

21 November 2022

By Electronic Lodgement

Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

2022 Plato Income Maximiser Limited (ASX: PL8) Annual General Meeting – Chairman's Address

Please find attached a copy of the Chairman's address which will be delivered at the PL8 Annual General Meeting today.

This announcement was authorised for release by the Board of Directors.

2022 Annual General Meeting – Chairman's Address

[Slide 3 – Section Break to start Chairman's Address]

My address will cover an overview of the Company, a review of our performance to date, a dividend update, an overview of PL8's share price performance and some information on a new share purchase plan (SPP) that we announced to the ASX this morning ahead of this AGM.

[Slide 4 – Company Overview]

Firstly, I will provide a brief overview of the Company as a quick reminder to our longstanding shareholders and importantly to welcome our new shareholders.

- Plato Income Maximiser Limited, PL8, was established to provide shareholders the opportunity to benefit from an actively managed, well-diversified portfolio of Australian equities and a monthly dividend payment provided it has sufficient profit reserves. It is the first and only LIC in the Australian market that pays monthly franked dividends to shareholders.
- First listed in May 2017, the Company now has approximately \$575 million of pre-tax net assets, up from \$326 million at IPO, making it one of the larger LICs on the ASX.

The Company's investment portfolio is managed by Plato Investment Management Limited and invests into the Plato Australian Shares Income Fund.

[Slide 5 – Company Performance]

PL8 has achieved strong results since listing:

- The annualised portfolio performance for the period from inception in May 2017 to 31 October 2022 was 8.9% p.a. total return including franking credits.
- The annualised distributed income including franking credits for the period from inception to 31 October 2022 was 7.6% p.a.
- The Company's annualised total shareholder return, or TSR performance, which measures the return from the change in share price of PL8 plus dividends paid, from inception to 31 October 2022 was 7.4% p.a. The Company's share price was \$1.215 on 31 October 2022 compared to an issue price of \$1.10, with dividends of 32.5 cents paid since inception. This TSR excludes any benefit from franking and is why the TSR is below the annualised portfolio performance which includes franking. The dividends paid since inception plus the benefit of franking credits to 31 October 2022 equates to 46.4 cents.

[Slide 6 – Dividend Update]

The directors are pleased that the Company has been able to achieve its stated aim to pay monthly dividends. The chart on this slide shows the dividend history of the Company.

- In May 2019, shareholders were also paid a special dividend of 3.0 cents per share – this is not shown on the chart.
- In April 2020, as a result of the generally lower level of income from the portfolio due to the COVID induced cuts to ASX companies' dividends, the Company reduced its monthly dividends from 0.5c per share a month to 0.4c per share a month.
- In July 2021, as the dividend outlook for the market began improving, the Company increased the monthly dividend to 0.45c per share.
- In October 2021, the Company was able to increase its monthly dividend back to the pre-COVID level of 0.5c per share.
- In April 2022, the Company increased its monthly dividend to 0.55c per share, the highest level of monthly dividends since the inception of the Company.
- Most recently, in May 2022, the Company paid a special dividend of 0.55c per share to mark the Company's 5th birthday since listing on the ASX.

[Slide 7 – Share price compared to NTA]

The chart on this slide indicates pleasingly that for most of the life of the Company since listing, the Company's share price has traded at a premium to its pre-tax NTA. The chart also indicates that in November 2021, when the Company undertook a capital raising via a wholesale placement and share purchase plan, the NTA premium temporarily reduced but restored itself quickly thereafter. More recently, during 2022, the NTA premium has grown, indicating strong demand for the consistent monthly fully franked dividends generated by the Company.

[Slide 8 – Share Purchase Plan]

Today, the Company announced it is undertaking a Share Purchase Plan or SPP. Under the SPP, eligible PL8 shareholders will have the opportunity to acquire a minimum of A\$2,500 and up to A\$30,000 worth of new fully paid ordinary shares in PL8 (New Shares), without incurring brokerage or transaction costs.

The issue price of New Shares under the SPP will be the lower of:

- A\$1.11, being the pre-tax net tangible asset (NTA) of A\$1.078 per fully paid ordinary share in PL8 (Share) plus the franking credit balance per Share of A\$0.029, both on 18 November 2022; and
- the pre-tax NTA on the day the SPP closes, being Friday, 9 December 2022 plus the franking credit balance per Share of A\$0.029 on 18 November 2022.

The maximum possible issue price of A\$1.11 represents a 8.6% discount to the closing Share price on 18 November 2022, the business day prior to this announcement, and a 9.4% discount to the volume weighted average price for the five trading days up ending on 18 November 2022.

The Board via the investment manager and the Company's distribution partner, Pinnacle Investment Management Limited, received shareholder feedback indicating that shareholders would like to make additional investments in the Company but that the current share price premium to NTA is a deterrent. An SPP is the simplest and most cost-effective way to satisfy this additional demand.

The Board and the investment manager believe that the Company's profits reserves and franking credit balance are sufficient to maintain the current level of monthly dividends including with any additional capital raised under the SPP.

The rationale for including the franking credit balance per Share in the price calculation for the issuance of New Shares under the SPP is to reflect the value of the Company's franking credit balance, since the franking credit balance is not included in the NTA. Including the franking credit value per Share helps to protect non-participating shareholders from a loss of franking value.

[Slide 9 – Share Purchase Plan]

Applying for the SPP is done electronically via the Company's share registry Automic, with payments made either via BPay or EFT.

The SPP Booklet and your personalised Application Form will be sent to you on 23 November 2022 either by email or post (depending on your shareholder communication preference set up with the PL8 share registry Automic). The last day to apply for the SPP will be on Friday, 9 December 2022.

Cyber Security

Finally, before commencing with the formal business of the meeting, in light of the recent Optus and Medibank cyber attacks, I would like to inform shareholders that this cyber security is top of mind for the Company Board. We have made inquiries of the Company's share registry, Automic, to substantiate that the various measures they have in place, including independent certifications, data encryption, external expert penetration testing, information security and privacy incident response plans, are reasonably appropriate to protect the privacy of our shareholders' information. However, shareholders should appreciate that there is no security system which is 100% safe and so the cyber security risk is one which we all have to live with.