

22 February 2023

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

**Platinum Asset Management Limited (PTM) – 2023 Half-Year Financial Results**

PTM encloses for release to the market the following information:

1. Appendix 4D
2. Interim Financial Report for the six months ended 31 December 2022.

Authorised by

Joanne Jefferies | Company Secretary

Investor contact

Elizabeth Norman | Director of Investor Services and Communications

Platinum Asset Management Limited

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## LISTING RULE 4.2A

COMPANY	PLATINUM ASSET MANAGEMENT LIMITED
ASX Code	PTM
Half-year ended	31 December 2022
Previous corresponding period – half-year ended	31 December 2021
ABN	13 050 064 287

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

This announcement to the market for the Platinum Asset Management Limited Consolidated Group should be read in conjunction with the attached 31 December 2022 Interim Financial Report and the 30 June 2022 Annual Financial Report.

	% CHANGE	\$A'000
Total revenue and other income	(20.5%)	102,258
Profit from ordinary activities after income tax	(37.4%)	37,558
Net profit attributable to members	(37.4%)	37,558
Basic EPS (cents per share)		6.55 cps
Diluted EPS (cents per share)		6.43 cps

Profit after tax was \$37.6 million (31 December 2021: \$60.0 million) for the half-year. Basic earnings per share was 6.55 cents per share (31 December 2021: 10.36 cents per share). The main contributor to the decrease in profit and earnings per share was a decrease in management fees as a result of decreased average Funds Under Management (FUM). In addition, performance fee revenues decreased by \$2.5 million compared to the previous corresponding period due to weaker absolute investment performance.

Other income increased from a \$4.9 million loss in the period ended 31 December 2021 to a \$3.0 million gain in the current half-year due primarily to improved returns from on seed investments. Underlying profit after tax, which excludes gains and losses on seed investments (net of tax), was \$37.6 million (31 December 2021: \$65.1 million).

FUM at 31 December 2022 was \$18.2 billion which is the same as the 30 June 2022 closing FUM. FUM was reduced by net outflows of \$1.1 billion but this was offset by positive investment returns of \$1.1 billion during the half-year. The positive investment returns were primarily from the Global long short investment strategy (\$1.0 billion) which returned 9.0% for the half-year period. Average FUM for the six months to 31 December 2022 was \$17.8 billion which was 20.9% lower than the average FUM of \$22.5 billion for the previous corresponding half-year.

The Platinum Global Transition Fund (Quoted Managed Hedge Fund) (ASX: PGTX) commenced trading on the ASX on 15 February 2023. PGTX embraces Platinum's existing investment approach whilst investing in companies that are seeking to financially benefit from the transition away from fossil-fuel derived energy and goods production and consumption - that is the carbon transition.

Refer to the attached Auditor-reviewed financial statements for more financial information on the Consolidated Group results.

**DIVIDENDS**

<b>INTERIM DIVIDEND DECLARED</b>	<b>7 CENTS PER SHARE FULLY-FRANKED</b>
Ex-dividend date	2 March 2023
Record date	3 March 2023
Payable date	17 March 2023

The final dividend paid for the year ended 30 June 2022 was 7 cents per share fully-franked.

**DIVIDEND REINVESTMENT PLAN**

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

**OTHER INFORMATION**

Net tangible assets per share of the consolidated entity attributable to owners was \$0.55 at 31 December 2022 (30 June 2022: \$0.54 per share; 31 December 2021: \$0.58 per share).

Joanne Jefferies  
Company Secretary  
22 February 2023



# Interim Financial Report

For the half-year ended 31 December 2022

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## DIRECTORS

Guy Strapp  
Stephen Menzies  
Anne Loveridge  
Brigitte Smith  
Philip Moffitt  
Andrew Clifford  
Elizabeth Norman  
Andrew Stannard  
Kerr Neilson (retired on 16 November 2022)

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## COMPANY SECRETARY

Joanne Jefferies

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## SHAREHOLDER LIAISON

Elizabeth Norman

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## REGISTERED OFFICE

Level 8, 7 Macquarie Place  
Sydney NSW 2000  
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Phone +61 2 9255 7500

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## SHARE REGISTRAR

Computershare Investor Services Pty Ltd  
Level 3, 60 Carrington Street  
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## AUDITOR AND TAXATION ADVISOR

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

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## SECURITIES EXCHANGE LISTING

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

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## WEBSITE

[www.platinum.com.au/About-Platinum/PTM-Shareholders](http://www.platinum.com.au/About-Platinum/PTM-Shareholders)

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The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity', 'group' or 'Platinum') consisting of Platinum Asset Management Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

## DIRECTORS

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

Guy Strapp	Chairman and Non-Executive Director
Stephen Menzies	Non-Executive Director
Anne Loveridge	Non-Executive Director
Brigitte Smith	Non-Executive Director
Philip Moffitt	Non-Executive Director
Andrew Clifford	Chief Executive Officer/Managing Director
Elizabeth Norman	Executive Director and Director of Investor Services and Communications
Andrew Stannard	Executive Director and Chief Financial Officer
Kerr Neilson	Non-Executive Director (retired on 16 November 2022)

## PRINCIPAL ACTIVITIES

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

## OPERATING AND FINANCIAL REVIEW

The key variables that drive the profitability of the Group are average funds under management ("FUM") growth, investment performance, including performance of our seed investments, performance fees earned and expense management. FUM for the half-year ending 31 December 2022 is shown in the table below.

FUNDS	OPENING BALANCE (1 JUL 22) \$'M	FLOWS \$'M	INVESTMENT PERFORMANCE \$'M	DISTRIBUTION AND OTHER \$'M	CLOSING BALANCE (31 DEC 22) \$'M	% OF TOTAL
<b>Retail Offerings</b>						
Platinum Trust Funds (excluding funds fed from PIXX and PAXX) and Platinum Global Fund (mFund)	10,858	(428)	678	-	11,108	61%
Quoted Managed Hedge Funds PIXX, PAXX and PGTX	414	5	23	-	442	2%
Listed Investment Companies PMC and PAI	821	-	25	(24)	822	5%
MLC Platinum Global Fund	573	(27)	47	-	593	3%
<b>Institutional mandates</b>						
Management Fee Mandates	1,894	(216)	137	-	1,815	10%
UCITS Platinum World Portfolios	376	(11)	4	-	369	2%
Cayman Funds	34	-	1	-	35	0%
'Absolute' Performance Fee Mandates	287	(15)	20	-	292	2%
'Relative' Performance Fee Mandates	2,957	(404)	136	-	2,689	15%
<b>Total</b>	<b>18,214</b>	<b>(1,096)</b>	<b>1,071</b>	<b>(24)</b>	<b>18,165</b>	<b>100%</b>

The 'Distribution and Other' figure is comprised of dividend and tax payments made by the Listed Investment Companies = Platinum Capital Limited (ASX code: PMC) and Platinum Asia Investments Limited (ASX code: PAI). Platinum Investment Bond included within Platinum Trust Funds.

FUM at 31 December 2022 was \$18.2 billion which is the same as the 30 June 2022 closing FUM. FUM was reduced by net outflows of \$1.1 billion but this was offset by positive investment returns of \$1.1 billion during the half-year. The positive investment returns were primarily from the Global long short investment strategy (\$1.0 billion) which returned 9.0% for the half-year period. Average FUM for the six months to 31 December 2022 was \$17.8 billion which was 20.9% lower than the average FUM of \$22.5 billion for the previous corresponding half-year.

Profit after tax was \$37.6 million (31 December 2021: \$60.0 million) for the half-year. Basic earnings per share was 6.6 cents per share (31 December 2021: 10.4 cents per share). The main contributor to the decrease in profit and earnings per share was a decrease in management fees as a result of decreased average FUM.

Total revenue was \$99.3 million for the period ended 31 December 2022, a decrease of 25.7% from \$133.6 million in the previous corresponding period. Management fee revenues decreased 24.3% compared to the 31 December 2021 period primarily due to the decrease in average FUM. In addition, performance fee revenues decreased by \$2.5 million compared to the previous corresponding period due to weaker absolute investment performance.

Other income increased from a \$4.9 million loss in the period ended 31 December 2021 to a \$3.0 million gain in the current half-year due primarily to improved returns from on seed investments. Underlying profit after tax, which excludes gains and losses on seed investments (net of tax), was \$37.6 million (31 December 2021: \$65.1 million).

Total costs were \$48.2 million for the period ended 31 December 2022, an increase of \$5.0 million from the previous corresponding period. The increase in total costs is mainly due to a \$4.9 million increase in salaries and employee related expenses. The increase is primarily attributable to larger provisions for variable compensation due to Platinum's strong weighted average relative investment performance over one and three years. Share-based payments expenses increased by \$1.2 million due primarily to an additional grant in the Partners Plan.

Excluding staff-related costs, other costs decreased \$1.2 million due to cost savings achieved partly offset by the cost of a return to more normal travel activity and an increase in insurance charges.

Platinum believes it is well positioned to play an important role in the funds management sector because:

- We maintain a highly differentiated product and maintain a strong position in the Australian retail market;
- Our offshore initiatives provide a platform for growth over the medium term; and
- Our investment team continues to deliver high-quality research and a large idea base.

The Group is in a solid financial position, with a strong balance sheet. However, the most significant driver of sustainable future growth is, and will always be, the delivery of superior long-term investment returns for our clients.

## DIVIDENDS

The Company has limited capital requirements and generally expects that most, if not all, future profits will continue to be distributed by way of dividends, subject to ongoing capital requirements. Given that the basic earnings per share for the 2023 interim period was 6.6 cents per share, post 31 December 2022, the Directors declared a 2023 interim fully-franked dividend of 7 cents per share with a record date of 3 March 2023 and payable to shareholders on 17 March 2023.

The 2022 interim fully-franked dividend for the previous corresponding period was 10 cents per share.

## 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 6.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



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Guy Strapp  
Chairperson

22 February 2023  
Sydney



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Andrew Clifford  
Director



**Building a better  
working world**

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## Auditor's Independence Declaration to the Directors of Platinum Asset Management Limited

As lead auditor for the review of the half-year financial report of Platinum Asset Management Limited for the half-year ended 31 December 2022, I declare to the best of my knowledge and belief, there have been:

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

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

A handwritten signature in black ink that reads 'Ernst &amp; Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Rita Da Silva'.

Rita Da Silva  
Partner  
22 February 2023

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## GENERAL INFORMATION

The financial statements cover Platinum Asset Management Limited (the "Company") as a consolidated entity (the "Group") consisting of Platinum Asset Management Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2022. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 22 February 2023.

The Directors have the power to amend and re-issue the interim financial report.

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, the report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by Platinum Asset Management Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

# Consolidated statement of profit or loss and other comprehensive income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	NOTE	CONSOLIDATED HALF-YEAR ENDED	
		31 DEC 2022 \$'000	31 DEC 2021 \$'000
<b>Revenue</b>			
Management fees		99,258	131,091
Performance fees		2	2,516
<b>Total revenue</b>		<b>99,260</b>	<b>133,607</b>
<b>Other income</b>			
Interest		1,705	168
Distributions and dividends		1,298	2,253
Share of profit/(loss) of associates	4	(1,474)	(5,584)
Gains/(losses) on financial asset at fair value through profit or loss		1,376	(1,785)
Foreign exchange gains/(losses) on overseas bank accounts		93	37
<b>Total revenue and other income</b>		<b>102,258</b>	<b>128,696</b>
<b>Expenses</b>			
Employee expenses			
• Salaries and employee-related expenses		25,072	20,136
• Share-based payments		7,581	6,383
Custody and unit registry		3,167	5,014
Business development		3,815	3,706
Technology, research and data		3,042	2,607
Legal, compliance and other professional		2,090	2,200
Depreciation of right-of-use assets		970	967
Depreciation of fixed assets		386	483
Mail house, periodic reporting and share registry		501	539
Insurance		1,284	957
Rent and other occupancy		144	139
Finance costs on lease liabilities		59	83
Other		94	22
<b>Total expenses</b>		<b>48,205</b>	<b>43,236</b>
<b>Profit before income tax expense</b>		<b>54,053</b>	<b>85,460</b>
Income tax expense		16,495	25,492
<b>Profit after income tax expense</b>		<b>37,558</b>	<b>59,968</b>

# Consolidated statement of profit or loss and other comprehensive income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	NOTE	CONSOLIDATED HALF-YEAR ENDED	
		31 DEC 2022 \$'000	31 DEC 2021 \$'000
<b>Other comprehensive income</b>			
Exchange rate translation impact of foreign subsidiaries and associates		(407)	2,484
Other comprehensive income for the half-year, net of tax		(407)	2,484
<b>Total comprehensive income for the half-year</b>		<b>37,151</b>	<b>62,452</b>
		<b>CENTS</b>	<b>CENTS</b>
Basic earnings per share	3	6.55	10.36
Diluted earnings per share	3	6.43	10.26

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

# Consolidated statement of financial position

AS AT 31 DECEMBER 2022

Assets	NOTE	CONSOLIDATED	
		31 DEC 2022 \$'000	30 JUN 2022 \$'000
<b>Current assets</b>			
Cash and cash equivalents		135,755	87,449
Term deposits		49,876	89,876
Trade and other receivables		23,425	29,771
<b>Total current assets</b>		<b>209,056</b>	<b>207,096</b>
<b>Non-current assets</b>			
Equity investments in associates	4	89,811	92,394
Financial assets at fair value through profit or loss	8	53,542	43,315
Fixed assets		1,878	2,103
Right-of-use assets		3,881	4,851
Net deferred tax assets		1,735	-
<b>Total non-current assets</b>		<b>150,847</b>	<b>142,663</b>
<b>Total assets</b>		<b>359,903</b>	<b>349,759</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		14,990	6,090
Employee benefits		4,653	4,160
Lease liabilities		2,071	2,005
Income tax payable		5,264	3,901
<b>Total current liabilities</b>		<b>26,978</b>	<b>16,156</b>
<b>Non-current liabilities</b>			
Provisions		1,530	1,481
Employee benefits		1,047	846
Lease liabilities		2,208	3,249
Net deferred tax liabilities		-	4,473
<b>Total non-current liabilities</b>		<b>4,785</b>	<b>10,049</b>
<b>Total liabilities</b>		<b>31,763</b>	<b>26,205</b>
<b>Net assets</b>		<b>328,140</b>	<b>323,554</b>
<b>Equity</b>			
Issued capital	6	711,278	706,595
Reserves		(557,633)	(560,123)
Retained profits	7	174,495	177,082
<b>Total equity</b>		<b>328,140</b>	<b>323,554</b>

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

# Consolidated statement of changes in equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	ISSUED CAPITAL \$'000	RESERVES \$'000	RETAINED PROFITS \$'000	TOTAL EQUITY \$'000
<b>Consolidated</b>				
Balance at 1 July 2022	706,595	(560,123)	177,082	323,554
Profit after income tax expense for the half-year	-	-	37,558	37,558
<i>Other comprehensive income</i>				
Exchange rate translation impact of foreign subsidiaries and associates	-	(407)	-	(407)
Total comprehensive income for the half-year	-	(407)	37,558	37,151
<i>Transactions with owners in their capacity as owners:</i>				
Treasury shares transferred (net)	4,683	-	-	4,683
Share-based payments reserve	-	2,897	-	2,897
Dividends paid	-	-	(40,145)	(40,145)
<b>Balance at 31 December 2022</b>	<b>711,278</b>	<b>(557,633)</b>	<b>174,495</b>	<b>328,140</b>

	ISSUED CAPITAL \$'000	RESERVES \$'000	RETAINED PROFITS \$'000	TOTAL EQUITY \$'000
<b>Consolidated</b>				
Balance at 1 July 2021	714,893	(575,834)	202,965	342,024
Profit after income tax expense for the half-year	-	-	59,968	59,968
<i>Other comprehensive income</i>				
Exchange rate translation impact of foreign subsidiaries and associates	-	2,484	-	2,484
Total comprehensive income for the half-year	-	2,484	59,968	62,452
<i>Transactions with owners in their capacity as owners:</i>				
Treasury shares transferred (net)	2,551	-	-	2,551
Share-based payments reserve	-	3,832	-	3,832
Dividends paid	-	-	(69,455)	(69,455)
<b>Balance at 31 December 2021</b>	<b>717,444</b>	<b>(569,518)</b>	<b>193,478</b>	<b>341,404</b>

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

# Consolidated statement of cash flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	CONSOLIDATED	
	31 DEC 2022	31 DEC 2021
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Receipts from operating activities	105,047	128,609
Payments for operating activities	(27,763)	(29,395)
Finance costs paid	(59)	(83)
Income taxes paid	(22,497)	(32,944)
<b>Net cash from operating activities</b>	<b>54,728</b>	<b>66,187</b>
<b>Cash flows from investing activities</b>		
Interest received	1,448	174
Proceeds on maturity of term deposits	59,876	49,876
Purchase of term deposits	(19,876)	(49,876)
Payments for purchases of fixed assets	(160)	(129)
Receipts from sale of financial assets	9,387	8,898
Payments of purchases of financial assets	(17,385)	(10,311)
Proceeds from sale of investments in associates	38,279	2,498
Payments of purchased of investments in associates	(38,279)	-
Dividends and distribution received	1,316	2,253
<b>Net cash provided by investing activities</b>	<b>34,606</b>	<b>3,383</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(40,145)	(69,455)
Payment of lease liability principal	(976)	(1,057)
<b>Net cash used in financing activities</b>	<b>(41,121)</b>	<b>(70,512)</b>
Net movement in cash and cash equivalents	48,213	(942)
Cash and cash equivalents at the beginning of the half-year	87,449	143,277
Effects of exchange rate changes on cash and cash equivalents	93	39
<b>Cash and cash equivalents at the end of the half-year</b>	<b>135,755</b>	<b>142,374</b>

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

## NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for for-profit entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

There are no standards that are not yet effective that are expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

### **Accounting standards adopted during the half-year**

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

**NOTE 2. SEGMENT INFORMATION**

The Group is organised into two main operating segments being:

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

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

	31 DECEMBER 2022			31 DECEMBER 2021		
	FUNDS MANAGEMENT \$'000	INVESTMENTS AND OTHER \$'000	TOTAL \$'000	FUNDS MANAGEMENT \$'000	INVESTMENTS AND OTHER \$'000	TOTAL \$'000
<b>Revenue and other income</b>						
Management and performance fees	99,260	-	99,260	133,607	-	133,607
Interest	936	769	1,705	30	138	168
Net gains/(losses) on financial assets and equity in associates	-	(98)	(98)	-	(7,369)	(7,369)
Distributions and dividends	-	1,298	1,298	-	2,253	2,253
Foreign exchange gains/(losses) on overseas bank accounts	-	93	93	-	37	37
<b>Total revenue and other income/(loss)</b>	<b>100,196</b>	<b>2,062</b>	<b>102,258</b>	<b>133,637</b>	<b>(4,941)</b>	<b>128,696</b>
Expenses	47,918	287	48,205	42,998	238	43,236
<b>Profit/(loss) before income tax expense/(benefit)</b>	<b>52,278</b>	<b>1,775</b>	<b>54,053</b>	<b>90,639</b>	<b>(5,179)</b>	<b>85,460</b>
Income tax expense/(benefit)	15,963	532	16,495	27,046	(1,554)	25,492
<b>Profit/(loss) after income tax expense/(benefit)</b>	<b>36,315</b>	<b>1,243</b>	<b>37,558</b>	<b>63,593</b>	<b>(3,625)</b>	<b>59,968</b>
Other comprehensive income/(loss)	2	(409)	(407)	4	2,480	2,484
<b>Total comprehensive income/(loss)</b>	<b>36,317</b>	<b>834</b>	<b>37,151</b>	<b>63,597</b>	<b>(1,145)</b>	<b>62,452</b>
<b>Total assets</b>	<b>109,988</b>	<b>249,915</b>	<b>359,903</b>	<b>132,969</b>	<b>246,867</b>	<b>379,836</b>
<b>Total liabilities</b>	<b>31,763</b>	<b>-</b>	<b>31,763</b>	<b>31,689</b>	<b>6,743</b>	<b>38,432</b>
<b>Net assets</b>	<b>78,225</b>	<b>249,915</b>	<b>328,140</b>	<b>101,280</b>	<b>240,124</b>	<b>341,404</b>

**NOTE 3. EARNINGS PER SHARE**

	CONSOLIDATED HALF-YEAR ENDED	
	31 DEC 2022 \$'000	31 DEC 2021 \$'000
Profit after income tax attributable to the owners of Platinum Asset Management Limited	37,558	59,968
	NUMBER	NUMBER
Weighted average number of ordinary shares used in calculating basic earnings per share	573,448,746	578,872,023
Adjustment for deferred rights	10,725,051	5,532,277
Weighted average number of ordinary shares used in calculating diluted earnings per share	584,173,797	584,404,300
	CENTS	CENTS
Basic earnings per share	6.55	10.36
Diluted earnings per share	6.43	10.26

**NOTE 4. EQUITY INVESTMENTS IN ASSOCIATES**

The Group's investments in PAI and PWP represent interests in associates which are accounted for using the equity method of accounting. Information relating to this is shown below:

**(a) Interests in associates**

ENTITY	COUNTRY OF INCORPORATION	EQUITY INTEREST %		FAIR VALUE \$'000		CARRYING AMOUNT \$'000		REASON FOR ASSESSMENT OF SIGNIFICANT INFLUENCE
		31 DEC 2022	30 JUN 2022	31 DEC 2022	30 JUN 2022	31 DEC 2022	30 JUN 2022	
PAI	Australia	8.1	8.2	25,350	25,800	31,029	32,246	Ownership interest was 8.1% at 31 December 2022; PIML acts as Investment Manager (IM) in accordance with the Investment Management Agreement; PIML provides performance and exposure reports to the PAI Board.
PWP	Ireland	15.9	16.0	58,782	60,148	58,782	60,148	Ownership interest was 15.9% at 31 December 2022; PIML acts as IM in accordance with the Investment Management Agreement; the Group provides performance and exposure reports to the PWP Board and Stephen Menzies is a Director of PWP and a Director of the Company.
				<b>84,132</b>	<b>85,948</b>	<b>89,811</b>	<b>92,394</b>	

The fair value of PAI reflects the 30 million shares held multiplied by the PAI closing share price at 31 December 2022 of \$0.845 (30 June 2022: \$0.86).

The fair value of PWP is approximated by the shares held in the sub-funds multiplied by their respective closing share prices at 31 December 2022.

The carrying value reflects the Group's share of each associate's net assets, including assessment of any impairment.

**NOTE 4. EQUITY INVESTMENTS IN ASSOCIATES (CONTINUED)****(b) Associates' statement of financial position**

31 DECEMBER 2022	TOTAL ASSETS <sup>^</sup> \$'000	TOTAL LIABILITIES* \$'000	NET ASSETS \$'000
Associates financial position			
PAI	383,022	1,385	381,637
PWP	371,438	2,299	369,139
<b>Total associates' statement of financial position</b>			<b>750,776</b>
Group's share of associate			
PAI	31,140	111	31,029
PWP	59,036	254	58,782
<b>Total Group's share of associate</b>			<b>89,811</b>
30 JUNE 2022	TOTAL ASSETS <sup>^</sup> \$'000	TOTAL LIABILITIES* \$'000	NET ASSETS \$'000
Associates financial position			
PAI	397,163	1,522	395,641
PWP	377,439	2,162	375,277
<b>Total associates' statement of financial position</b>			<b>770,918</b>
Group's share of associate			
PAI	32,369	124	32,245
PWP	60,644	495	60,149
<b>Total Group's share of associate</b>			<b>92,394</b>

<sup>^</sup> Associates total assets include non-current assets of \$7,453,000 (30 June 2022: \$0).

\* Associates total liabilities include non-current liabilities of \$0 (30 June 2022: \$0).

**(c) Carrying amount of investment using the equity method**

	31 DEC 2022 \$'000	30 JUN 2022 \$'000
Opening balance	92,394	107,622
Sale of PAXX units	-	(2,498)
Purchase of PWP units	35	-
Share of associates' profit/(loss) (see Note 4d)	(2,894)	(15,417)
Exchange rate translation impact	1,038	5,268
Dividends paid and dilution of unitholding (see Note 4d)	(762)	(2,581)
<b>Closing balance (see Note 4a)</b>	<b>89,811</b>	<b>92,394</b>

**NOTE 4. EQUITY INVESTMENTS IN ASSOCIATES (CONTINUED)****(d) Associate's net income**

31 DECEMBER 2022	PAI \$'000	PWP \$'000	PAXX* \$'000	TOTAL \$'000
<b>Associates' net income</b>				
Total investment income/(loss)	(3,929)	536	-	(3,393)
Total expenses	(3,149)	(2,955)	-	(6,104)
Profit/(loss) before tax	(7,078)	(2,419)	-	(9,497)
Income tax benefit	1,479	-	-	1,479
<b>Total profit/(loss) after tax</b>	<b>(5,599)</b>	<b>(2,419)</b>	<b>-</b>	<b>(8,018)</b>
<b>Group's share of associate</b>				
Total investment income/(loss)	(320)	(1,857)	-	(2,177)
Total expenses	(255)	(582)	-	(837)
Profit/(loss) before tax	(575)	(2,439)	-	(3,014)
Income tax benefit	120	-	-	120
<b>Total profit/(loss) after tax</b>	<b>(455)</b>	<b>(2,439)</b>	<b>-</b>	<b>(2,894)</b>
Dividend received and dilution of unitholding	(762)	-	-	(762)
Transfer from foreign currency translation reserve	-	2,182	-	2,182
<b>Undistributed profit/(loss) in the period</b>	<b>(1,217)</b>	<b>(257)</b>	<b>-</b>	<b>(1,474)</b>
* PAXX's net income disclosed only for 31 December 2021 when PAXX was an associate.				
31 DECEMBER 2021	PAI \$'000	PWP \$'000	PAXX \$'000	TOTAL \$'000
<b>Associates' net income</b>				
Total investment income	(30,132)	(228,007)	(17,241)	(275,380)
Total expenses	(3,289)	(2,523)	-	(5,812)
Profit/(loss) before tax	(33,421)	(230,530)	(17,241)	(281,192)
Income tax expense	10,026	-	-	10,026
<b>Total profit/(loss) after tax</b>	<b>(23,395)</b>	<b>(230,530)</b>	<b>(17,241)</b>	<b>(271,166)</b>
<b>Group's share of associate</b>				
Total investment income	(2,462)	(1,338)	(107)	(3,907)
Total expenses	(269)	(413)	-	(682)
Profit/(loss) before tax	(2,731)	(1,751)	(107)	(4,589)
Income tax expense	815	-	-	815
<b>Total profit/(loss) after tax</b>	<b>(1,916)</b>	<b>(1,751)</b>	<b>(107)</b>	<b>(3,774)</b>
Dividend received and dilution of unitholding	(1,811)	-	1	(1,810)
<b>Undistributed profit/(loss) in the period</b>	<b>(3,727)</b>	<b>(1,751)</b>	<b>(106)</b>	<b>(5,584)</b>

**NOTE 5. EQUITY – DIVIDENDS****Dividends paid**

Dividends paid during the half-year were as follows:

	31 DEC 2022 \$'000	31 DEC 2021 \$'000
Final dividend paid for the 2022 financial year (7 cents per share)	40,145	-
Final dividend paid for the 2021 financial year (12 cents per share)	-	69,455
	40,145	69,455

The Directors have determined to pay an ordinary fully-franked dividend of 7 cents per share on 17 March 2023 (31 December 2021: ordinary dividend of 10 cents per share) payable out of profits for the 6 months ended 31 December 2022. This dividend has not been provided for at 31 December 2022, as it was declared after period-end.

**NOTE 6. EQUITY – ISSUED CAPITAL**

	31 DEC 2022 SHARES	30 JUN 2022 SHARES	31 DEC 2022 \$'000	30 JUN 2022 \$'000
Ordinary shares – fully paid (a)	586,678,900	586,678,900	751,355	751,355
Treasury shares (b)	(12,408,779)	(13,858,865)	(40,077)	(44,760)
<b>Total issued capital</b>	<b>574,270,121</b>	<b>572,820,035</b>	<b>711,278</b>	<b>706,595</b>

(a) *Ordinary shares*: entitles shareholders to participate in dividends as declared and in the event of winding up of the Company, to participate in the proceeds in proportion to the number of and amounts paid on the ordinary shares held. Ordinary shares entitle the shareholder to one vote per share, either in person or by proxy, at a meeting of the Company's shareholders. All ordinary shares issued have no par value. On 13 September 2016, the Company announced an on-market share buy-back program, in which shares will be bought-back if the Company's shares trade at a significant discount to its underlying value. No shares have been bought-back.

(b) *Treasury shares*: are shares that have been purchased by the Employee Share Trust, pursuant to the Deferred Remuneration Plan. Treasury shares are held by the Employee Share Trust for future allocation to employees. Treasury shares decrease when employees receive shares after exercising vested share-based payment arrangements.

**NOTE 7. EQUITY – RETAINED PROFITS**

	HALF-YEAR ENDED 31 DEC 2022 \$'000	YEAR ENDED 30 JUN 2022 \$'000
Retained profits at the beginning of the period	177,082	202,965
Profit after income tax expense attributable to owners of the Company	37,558	101,493
Dividends paid	(40,145)	(127,376)
Retained profits at the end of the period	174,495	177,082

**NOTE 8. FAIR VALUE MEASUREMENT****Fair value hierarchy**

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

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

The investments in PAI and PWP have not been measured at fair value because they have been classified as equity investments in associates. If these were to be measured at fair value, PWP would be classified as level 2 whilst PAI would be classified as level 1.

The following table analyses within the fair value hierarchy model, the consolidated entity's assets and liabilities, measured or disclosed at fair value, using the three-level hierarchy model at 31 December 2022 and 30 June 2022.

<b>31 DECEMBER 2022</b>	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>	<b>TOTAL</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>				
Equity securities held by wholly owned seed funds	47,501	868	-	48,369
Unlisted shares & convertible note	-	-	5,000	5,000
Platinum Trust Fund investments	-	173	-	173
	<b>47,501</b>	<b>1,041</b>	<b>5,000</b>	<b>53,542</b>
<b>30 JUNE 2022</b>				
	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>	<b>TOTAL</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>				
Equity securities held by wholly owned seed funds	38,034	117	-	38,151
Unlisted shares & convertible note	-	-	5,000	5,000
Platinum Trust Fund investments	-	164	-	164
	<b>38,034</b>	<b>281</b>	<b>5,000</b>	<b>43,315</b>

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

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

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

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

Level 3 financial assets consist of:

- Investment in unlisted equity investment. The investment is initially recognised at fair value, being the consideration given. After initial recognition, the shareholding continues to be measured at fair value based on the recent transaction price between independent parties.
- A convertible note carried at fair value. The best estimate of fair value at 30 June 2022 was determined to be \$4,000,000 using the market approach and approximated by the recent transaction price.

## NOTE 8. FAIR VALUE MEASUREMENT (CONTINUED)

### Valuation techniques used to classify assets as level 3 (continued)

These assets are valued in accordance with a valuation policy established by PIML as the investment manager. Level 3 assets were 1.5% of net assets at 31 December 2022 (30 June 2022: 1.5%). Further details related to the level 3 securities are not disclosed, as the amounts are not material to the Group.

## NOTE 9. CONTINGENT ASSETS, LIABILITIES AND COMMITMENTS

The Group has no commitments for significant capital expenditure. No contingent assets or liabilities exist at 31 December 2022 and 30 June 2022.

## NOTE 10. EVENTS AFTER THE REPORTING PERIOD

Apart from the dividend declared on 22 February 2023, as disclosed in Note 5, no other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134: *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



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Guy Strapp  
Chairperson

22 February 2023  
Sydney



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Andrew Clifford  
Director



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## **Independent Auditor's Review Report to the Members of Platinum Asset Management Limited**

### **Report on the Half-Year Financial Report**

#### **Conclusion**

We have reviewed the accompanying half-year financial report of Platinum Asset Management Limited ("the Company") and its controlled entities (collectively "the Group"), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### **Basis for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### **Directors' Responsibilities for the Half-Year Financial Report**

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

#### **Auditor's Responsibilities for the Review of the Half-Year Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's consolidated financial position as at 31 December 2022 and its consolidated performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'Ernst &amp; Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'Rita Da Silva' in a cursive style.

Rita Da Silva  
Partner  
Sydney  
22 February 2023