	(27)
Tax credits	(106)
<b>Income tax expense</b>	<b>144</b>
* Based on its turnover for the 2017 financial year a corporate income tax rate of 27.5% applies to the Company, rather than 30%.	
<b>(c)      Amounts recognised in other comprehensive income</b>	
Income tax benefit relating to unrealised losses recognised in asset revaluation reserve	2,838
	<b>2,838</b>
<b>(d)      Amounts recognised in equity</b>	
Income tax benefit relating to share issue costs	2,511
	<b>2,511</b>



**Note 5      Cash and cash equivalents**

	<b>30 June 2017</b>
	<b>\$'000</b>
Cash at bank	150
	<b>150</b>

The weighted average interest rate for cash as at 30 June 2017 is 0.25%.

**Note 6      Trade and other receivables**

	<b>30 June 2017</b>
	<b>\$'000</b>
Distributions receivable	1,620
Prepayments	25
GST receivable	645
	<b>2,290</b>

**Note 7      Investments**

	<b>30 June 2017</b>
	<b>\$'000</b>
Investment in Plato Australian Shares Income Fund	305,302
	<b>305,302</b>

Changes in fair values of the investment are presented in other comprehensive income through the asset revaluation reserve.

The holding at 30 June 2017 was 315,362,635.7 units valued at \$0.9681 per unit.

## Note 8      Deferred tax assets / liabilities

30 June 2017

\$'000

The deferred tax assets balance comprises temporary differences attributable to:

Accruals	9
Unrealised gains on financial assets at fair value through other comprehensive income	2,768
Share issue costs	2,009
Income tax losses	419
	<b>5,205</b>

### Reconciliations

#### Gross movements:

The overall movement in deferred tax asset accounts is as follows:

Opening balance	0
Credited directly to profit or loss	9
Credited to other comprehensive income	2,768
Credited to equity	2,009
Income tax losses	419
<b>Closing balance</b>	<b>5,205</b>

The movement in deferred tax assets for each temporary difference during the year is as follows:

#### (i)      Accruals

Opening balance	-
Credited directly to profit or loss	9
<b>Closing Balance</b>	<b>9</b>

**Note 8      Deferred tax assets / liabilities (continued)****30 June 2017**  
**\$'000**

<b>(ii)</b>	<b>Unrealised loss on financial assets at fair value through other comprehensive income</b>	
	Opening balance	-
	Credited directly to other comprehensive income	2,768
	<b>Closing Balance</b>	<b>2,768</b>
<b>(iii)</b>	<b>Share issue costs</b>	
	Opening balance	-
	Credited directly to equity	2,009
	<b>Closing Balance</b>	<b>2,009</b>
<b>(iv)</b>	<b>Income Tax Losses</b>	
	Opening balance	-
	Increase in income tax losses	419
	<b>Closing Balance</b>	<b>419</b>

A deferred tax asset for income tax losses has been recognised on the basis it is considered probable that there will be sufficient taxable profits against which to recover the losses in future years.

**Note 9      Trade and other payables****30 June 2017**  
**\$'000**

Trade creditors	224
Accrued expenses	47
Other payables	9
	<b>280</b>

Trade and other payables primarily relate to outstanding settlements and are usually paid within 30 days of recognition.

## Note 10 Issued capital

### (a) Share capital

	2017 Number	2017 \$'000
Fully paid ordinary shares	296,278,408	319,285
<b>Total share capital</b>	<b>296,278,408</b>	<b>319,285</b>

The Company does not have an authorised capital value or par value in respect of its issued shares.

### (b) Movements in ordinary share capital

Date	Details	Number of shares	Price	Total \$'000
January 2017	Initial issue	1	\$1.00	-
May 2017	Shares issued under IPO	296,268,407	\$1.10	\$325,895
May-June 2017	Options exercised for \$1.10 per share	10,000	\$1.10	\$11
May-June 2017	Cost of issued capital (net of tax)	-	-	(6,621)
30 June 2017	<b>Balance</b>	<b>296,278,408</b>		<b>319,285</b>

### (c) Ordinary shares

On 1 May 2017, the Company issued 296,268,407 fully paid ordinary shares under the initial public offering at an application price of \$1.10 per share.

### (d) Options

On 1 May 2017, as part of the initial public offering of the Company, 296,268,407 options were issued to acquire ordinary shares in the Company at an exercise price of \$1.10. The options can be exercised at any time on or before 29 April 2019. The options give the shareholders the right but not the obligation to subscribe for ordinary shares in the Company at \$1.10 per share. The options can be exercised in full or in part. The options are currently trading on the ASX under the code 'PL8O'. 271,258,407 options were unexercised at 30 June 2017.

## **Note 11      Reserves**

### **(a)      Profits reserve**

	<b>30 June 2017</b>
	<b>\$'000</b>
Transfer of net profits from profit and loss	863
	<b>863</b>

### **(b)      Asset revaluation reserve**

	<b>30 June 2017</b>
	<b>\$'000</b>
Revaluation of investments net of provision for tax	7,481
	<b>7,481</b>

A profits reserve has been created representing an amount allocated from retained earnings that is preserved for future dividend payments.

Changes in fair value of investments are presented in other comprehensive income through the asset revaluation reserve as referred to in note 7.

## **Note 12      Dividends**

### **(a)      Dividend paid**

No dividend was paid during the year ended 30 June 2017.

### **(b)      Dividends not recognised at the end of the period**

No dividend has been declared since the period end.

### **(c)      Dividend franking account**

The balance of the Company's dividend franking account at 30 June 2017 was nil.

## Note 13 Key management personnel disclosures

### (a) Key management personnel compensation

	2017 \$'000
Short-term employment benefits	30
Post-employment benefits	3
<b>Total remuneration</b>	<b>33</b>

Detailed remuneration disclosures are provided in the remuneration report on pages 14 to 16.

### (b) Equity instrument disclosures relating to key management personnel

#### (1) Shareholdings

The numbers of shares in the Company held during the financial year by each Director, including their related parties, are set out below. There were no shares granted during the financial year as compensation.

#### Ordinary shares held

Director	Acquisitions	Disposals	Balance as at date of this report
Jonathan Trollip*	50,000	0	50,000
Lorraine Berends*	50,000	0	50,000
Katrina Onishi*	50,000	0	50,000
Alex Ihlenfeldt*	535,000	0	535,000
Don Hamson*	250,001	0	250,001
Ian Harrison*	0	0	0
<b>Total shares held*</b>	<b>935,001</b>	<b>0</b>	<b>935,001</b>

\* Held through direct and indirect interests

## Note 13      Key management personnel disclosures (continued)

### (2)      Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each Director, including their related parties, are set out below.

#### Options held

Director	Acquisitions	Disposals	Balance as at date of this report
Jonathan Trollip*	50,000	0	50,000
Lorraine Berends*	50,000	0	50,000
Katrina Onishi*	50,000	0	50,000
Alex Ihlenfeldt*	535,000	0	535,000
Don Hamson*	250,000	0	250,000
Ian Harrison*	0	0	0
<b>Total options held*</b>	<b>935,000</b>	<b>0</b>	<b>935,000</b>

\* Held through direct and indirect interests

Directors and their related parties acquired options over ordinary shares in the Company on the same terms and conditions available to other shareholders.

## Note 14 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor, its related practices and non-related audit firms:

(a) **Audit and other assurance services**

	2017 \$'000
<b>Audit services – Pitcher Partners</b>	
Audit of financial reports	26
Other assurance services	33
<b>Total remuneration for audit and other assurance services</b>	<b>59</b>

Other assurance services include the preparation of the investigating accountants report for the initial public offering of the Company.

(b) **Non-audit services**

	30 June 2017 \$'000
<b>Taxation services – Pitcher Partners</b>	
Tax compliance services	8
<b>Total remuneration for tax compliance services</b>	<b>8</b>

The Board oversees the relationship with the Company's external auditors. The Board reviews the scope of the audit and the proposed fee. It also reviews the cost and scope of other audit-related tax compliance services provided by the audit firm, to ensure that they do not compromise independence.

## Note 15 Related party transactions

All transactions with related parties were made on normal commercial terms and conditions and at market rates.

(a) **Investment Management Agreement**

Don Hamson and Alex Ihlenfeldt, directors of the Company, are directors of the Manager.

The Company appointed the Manager to act as investment manager of the Company's portfolio under the Investment Management Agreement.



## **Note 15      Related party transactions (continued)**

### **(a)      Investment Management Agreement (continued)**

Under the Investment Management Agreement, the Manager must:

- (1)      invest money constituted in or available to the Company's portfolio, including money received as a consequence of disposal of investments or any dividend or other distribution received;
- (2)      retain investments; and
- (3)      realise or dispose of investments.

The initial term of the Investment Management Agreement is 10 years, which will be automatically extended for successive five year periods up to 25 years from the commencement date when it will terminate, unless terminated earlier in accordance with the Investment Management Agreement. The Company may remove the Manager and terminate the agreement after the expiration of the initial term if the shareholders resolve by ordinary resolution that the Manager should be removed as manager of the Company's portfolio, on delivery of three months' prior written notice.

The associated fees payable to the Manager are listed below:

#### **Management fee**

In its capacity as investment manager, the Manager is entitled to receive a management fee of 0.80% per annum (exclusive of GST) of the value of the Company's portfolio calculated daily and paid at the end of each month in arrears.

For the year ended 30 June 2017 the Manager was paid a management fee of \$442,494 (exclusive of GST).

As at 30 June 2017, the balance payable to the Manager was \$207,233 (exclusive of GST).

### **(b)      Services Agreement**

Alex Ihlenfeldt, a director of the Company, is a director of Pinnacle.

The Company has entered into the Services Agreement with Pinnacle for the provision of the following administration support services:

- Middle office portfolio administration;
- Finance, tax and reporting and administration; and
- Legal counsel and company secretarial.

The Company is required to pay Pinnacle a service fee quarterly in arrears for the provision of the services calculated as follows:

- (a)      in respect of the first financial year to 30 June 2017 – \$70,000 (ex GST) (**Base Retainer**); and
- (b)      in respect of each subsequent financial year – the Base Retainer calculated for the immediately preceding financial year indexed by 3%.

For the period ended 30 June 2017, Pinnacle was paid a fee of \$11,846 pro rated for the period during which Pinnacle provided services to the Company. As at 30 June 2017, the balance payable was nil.

### **(c)      Responsible Entity of Plato Fund**

Alex Ihlenfeldt, a director of the Company, is one of four directors of Pinnacle Fund Services Limited, the responsible entity of the Plato Fund.

**Note 16      Reconciliation of profit after income tax to net cash outflow from operating activities**

	<b>2017</b>
	<b>\$'000</b>
<b>Profit for the period</b>	<b>863</b>
Changes in operating assets / liabilities	
(Increase) in trade and other receivables	(1,680)
Decrease in deferred tax balances credited to profit or loss	144
Increase in trade and other payables	280
<b>Net cash outflow from operating activities</b>	<b>(393)</b>

**Note 17      Earnings per share**

<b>(a)      Earnings used in the calculation of basic and diluted earnings per share</b>	<b>2017</b>
	<b>\$'000</b>
Profit from continuing operations attributable to the owners of the Company	863
<b>(b)      Basic and diluted earnings per share</b>	<b>Cents</b>
Profit from continuing operations attributable to the owners of the Company	0.3
<b>(c)      Weighted average number of ordinary shares used in the calculation of earnings per share</b>	<b>Number</b>
	296,272,408

**Note 18      Subsequent events**

No events have arisen, subsequent to balance date that would require amendment of, or disclosure of, in the financial statements.

**Note 19      Contingencies and commitments**

The Company has no known contingent assets or liabilities.

## Directors' Declaration

The Directors declare that:

- (a) the financial statements and notes as set out on pages 20 to 40 are in accordance with the Corporations Act 2001, including:
  - (1) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (2) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the period ended on that date.
- (b) in the directors' opinion there are reasonable grounds to believe that Plato Income Maximiser Limited will be able to pay its debts as and when they become due and payable.
- (c) note 1(a) confirms that the financial statements also comply with International Financial Reporting standards as issued by the International Accounting Standards Board; and

The directors have been given the declarations required by section 295A of the Corporations Act 2001. This declaration is made in accordance with a resolution of the Directors.



**Jonathan Trollip**

Chairman

Sydney

24 August 2017

**Independent Auditor's Report  
to the Members of Plato Income Maximiser Limited  
A.B.N 63 616 746 215**

**REPORT ON THE FINANCIAL REPORT**

We have audited the accompanying financial report of Plato Income Maximiser Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period from incorporation to 30 June 2017, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

**Opinion**

In our opinion

- a) the financial report of Plato Income Maximiser Limited is in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the period ended on that date; and
  - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1 Basis of preparation.

**Basis of Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibility* section of our report. We are independent of the Company in accordance with 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* ("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 judgement, were of most significance in our audit of the financial report of the current period. We have communicated the key audit matters to the Board of Directors, but they are not a comprehensive reflection of all matters that were identified by our audit and that were discussed with the Board of Directors. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Key audit matter</b>	<b>How our audit addressed the matter</b>
<b>Existence and valuation of financial assets</b> <b>Refer to Note 7: Investments</b>	
<p>We focused our audit effort on the valuation, existence and completeness of the Company's financial assets as it has one single investment that is the Company's largest asset and represent the most significant driver of the Company's net tangible assets and profits.</p> <p>As the investment is in an unlisted managed investment scheme, there are judgements involved in determining the fair value of the investment.</p> <p>We therefore identified the valuation, existence and completeness of the investments as an area of focus.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ We obtained an understanding of the investment management process and controls;</li> <li>▪ We assessed the valuation by agreeing the investment units held and the exit price as at 30 June 2017 to the distribution statement;</li> <li>▪ We obtained the 30 June 2017 audited accounts of the Plato Australian Shares Income Fund and performed procedures including: <ul style="list-style-type: none"> <li>- Recalculated NAV and comparing to reported unit price;</li> <li>- Considered the appropriateness of Plato Australian Shares Income Fund's accounting policies;</li> <li>- Confirmed that the Plato Australian Shares Income Fund's audit opinion is unmodified;</li> </ul> </li> <li>▪ We evaluated the appropriateness of the accounting treatment of revaluations of financial assets for current/deferred tax and unrealised gains or losses;</li> <li>▪ We assessed the adequacy of disclosures in the financial statements.</li> </ul>

### Other information

The Directors are responsible for the other information. The other information comprises the information in the Company's annual report for the period ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent 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.

### Directors' Responsibility for the Financial Report

The directors of Plato Income Maximiser Limited are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our responsibility is to express an opinion on the financial report based on our audit. 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 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 Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view 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.

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 controls.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We 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.

We 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.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible

for the direction, supervision and performance of the Company 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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. 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, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore 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 REMUNERATION REPORT**

### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 14 to 16 of the directors' report for the period ended 30 June 2017. In our opinion, the Remuneration Report of Plato Income Maximiser Limited for the period ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

### **Responsibilities**

The directors of Plato Income Maximiser Limited 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.



S M WHIDDETT  
Partner



PITCHER PARTNERS  
Sydney

24 August 2017

## Shareholder information

The shareholder information set out below was applicable as at 23 August 2017.

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report, is listed below.

### Distribution of equity securities and option holders

Analysis of numbers of equity security holders by size of holding:

Holding	Number of shareholders	Shares	Percentage
1 – 1,000	61	18,898	0.00%
1,001 – 5,000	419	1,939,405	0.66%
5,001 – 10,000	767	6,899,441	2.33%
10,001 – 100,000	4,344	170,419,772	57.52%
100,001 and over	370	117,000,892	39.49%
<b>Total</b>	<b>5,961</b>	<b>296,278,408</b>	<b>100.00%</b>
<b>Holdings less than a marketable parcel (less than \$500)</b>	<b>42</b>	<b>2,371</b>	<b>0.00%</b>

Analysis of numbers of option holders by size of holding:

Holding	Number of option holders	Options	Percentage
1 – 1,000	0	0	0.00%
1,001 – 5,000	374	1,824,673	0.62%
5,001 – 10,000	666	6,033,932	2.04%
10,001 – 100,000	3,831	152,908,607	51.61%
100,001 and over	411	135,491,195	45.73%
<b>Total</b>	<b>5,282</b>	<b>296,258,407</b>	<b>100.00%</b>
<b>Holdings less than a marketable parcel (less than \$500)</b>	<b>4,163</b>	<b>101,446,514</b>	<b>34.24%</b>



## Equity security holders

The Company's twenty largest quoted equity security holders are:

Name	Number held	Percentage of shares issued
First City Nominees Pty Ltd	11,363,636	3.835%
Navigator Australia Ltd	8,388,106	2.831%
BNP Paribas Nominees Pty Ltd	4,992,095	1.685%
IOOF Investment Management Limited	3,856,557	1.302%
HSBC Custody Nominees (Australia) Limited	3,307,610	1.116%
Citicorp Nominees Pty Limited	2,244,375	0.758%
Mr Victor John Plummer	1,800,000	0.608%
IOOF Investment Management Limited	1,416,823	0.478%
Australian Executor Trustees Limited	1,229,531	0.415%
AP Financial Services Group Limited	1,100,000	0.371%
Netwealth Investments Limited	911,337	0.308%
Bond Street Custodians Limited	820,000	0.277%
Mr Roy Vernon Allen	680,000	0.230%
Magnet Investments Pty Ltd	636,364	0.215%
Ms Elizabeth McCabe	600,000	0.203%
Marinic International Pty Limited	545,000	0.184%
Equity Trustees Limited	535,300	0.181%
Puhiga Pty Ltd	520,000	0.176%
Mr Gregory Alan Bell & Mrs Myra Margaret Bell	500,000	0.169%
Dr David John Ritchie & Dr Gillian Joan Ritchie	500,000	0.169%
Mr Peter King & Mrs Margaret King	500,000	0.169%
Blind Welfare Pty Ltd	500,000	0.169%

R Pickles Superannuation Pty Ltd	500,000	0.169%
Tom Hadley Enterprises Pty Ltd	500,000	0.169%
Macoun Family Super Pty Limited	500,000	0.169%
Mr Keith Wigman & Mrs Margaret Jane Wigman	500,000	0.169%
<b>Total</b>	<b>48,946,734</b>	<b>16.521%</b>
<b>Total remaining holders balance</b>	<b>296,278,408</b>	

## Option holders

The Company's twenty largest quoted option holders are:

<b>Name</b>	<b>Number held</b>	<b>Percentage of options issued</b>
First City Nominees Pty Ltd	11,363,636	3.836%
Navigator Australia Ltd	8,847,907	2.987%
BNP Paribas Nominees Pty Ltd	4,118,799	1.390%
IOOF Investment Management Limited	3,184,111	1.075%
Universal Splendour Investments Pty Ltd	3,000,000	1.013%
HSBC Custody Nominees (Australia) Limited	2,320,000	0.783%
Citicorp Nominees Pty Limited	2,181,819	0.736%
Mr Victor John Plummer	1,800,000	0.608%
Mr Wayne Bradley Sanderson & Mrs Mary Elena Sanderson	1,334,962	0.451%
IOOF Investment Management Limited	1,331,115	0.449%
AP Financial Services Group Limited	1,100,000	0.371%
Pershing Australia Nominees Pty Ltd	1,088,019	0.367%
Australian Executor Trustees Limited	1,053,640	0.356%
Rickenbacker Capital Investments Pty Ltd	1,020,334	0.344%
Ms Nicole Gallin & Mr Kyle Haynes	1,000,000	0.338%

Cashelmore Pty Ltd	1,000,000	0.338%
Aust Executor Trustees Ltd	910,000	0.307%
Bond Street Custodians Limited	820,000	0.277%
Netwealth Investments Limited	689,090	0.233%
Mr Roy Vernon Allen	680,000	0.230%
<b>Total</b>	<b>48,843,432</b>	<b>16.487%</b>
<b>Total remaining holders balance</b>	<b>296,258,407</b>	

## Voting rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

## Stock exchange listing

Quotation has been granted for all of the ordinary shares and options of the Company on all member exchanges of the ASX.

## Unquoted securities

There are no unquoted shares.

## Securities subject to voluntary escrow

There are no securities subject to voluntary escrow.

## Brokerage

During the period ended 30 June 2017, the Company invested the funds received from the IPO into the Plato Australian Shares Income Fund in accordance with the Prospectus issued on 1 March 2017.

No brokerage was paid on this investment.

## On market buy-back

There is currently no on market buy-back.

## Working Capital

In accordance with ASX Listing Rule 4.10.19, between the date of admission to the official list of ASX and 30 June 2017, the Company has used its working capital in a way consistent with its business objective.

## Corporate directory

### Board of Directors

Jonathan Trollip, Independent Chairman  
Lorraine Berends, Independent Director  
Katrina Onishi, Independent Director  
Donald Hamson, Non-Independent Director  
Alexander Ihlenfeldt, Non-Independent Director

### Secretary

Calvin Kwok

### Manager

Plato Investment Management Limited  
ACN 120 730 136  
Level 35  
60 Margaret Street  
SYDNEY NSW 2000  
Fax: +61 (0) 2 8970 7799  
Toll Free: 1300 010 311

### ASX Code

PL8 Ordinary Shares  
PL8O Options \$1.10 exercisable until 29 April 2019

### Lawyers

Kardos Scanlon  
Level 5, 151 Castlereagh Street  
Sydney NSW 2000  
Tel: +61 (0) 2 9146 5290  
Fax: +61 (0) 2 9146 5299  
[www.kardosscanlan.com.au](http://www.kardosscanlan.com.au)

### Auditors

Pitcher Partners  
Level 22, MLC Centre  
19 Martin Place  
Sydney NSW 2000  
Tel: +61 (0) 2 9221 2099  
Fax: +61 (0) 2 9223 1762  
[www.pitcher.com.au](http://www.pitcher.com.au)

### Share Register

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000  
Toll Free: 1300 737760  
International: +61 (0) 2 9290 9600  
[www.investorserve.com.au](http://www.investorserve.com.au)

### Registered Office

Level 35, 60 Margaret Street  
Sydney NSW 2000  
Tel: 1300 651 577

### Website Address

<http://www.plato.com.au/lic-overview/>