Platinum
ASSET MANAGEMENT

ANNUAL REPORT 2023

Platinum Asset Management Limited
ABN 13 050 064 287

Directors

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

Company Secretary

Joanne Jefferies

Shareholder Liaison

Elizabeth Norman

Registered Office

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Share Registrar

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Auditor and Taxation Advisor

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

Securities Exchange Listing

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

Website

www.platinum.com.au/About-Platinum/PTM-Shareholders

Corporate Governance Statement

The Corporate Governance Statement can be viewed at www.platinum.com.au/PlatinumSite/media/About/ptm_corp_gov.pdf

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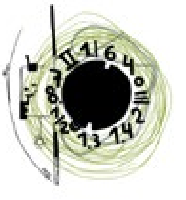


CHAIR'S REPORT 2023

> Markets were presented with an array of challenges over the financial year, including the dampening effect of rapidly rising interest rates, several bank failures and weakness in the Chinese economy. Against this backdrop, the Platinum International Fund (C Class) ("PIF") returned 13.9% for the year ended 30 June 2023, a solid return in an absolute sense.[1]

While the market[2] delivered a stronger outcome, this was largely due to the nuances of index composition, specifically a surge in mega-cap US technology stocks perceived to be beneficiaries of an anticipated boom in artificial intelligence (AI) technologies.

Platinum prides itself on "thinking differently" and our flagship international portfolio is quite unique compared to other offerings in the marketplace. The contrast is even starker when one sees how similar many other investment managers' portfolios are. Platinum also seeks to actively reduce downside risk during periods of market volatility by taking short positions and managing the portfolio's net invested position, which can sometimes act as a drag on relative investment performance. Given the challenging market conditions, Platinum has been deploying these tools with PIF's average net invested position at 68% for the last twelve months.

When one critically analyses the investment team, the performance engine is working, with PIF's return reflective of our "true to label" investment style. That said, the alternative for many investors is some form of passive investment, with these passive options skewed towards the largest companies in the market, and, for the time being, big is best. However, this has not always been the case over the long history of markets. So, while it might be tempting to crowd into the current market favourites, such as Apple, Amazon and Microsoft, we feel it is highly improbable that this trend will continue infinitely.

So, whilst we have delivered strong absolute investment returns over the period, in order to grow funds under management (FUM), and hence profits and shareholder returns, our performance outcomes need to be attractive to particular segments and for a large number of these, it's still relative performance that matters.

I want to take this opportunity to remind shareholders of Platinum's long-term business strategy. In summary, Platinum's strategy is to maintain a strong team and culture, deliver good investment returns over the long term, grow FUM both domestically and by building offshore distribution capability, and ensure we have efficient and scalable infrastructure. The Platinum team continues to make good progress in delivering many aspects of the strategic plan.

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

2 MSCI AC World Net Index (A$). Source: FactSet Research Systems.

Funds Under Management ("FUM")

FUM as of 30 June 2023 was $17.3 billion, a decrease of 4.9% from the 30 June 2022 closing FUM of $18.2 billion. Average FUM for the year decreased by 15.4% to $18.1 billion from an average FUM of $21.4 billion for the previous year.

The change in FUM was driven by investment performance of $2.0 billion, net fund outflows of $2.4 billion and the net distribution paid to investors of $0.4 billion. Most of Platinum's investment strategies delivered absolute returns above 12% for the year ended 30 June 2023.[3] The strongest-performing funds were the Platinum Global Fund (Long Only), Platinum European Fund and Platinum Global Fund, which all delivered returns above 20% for the year ended 30 June 2023.

The Platinum Asia Fund (C Class) ("PAF") returned 2.1% over the year, which matches the MSCI AC Asia ex Japan Net Index (A$) return over the same period. PAF's returns continued to exceed the MSCI AC Asia ex Japan Net Index (A$) over 3-year, 5-year and 10-year periods to 30 June 2023 on an annualised basis.[4]

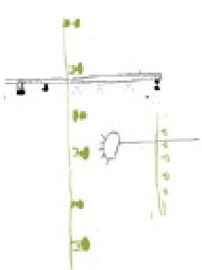
Operating Performance

Profit before tax decreased by 20.4% to $116.8 million for the year ended 30 June 2023 (2022: $146.7 million). Basic earnings per share for the 2023 financial year were down 3.4 cents to 14.1 cents per share (2022: 17.5 cents). The main drivers of the decrease in profit and earnings per share were a decrease in fee revenues and an increase in employee expenses, which were partially offset by improved returns from seed investments.

Total fee revenue decreased by 19.8% to $202.7 million for the year ended 30 June 2023 (2022: $252.7 million). Management fees decreased by 18.1%, due primarily to the 15.4% decline in average FUM. In addition, performance fees decreased to $1.2 million (2022: $6.7 million).

Seed investments, including the share of associates' profits and losses, contributed a profit before tax for the year of $6.3 million (2022: loss before tax of $24.1 million). The gain on seed investments included strong returns on Platinum's global, health sciences and Japan strategies.

Underlying profit after tax, which excludes gains and losses on seed investments (net of tax), was down 35.3% to $76.5 million (2022: $118.2 million).



3 See footnote 1.

4 See footnote 1.

CHAIR'S REPORT 2023
CONTINUED

Costs

Total employee expenses (including share-based payment expenses) increased by $16.6 million on the prior financial year. The increase in employee expenses primarily reflects an increase in short-term cash variable compensation costs arising as a result of strong weighted average relative investment performance for the one and three years ended 31 March 2023. In addition, share-based payment expenses increased by $1.0 million primarily due to additional deferred equity granted to employees during the year.

Other (non-employee) costs decreased by $2.1 million on the prior year due to cost savings achieved in custody and insurance. These cost savings were partly offset by an increase in travel costs due to a return to more normal levels of travel activity.

Total expenses for the financial year increased by $14.5 million to $100.6 million.

Dividends

The Directors have determined to pay a 2023 final fully franked ordinary dividend of 7 cents per share. This will be paid on 15 September 2023.

A 2023 interim fully franked ordinary dividend of 7 cents per share was paid during the year. The full-year dividend of 14 cents represents a dividend yield of 8.0% based on the 30 June 2023 closing share price.

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

Business Development

Throughout the year, two new products were launched: the Platinum World Portfolios - Health Sciences Fund in October 2022 and the Platinum Global Transition Fund (Quoted Managed Hedge Fund) in February 2023. The former provides foreign investors access to Platinum's existing Health Care strategy. The latter is a new strategy that provides Australian and New Zealand investors with an opportunity to invest in global companies that are seeking to financially benefit from the carbon transition. The energy transition is a structural area of change that will span many decades and, we believe, will provide very attractive investment opportunities across a variety of industries. The fund is structured to provide two concurrent ways of transacting for investors: the ease of an exchange-traded format via the ASX or an unlisted format via the unit registry.

We continued to develop a variety of high-quality business development activities for investors and advisers, namely: a return to physical events for our annual client roadshow; improved content through subject matter, channel and distribution; new advertising campaigns; and on-target progress for the launch of our new website.

With the continued growth of separately managed accounts (SMAs), we have taken steps to provide greater access to this advised segment of the market through the introduction of a new wholesale fee rate (subject to thresholds).

Environmental, Social and Governance ("ESG")

We continue to progress our approach to ESG and investing. Developments during 2023 included becoming a participant in the UN Global Compact Network Australia and hiring a new Head of Stewardship. The Head of Stewardship works closely with the investment team to strengthen our approach to environmental, social and corporate governance considerations in our stock valuations and our engagement with companies on these issues.

For further information on Platinum's approach to ESG, please read Platinum's Corporate Responsibility and Sustainability Report available on our website www.platinum.com.au/esg.

Annual General Meeting ("AGM")

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

Remuneration

Included in the remuneration report on page 34 of the Company's 2023 annual report is a letter from the Chair of the Nomination and Remuneration Committee (NRC). I encourage all shareholders to read the letter, which outlines the Company's remuneration framework for executive key management personnel including the link between Company performance and variable remuneration outcomes.

Board Succession

The NRC continued its work in relation to Board succession, with Kerr Neilson, Platinum's founder, retiring as a Non-Executive Director of the Company at the close of the November 2022 AGM, the final stage of a long-planned leadership transition. Philip Moffitt was elected to the Board by shareholders at the November 2022 AGM (having been appointed to the Board prior to Kerr's retirement) in recognition of the importance of maintaining strong asset management capability on the Board.

Finally

Andrew Clifford will step aside from his role as Managing Director/Chief Executive Officer, whilst maintaining the role of Co-Chief Investment Officer. The Board acknowledges Andrew's enormous contribution in the role of Chief Executive Officer of the Platinum Group. In his capacity as Co-Chief Investment Officer and co-portfolio manager of the global and Asia strategies, Andrew's extensive investment and portfolio management experience will continue to play an integral part in delivering strong absolute returns for our clients. The Board will commence the search for the CEO role.

Guy Strapp
Chair
23 August 2023

YEAR IN REVIEW
FOR YEAR ENDED 30 JUNE 2023

Net profit after tax
(down 20%)
$81m

Final dividend of
(8.0% annualised yield*)
7cps
fully franked

Total revenue and
other income down
-7%

Total
expenses up
17%

Profit before tax on
seed investments
$6.3m

Average FUM down
-15% on June 2022
$18.1b

* Using 30 June 2023 closing share price of $1.74 and including 2023 interim dividend of 7 cps.

Investment performance of the Platinum Trust Funds to 30 June 2023

	1 year p.a.	5 year compound p.a.	10 year compound p.a.
International Fund	13.9%	5.5%	9.1%
Global Fund (Long Only)	22.9%	4.9%	10.1%
Asia Fund	2.1%	4.9%	9.2%
European Fund	20.7%	4.0%	8.8%
Japan Fund	18.3%	4.9%	10.5%
International Brands Fund	12.3%	5.3%	9.2%
International Health Care Fund	15.0%	6.7%	11.8%
International Technology Fund	16.5%	9.3%	11.7%

Source: Platinum Investment Management Limited.

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

MANAGING DIRECTOR'S LETTER 2023

> Global equity markets performed strongly over the financial year. Initially, markets were subdued as they absorbed the impact of central bank efforts to control inflation through higher interest rates. However, once it became clear that inflationary pressures had likely peaked, investors' enthusiasm for equities returned.

The emergence of artificial intelligence (AI) tools such as ChatGPT, together with bullish statements from NVIDIA, whose semiconductors are used in developing AI models, created a frenzy among investors searching for AI opportunities as well as a return to many of the favourite high-growth stocks that drove the market to its highs in 2021.

It is interesting that many investors are so readily prepared to return to the same investment approach of chasing the highly valued growth stocks that caused significant damage to their portfolios in 2021-22. As is so often the case, the words change to fit the music, with the prevalent fears of a recession that were present in mid-2022 changing to a soft landing for the US economy at worst.

Many commentators are labelling the current rally in equity markets as the beginning of the next bull market. However, we remain extremely cautious on markets. In past economic cycles, it has taken 18 months or more for the impact of higher interest rates to flow through to the economy and company earnings, and it's only been 15 months since the first interest rate increase in the US. The availability of credit remains tight on numerous measures, and money supply growth remains negative. Certainly, the US economy remains robust overall for the moment. However, the problem with relying on economic data is that by the time a slowdown is apparent, markets will have already fallen.

The Japanese market performed strongly over the course of the financial year. A decade of reform in corporate governance in Japan has finally started to show concrete results, with numerous examples of minority shareholders changing boards and successfully pressuring companies to buy back stock and increase dividends. Many Japanese companies have hoarded excess cash and securities, and there is significant value to be realised for investors if this trend continues. News that Warren Buffett's Berkshire Hathaway had added to its investments in the Japanese trading houses further buoyed the market.

China was the weak spot in global markets, with consumer and business confidence failing to fully recover post the pandemic lockdowns of 2022. While the government continues to implement stimulatory measures, they remain measured, with their reticence likely driven by a desire not to repeat the mistake of 2008-09 when government stimulus resulted in rapid growth in debt and an overbuild of capacity in a wide range of industries. The government's restrained approach means that it still has the opportunity to act if the economy doesn't naturally build momentum in the year ahead. Despite the dull performance of the overall economy, underneath the surface, the country's private sector has continued to build leading positions in a range of industries at the centre of the global energy transition. These encompass electric vehicles (EVs), including battery technology and battery materials, solar panels and the supporting supply chain, and wind turbines.[1] The country is also the largest market for these industries, reflecting the pace of investment in decarbonising the global economy.

1 Source: International Energy Agency, Bloomberg.

MANAGING DIRECTOR'S LETTER 2023
CONTINUED

Our Platinum Trust Funds produced strong absolute returns for the year, with the exception of the Asia Fund. Our flagship International Fund produced a return of 7.7% since the peak in global equity markets at the end of 2021, 6.1% ahead of the index.[1] While the Asia Fund's performance has been held back by the weakness in the Chinese market, it has outperformed the index[2] across 1-year, 5-year and 10-year periods.

Funds Under Management – Retention and Growth

Funds Under Management ($ million, to 30 June 2023)

FUNDS	OPENING BALANCE (1 JULY 2022)	FLOWS	INVESTMENT PERFORMANCE	DISTRIBUTION AND OTHER	CLOSING BALANCE (30 JUNE 2023)	% OF TOTAL
Retail offerings						
Platinum Trust Funds (excluding funds fed from PIXX and PAXX) and Platinum Global Fund (mFund)	10,858	(1,184)	1,241	(385)	10,530	61%
Quoted Managed Hedge Funds PIXX, PAXX and PGTX	414	–	43	(20)	437	2%
Listed Investment Companies PMC and PAI	821	–	59	(44)	836	5%
MLC Platinum Global Fund	573	(57)	114	–	630	4%
Institutional mandates						
Management Fee Mandates	1,894	(432)	232	–	1,694	10%
UCITS Platinum World Portfolios	376	(240)	19	–	155	1%
Cayman Funds	34	–	2	–	36	0%
"Absolute" Performance Fee Mandates	287	(63)	37	–	261	1%
"Relative" Performance Fee Mandates	2,957	(419)	215	(5)	2,748	16%
TOTAL	**18,214**	**(2,395)**	**1,962**	**(454)**	**17,327**	**100%**

Source: Platinum Investment Management Limited.

The 'Distribution and Other' figure is comprised of the distribution from the Platinum Trust Funds/PGF/PIXX/PAXX/PGTX (as applicable). The balance also includes dividend and tax payments made by the Listed Investment Companies = Platinum Capital Limited (ASX code: PMC) and Platinum Asia Investments Limited (ASX code: PAI). **Past performance is not a reliable indicator of future returns.**

1 Fund returns are calculated from 31 December 2021 to 30 June 2023 using the relevant fund's NAV unit price for C Class and represent the combined income and capital returns over the specified period. Fund returns are net of accrued fees and costs, pre-tax, and assume the reinvestment of distributions. The Index reference is the MSCI All Country World Net Index (A$). **Past performance is not a reliable indicator of future performance.**

2 MSCI All Country Asia ex Japan Net Index (A$).

The strong absolute returns for the year to 30 June across the majority of our funds translated to an almost $2 billion addition to the company's total funds under management. However, this has not translated to an improvement in fund flows. There are a number of factors behind this. While the absolute and relative performance of our flagship international strategy has improved, it has not been significant enough to attract attention in a very crowded marketplace. Our Asia strategy has produced good relative outcomes, however, the absolute returns, while positive, have remained low, and more broadly, investors are fearful of China and reducing their exposures. As we have discussed in past years, competition for investors' savings has become fierce, with passive strategies, ETFs and private asset opportunities crowding the marketplace. The latest competitor to re-emerge as interest rates have risen are term deposits, where returns of 4% to 5% are on offer.

As an investment-led business, we maintain our belief that the key to turning around fund flows is performance. However, we are also continuing our work to extend and broaden our client base through product development and sales efforts.

> In February 2023, we launched our first new investment strategy in 19 years, a new carbon transition strategy that focuses on the impending transition away from a currently carbon-intensive world economy. This strategy is available via a dual-access managed fund structure, which allows investors to acquire units either through a traditional managed fund application process or via units quoted on the ASX.

The strategy aims to take advantage of the wide variety of investment opportunities 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. The strategy is managed using Platinum's well-established and consistent investment approach.

We introduced a wholesale fee class to participate in the move by many advisory groups towards separately managed accounts (SMAs) for their clients. We are actively engaging with the relevant stakeholders in the industry (advisers, platforms, research houses and investment consultants) as we develop this segment of the business.

This year saw a return to our annual physical roadshow for investors and advisers, including our listed investment company, managed fund, quoted managed fund and European-based clients. We continued to provide clients with a variety of content and engagement opportunities through the production and distribution of relevant and timely investment content. This can be accessed via webinars, videos, podcasts and articles, available not only on our website but through a range of mediums, including social media, advertising and external content distributors. Attendance at industry events likewise returned, and we were active participants in several events. Work is also progressing on the development of our new website, which we expect to launch in the first quarter of 2024.

MANAGING DIRECTOR'S LETTER 2023
CONTINUED

We have also been able to return to physical visits with existing and potential clients with our offshore business in London and the AccessAlpha team in the US. We have made many marketing visits to Europe, including the October product launch of the Platinum World Portfolio - Health Sciences Fund for the UK and European markets.

> With regard to Environmental, Social and Governance (ESG), we have a core belief that if we responsibly and successfully look after our clients' money, our business should prosper. This belief has led us to maintain a deep and persistent commitment to responsible and sustainable business practices, including strong governance and environmental and social awareness. We seek to apply a pragmatic approach to both how we run our business and the expectations that we place on the companies in which we invest.

As always, our central endeavour is to generate good absolute returns for investors over the long term by investing in companies that we believe are undervalued. Analysis of ESG issues may be taken into account as part of our fundamental investment research process to the extent that such issues impact our view of a company's inherent value. Consideration of such ESG issues provides us with an expanded information set by which we assess the risks and opportunities facing companies. This year, we have continued to evolve and refine our responsible investing and stewardship processes while maintaining investment performance for our clients as our primary objective. For further information on this, I encourage you to read our 'Corporate Responsibility and Sustainability Report'.

Over 2021-22, we made a number of key changes to the investment team in roles that were at the heart of our investment approach. The new Head of Investment (HOI) role and appointment of a Co-Chief Investment Officer (CIO) have made great headway on the management of the investment team and the rigour of the day-to-day debate around investment ideas. As we have said previously, ensuring there is also a smooth succession when individuals depart is critical for maintaining performance and the confidence of clients and shareholders.

Lastly, we are progressing well with the overhaul of our investment-related middle and back office. The aim of this project, which is expected to conclude in FY25, is to enhance the capability, scalability and resilience of our operations and related technology stack. It includes the introduction of a new, cloud-native, middle-office data store with related oversight and reporting tools, together with an integration layer that enables better control over our large quantity of external data feeds. These new technologies will enable certain routine processing tasks to be outsourced, with our skilled operational teams then being able to focus more on oversight and other higher-value activities. I am delighted to report that we are already experiencing cost savings as a result of this project, thanks to bringing forward $2.1 million in service provider cost reductions into the current financial year.

Outlook

Platinum's investment philosophy has always been to find mispriced stocks and opportunities in areas that are out of favour and away from the crowd. With the continued significant divergence in stock price performance and valuations across different sectors and countries, many companies continue to trade at high valuations, while others trade at levels consistent with difficult economic and market conditions. The opportunity for us is similar to that at the start of 2022, which is to avoid (or short) the former while buying the latter.

While we would not be surprised to see a significant setback in markets as the impact of higher interest rates flows through to earnings, we are not overly focused on such predictions. We believe the best approach is not to get caught up in the short term and instead focus on likely outcomes in different sectors over the next five years and beyond.

Concluding Remarks

I have made the decision to step aside from the role of Managing Director/Chief Executive Officer, allowing me to fully concentrate on the positions of Co-Chief Investment Officer and co-portfolio manager of our global and Asia strategies. Platinum's business has developed substantially since its beginnings nearly 30 years ago, and as such, this now requires a greater focus on the strategic direction of the business. I very much look forward to continuing to provide strong absolute returns for our clients. I thank our shareholders for their support throughout my time as CEO.

I would also like to acknowledge the dedicated professionals within Platinum who I will continue to work alongside in my Co-CIO role; those that provide client service and communications, the daily processing of fund transactions, settling our purchases and sales of shares for our products, navigating the regulatory environment, maintaining and developing our IT systems, and managing our finances. All members of these teams make an enormous contribution to running our business.

Andrew Clifford
Managing Director

OUR JOURNAL

You can find a range of thought-provoking articles and videos on our website, www.platinum.com.au. For ad hoc commentary on the latest market trends and investment themes, look up *The Journal* under Insights & Tools.

If you find yourself short on time to read our in-depth reports and articles, have a listen to our audio podcasts or watch brief market updates in video format.

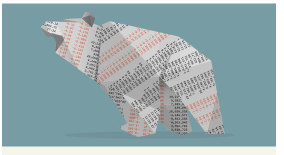
THE TIMES ARE CHANGING

The economic environment has changed significantly over the past 18 months. We have gone from an environment that was extremely favourable for stock and asset prices with easy money, low interest rates, positive attitudes to risk and strong demand to an adverse environment with higher inflation, rising interest rates and concerted efforts by central banks to curb demand.

The historic bubble in tech and growth stocks has burst, and a recession in the US is probable.

Article

By Clay Smolinski
22 June 2023



INVESTING IN A BEAR MARKET

In a fireside chat with Investment Specialist Henry Polkinghorne, CEO and Co-CIO Andrew Clifford provides a timely reminder of Platinum's investment approach as well as his thoughts on markets, performance and portfolio positioning.

Many sectors that were left behind in the bull market have extraordinary valuations, and there are many interesting investment thematics playing out.

Video

By Andrew Clifford
9 November 2022

WHY TODAY'S HEADWINDS HAVE ACCELERATED A MULTI-GENERATIONAL SHIFT

The energy transition is rapidly accelerating. Portfolio managers Jodie Bannan and Liam Farlow outline why the opportunity is too good to ignore and compelling investments they are currently seeing.

Article

By Liam Farlow &
Jodie Bannan 10 March 2023

IMPRESSIVE OPPORTUNITIES ABOUND ACROSS ASIA

The Chinese equity market has bounced strongly in recent months, and while we continue to find plenty of investment opportunities there, we are also discovering other exciting companies to invest in across the region. Portfolio managers Kirit Hira and Cameron Robertson discuss two such companies they visited during recent research trips to Vietnam and South Korea.

Video

By Cameron Robertson & Kirit Hira 21 February 2023

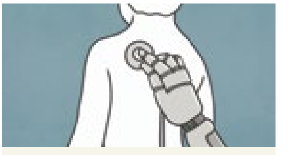
HOW JAPAN REGAINED ITS MOJO

The Japanese stock market is booming in 2023, up 21% for the year to date, outperforming all other major developed market indices.

Global investors have net-bought ¥7.2 trillion (US$50 billion) this year in a major reversal of recent trends. So, what has changed, and more importantly for investors, is this rally sustainable?

Article

By James Halse 25 July 2023



FINDING VALUE IN THE MUCH-HYPED AI SPACE

Artificial intelligence has certainly captured everyone's attention of late. While there has been a lot of hype around some of the players, there are also areas that are being overlooked, particularly in the healthcare sector.

Cameron Robertson and Dr Bianca Ogden discuss areas they have invested in and ones to watch in this exciting area.

Video

By Cameron Robertson & Dr Bianca Ogden 26 May 2023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FINANCIAL STATEMENTS 2023

PLATINUM ASSET MANAGEMENT LIMITED

General Information

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 23 August 2023. The Directors have the power to amend and reissue the financial statements.

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 10 August 2023.

Distribution of Ordinary Shares

Analysis of number of ordinary shareholders by size of holding:

	NUMBER OF HOLDERS OF ORDINARY SHARES
1 to 1,000	4,725
1,001 to 5,000	9,322
5,001 to 10,000	3,485
10,001 to 100,000	3,703
100,001 and over	179
Total	21,414
Holding less than a marketable parcel (of $500)	1,329

Ordinary Shareholders

Twenty largest ordinary shareholders

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

	ORDINARY SHARES	
	NUMBER HELD	% OF TOTAL SHARES ISSUED
K Neilson	126,037,420	21.48
HSBC Custody Nominees (Australia) Limited	65,650,468	11.19
Citicorp Nominees Pty Limited	62,176,531	10.60
J P Morgan Nominees Australia Pty Limited	48,424,717	8.25
Platinum Investment Management Limited (nominee)	29,364,201	5.01
Pacific Custodians Pty Limited (Platinum EMP Share TST A/C)	17,464,113	2.98
UBS Nominees Pty Limited	8,211,718	1.40
Jilliby Pty Limited	6,500,000	1.11
BNP Paribas Nominees Pty Limited (IB AU NOMS Retail Client DRP)	6,280,256	1.07
National Nominees Limited	6,216,964	1.06
J Clifford	5,000,000	0.85
Starbrook Enterprises Pty Limited	3,100,000	0.53
Neweconomy Com Au Nominees Pty Limited	2,968,692	0.51
BNP Paribas Nominees Pty Limited	2,834,863	0.48
Ecapital Nominees Pty Limited	2,398,359	0.41
Garrett Smythe Limited	2,152,500	0.37
Xetrov Pty Limited	1,500,000	0.26
Navigator Australia Limited	1,428,086	0.24
Ace Property Holdings Pty Limited	1,200,000	0.20
HSBC Custody Nominees (Australia) Limited – A/C 2	1,137,037	0.19
	400,045,925	68.19

Unquoted ordinary shares

There are no unquoted ordinary shares, however, the Company has share-based payment arrangements through which a total of 38,192,965 deferred and performance rights have been allocated to eligible employees of Platinum Investment Management Limited, and on vesting and exercise of these rights, an equivalent number of PTM shares will be allocated to these employees (please refer to the Remuneration Report and Note 17 for further details).

SHAREHOLDER INFORMATION
CONTINUED

Substantial Shareholders

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

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

^ Based on the last substantial shareholder notice lodged.

Distribution of Annual Report to Shareholders

The law allows for an "opt in" regime through which shareholders will receive a printed "hard copy" version of the Annual Report only if they request one. The Directors have decided to only mail out an Annual Report to those shareholders who have "opted in".

Financial Calendar

Ordinary shares trade ex-dividend	31 August 2023
Record date (books close) for dividend	1 September 2023
Dividend payment date	15 September 2023

These dates are indicative and may be changed.

Notice of Annual General Meeting

The Annual General Meeting (“AGM”) of Platinum Asset Management Limited will be held as a hybrid meeting on Wednesday, 15 November 2023. Details of how to attend the meeting will be included in the AGM Notice.

Questions for the AGM

If you would like to submit a question prior to the AGM to be addressed at the AGM, you may email your question to invest@platinum.com.au.

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereinafter as the 'consolidated entity', 'Group' or 'Platinum') consisting of Platinum Asset Management Limited (referred to hereinafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

Directors

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

Guy Strapp	Chair 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 Finance Director
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, operates a funds management business.

Operating and Financial Review

Funds Under Management ("FUM") at 30 June 2023 were $17.3 billion and this represented a decrease of 4.9% from the 30 June 2022 closing FUM of $18.2 billion. The closing FUM figure at 30 June 2023 was reduced by the annual net distribution outflow of $0.4 billion. Average FUM of $18.1 billion for the year was lower than the average FUM of $21.4 billion for the previous year. The change in closing FUM was driven by positive investment returns of $2.0 billion, net fund outflows of $2.4 billion and the 30 June 2023 net distribution.

The Group's profit before tax was $116.8 million for the year ended 30 June 2023, which is a $29.9 million decrease from the previous year. The main cause of the decrease in profit was a $44.6 million decrease in management fees due primarily to the decrease in average FUM. The Group earned performance fee revenue of $1.2 million primarily from relative performance fee mandates (2022: $6.7 million primarily from absolute performance fee mandates).

Staff costs were $16.6 million higher compared to the prior period, primarily due to higher investment team variable compensation expenses as a result of strong weighted average relative investment performance for the one and three years ended 31 March 2023, which is the reference period for investment team variable compensation.

DIRECTORS' REPORT
CONTINUED

Operating and Financial Review – continued

Share-based payment expenses increased by $1.0 million mainly due to an additional grant of performance rights under the Platinum Partners' LTIP in June 2023. These awards will only vest in the event that total shareholder return hurdles are met (refer to the Remuneration Report for details). The first quarter of the June 2022 and the second quarter of the June 2021 Platinum Partners' LTIP grants were tested against total shareholder return hurdles for the performance periods ended 30 June 2023 and did not vest (2022: The first quarter of the June 2021 grant was tested against TSR for the year to 30 June 2022 and did not vest). However, accounting rules require a share-based payments expense of $1.7 million to be recorded in the current financial year for those performance rights.

Non-staff expenses were $2.1 million lower compared with the prior year primarily due to the renegotiation of custody and insurance expenses.

Underlying profit after tax, which excludes gains and losses on seed investments (net of tax), was $76.5 million (30 June 2022: $118.2 million).

On the product development front, Platinum launched its first dual access product, the Platinum Global Transition Fund (Quoted Managed Hedge Fund) (ASX: PGTX) in February 2023.[1] This product is investing in companies that are seeking to financially benefit from the transition away from fossil fuel-derived energy and goods production and consumption i.e. the carbon transition.

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

- We offer a highly differentiated investment style and 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 Company 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.

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

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1 This information is general in nature and does not take into account the investment objectives, financial situation or needs of any person. You should read the latest product disclosure statement (PDS) and target market determination (TMD) for the fund prior to making any investment decision. The PDS and TMD are available at www.platinum.com.au/Investing-with-Us/New-Investors.

Events After the Reporting Period

On 23 August 2023 Andrew Clifford advised the Board of his intention to step aside as Managing Director/Chief Executive Officer (CEO) of Platinum. The Board will shortly commence a search process for a new CEO. Whilst this search is underway, Andrew will continue to hold the CEO role on an interim basis until his successor is appointed. Andrew Clifford will continue in the positions of Co-Chief Investment Officer and co-portfolio manager of the Global and Asia strategies.

Likely Developments

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

Dividends

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

Since the end of the financial year, the Directors have determined a 2023 final fully franked dividend of 7 cents per share ($41,067,523 including dividend paid on treasury shares), with a record date of 1 September 2023 and payable to shareholders on 15 September 2023.

A 2023 interim fully franked dividend of 7 cents per share ($41,067,523 including dividend paid on treasury shares) was paid on 17 March 2023. A 2022 final fully franked dividend of 7 cents per share ($41,067,523 including dividend paid on treasury shares) was paid on 15 September 2022.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year and up to the date of this report.

Environmental, Social & Governance ("ESG") Reporting

Shareholders are encouraged to read Platinum's Corporate Responsibility and Sustainability Report which is available at www.platinum.com.au/ESG.

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

DIRECTORS' REPORT
CONTINUED

Information on Directors

Guy Strapp BCOM, DIP AF&I, CFA
Mr Guy Strapp was appointed as an independent Non-Executive Director on 27 August 2020. He was elected Board Chair on 21 November 2020. Mr Strapp serves as a member of the Audit, Risk & Compliance Committee and Nomination & Remuneration Committee.

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

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

Stephen Menzies BECON, LLB, LLM
Mr Stephen Menzies was appointed as an independent Non-Executive Director on 11 March 2015. He serves as a member of Audit, Risk & Compliance Committee and Nomination and Remuneration Committee (Chair until 26 October 2021).

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

Mr Menzies is a Non-Executive Director of Platinum World Portfolios Plc, a director of SAIC Motor Australia Pty Ltd and is Chair of Silicon Quantum Computing Pty Limited. He was previously the Chair of the Centre for Quantum Computation & Communication Technology and served as a member of its Advisory Committee.

Anne Loveridge AM, BA (HONS), FCA (AUSTRALIA), GAICD
Ms Anne Loveridge was appointed as an Independent Non-Executive Director on 22 September 2016. She was elected Chair of the Audit, Risk & Compliance Committee and serves as a member of the Nomination & Remuneration Committee.

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

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

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

Brigitte Smith B.CHEM ENG (HONS), MBA, MALD, FAICD
Ms Brigitte Smith was appointed as an independent Non-Executive Director on 31 March 2018. She serves as a member of the Audit, Risk & Compliance Committee and became Chair of the Nomination & Remuneration Committee on 26 October 2021.

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

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

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

Philip Moffitt BECON (HONS), BLAS PSYCH (HONS), GRADDIPPSYCH, ASSOCIATE FINSIA
Mr Philip Moffitt was appointed as an independent Non-Executive Director on 17 December 2021. He serves as a member of the Audit, Risk & Compliance Committee and Nomination & Remuneration Committee.

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

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

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

Andrew Clifford BCOM (HONS)
Mr Andrew Clifford was appointed as an Executive Director on 8 May 2013. Mr Clifford is a co-founder of Platinum and was appointed Platinum's Managing Director on 1 July 2018. Mr Clifford continues to serve as the Co-Chief Investment Officer having been appointed to that role 8 May 2013.

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

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

Mr Clifford is a Non-Executive Director of the JAAM Foundation and Australian Wildlife Conservancy.

DIRECTORS' REPORT
CONTINUED

Information on Directors – continued

Elizabeth Norman BA, GRADUATE DIPLOMA IN FINANCIAL PLANNING
Ms Elizabeth Norman was appointed as an Executive Director on 8 May 2013. She is also Platinum's Director of Investor Services and Communications.

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

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

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

Andrew Stannard BMS(HONS), GRADUATE DIPLOMA IN APPLIED FINANCE AND INVESTMENT, CA
Mr Andrew Stannard was appointed as an Executive Director on 10 August 2015. He is also Platinum's Finance Director.

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

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

Information on Former Directors

Kerr Neilson BCOM, ASIP
Mr Kerr Neilson was an Executive Director from 12 July 1993 to 31 August 2020 and then a Non-Executive Director until his retirement on 16 November 2022. During his tenure as Non-Executive Director, he served as a member of the Audit, Risk & Compliance Committee and Nomination & Remuneration Committee.

Mr Neilson founded Platinum in 1994 and was the Managing Director from its incorporation to 30 June 2018.

Mr Neilson has over 40 years' experience in investment markets and funds management within Australia, Asia, UK and South Africa.

Prior to Platinum, Mr Neilson was an Executive Vice President at Bankers Trust Australia. Previously he worked in South Africa in stockbroking.

Information on Company Secretary

Joanne Jefferies BCOM, LLB, GAICD

Ms Joanne Jefferies was appointed Platinum's General Counsel and Group Company Secretary on 17 October 2016. Ms Jefferies serves as the Company Secretary for Platinum and a number of its subsidiary entities and ASX listed investment companies, Platinum Asia Investments Limited and Platinum Capital Limited.

Ms Jefferies is an English law qualified solicitor with more than 27 years' experience in financial services law and corporate governance specialising in asset management and banking, in England and across Asia Pacific.

Ms Jefferies previously worked for BNP Paribas Securities Services, where she was Head of Legal, Asia Pacific and Company Secretary of all Australian subsidiaries. Prior to this Ms Jefferies held senior legal positions with Russell Investments, Morley Funds Management (Aviva Investors) and Lord Abbett. She also served as the General Counsel for the UK's funds management industry association, the Investment Association.

Meetings of Directors

The number of meetings of the Company's Board of Directors ("the Board") and of each Board committee held during the year ended 30 June 2023, and the number of meetings attended by each Director were:

	BOARD ATTENDED/ HELD	NOMINATION & REMUNERATION COMMITTEE ATTENDED*/HELD	AUDIT, RISK & COMPLIANCE COMMITTEE ATTENDED*/HELD	DUE DILIGENCE COMMITTEE ATTENDED*/HELD
Guy Strapp	6/6	5/5	4/4	1/1
Stephen Menzies	6/6	4/5	4/4	–
Anne Loveridge	6/6	4/5	4/4	–
Brigitte Smith	6/6	5/5	4/4	–
Philip Moffitt	6/6	5/5	4/4	–
Andrew Clifford	6/6	–	–	1/1
Elizabeth Norman	6/6	–	–	1/1
Andrew Stannard	6/6	–	–	1/1
Kerr Neilson[1]	3/4	0/1	1/2	–
Joanne Jefferies[2]	–	–	–	1/1

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

1 Kerr Neilson retired as a non-executive director at the conclusion of the Annual General Meeting on 16 November 2022 and was only eligible to attend meetings prior to his resignation date.

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

DIRECTORS' REPORT
CONTINUED

Risk Management Framework

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

RISK CATEGORY	RISK DESCRIPTION	RISK MANAGEMENT
Strategic Risk	Strategic Risk is defined as adverse strategic decisions, improper implementation of strategic decisions, a lack of responsiveness to industry changes or exposure to economics, market or demographic considerations that affect our market position.	• Board approved strategic objectives • Regular reporting to the Board of management activities to achieve objectives • KMP's KPI's aligned to strategic objectives
Legal, Regulatory and Compliance Risk	The risk that the framework of rules, relationships, systems and processes within Platinum does not enforce compliance with the Group's obligations arising as a listed entity and financial services licensee.	• Defined compliance framework with documented policies • Training on compliance policies to applicable teams • Regulatory change forum monitors impact of new legislation on Platinum's business and products
Operational Risk	Operational Risk is the risk of losses resulting from inadequate or failed internal processes, people and systems, or from external events.	• Defined risk management framework with supporting policies • Independent control testing as part of control self-assessment program • Compliance and Risk Department review incidents and breaches to assess control breakdowns and improvements • Insurance arrangements cover material insurable risks

RISK CATEGORY	RISK DESCRIPTION	RISK MANAGEMENT
Outsourcing Risk	Outsourcing risk is the risk arising from failure in processes and or controls undertaken by third parties which result in the breakdown in Platinum's ability to provide its services.	• Due diligence review of material service providers undertaken in 2022/23 • Legal contracts in place with material services providers
Market and Investment Risk	Market and Investment Risk is the risk of losses resulting from ineffective investment strategies, management or structures resulting in sustained under performance relative to benchmarks and investment objectives.	• Clearly defined investment strategy • Independent pre and post-trade investment mandate compliance monitoring
Financial Risk (including Liquidity)	Financial Risk is the risk that Platinum or the Schemes cannot meet its contractual, payment or redemption obligations in a timely manner.	• Monitoring of seed capital risks • Monitoring of regulatory capital requirements • Regular review and approval of cashflow forecasts
Information Technology (IT) and Cybersecurity Risk	Information Technology (IT) and Cybersecurity Risk is the risk of financial loss, disruption or damage to the reputation of an organisation from a failure of its information technology systems.	• Defined IT security policies • Independent security testing • Business continuity plan regularly tested • Periodic cyber training provided to staff

DIRECTORS' REPORT
CONTINUED

Risk Management Framework – continued

RISK CATEGORY	RISK DESCRIPTION	RISK MANAGEMENT
People, Culture and Conduct Risk	People, Culture and Conduct Risk is the uncertainty and potential for loss or failure arising from conduct by employees, directors or service providers that does not align with Platinum's values. The risk arising from an inability to attract and retain talent to execute the strategy of Platinum.	• Clearly defined Business Rules of Conduct (BROC) outlines Platinum's expected standards of behaviour by staff • Mandatory training for all staff on the BROC • Annual staff attestation of the BROC • Launch of employee engagement survey • Alignment of long term variable remuneration to future value creation for shareholders • Succession planning for key roles across the Group
Environmental, Social and Governance Risk	Environmental, Social and Governance Risk is the risk arising from inappropriate or inadequate environmental, social or governance (ESG) considerations in business and investment decision making.	• Creation and appointment of new Head of Stewardship • Stewardship Committee responsible for reviewing ESG developments impacting the Group and monitoring of ESG initiatives

Interests in Registered Schemes

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

REGISTERED SCHEME	DIRECTOR	30 JUNE 2023	30 JUNE 2022
Platinum Asia Fund	Andrew Clifford	5,881,457	5,815,931
	Kerr Neilson*	n/a*	34,257,123
	Elizabeth Norman	900,169	1,344,078
	Philip Moffitt	87,160	87,160
Platinum International Fund	Andrew Clifford	36,771,659	34,350,010
	Kerr Neilson*	n/a*	14,895,881
	Elizabeth Norman	577,119	577,119
	Stephen Menzies	–	62,530
Platinum Global Fund	Andrew Clifford	6,799,140	6,366,104
	Kerr Neilson*	n/a*	5,000,000
	Elizabeth Norman	737,039	737,039
Platinum European Fund	Kerr Neilson*	n/a*	9,001,064
	Elizabeth Norman	324,327	324,327
Platinum Japan Fund	Kerr Neilson*	n/a*	29,742,298
	Elizabeth Norman	267,109	267,109
Platinum Global Fund (Long Only)	Kerr Neilson*	n/a*	25,013,152
	Elizabeth Norman	186,478	186,478
Platinum International Brands Fund	Kerr Neilson*	n/a*	2,549,266
Platinum International Health Care Fund	Kerr Neilson*	n/a*	12,798,071
	Elizabeth Norman	187,350	187,350
Platinum International Technology Fund	Kerr Neilson*	n/a*	9,284,213
Platinum International Fund (Quoted Managed Hedge Fund)	Anne Loveridge	17,897	15,972
Platinum Asia Fund (Quoted Managed Hedge Fund)	Anne Loveridge	18,550	17,927
	Brigitte Smith	124,118	60,358
	Stephen Menzies	–	29,674

* Not applicable as Mr Neilson retired on 16 November 2022.

DIRECTORS' REPORT
CONTINUED

Indemnity and Insurance of Directors and Officers

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

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

Indemnity of Auditor

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

Non-Audit Services

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

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Directors are of the opinion that the services as disclosed in Note 24 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed and approved by the Audit, Risk and Compliance Committee to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110: *Code of Ethics for Professional Accountants* issued by the Accounting Professional and Ethical Standards Board.

Rounding of Amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Managing Tax Risk

The Board is committed to acting with integrity and transparency in all tax matters. The Company aims to meet all of its obligations under the law and pay the appropriate amount of tax to the relevant authorities.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 73.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors

Guy Strapp
Chair

Andrew Clifford
Managing Director

23 August 2023
Sydney

REMUNERATION REPORT

A Message from the Chair of the Nomination and Remuneration Committee ("Committee")

Dear Shareholders

In acknowledgement of the Company's profit and share price performance, this year the Board applied significant oversight and judgement to ensure remuneration outcomes were fair, appropriate and competitive having regard to both financial and investment performance.

Whilst the investment team received a substantial boost to short term incentive compensation due to much improved investment performance (as at 31 March 2023), in recognition of the firm's lower profitability;

- Aggregate non-investment team[1] short term variable compensation was reduced by 18% in aggregate on the prior year;
- Long term incentive awards to all staff were reduced by 23% in aggregate on the prior year;
- KMP short term incentive awards were 55% of the maximum;
- CEO, on his recommendation, did not receive any short term incentive under the CEO Plan;
- CEO has requested that his short term incentives (earned as Co CIO under the investment team plans) be delivered as long term incentives and thus subject to achieving future TSR hurdles and an eight year service condition, and
- A review of investment team compensation was initiated which aims to better align team outcomes with overall business performance.

1 i.e.: excluding KMP.

Investment Team compensation reflective of strong investment performance

Platinum remained focussed on delivering strong investment performance for our clients. Being an investment led business, investment performance is a key driver of the remuneration outcomes for our investment team with the terms of the existing investment team plans i.e. the Investment Team Plan (ITP) and Profit Share Plan (PSP) designed to reward investment outperformance relative to the broader equity market over both 1 and 3 year rolling periods to 31 March.

For the 1 year rolling period to 31 March 2023, Platinum's flagship funds, the Platinum International Fund and the Platinum Asia Fund, delivered relative outperformance of 13.9% and 4.6%, and, for the 3 year rolling period to 31 March 2023, delivered relative performance of -0.6% and +2.3%[1], respectively. Given the strong investment outperformance, the hurdles for pool creation of the PSP were met for the first time since 2018, creating a pool equivalent to 4.2% of the Company's profit which was distributed between key contributors within the investment team based on pre-determined allocations. In light of these strong investment returns, total remuneration for the investment team this year is significantly up on the prior year.

Plan review initiated

With the Company not immune to the broader business challenges being faced by the listed asset management sector more generally, we recognise the inconsistency between the strong investment performance that we have delivered for clients on the one hand and the more subdued financial performance that we have delivered to our shareholders on the other. In order to address this, we have engaged an external consultant to review the existing remuneration framework for our investment team. One of the key objectives of this review is to better align short term incentive (STI) remuneration outcomes of the investment team with the broader business results, whilst still recognising that we are an investment led business and delivering strong investment performance must remain the key focus of our investment talent. We expect that this new framework will be in place for the next performance period commencing 1 April 2024.

Alignment between shareholders and non-investment team remains strong

Despite making significant progress on a number of key strategic projects over the course of this year which will help Platinum deliver in future periods, shareholder returns, whether measured by profit or share price were disappointing. The compensation arrangements for non-investment team members reflected this, with total variable remuneration for our non-investment team staff (excluding KMP) down 18% in aggregate on the prior year.

1 Source: Platinum for Fund returns and Factset Research Systems for MSCI returns. Investment returns are calculated using the Fund's NAV unit price (i.e. exclude buy/sell spread) for C Class and represent the combined income and capital returns for the specified period. Past performance is not a reliable indicator of future performance.

REMUNERATION REPORT
CONTINUED

KMP Reward Outcomes

The key reward decisions for FY2023 were as follows:

- Despite the achievement of a number of strategic and individual KPIs, the Board used its discretionary modifier to reflect the financial outcomes in the STI awards for executive KMP (Mr Andrew Stannard and Ms Elizabeth Norman) applying downward adjustments of between 69%-71% to their balanced scorecard raw scores. Consequently, Mr Stannard and Ms Norman each received STI awards equivalent to 55% of their maximum potential with at least 33% of those awards received as deferred rights under the Deferred Remuneration Plan and thus subject to a 4 year continuous service vesting condition.[1]
- For the last several years, on his recommendation, Mr Andrew Clifford (Platinum's CEO/Co-CIO) has not received any STI awards. In recognition of the Company's disappointing financial results this year, his recommendation to the Committee was that he not be awarded any STI award under the CEO Plan.
- This year, in his role as Co-CIO, Mr Clifford is eligible for STI awards under the rules of the ITP and PSP to be delivered as deferred rights under the Deferred Remuneration Plan in accordance with the terms of his employment arrangements. However, in order to seek better alignment with future shareholder outcomes, Mr Clifford has voluntarily elected to receive these STI awards as an equivalent award of performance rights under the Platinum Partners Long Term Incentive Plan (Platinum Partners LTIP), subject to shareholder approval. This means they must meet the total shareholder return (TSR) hurdles under the plan before they can vest and will also be subject to an 8 year continuous service exercise condition.[2]
- Prior to the introduction of the Platinum Partners LTIP in 2021, Platinum had not, for many years, included a long term incentive (LTI) component in executive remuneration such that the proportion of share ownership by key staff remains low vis a vis that of Platinum's competitors. The Platinum Partners LTIP was introduced to address this issue and to align executive remuneration with future shareholder value creation. With this in mind, the executive KMP will receive LTI awards this year, subject to shareholder approval at the forthcoming AGM.

Retaining key talent remains an essential business consideration. This is also true for talent within the business and operational teams, given the competitive nature of our sector. Accordingly, the Board rewarded key individuals in those teams with LTI awards under the Platinum Partners LTIP as part of its broader retention and staff ownership strategy.

1 Subject to "good leaver" provisions and other forfeiture and malus provisions.

2 See footnote 1.

A More Transparent Reward Framework

We have continued to use shareholder and proxy adviser feedback as a key consideration in our decision making process on executive KMP reward. In the previous financial year, we introduced maximum STI award caps and a Board modifier to provide greater clarity on what the Board considers to be appropriate STI award outcomes having regard to Company performance. We also included additional disclosures in our remuneration report to provide greater transparency on performance outcomes and to clearly communicate the Board's decision-making processes including its use of discretion in determining executive reward outcomes. These improvements received strong support from our shareholders at the last AGM, with over 94% of the votes cast in favour of the FY2022 remuneration report, and have been carried through in this year's report.

As part of this year's review, the Board determined to retain the existing TSR CAGR thresholds as the Board is of the view that they continue to be appropriate having regard to the current economic environment. The Board further considered feedback in relation to 1 and 2 year TSR measures but decided to retain these measures particularly given that the eight year deferral exercise condition is much longer than industry norms.

Other FY2023 Activity

Platinum's Nomination and Remuneration Committee continued its ongoing review and further improvement of its executive remuneration framework during FY2023. In particular, the Committee:

- Reviewed and recommended to the Board the aggregate variable remuneration pool for staff, assessed the individual executive KMP performance within the context of the Company's performance and reviewed and recommended to the Board the individual STI and LTI awards for the CEO, other executive KMP and key staff members;
- Enhanced the KPI structure of the executive KMP for FY2024 with an increased emphasis on strategic outcomes and a strengthened alignment to shareholder results. A greater proportion of the overall KPIs has been focussed on financial measures (i.e. weighting of the KPI which focuses on revenue and profit growth has been increased for all executive KMP) and an explicit risk and behaviour gate-opener has been introduced;
- Engaged an external consultant to review the remuneration framework for the investment team; and
- Approved Platinum's revised diversity and inclusion policy and objectives, aligning these with Platinum's broader stewardship aspirations.

REMUNERATION REPORT
CONTINUED

Looking Forward

Platinum's core purpose remains to deliver good investment returns to clients over the medium to long-term, consistent with a risk profile that seeks to preserve clients' capital during market downturns. Platinum believes that good medium to long-term investment performance is the primary driver of fund inflows, profit growth and ultimately long-term value creation for shareholders. Platinum's remuneration policy continues to be shaped around this core purpose as it aims to balance this with the need to reward strong individual performance and retain talent.

We will continue to refine and review our remuneration arrangements to ensure that they align with Platinum's core purpose, business strategy and shareholder returns, and we welcome your feedback.

Brigitte Smith
Chair of Nomination & Remuneration Committee

Introduction

The Company's directors present the remuneration report prepared in accordance with section 300A of the *Corporations Act 2001* for the Company and consolidated entity for the year ended 30 June 2023. The remuneration report forms part of the Directors' Report.

The information provided in this remuneration report has been audited by the Company's auditor, Ernst & Young, as required by section 308(3C) of the *Corporations Act 2001*.

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REMUNERATION REPORT
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1. Summary of Remuneration Outcomes for FY2023

The Board remains focused on ensuring there is a robust and rigorous process in place to determine remuneration outcomes and, for FY2023, applied significant oversight and judgement to ensure remuneration outcomes were fair, appropriate and competitive having regard to both individual and Company performance.

In determining remuneration outcomes this year, the Board:

- Sought to ensure executive Key Management Personnel (KMP) remuneration outcomes reflected the disappointing financial results. Specifically:
  - Despite meeting a number of their individual KPIs for FY2023, short term incentive (STI) outcomes for Mr Andrew Stannard and Ms Elizabeth Norman reflected only 55% of the maximum opportunity after the Board applied significant downward adjustments to their KPI-derived remuneration, with at least 33% of those STI awards being satisfied via deferred equity pursuant to Platinum's Deferred Remuneration Plan.
  - Mr Andrew Clifford in his role as CEO, recommended to the Nomination and Remuneration Committee ("Committee") that he should not receive any STI award under the CEO Plan.
  - Due to strong investment performance, Mr Clifford in his role as Co-CIO is eligible to receive metricated awards under the Profit Share Plan (PSP) and Investment Team Plan (ITP), to be delivered as deferred rights under the Platinum's Deferred Remuneration Plan thus subject to a 4 year vesting period. However, in order to align Mr Clifford's remuneration with future shareholder outcomes, Mr Clifford has requested to receive these awards as performance rights under the Platinum Partner's Long Term Incentive Plan (Platinum Partners' LTIP), subject to shareholder approval at the forthcoming AGM. If approved by shareholders, these performance rights will only vest if the total shareholder return (TSR) hurdles related to Platinum's compound annual growth rate (CAGR) (more detail on page 62) under the Platinum Partner's LTIP are met, otherwise they will lapse. Any vested performance rights will also be subject to an 8 year service condition (from grant date) before they can be exercised.
  - Consistent with the Board's objective to align executive remuneration with future shareholder value creation, the executive KMP will receive LTI awards, subject to shareholder approval at the forthcoming AGM. The face value of the proposed LTI awards for executive KMP is down 17% in aggregate on the prior year.
  - There are no fixed remuneration increases proposed for any of the executive KMP. In the previous financial year, the Board made a decision to weight executive KMP remuneration towards variable remuneration and use incentives to retain, motivate and reward Platinum executives. Further to the Board's adjustment, the variable remuneration component of the CEO/Co-CIO represents 91% of his total remuneration outcome for FY2023 whereas for the other executive KMP, this ratio ranges between 66% and 70%. The higher variable remuneration component for the CEO/Co-CIO vis a vis the other executive KMP reflects the fact that his base salary is below market when considered in light of our sector peers and other comparable ASX listed companies.

- Continued to progress with grants of LTI outside executive KMP to create stronger shareholder alignment and retention of key staff over a longer time horizon. This involved rewarding selected investment and non-investment team members who represent key talent and made outstanding contributions during the year. In addition to retaining strong investment talent, the Board recognises that it is critical that the Company retain talented business and operational staff to incentivise future innovation, significant operational improvements and business growth.

The overall FY2023 award outcomes were as follows:

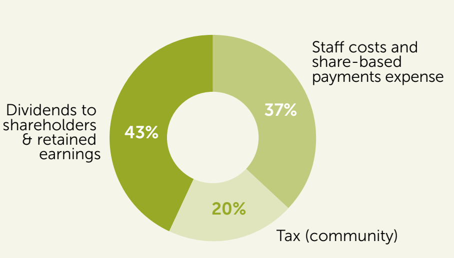
- The investment team's remuneration in aggregate increased significantly on the prior year, in line with the rules of the PSP and ITP, as a result of the strong relative investment performance outcomes for clients over the 1 and 3 year rolling periods to 31 March 2023 (calculated as an average of the 1 and 3 year relative investment performance weighted based on FUM).
- Outstanding one year relative investment performance led to the ITP pool achieving its maximum cap (of 200% of aggregate salary costs for the team).
- Given the investment outperformance, select members of the investment team were also eligible to participate in the PSP for the first time since 2018. Investment outperformance lead to a metricated pool equivalent to 4.2% (maximum is capped at 5%) of profit before tax, which was allocated to key contributors in the investment team on a pre-agreed basis.
- A total of $8.9 million (compared to $8.5 million in 2022) in STI awards were deferred for four years via the issuance of deferred rights under the existing Deferred Remuneration Plan. These rights will vest in June 2027 subject to service conditions. Other forfeiture (including malus) provisions also apply. The accounting impact of the awards will be expensed through the profit and loss statement over the five-year service period of the awards, so the expense impact will be apportioned over time.
- A total of $15.5 million LTI awards (compared to $20.2 million in 2022), were awarded to employees (excluding executive KMP) under the Platinum Partners LTIP, down 23% in aggregate on the prior year reflecting the change in the Company's profitability. Vesting of the performance rights is subject to total shareholder return (TSR) hurdles being met. These rights have an exercise date of June 2031 and are subject to service conditions. Certain forfeiture (including malus) and clawback provisions also apply. The awards will be expensed through the profit and loss statement over their nine-year accounting service period, so the expense impact will be apportioned over time.

REMUNERATION REPORT
CONTINUED

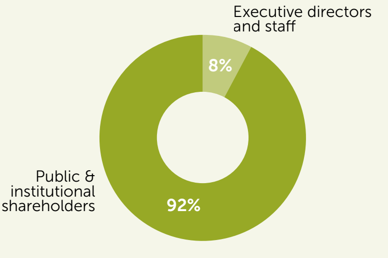
The allocation of the FY2023 profits attributed to both shareholders and staff (in the form of remuneration) is outlined in the first graph below. It shows that shareholders (through dividends and retained earnings) received a more significant share of profits than staff.

The second graph shows the proportion of shares owned by executive directors and other staff vis a vis non-related shareholders. The proportion of employee shareholding has declined in this period. This has been as a result of an early founder of the business retiring from the Board in November 2022. When the Platinum Partners LTIP was introduced, a key rationale for its implementation was to address the low levels of staff shareholding relative to industry standards by key employees. It was also an important mechanism for ensuring employee retention over time. The Board continues to be cognisant of the need to increase the equity ownership of key personnel over time, subject to the creation of shareholder value. This year's LTI awards (whilst down on last year's) are an important step in reducing this risk and thereby helping to ensure Platinum's future success.

Graph 1: Share of FY2023 profit (pre-tax and pre-staff costs)



Graph 2: Composition of PTM share ownership



2. Overview of Remuneration Framework

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

The efficacy of our remuneration program is best measured by our long-term investment performance outcomes and the retention rate of key staff members.

Platinum's remuneration program has three key elements:

i. Fixed Remuneration: This is set at a level sufficient to attract exceptional talent. It includes salary, benefits and superannuation. Fixed remuneration is benchmarked to external market data at least annually and reflects the nature of the role and the required levels of skill and experience.

ii. Short Term Incentives (STI): cash and deferred rights: Each employee is assessed annually across a range of quantitative and/or qualitative KPI's, as well as appropriate risk management and behavioural criteria. STI recommendations are generally made annually based on meeting performance objectives following rigorous review by senior management and the Nomination and Remuneration Committee (comprised entirely of non-executive directors), before ultimately being approved by the Board. Variable awards can be made in the form of cash or by an award of deferred rights which are subject to a four-year continuous service vesting condition.[1]

iii. Long Term Incentives (LTI): performance rights:[2] Key members of staff will be periodically invited by the Board (upon the recommendation of the Nomination and Remuneration Committee), to participate in the Platinum Partners Long Term Incentive Plan (Platinum Partners LTIP) in order to directly align their remuneration with future shareholder value creation. These awards take the form of performance rights which are tested against total shareholder return (TSR) hurdles and subject to an eight-year continuous service exercise condition.[3]

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1 Subject to "good leaver" provisions and other forfeiture and malus provisions.

2 Platinum also has two inactive long term variable remuneration plans, being an "Options and Performance Rights Plan" (OPRP) and a "Fund Appreciation Rights Plan" (FARP). There were no allocations under either plan in the current or prior year.

3 Subject to "good leaver" provisions and other forfeiture and malus provisions.

REMUNERATION REPORT
CONTINUED

Platinum's STI and LTI equity awards have long deferral periods relative to Platinum's peers to promote staff retention, increase alignment with shareholders and foster sound financial, operational and risk management practices.

Reward Framework

1 FIXED REMUNERATION

2 SHORT TERM INCENTIVES (Cash & Deferred Rights)

3 LONG TERM INCENTIVES (Performance Rights)

Fixed Remuneration

- Set to attract exceptional talent
- Benchmarked to market
- Rewards each employee for their skills, attributes and role accountabilities

Short Term Incentives (Cash and Deferred Rights)

- Performance goals set annually at the beginning of each performance period
- Awards made annually with reference to individual performance
- Other performance considerations include:
  - Company performance
  - Investment performance
  - Risk management factors
  - Leadership and behavioural factors
- Deferred rights:
  - Improve alignment of employees and shareholders
  - Four-year deferral element to foster sustainable growth and sound financial, operational and risk management practices

Long Term Incentives (Performance Rights)

- On an invitation only basis
- Improves alignment of employees and shareholders to future value creation
- Vesting subject to achieving performance hurdles
- Eight-year deferral period to encourage a long term commitment to the firm

3. Key Management Personnel ("KMP")

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

NAME	POSITION
Guy Strapp	Chair and Non-Executive Director
Kerr Neilson*	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	Managing Director, Chief Executive Officer (CEO) and Co-Chief Investment Officer
Elizabeth Norman	Executive Director and Director of Investor Services and Communications
Andrew Stannard	Executive Director, Finance Director

* Mr Neilson retired from the Board at the conclusion of the 2022 Annual General Meeting on 16 November 2022.

There were no other employees that were KMP within the Company or consolidated entity.

REMUNERATION REPORT
CONTINUED

4. Remuneration of Executive KMP

a) Executive KMP Remuneration Framework

Our executive KMP remuneration framework is designed to support Platinum's strategic priorities. We have a clear set of principles which guide our remuneration decisions and design. As we operate in a dynamic and rapidly evolving market, we review our approach to remuneration at least annually so that we are aligned to market expectations and business objectives.

Platinum's three core values underpin its purpose and business strategy and are set forth below.

PLATINUM'S PURPOSE

"To deliver good investment returns over the medium to long-term that help clients secure their financial futures"

PLATINUM'S BUSINESS STRATEGY

1. Deliver good investment returns for our clients
2. Maintain a strong team and distinctive culture
3. Maintain and grow our Australian retail business
4. Capitalise on the attractive and deep offshore institutional opportunity
5. Ensure an efficient and scalable infrastructure that prioritises client service

UNDERPINNED BY PLATINUM'S VALUES

EXCELLENCE	INTEGRITY	TEAM MINDSET
We set high standards	We always act in the interests of our clients	We align team, organisation and personal goals
We invest in our people to excel	We take responsibility for our actions	We contribute to teams beyond our own
We do what we say we will do	We do what is right rather than what is easy	We work in an inclusive and collaborative manner
We look for ways to continuously improve	We communicate transparently	We seek to understand and consider others
We embrace diverse thinking	We don't hold back, we contribute fully	We build cohesion and respect differences

As a "pure play" investment manager, the value of Platinum is entirely linked to the skills and expertise of its people and, as a heavily regulated fiduciary business, we believe that ensuring our staff consistently live the Company's values is an important driver of long term shareholder returns. It is therefore appropriate that the executive KMP remuneration framework focuses on a well-balanced mix of financial and non-financial KPIs.

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

	FIXED REMUNERATION	VARIABLE REMUNERATION	
		SHORT TERM INCENTIVES (STI)	LONG TERM INCENTIVES (LTI)
PURPOSE	Attract and retain talented executives.	Rewards for performance during current year.	Rewards the creation of long term shareholder value.
DELIVERY	Base salary (including salary sacrifice) and superannuation.	**CEO:** Mr Andrew Clifford is eligible for STI awards under the CEO Plan (capped at A$1 million), subject to meeting the annual KPIs as set by the Board. Any award under the CEO Plan must be delivered via deferred rights. This award is linked to the achievement of the annual KPI's. **Co-CIO:** As the Co-CIO, Mr Clifford is also eligible to receive STI awards via the Investment Team Plan (ITP) (capped at $3m) and the Profit Share Plan (PSP), which must be delivered via deferred rights. **Other Executive KMP:** Under our current practice, at least 33% of the STI awards are delivered via deferred rights, with the remainder delivered as cash. This award is linked to the achievement of the annual KPI's. The total STI award for the Director of Investor Services and Communications is capped at $1.35m. The Finance Director's total STI award is capped at $1m.	All executive KMP are eligible to participate in the Platinum Partners LTIP. Awards are delivered via performance rights.

REMUNERATION REPORT
CONTINUED

	FIXED REMUNERATION	VARIABLE REMUNERATION	
		SHORT TERM INCENTIVES (STI)	LONG TERM INCENTIVES (LTI)
APPROACH	Reviewed annually by checking relativities against a peer group of financial services and other comparable ASX listed companies.	Annual performance is measured using a mix of financial and non-financial KPIs including: • Investment performance; • Revenue and profit growth; • Diversification of client base; • People and culture leadership; and • Risk management and operational effectiveness. In addition to the above, the Board has discretion to apply a performance modifier to KPI-derived remuneration having regard to Company performance. Allocations for the Co-CIO under the PSP are driven by investment performance and determined in accordance with a pre-agreed formula. Vesting of deferred rights is subject to continued service of 4 years and other non-forfeiture provisions. No exercise conditions.	Designed to retain key talent and align remuneration outcomes with future shareholder returns. Performance rights awarded will be divided into four equal tranches and tested against TSR performance hurdles over four consecutive years. Vesting of each tranche is subject to achieving the minimum TSR performance hurdles. Exercise of performance rights is subject to continued service of 8 years and other non-forfeiture provisions.

Details of Executive KMP Remuneration Framework

Fixed Remuneration

The fixed remuneration (base salary plus superannuation) is positioned against both sector peers and comparable roles within other ASX listed companies. In the case of our CEO, his fixed remuneration is very conservatively positioned with the result that the ratio of his variable remuneration to fixed remuneration may appear higher when compared to peers and the broader market.

Variable Remuneration – STI and LTI

The current remuneration mix for executive KMP remains weighted towards variable remuneration with at least 33% of total remuneration being delivered in the form of deferred rights (under the Deferred Remuneration Plan) and performance rights (under the Platinum Partners' LTIP) with longer vesting periods than industry norms. Recipients of deferred rights and performance rights are not permitted to hedge their economic interests.

STI awards can be made to executive KMP in the form of cash and deferred rights, with the exception of the CEO/Co-CIO whose STI awards are required to be delivered only as deferred rights under the terms of his employment arrangements. Deferred rights will vest after a four-year period subject to continuous service during that period. Employees who leave before the relevant vesting date will forfeit their unvested deferred rights.

Similar to last year, Platinum proposes to grant LTI awards to the executive KMP to strengthen the alignment between long term interests of shareholders and executives. Platinum will present these awards for the approval of shareholders at Platinum's 2023 AGM. If approved by shareholders, these LTI awards will be delivered as performance rights pursuant to the Platinum Partners LTIP. The terms of the Platinum Partners LTIP are set out later in this report. In summary, under the terms of the plan, each award will be split into four equal tranches with each tranche tested annually against absolute TSR compound annual growth rate (CAGR) performance conditions. This is to ensure that "windfall" gains do not accrue to the executives and to better align the award with the actual shareholder experience for each year of the applicable four-year award testing period. A tranche of performance rights will lapse if they fail the TSR CAGR test for the relevant testing year. The exercise of these performance rights is also subject to an eight-year continuous service condition, to encourage a long term commitment to the firm.

REMUNERATION REPORT
CONTINUED

Executive KMP Maximum Remuneration Opportunity

The table below includes individual components of the executive KMP's maximum remuneration.

EXECUTIVE KMP REMUNERATION $	FIXED[1]	MAX STI (DEFERRED EQUITY)	MAX LTIP (FACE VALUE)
CEO	525,292	1,000,000	1,500,000
CO-CIO (ITP)**	–	3,000,000	–
TOTAL CEO & CO-CIO (ITP)	525,292	4,000,000	1,500,000
% OF TOTAL (INCL. SUPER)	9%	66%	25%
	FIXED[1]	MAX STI (CASH & DEFERRED EQUITY)	MAX LTIP (FACE VALUE)
DIRECTOR OF INVESTOR SERVICES AND COMMUNICATIONS	500,292	1,350,000	450,000
% OF TOTAL (INCL. SUPER)	21%	59%	20%
	FIXED[1]	MAX STI (CASH & DEFERRED EQUITY)	MAX LTIP (FACE VALUE)
FINANCE DIRECTOR	500,292	1,000,000	450,000
% OF TOTAL (INCL. SUPER)	25%	52%	23%

1 Fixed Compensation includes both salary and superannuation for FY2023.

** Mr Clifford's maximum PSP entitlement is not included in this table as it is not an absolute amount.

b) Executive KMP Performance Against FY2023 KPIs

When determining the STI allocations for the executive KMP for the 2023 financial year, the Nomination and Remuneration Committee considered a number of factors including each KMP's individual contributions against their KPIs, their respective individual contributions to the firm and their level of demonstrated alignment to Platinum's purpose, business strategy and values.

Under Platinum's balanced scorecard approach, each KMP scorecard is assessed against same overall KPIs (with varied % target based on their role and accountability for the area). However, the CEO/Co-CIO's performance was also assessed against additional performance metrics relating to the investment performance of the portfolios for the relevant period (31 March 2023).

The table below summarises the executive KMPs' KPIs and performance outcomes for the 2023 financial year.

KEY PERFORMANCE INDICATORS – 2023 FINANCIAL YEAR

PERFORMANCE MEASURES	FY2023 KEY PERFORMANCE INDICATORS AND ASSESSED OUTCOMES	CEO/CO-CIO WEIGHTING	DIRECTOR OF INVESTOR SERVICES & COMM'NS WEIGHTING	FINANCE DIRECTOR WEIGHTING
INVESTMENT PERFORMANCE	Weighted average 1- and 3-year investment performance as at 31 March 2023 was fully met. Returns of flagship funds versus peers was partially met. The downside capture for flagship funds over 3 years was partially met. **Assessment:** The target was met.	20%	–	–
REVENUE AND PROFIT GROWTH	Base fee revenue fell by 18% and adjusted profit (ex-investment income and performance fees) fell by 37%. Run-rate fund flows were below but close to the target. International Brands and International Healthcare Funds did not meet their flow targets. **Assessment:** The target was not met.	20%	20%	20%

REMUNERATION REPORT
CONTINUED

KEY PERFORMANCE INDICATORS – 2023 FINANCIAL YEAR				
PERFORMANCE MEASURES	FY2023 KEY PERFORMANCE INDICATORS AND ASSESSED OUTCOMES	CEO/CO-CIO WEIGHTING	DIRECTOR OF INVESTOR SERVICES & COMM'NS WEIGHTING	FINANCE DIRECTOR WEIGHTING
DIVERSIFICATION OF CLIENT BASE	Retention of existing clients was very positive. Engagement with Financial Advisers, who are the key access point to end clients was achieved. Investment and deepening of brand awareness contributed to the achievement of this KPI. The business: • Achieved targeted client retention statistics and loss/churn rates; • Increased Net Promoter Score outcomes with key financial advisers; • Launched first dual access managed fund with a carbon transition theme; and • 101% year on year growth in traffic via advertising and a 38% increase in traffic via social media to the website. Further progress was made in opening new funds offshore and increasing prospect engagement. Online content delivery platforms are on track for launch in 2024. Overall growth in client assets was somewhat disappointing. **Assessment:** Objectives were largely met.	20%	40%	20%

KEY PERFORMANCE INDICATORS – 2023 FINANCIAL YEAR				
PERFORMANCE MEASURES	FY2023 KEY PERFORMANCE INDICATORS AND ASSESSED OUTCOMES	CEO/CO-CIO WEIGHTING	DIRECTOR OF INVESTOR SERVICES & COMM'NS WEIGHTING	FINANCE DIRECTOR WEIGHTING
PEOPLE AND CULTURE LEADERSHIP	Delivered succession planning and leadership development across key functions and created new roles to further optimise the organisation. Ensured strong cohesion and stability within the investment team by attracting, retaining and developing key staff. Delivered programs that aim to improve culture that is centred on integrity, collaboration, excellence and process improvement. **Assessment:** Objectives were met.	20%	20%	20%
RISK MANAGEMENT AND OPERATIONAL EFFECTIVENESS	No significant regulatory issues identified in FY2023. No significant errors or breaches of investment guidelines. Continued enhancement of risk management and corporate governance. Operational and IT systems and processes maintained and enhanced with a particular focus on cyber security and improving operational effectiveness. **Assessment:** Objectives were met.	20%	20%	40%

While Platinum's overall strategy and business focus does not envisage a significant change in FY2024, the overall number of FY2024 performance measures will be less in number compared to recent years and are designed to focus on specific outcomes with easily quantifiable KPIs and a stronger weighting towards revenue and profit growth.

REMUNERATION REPORT
CONTINUED

c) Executive KMP Remuneration Outcomes for FY2023

Awarded remuneration represents the value of remuneration that has been awarded in the 2023 financial year, as determined by the Board, and incudes fixed remuneration, STI awards (cash and deferred rights) and LTI awards (performance rights). The actual value of the deferred rights realised will depend on future share price outcomes and performance rights will only deliver value to the executives if shareholder TSR hurdles are achieved. This ensures strong alignment with shareholder interests.

Fixed Remuneration

There are no proposed increases to the executive KMP's fixed remuneration. Whilst the CEO's fixed remuneration remains below the market median, the Board did not feel it was appropriate to increase fixed remuneration due to our shareholders' experience in the last 12 months.

KPI derived Short Term Incentives and Board Modifier

When assessing the 2023 financial year performance outcomes against Platinum's balanced scorecard, the Board considered it appropriate to adjust those STI remuneration outcomes to recognise the Company's share price performance. As a result, the Board applied a modifier to the KPI derived STI remuneration outcomes resulting in a downwards adjustment to those outcomes as summarised in the table below:

EXECUTIVE KMP	UNADJUSTED KPI STI OUTCOME (% OF MAX STI)	BOARD MODIFIER	ADJUSTED KPI STI OUTCOME (% OF MAX STI)
A. Clifford (CEO Plan)	73%	–	0%
A. Clifford (ITP)*	81%	41%	33%
E. Norman	78%	71%	55%
A. Stannard	80%	69%	55%

* No Board modifier was applied to the CEO plan as Mr Clifford recommended to the Committee that no STI should be payable under the CEO Plan despite having achieved some of his KPI's. A. Clifford's maximum STI (as the Co-CIO) is capped at $3,000,000. He was eligible for $1,000,000 under the ITP due to positive investment performance (to be delivered as deferred rights). Mr Clifford's PSP payment has not been included in this table as it was allocated using a pre-agreed formula. This table does not account for the fact that Mr Clifford has elected to take his STI awards as LTI awards, subject to shareholder approval at the forthcoming AGM.

Long Term Incentives

Subject to approval of shareholders at Platinum's forthcoming AGM, Platinum proposes to grant LTI awards to the CEO, Director of Investor Services and Communications and the Finance Director to strengthen the alignment between long term interests of shareholders and executives.

A Clifford – Managing Director, CEO and Co-CIO

Mr Andrew Clifford is the Managing Director, CEO and Co-Chief Investment Officer (Co-CIO) of the Company. Mr Clifford is eligible for awards under the CEO Plan (capped at A$1 million), subject to meeting his KPIs. Any amounts awarded to Mr Clifford under the CEO Plan, must be provided to Mr Clifford as an equivalent award of deferred rights under the Deferred Remuneration Plan.

Upon meeting the predetermined targets for investment performance, Mr Clifford is entitled to receive awards in relation to his role as Co-CIO under the Investment Team Plan (ITP) and the Profit Share Plan (PSP) subject to caps on both plans and Board discretion in relation to the ITP. As a portfolio manager, Mr Clifford was directly responsible for generating approximately $203 million in annualised fee revenue.

Despite the achievement of a number of his CEO KPIs (Mr Clifford's STI outcome based on the balanced scorecard was 73% of his maximum award), Mr Clifford did not receive any STI award under the CEO Plan.

Given the outperformance for clients, the Board elected to make an award to Mr Clifford equivalent to 33% ($1,000,000) of his maximum award under the ITP. He is also eligible for an award under the rules of the PSP equivalent to $684,133 in value based on the investment outperformance generated for clients. Both awards are required to be delivered as deferred rights. However, in order to seek better alignment with future shareholder outcomes, Mr Clifford's preference is to receive these STI awards as an equivalent award of performance rights under the Platinum Partners LTIP (subject to shareholder approval). This will ensure the exercise of the awards will be deferred over an 8 year period[1] (rather than 4 years) and vesting of the awards will be subject to meeting the total shareholder return (TSR) hurdles under the plan. Accordingly, if the minimum TSR hurdles are not met, Mr Clifford's earned PSP and ITP awards for FY2023 will lapse. As a matter of good corporate governance, this proposed arrangement will be presented to shareholders for approval at the forthcoming AGM.

1 Subject to "good leaver" provisions and other forfeiture and malus provisions.

REMUNERATION REPORT
CONTINUED

A Clifford – Managing Director, CEO and co-CIO – continued

Mr Clifford was also awarded an LTI which is approximately 2.3 x his fixed remuneration for FY2023 (or $1,200,000). As a matter of good corporate governance, this award will also be presented to shareholders for approval at the forthcoming AGM.

EXECUTIVE KMP	YEAR	SALARY $	SUPER $	STI – CASH	STI (ITP) – DEFERRED	STI (PSP) – DEFERRED	TOTAL STI	% OF MAX STI	LTIP (FACE VALUE)	LTIP (FAIR VALUE)[1]
A CLIFFORD (CEO)	2023	500,000	25,292	–	–	–	–	0%	1,200,000	1,044,000
A CLIFFORD (CO-CIO)	2023	–	–	–	–	–	–	57%	1,684,133*	1,465,000
TOTAL CEO & CO-CIO	2023	500,000	25,292	–	–	–	–	42%	2,884,133	2,509,000

1 The LTI awards are subject to shareholder approval, which will be sought at Platinum's 2023 Annual General Meeting. The number of rights allocated will be based on the five-day VWAP in September 2023. The fair value estimate is independently calculated and is also used to determine the accounting value which is amortised over future vesting periods. The fair value of the FY2023 award disclosed above has been estimated at 87% of the face value, based on an independent valuation as at 20 June 2023.

* Includes ITP STI award of $1,000,000 and PSP STI award of $684,133 which will both be delivered by way of an LTI award subject to shareholder approval at the AGM.

E Norman – Executive Director, Director of Investor Services and Communications

Due to the dual CEO/Co-CIO role performed by Mr Andrew Clifford, Ms Elizabeth Norman's role is more extensive in scope than is typical for the industry and her remuneration reflects her position accountabilities. Ms Norman has responsibility for product maintenance and development, Australian, US and European distribution, retail marketing, brand and advertising, investment consultant relations, and investor and shareholder relations. Ms Norman is responsible for over 50,000 direct retail and adviser relationships in Australia and for the development of the business offshore. Ms Norman is also an Executive Director of the Company.

Ms Norman is eligible for STI awards under the General Employee Plan, subject to meeting her KPIs. These awards may be issued as cash or as deferred rights under the Deferred Equity Plan. The STI paid to Elizabeth Norman this year reflects her leadership and involvement in the development of several important business initiatives during the year including a new fund focused on the carbon transition. Ms Norman was also responsible for the extensive development of the content and delivery of our communications with both investors and advisers, expansion of client relationships, as well as ongoing work associated with our European and US business development operations.

The Board determined a pre-adjustment STI outcome, based the balanced scorecard, of 78% of her maximum award. However, in light of overall disappointing FY2023 shareholder outcomes, the Board applied an STI modifier to adjust the final STI downwards to approximately 55% of her maximum STI award.

Ms Norman was awarded an LTI which is 80% of her fixed remuneration for 2023. This award will be presented to shareholders for approval at the forthcoming AGM.

EXECUTIVE KMP	YEAR	SALARY $	SUPER $	STI – CASH (67%)	STI – DEFERRED (33%)	TOTAL STI	% OF MAX STI	LTIP (FACE VALUE)	LTIP (FAIR VALUE)[1]
E NORMAN	2023	475,000	25,292	500,000	250,000	750,000	55%	400,000	348,000

1 The LTI award will be granted subject to shareholder approval, which will be sought at Platinum's 2023 Annual General Meeting. The number of rights allocated will be based on the five-day VWAP in September 2023. The fair value estimate is independently calculated and is also used to determine the accounting value which is amortised over future vesting periods. The fair value of the FY2023 award disclosed above has been estimated at 87% of the face value, based on an independent valuation as at 20 June 2023.

A Stannard – Executive Director, Finance Director

Mr Andrew Stannard also performs a broader role, as both Chief Financial Officer (CFO) and Chief Operating Officer (COO). This role is more extensive in scope than is typical for the industry and includes responsibility for nine operational teams being Finance, Legal, Risk and Compliance, Investment Operations, Information Technology, Projects, Data, and Unit Registry. Mr Stannard is also an Executive Director of the Company.

Mr Stannard is eligible for STI awards under the General Employee Plan, subject to meeting his KPIs. These awards may be issued as cash or as deferred rights under the Deferred Equity Plan. The STI incentive paid to Mr Stannard this year reflects his input into various strategic business initiatives, the provision of technical and operational support for a number of new business development opportunities (both onshore and offshore), the delivery of the first phase of a multi-year project to upgrade Platinum's operational effectiveness as well as implementing strong cost control measures.

The Board determined a pre-adjustment STI outcome, based on the balanced scorecard, of 80% of Mr Stannard's maximum award. However, in light of overall poor FY2023 shareholder outcomes, the Board applied an STI modifier that reduced the final STI to approximately 55% of his maximum STI award.

Mr Stannard was awarded an LTI which is 80% of his fixed remuneration for 2023. This award will be presented to shareholders for approval at the forthcoming AGM.

EXECUTIVE KMP	YEAR	SALARY $	SUPER $	STI - CASH (55%)	STI - DEFERRED (45%)	TOTAL STI	% OF MAX STI	LTIP (FACE VALUE)	LTIP (FAIR VALUE)[1]
A STANNARD	2023	475,000	25,292	300,000	250,000	550,000	55%	400,000	348,000

1 The LTI award will be granted subject to shareholder approval, which will be sought at Platinum's 2023 Annual General Meeting. The number of rights allocated will be based on the five-day VWAP in September 2023. The fair value estimate is independently calculated and is also used to determine the accounting value which is amortised over future vesting periods. The fair value of the FY2023 award disclosed above has been estimated at 87% of the face value, based on an independent valuation as at 20 June 2023.

REMUNERATION REPORT
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d) Executive KMP Remuneration Received for FY2023

The table below presents disclosure of the remuneration provided by the consolidated entity to executive KMPs of the consolidated entity, based on the amounts received by the individuals during the financial year.

	CASH SALARY[1] $	SUPER-ANNUATION $	SHORT TERM INCENTIVE (CASH)[2] $	VESTED SHORT TERM INCENTIVE (DEFERRED)[3] $	VESTED LONG TERM INCENTIVE $	TOTAL $	VARIABLE REMUNERATION AS A % OF TOTAL REMUNERATION[4]
2023							
Andrew Clifford	**500,000**	**25,292**	**–**	**–**	**–**	**525,292**	**0%**
Elizabeth Norman	**475,000**	**25,292**	**500,000**	**129,348**	**–**	**1,129,640**	**56%**
Andrew Stannard	**475,000**	**25,292**	**300,000**	**55,435**	**–**	**855,727**	**42%**
	1,450,000	**75,876**	**800,000**	**184,783**	**–**	**2,510,659**	**39%**
2022							
Andrew Clifford	475,000	23,568	–	283,113	–	781,681	36%
Elizabeth Norman	450,000	23,568	500,000	99,091	–	1,072,659	56%
Andrew Stannard	450,000	23,568	300,000	42,468	–	816,036	42%
	1,375,000	70,704	800,000	424,672	–	2,670,376	46%

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

2 See the "Variable Remuneration Plans" section for further details. Andrew Clifford received no cash variable awards from either the Investment Team Plan or the Profit Share Plan. The cash awards made to Elizabeth Norman and Andrew Stannard were made under the General Employee Plan.

3 The "short term variable remuneration (deferred)" amount noted above reflects the number of shares that vested in the period multiplied by the closing Platinum share price on the date of vesting. Andrew Clifford received no vested awards (2022: 165,563 shares at $1.71), Elizabeth Norman received vested awards of 76,087 shares at $1.70 (2022: 57,948 shares at $1.71) and Andrew Stannard received 32,609 vested shares at $1.70 per share (2022: 24,835 shares at $1.71).

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

The table below presents the remuneration provided by the consolidated entity to executive KMP of the consolidated entity, in accordance with accounting standards. The LTI awards for executive KMP under the Platinum Partners LTIP for the financial year to 30 June 2023 are subject to shareholder approval at the upcoming AGM.

	CASH SALARY $	OTHER[1] $	SUPER-ANNUATION $	STI (CASH)[2] $	STI &LTI (DEFERRED)[3] $	TOTAL $	VARIABLE REMUNERATION AS A % OF TOTAL REMUNERATION[4]
2023							
Andrew Clifford	**500,000**	**(8,427)**	**25,292**	**–**	**415,145**	**932,010**	**45%**
Elizabeth Norman	**475,000**	**11,924**	**25,292**	**500,000**	**448,023**	**1,460,239**	**65%**
Andrew Stannard	**475,000**	**25,134**	**25,292**	**300,000**	**286,024**	**1,111,450**	**53%**
	1,450,000	**28,631**	**75,876**	**800,000**	**1,149,192**	**3,503,699**	**56%**
2022							
Andrew Clifford	475,000	39,805	23,568	–	239,997	778,370	31%
Elizabeth Norman	450,000	10,990	23,568	500,000	377,899	1,362,457	64%
Andrew Stannard	450,000	23,959	23,568	300,000	184,800	982,327	49%
	1,375,000	74,754	70,704	800,000	802,696	3,123,154	51%

1 "Other" represents the increase/(decrease) in the accounting provision for annual and long service leave. These amounts were not received by the Executive Directors and represent provisions made in the consolidated entity's statement of financial position.

2 See the "Variable Remuneration Plans" section for further details. Andrew Clifford received no cash variable awards from either the Investment Team Plan or the Profit Share Plan. The cash awards made to Elizabeth Norman and Andrew Stannard were made under the General Employee Plan.

3 The accounting fair value attributed to each deferred STI and LTIP award is spread over the respective five-year and nine-year service periods. The accounting valuation attributable to Andrew Clifford represents the current year portion of the 2023 STI award of $1,684,133 and the 2022 LTIP award of $1,185,000. The accounting valuation attributable to Elizabeth Norman represents the current year portion of the 2023 STI award of $250,000, the 2022 LTIP award of $355,000, the 2022 STI award of $250,000, the 2021 STI award of $500,000, the 2020 STI award of $450,000 and the 2019 STI award of $350,000. The accounting valuation attributable to Andrew Stannard represents the current year portion of the 2023 STI award of $250,000, the 2022 LTIP award of $355,000, the 2022 STI award of $250,000, the 2021 STI award of $250,000, the 2020 STI award of $150,000 and the 2019 STI award of $150,000.Under accounting standard LTI expenses continue to accrue even where those awards fail to meet their respective total shareholder return hurdles and thus lapse. This was the case in respect to the first tranche of the KMP awards granted in November 2022.

4 Fixed remuneration refers to salary, superannuation and provisions or payments made for annual and long service leave. Variable remuneration refers to both cash and deferred components.

REMUNERATION REPORT
CONTINUED

e) Variable Remuneration Plans

There were three STI plans in operation during the 2023 financial year, each of which operated in conjunction with the Deferred Remuneration Plan. Each plan is overseen by the Nomination and Remuneration Committee. The investment team is eligible to participate in the Investment Team Plan (ITP) and the Profit Share Plan (PSP). All other staff are covered by the General Employee Plan. Each STI award is apportioned between a cash amount, which is generally paid in June and an award of deferred rights under the Deferred Remuneration Plan, the value of which is linked to the PTM share price. Deferred rights are subject to a four-year continuous service vesting condition unless good leaver provisions apply.

The table below summarises the main characteristics of the Investment Team Plan and the Profit Share Plan, each of which are then discussed in more detail in the following section.

PLAN SUMMARY	PARTICIPANTS	POOL FORMULA	CAP	HURDLE	AWARD TYPE
Investment Team Plan	Investment team	Weighted average 1- and 3-year performance	2 x salary of investment team (caps out at 5% outperformance)	MSCI[1]	Cash and/or deferred rights award
Profit Share Plan	Investment team	Weighted average 1- and 3-year performance	5% of adjusted net profit (caps out at 6% outperformance)	MSCI +1%	

Investment Team Plan (ITP) (only members of the investment team are eligible)

Under this plan, in a period where there is aggregate weighted average outperformance (relative to a weighted benchmark comprised of nominated market indices) the annual investment team award pool is calculated as a percentage of the aggregate base salary of the investment team. The percentage level relates to the weighted average of 1-year and 3-year rolling outperformance of all funds and mandates under management (relative to a weighted benchmark comprised of nominated market indices). The pool starts at 100% of the aggregate of the base salaries of the investment team. For each 1% increase in this average outperformance, the pool is increased by 20% and is then capped at 2 times aggregate base salaries when average outperformance is 5% or more.

The pool is allocated across the investment team having regard to performance assessments that are based on both quantitative and qualitative measures. Quantitative measures used to assess individual performance include the performance of any portfolios under the management of an individual and the performance of the individual investment ideas that the person has proposed. Individual investment performance is usually assessed over a rolling 1-year and 3-year timeframe and is relative to a nominated market index.

1 MSCI refers to the relevant MSCI index applicable to each strategy.

The total remuneration outcome (comprising both fixed and variable components) for each investment professional is also benchmarked to appropriate external market data.

In a period where there is aggregate weighted average underperformance or where performance is uneven across different funds or portfolio managers, annual awards for investment team members will then be determined by an individual assessment of each employee's contribution to the investment team during the period. Individual awards will generally range from 0% to 120% of base salary and reflect the business necessity of retaining high-performing talent during the inevitable short term dips in weighted 1-year and 3-year investment performance.

Profit Share Plan (PSP) (only selected members of the investment team are eligible)

The PSP is designed to reward key members of the investment team for their contribution to the development of Platinum's business through the generation of strong investment performance (relative to a weighted benchmark comprised of nominated market indices). Eligible members of the investment team are issued notional units in the PSP. The notional units have no capital value and cannot be sold or transferred to a third party. Notional units of an eligible member of the PSP are adjusted each year based upon a prospective assessment of each such member's long-term contribution potential to the future development of Platinum. Each year the profit share percentage pool is determined based upon the weighted average 1-year and 3-year rolling outperformance of all funds and mandates under management (relative to a weighted benchmark comprised of nominated market indices).

There is no profit share until weighted average 1-year and 3-year rolling outperformance is greater than 1%. So, for example, if the average of the 1-year and 3-year rolling performance of our funds and mandates exceeded the weighted benchmark by 2.5%, then 1.5% of the Company's adjusted net profit (excludes investment income) would be made available to the PSP pool. The profit share figure is limited each year to 5% of adjusted net profit, though the Nomination and Remuneration Committee may elect to carry over investment outperformance to future periods if investment returns indicate a profit share in excess of the 5% level.

General Employee Plan (all non-investment team members are eligible)

Performance is assessed against pre-determined operational and business performance indicators relevant to each employee, which flow down from the executive KMP's KPIs. These performance indicators take into account the responsibilities, skills and experience of each employee, and their contribution during the year. This plan covers those employees whose activity is related to generating new business as well as operational staff. Total remuneration outcomes (comprising both fixed and variable components) are also benchmarked to relevant external market data.

Equity Incentive Plan

There are two sub-plans operating under the Company's Equity Incentive Plan, the Deferred Remuneration Plan and the Platinum Partners LTIP. The main objectives of the Equity Incentive Plan are to directly align employees' remuneration with shareholder value creation, foster sustainable growth, as well as sound financial, operational and risk management practices, and to retain talent.

REMUNERATION REPORT
CONTINUED

Details of each sub-plan are set forth below:

Deferred Remuneration Plan (all staff are eligible)
Eligible employees are selected by the CEO, generally during the annual award cycle. The proportion of each short term incentive awards that are allocated as deferred rights under the plan will vary by employee. The number of deferred rights awarded is determined by dividing the dollar value of the deferred portion of the STI award amount by the PTM share price, using a volume-weighted average price (VWAP) at which PTM shares were traded on the ASX over the seven trading days prior to the grant date. Deferred rights are subject to a four-year continuous service vesting condition. The employee then has a further five years to exercise their deferred rights. If an employee resigns from Platinum before the four-year vesting period, in most circumstances, the deferred rights will be forfeited. Awards of deferred rights may also be forfeited in accordance with other forfeiture and malus provisions under the plan rules.

In order to satisfy the obligations of the Company that arise from the granting of deferred rights to eligible employees, the Company may purchase PTM shares on-market and hold these shares within an employee share trust or otherwise issue shares. Upon the exercise of a deferred right, an eligible employee will receive one PTM ordinary share in satisfaction of the right. No amount is payable by any eligible employee on either grant or exercise of the right. There is flexibility within the plan for the Board to award cash or some other instrument rather than deferred rights, but the Board currently envisages awarding rights over shares only.

Eligible employees will have no voting or dividend rights until their deferred rights have been exercised and their shares have been allocated. However, the deferred rights also carry an entitlement to a dividend equivalent payment. Upon the valid exercise of a deferred right (or deemed exercise), an eligible employee will be entitled to receive an amount approximately equal to the amount of dividends that would have been paid to the eligible employee had they held the share from the grant date to the date that the deferred rights are exercised.

Platinum Partners Long Term Incentive Plan (by invitation of the Board only)
LTI awards are currently made under the Platinum Partners LTIP. Eligible employees are invited to participate in the Platinum Partners LTIP by the Board (upon the recommendation of the Nomination and Remuneration Committee), generally as part of the annual award cycle following a robust selection process that takes into account the performance of the individual, their contribution to the broader business and their likely contribution to future shareholder value creation. The number of performance rights awarded is determined by dividing the dollar amount of the award amount by the PTM share price, using a volume-weighted average price (VWAP) at which PTM shares were traded on the ASX over the seven trading days prior to the grant date.

The vesting of the performance rights is conditional upon the Company meeting minimum Total Shareholder Return (TSR) compound annual growth rate (CAGR) performance hurdles (TSR Hurdle) as set forth in the table below. The Board considers that an absolute TSR is an appropriate performance hurdle for the following reasons:

- There are very few listed companies in the Australian market with a business that is directly comparable to Platinum's; and
- A broader market index is not considered an appropriate peer group as there is risk of misalignment between remuneration and shareholder value creation. For example, using a broad market index may mean that remuneration outcomes are impacted by broad market movements of other companies (e.g. mining companies) that don't correspond to long-term value creation for Platinum shareholders.

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

AWARD PERFORMANCE PERIOD	PROPORTION OF AWARD THAT IS TESTED AGAINST THE TSR HURDLE	TSR
Year 1	25%	1-year TSR
Year 2	25%	2-year annualised TSR
Year 3	25%	3-year annualised TSR
Year 4	25%	4-year annualised TSR

TSR HURDLE (VESTING CONDITION)	ENTITLEMENT TO RESULTING PTM SHARES PER DEFERRED RIGHT
TSR < 7.5%	Nil
TSR between 7.5% and 10% (target)	Between 0.75 and 1 (on a pro rata straight line basis)
TSR between 10% and 15%	Between 1 and 2 (on a pro rata straight line basis)
TSR at or above 15%	2

REMUNERATION REPORT
CONTINUED

The exercise of performance rights that have vested i.e. those performance rights that have met or exceeded the TSR Hurdle for a Performance Period, is also subject to an eight-year continuous service condition. In order to protect shareholders from the dual risks of loss of revenue and the loss of other key staff, Platinum has introduced certain "bad leaver" provisions under the Platinum Partners LTIP rules. Under these rules, if an eligible employee leaves Platinum prior to the expiry of the eight-year service condition, the employee will forfeit all performance rights awarded (both vested and unvested) if the Board determines, acting reasonably, that the employee is a "bad leaver". A bad leaver is defined under the plan rules, and includes a failure to comply with Platinum's non-compete / non-solicit / non-poaching conditions. Furthermore, awards of performance rights may also be forfeited in accordance with the malus and clawback provisions of the plan rules.

Following the expiry of the eight-year service condition, an eligible employee has a further five years to exercise any vested performance rights. In certain limited situations, as set forth in the plan rules, the right to exercise performance rights (both vested and those that subsequently vest after the relevant leaving date) may be accelerated if an eligible employee leaves Platinum prior to the expiry of the eight-year service condition, provided that the Board has not determined that the employee is a "bad leaver".

In order to satisfy the obligations of the Company that may arise from the granting of performance rights, the Company intends to either purchase PTM shares on-market and hold these shares within an employee share trust or issue shares to satisfy performance rights that are exercised. No amount is payable in cash by any eligible employee on either grant or exercise of a performance right.

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

Other Incentive Plans

Platinum has two inactive long-term incentive plans, being an "Options and Performance Rights Plan" (OPRP) and a "Fund Appreciation Rights Plan" (FARP). There were no allocations under either plan in the current or prior year.

5. Remuneration of Non-Executive Directors

Remuneration Policy

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

It is the policy of the Board to remunerate at market rates. Non-executive directors receive a fixed fee and mandatory superannuation payments. Non-executive directors do not receive variable remuneration and are not eligible to participate in any variable remuneration plans. The executive directors examine the base pay of the non-executive directors annually and recommend the remuneration of the non-executive directors to the Nomination and Remuneration Committee within the maximum approved shareholder limit. The aggregate amount of remuneration that can be paid to the non-executive directors, which was approved by shareholders at a general meeting in April 2007, is $2 million per annum (including superannuation). The Constitution of the Company specifies that any change to the maximum amount of remuneration that can be paid to the non-executive directors requires the approval of shareholders.

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

REMUNERATION REPORT
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Remuneration Structure

The following table displays the non-executive directors in office during the financial year and the relevant Board and Committee Chairs at 30 June 2023:

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

* Mr Neilson retired from the Board at the conclusion of the 2022 Annual General Meeting on 16 November 2022.

The table below shows the annualised fixed remuneration (excluding superannuation) amounts for the non-executive directors during the financial year based on the Board and Committee Chair positions held at 30 June 2023.

NON-EXECUTIVE DIRECTOR	GUY STRAPP	STEPHEN MENZIES	ANNE LOVERIDGE	BRIGITTE SMITH	PHILIP MOFFITT	KERR NEILSON*
Board	$230,000	$130,000	$130,000	$130,000	$130,000	$130,000
Audit, Risk & Compliance Committee	$15,000	$15,000	$30,000	$15,000	$15,000	$15,000
Nomination & Remuneration Committee	$15,000	$15,000	$15,000	$30,000	$15,000	$15,000
Total	**$260,000**	**$160,000**	**$175,000**	**$175,000**	**$160,000**	**$160,000**

* Mr Neilson retired from the Board at the conclusion of the 2022 Annual General Meeting on 16 November 2022.

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

	CASH SALARY $	SUPER-ANNUATION $	VARIABLE REMUNER-ATION (CASH) $	VARIABLE REMUNER-ATION (DEFERRED) $	TOTAL $
2023					
Guy Strapp	**260,000**	**25,292**	**–**	**–**	**285,292**
Stephen Menzies	**160,000**	**16,800**	**–**	**–**	**176,800**
Anne Loveridge	**175,000**	**18,375**	**–**	**–**	**193,375**
Brigitte Smith	**175,000**	**18,375**	**–**	**–**	**193,375**
Philip Moffitt	**160,000**	**16,800**	**–**	**–**	**176,800**
Kerr Neilson (until 16/11/22)	**61,074**	**6,413**	**–**	**–**	**67,487**
	991,074	**102,055**	**–**	**–**	**1,093,129**
2022					
Guy Strapp	260,000	24,176	–	–	284,176
Stephen Menzies	164,769	16,500	–	–	181,269
Anne Loveridge	175,000	17,500	–	–	192,500
Brigitte Smith	166,631	17,000	–	–	183,631
Philip Moffitt (from 17/12/21)	86,761	8,676	–	–	95,437
Kerr Neilson	160,000	16,000	–	–	176,000
Tim Trumper (until 17/11/21)	61,333	6,133	–	–	67,466
	1,074,494	105,985	–	–	1,180,479

Stephen Menzies is Platinum Investment Management Limited's (PIML's) representative on the Board of the Dublin domiciled Platinum World Portfolios Plc (PWP) and his director's fees are paid by PWP. Amounts paid in the current year were €24,000 (equivalent to A$36,962) (2022: €24,000 (equivalent to A$36,204)).

REMUNERATION REPORT
CONTINUED

6. Link Between Company Performance and KMP Remuneration Paid by the Consolidated Entity

The table below shows Platinum's five-year performance across a range of metrics and corresponding KMP remuneration outcomes.

	2023	2022	2021	2020	2019
Closing funds under management ($m)	**17,327**	18,214	23,522	21,385	24,769
Average funds under management ($m)	**18,061**	21,350	23,363	23,749	25,394
Net flows ($m)	**(2,438)**	(2,169)	(2,255)	(3,031)	(246)
Average base management fee (bps p.a.)	**112**	115	114	116	116
Base fee revenue ($m)	**201**	246	265	276	295
Total revenue and other income ($'000)	**217,410**	232,847	316,419	298,666	299,320
Total expenses ($'000)	**100,640**	86,129	82,207	77,897	76,421
Profit after income tax expense ($'000)	**80,863**	101,493	163,258	155,611	158,336
Basic earnings per share (cents per share)	**14.10**	17.54	28.17	26.76	27.03
Total dividends (cents per share)	**14**	17	24	24	27
Share price at end of year ($)	**1.74**	1.74	4.91	3.73	4.85
Total aggregate KMP fixed remuneration ($)[1]	**2,684,598**	2,737,141	2,717,490	2,854,551	2,808,483
Total aggregate KMP variable remuneration ($)[2,3]	**1,949,192**	1,602,696	2,237,498	1,738,200	1,792,575

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

2 The increase in 2023 KMP variable remuneration reflected Partners Plan LTIP awards made to each KMP in that year.

3 The reduction in 2022 KMP variable remuneration reflected a decrease in General Employee Plan awards made to Elizabeth Norman and Andrew Stannard in that year but does not include KMP LTI awards approved at the November 2022 AGM.

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

7. Oversight and Governance

The Nomination and Remuneration Committee ensures that appropriate remuneration policies and practices are in place which align with the Company's purpose, strategic objectives and values. It makes recommendations to the Board on the development of the Company's remuneration policies and practices which are designed to recognise strong individual and Company performance as well as to promote effective management of financial and non-financial risks in alignment with the Company's risk appetite.

The Nomination and Remuneration Committee is also responsible for making recommendations to the Board regarding variable remuneration outcomes. When considering the variable remuneration outcomes, the Nomination and Remuneration Committee will consider the extent to which remuneration is aligned with outcomes for shareholders and clients. In making its recommendations to the Board, it will incorporate feedback from the Chief Executive Officer, Chief People and Culture Officer and Chief Compliance Officer (regarding risk and compliance behaviours), external benchmarking data and may also consult with independent remuneration consultants.

The role of the Nomination and Remuneration Committee is set out in its Charter. Its responsibilities include the following:

- To review and make recommendations to the Board in respect of the CEO, executive KMP and non-executive director appointments;
- To review and make recommendations to the Board in respect of the variable remuneration awards in respect of the CEO/Co-CIO, other executive KMP, senior managers and key investment team members;
- To provide oversight on the overall aggregate variable remuneration outcome for Platinum, ensuring appropriate alignment with all stakeholders;
- To review significant changes in remuneration policies and the framework, including employee incentive plans and benefits;
- To oversee the Company's strategic human resources initiatives, including diversity and inclusion;
- To make ongoing assessments of the collective skills required to effectively discharge the Board's duties;
- To review the composition, functions, responsibilities and size of the Board as well as director independence and tenure; and
- To ensure appropriate Board succession planning.

REMUNERATION REPORT
CONTINUED

8. Remuneration Services Provided to the Nomination and Remuneration Committee

The Company utilised Financial Institutions Remuneration Group (FIRG) as the primary sources of remuneration benchmarking data and PartnersInRem for support on the Remuneration Report. In addition, executive KMP roles were benchmarked to publicly available information of comparable ASX listed companies.

9. Key Terms of KMP Employment/Service Contracts

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

- Remuneration and other terms of service for non-executive directors are formalised in letters of appointment. Remuneration and other terms of service for the executive KMP are set forth in employment agreements.
- All contracts (for both executive KMP and non-executive directors) include the components of remuneration that are to be paid and provide for periodic review of remuneration, but do not prescribe how remuneration levels are to be modified from year to year.
- Executive KMP do not have a contractual right to receive STI awards (excluding awards under the PSP), any allocations are at the Board's discretion. Non-executive directors are not entitled to receive any variable remuneration.
- In the event of termination, all KMP are entitled to receive their statutory leave entitlements and superannuation benefits.
- In relation to variable remuneration for executive KMP, STIs are generally only paid if the KMP remains employed by Platinum at the date of payment and has not given notice of resignation. However, the Board retains discretion to make STI payments (both cash and deferred rights) in certain exceptional circumstances, such as bona-fide retirement.
- All directors, except for the Managing Director, Mr Andrew Clifford, must stand for re-election by shareholders at the third AGM after their initial election or otherwise their last re-election.
- All executive KMP can terminate their appointment by providing at least six months' notice.
- All executive KMP have entered into post-employment restraints whereby they may not solicit either employees or clients of Platinum for a period of twelve months.
- Non-executive directors may resign by written notice to the Chair. Where circumstances permit, it is desirable that reasonable notice of an intention to resign is given to assist the Board in succession planning.

10. Interests of KMP in PTM Shares

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

	OPENING BALANCE	ADDITIONS	DISPOSALS	RETIREMENT	CLOSING BALANCE	CONTINGENT RIGHTS[1]	VESTED RIGHTS[1]
Guy Strapp	72,000	28,000	–	–	100,000	–	–
Stephen Menzies	40,000	–	–	–	40,000	–	–
Anne Loveridge	50,000	–	–	–	50,000	–	–
Brigitte Smith	84,000	–	–	–	84,000	–	–
Philip Moffitt	50,000	–	–	–	50,000	–	–
Andrew Clifford	32,831,449	–	–	–	32,831,449	671,303	165,563
Elizabeth Norman	766,748	–	–	–	766,748	719,339	247,314
Andrew Stannard	–	–	–	–	–	587,756	78,996
Kerr Neilson (until 16/11/22)[2]	126,037,420	–	–	(126,037,420)	–	–	–

1 Represents contingent rights to receive shares and vested, but unexercised, rights to receive shares pursuant to awards made under the Company's Deferred Remuneration Plan or Long Term Incentive Plan as at 30 June 2023.

2 Net change other represents the number of ordinary shares held by Kerr Neilson on the date he retired as a director and therefore ceased to be a KMP.

REMUNERATION REPORT
CONTINUED

11. Directors' Interests in Contracts

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

12. Loans to KMP and their Related Parties

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

13. Other Related-Party Payments Involving KMP

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

14. Shareholders' Approval of the FY2022 (Prior Year) Remuneration Report

A 25% or higher "no" vote on the remuneration report at an AGM triggers a reporting obligation on a listed company to explain in its next annual report how concerns are being addressed. At the last AGM (held 16 November 2022), the Company's remuneration report was carried on a poll receiving a 94.08% vote in favour of the report.

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF PLATINUM ASSET MANAGEMENT LIMITED

Building a better working world

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As lead auditor for the audit of the financial report of Platinum Asset Management Limited for the financial year ended 30 June 2023, 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 audit;

(b) No contraventions of any applicable code of professional conduct in relation to the audit; and

(c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

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

Ernst & Young

Ernst & Young

RDaSilva

Rita Da Silva
Partner

23 August 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

		CONSOLIDATED	
	NOTE	**2023 $'000**	2022 $'000
Revenue			
Management fees		**201,439**	246,004
Performance fees		**1,225**	6,665
Total revenue	3	**202,664**	252,669
Other income			
Interest		**5,164**	498
Distributions and dividends	3	**2,899**	3,695
Share of profit/(loss) of associates	6	**2,245**	(17,998)
Gains/(losses) on financial asset at fair value through profit or loss		**4,070**	(6,096)
Foreign exchange gains/(losses) on overseas bank accounts		**368**	79
Total revenue and other income		**217,410**	232,847
Expenses			
Employee expenses			
Salaries and employee-related expenses		**56,465**	40,926
Share-based payments	17	**12,931**	11,908
Custody and unit registry		**5,756**	9,147
Business development		**7,845**	7,020
Technology, research and data		**6,479**	5,551
Legal, compliance and other professional		**4,529**	4,695
Depreciation of right-of-use assets	9	**1,940**	1,934
Depreciation of fixed assets	9	**789**	882
Mail house, periodic reporting and share registry		**1,152**	1,222
Insurance		**1,983**	2,168
Rent and other occupancy	15	**308**	305
Finance costs on lease liabilities		**104**	152
Other		**359**	219
Total expenses		**100,640**	86,129
Profit before income tax expense		**116,770**	146,718
Income tax expense	7	**35,907**	45,225
Profit after income tax expense		**80,863**	101,493

	NOTE	CONSOLIDATED 2023 $'000	2022 $'000
Other comprehensive income			
Exchange rate translation impact of foreign subsidiaries and associates		**288**	5,733
Other comprehensive income for the year, net of tax		**288**	5,733
Total comprehensive income for the year		**81,151**	107,226
Profit after income tax expense for the year is attributable to:			
Owners of Platinum Asset Management Limited		**80,851**	101,493
Non-controlling interests		**12**	–
		80,863	101,493
		CENTS	CENTS
Basic earnings per share	8	**14.10**	17.54
Diluted earnings per share	8	**13.99**	17.43

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	NOTE	CONSOLIDATED 2023 $'000	2022 $'000
Assets			
Current assets			
Cash and cash equivalents		**86,183**	87,449
Term deposits		**99,876**	89,876
Trade and other receivables	12	**24,977**	29,771
Income tax receivable		**1,422**	–
Total current assets		**212,458**	207,096
Non-current assets			
Equity investments in associates	6	**71,696**	92,394
Financial assets at fair value through profit or loss	10	**62,250**	43,315
Fixed assets	9	**1,664**	2,103
Right-of-use assets	9	**2,914**	4,851
Total non-current assets		**138,524**	142,663
Total assets		**350,982**	349,759
Liabilities			
Current liabilities			
Trade and other payables	14	**8,658**	6,090
Employee benefits	13	**4,973**	4,160
Lease liabilities	15	**2,141**	2,005
Income tax payable		**658**	3,901
Total current liabilities		**16,430**	16,156
Non-current liabilities			
Provisions	13	**1,408**	1,481
Employee benefits	13	**970**	846
Lease liabilities	15	**1,112**	3,249
Net deferred tax liabilities	7	**1,531**	4,473
Total non-current liabilities		**5,021**	10,049
Total liabilities		**21,451**	26,205
Net assets		**329,531**	323,554

		CONSOLIDATED	
	NOTE	**2023 $'000**	2022 $'000
Equity			
Issued capital	18	**702,022**	706,595
Reserves	19	**(551,440)**	(560,123)
Retained profits		**177,589**	177,082
Total equity attributable to the owners of Platinum Asset Management Limited		**328,171**	323,554
Non-controlling interests		**1,360**	–
Total equity		**329,531**	323,554

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

CONSOLIDATED	ISSUED CAPITAL $'000	RESERVES $'000	RETAINED PROFITS $'000	NON-CONTROLLING INTERESTS $'000	TOTAL EQUITY $'000
Balance at 1 July 2022	706,595	(560,123)	177,082	–	323,554
Profit after income tax expense for the year	–	–	80,851	12	80,863
Other comprehensive income					
Exchange rate translation impact of foreign subsidiaries and associates	–	288	–	–	288
Total comprehensive income for the year	–	288	80,851	12	81,151
Treasury shares acquired (net) (Note 18)	(4,573)	–	–	–	(4,573)
Share-based payments reserve	–	8,395	–	–	8,395
Dividends paid	–	–	(80,344)	–	(80,344)
Transactions with non-controlling interests	–	–	–	1,348	1,348
Balance at 30 June 2023	**702,022**	**(551,440)**	**177,589**	**1,360**	**329,531**

CONSOLIDATED	ISSUED CAPITAL $'000	RESERVES $'000	RETAINED PROFITS $'000	NON-CONTROLLING INTERESTS $'000	TOTAL EQUITY $'000
Balance at 1 July 2021	714,893	(575,834)	202,965	–	342,024
Profit after income tax expense for the year	–	–	101,493	–	101,493
Other comprehensive income					
Exchange rate translation impact of foreign subsidiaries and associates	–	5,733	–	–	5,733
Total comprehensive income for the year	–	5,733	101,493	–	107,226
Treasury shares acquired (net) (Note 18)	(8,298)	–	–	–	(8,298)
Share-based payments reserve	–	9,978	–	–	9,978
Dividends paid	–	–	(127,376)	–	(127,376)
Balance at 30 June 2022	**706,595**	**(560,123)**	**177,082**	**–**	**323,554**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	CONSOLIDATED 2023 $'000	 2022 $'000
Cash flows from operating activities			
Receipts from operating activities		**207,509**	251,194
Payments for operating activities		**(81,047)**	(69,380)
Finance costs paid		**(104)**	(152)
Income taxes paid		**(44,337)**	(59,002)
Income tax refund received		**1,336**	–
Net cash from operating activities	16	**83,357**	122,660
Cash flows from investing activities			
Interest received		**4,341**	395
Proceeds on maturity of term deposits		**110,521**	98,644
Purchase of term deposits		**(120,521)**	(138,644)
Payments for purchases of fixed assets		**(363)**	(219)
Receipts from sale of financial assets		**20,347**	22,488
Payments of purchases of financial assets		**(33,394)**	(27,205)
Proceeds from sale of investments in associates	6(c)	**60,205**	2,498
Payments of purchases of equity investments in associates	6(c)	**(38,314)**	–
Dividends and distributions received		**2,896**	3,677
Net cash provided by/(used in) investing activities		**5,718**	(38,366)
Cash flows from financing activities			
Dividends paid		**(80,344)**	(127,376)
Payments for purchases of treasury shares		**(9,707)**	(10,952)
Payment of lease liability principal		**(2,006)**	(1,873)
Proceeds from units issued from non-controlling interests		**1,348**	–
Net cash used in financing activities		**(90,709)**	(140,201)
Net movement in cash and cash equivalents		**(1,634)**	(55,907)
Cash and cash equivalents at the beginning of the year		**87,449**	143,277
Effects of exchange rate changes on cash and cash equivalents		**368**	79
Cash and cash equivalents at the end of the year		**86,183**	87,449

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 1. Corporate information

Platinum Asset Management Limited (the "Company") is a for-profit entity that is incorporated and domiciled in Australia. The Company is listed on the Australian Securities Exchange (ASX code: PTM). The principal activities of the Company and its subsidiaries (the "Group") are described in Note 4 segment information. This financial report was authorised for issue in accordance with a resolution of the Directors on 23 August 2023 and Directors have the power to amend and reissue the financial report.

Note 2. Significant accounting policies

Basis of preparation

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

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

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

Critical accounting judgements, estimates and assumptions

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 2. Significant accounting policies – continued

Critical accounting judgements, estimates and assumptions – continued

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

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

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 year

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

Note 3. Revenue & other income

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

	2023 $'000	2022 $'000
Revenue breakdown by geographic region		
Australia	**199,199**	244,951
Offshore: United States, Ireland and Cayman Islands	**3,465**	7,718
	202,664	252,669

	2023 $'000	2022 $'000
Distributions and dividends is comprised of:		
Dividends received from equity securities held by Platinum Global Transition Fund (Quoted Managed Hedge Fund) ("PGTX")	**79**	–
Dividend received from Platinum Asia Investments Limited ("PAI")	**1,500**	2,550
Dividend received from equity securities held by the Cayman and other seed funds	**1,314**	1,127
Distribution received from investment in the Platinum Trust funds	**6**	18
Total distributions and dividends	**2,899**	3,695

Note 3. Revenue & other income – continued

ACCOUNTING POLICY

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

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

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

Other income is recognised if it meets the criteria below:

- *Interest income:* recognised in the consolidated statement of profit or loss and other comprehensive income and is based on the effective interest method.
- *Distributions:* recognised when the Group becomes entitled to the income.
- *Dividends:* brought to account on the applicable ex-dividend date.
- *Net gains/(losses) on financial assets at fair value through profit and loss:* relates to net gains/(losses) on financial assets held directly by the consolidated investments, and recognised as and when the fair value of these investments changes and if disposed, the proceeds less carrying amount of financial assets disposed.

Note 4. Segment information

The Group is organised into two main operating segments being:

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 4. Segment information – continued

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

	30 JUNE 2023			30 JUNE 2022		
	FUNDS MANAGEMENT $'000	INVESTMENTS AND OTHER $'000	TOTAL $'000	FUNDS MANAGEMENT $'000	INVESTMENTS AND OTHER $'000	TOTAL $'000
Revenue and other income						
Management and performance fees	202,664	–	202,664	252,669	–	252,669
Interest	1,960	3,204	5,164	189	309	498
Net gains/(losses) on financial assets and equity in associates	–	6,315	6,315	–	(24,094)	(24,094)
Distributions and dividends	–	2,899	2,899	–	3,695	3,695
Net foreign exchange (losses)/gains on overseas bank accounts	–	368	368	–	79	79
Total revenue and other income/(loss)	**204,624**	**12,786**	**217,410**	**252,858**	**(20,011)**	**232,847**
Expenses	99,890	750	100,640	85,472	657	86,129
Profit/(loss) before income tax expense/(benefit)	**104,734**	**12,036**	**116,770**	**167,386**	**(20,668)**	**146,718**
Income tax expense/(benefit)	32,296	3,611	35,907	51,425	(6,200)	45,225
Profit/(loss) after income tax expense/(benefit)	**72,438**	**8,425**	**80,863**	**115,961**	**(14,468)**	**101,493**
Other comprehensive income/(loss)	89	199	288	(32)	5,765	5,733
Total comprehensive income/(loss)	**72,527**	**8,624**	**81,151**	**115,929**	**(8,703)**	**107,226**
Total assets	**67,167**	**283,815**	**350,982**	**74,301**	**275,458**	**349,759**
Total liabilities	**20,836**	**615**	**21,451**	**23,569**	**2,636**	**26,205**
Net assets	**46,331**	**283,200**	**329,531**	**50,732**	**272,822**	**323,554**

Note 4. Segment information – continued

ACCOUNTING POLICY

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

Note 5. Group information

The consolidated financial statements of the Group include:

NAME	PRINCIPAL PLACE OF BUSINESS / COUNTRY OF INCORPORATION	OWNERSHIP INTEREST 2023 %	OWNERSHIP INTEREST 2022 %
McRae Pty Limited	Australia	**100**	100
Platinum Asset Pty Limited	Australia	**100**	100
Platinum Investment Management Limited ("PIML")	Australia	**100**	100
Platinum Employee Share Trust^	Australia	**100**	100
Platinum GP Pty Limited	Australia	**100**	100
Platinum Arrow Trust	Australia	**100**	100
Platinum Global Transition Fund (Quoted Managed Hedge Fund)*	Australia	**89**	–
Platinum UK Asset Management Limited**	United Kingdom	**100**	100
Platinum Management Malta Limited**	Malta	**100**	100
Platinum Asia Ex-Japan Opportunities Master Fund Ltd	Cayman Islands	**100**	100
Platinum Asia Ex-Japan Opportunities Fund Ltd	Cayman Islands	**100**	100
Platinum Global Opportunities Master Fund Ltd	Cayman Islands	**100**	100
Platinum Global Opportunities Fund Limited	Cayman Islands	**100**	100
Platinum Europe Opportunities Master Fund Ltd***	Cayman Islands	**100**	100
Platinum Europe Opportunities Fund Ltd***	Cayman Islands	**100**	100
Platinum Japan Opportunities Master Fund Ltd***	Cayman Islands	**100**	100
Platinum Japan Opportunities Fund Ltd***	Cayman Islands	**100**	100

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

* Platinum Global Transition Fund (Quoted Managed Hedge Fund) was seeded on 4 July 2022 and its units were quoted on the ASX on 15 February 2023.

** Platinum UK Asset Management Limited and Platinum Management Malta Limited both act as sales and servicing centres for the Group, predominantly with the objective of generating additional fund inflows into PWP.

*** Dormant entities.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 5. Group information – continued

ACCOUNTING POLICY

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

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

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

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Platinum Asset Management Limited as at 30 June 2023 and the results of all subsidiaries for the financial year. Platinum Asset Management Limited and its subsidiaries together are referred to in these consolidated financial statements as the 'consolidated entity' or 'Group'.

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

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

Note 6. Equity investments in associates

The Group's 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 INCOR-PORATION	EQUITY INTEREST %		FAIR VALUE $'000		CARRYING AMOUNT $'000		REASON FOR ASSESSMENT OF SIGNIFICANT INFLUENCE
		2023	2022	**2023**	2022	**2023**	2022	
PAI	Australia	**8.1**	8.2	**25,650**	25,800	**31,086**	32,246	Ownership interest was 8.1% at 30 June 2023; PIML acts as investment manager (IM) in accordance with an investment management agreement; PIML provides performance and exposure reports to the PAI Board.
PWP	Ireland	**26.1**	16.8	**40,610**	60,148	**40,610**	60,148	Ownership interest was 26.1% at 30 June 2023; PIML acts as IM in accordance with an 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.
				66,260	85,948	**71,696**	92,394	

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 6. Equity investments in associates – continued

b. Associates' statement of financial position

	TOTAL ASSETS^ $'000	TOTAL LIABILITIES* $'000	NET ASSETS $'000
30 June 2023			
Associates' financial position			
PAI	**384,846**	**1,425**	**383,421**
PWP**	**157,959**	**2,218**	**155,741**
Total associates' statement of financial position			**539,162**
Group's share of associate			
PAI	**31,201**	**115**	**31,086**
PWP	**40,734**	**124**	**40,610**
Total Group's carrying amount of investment in associate			**71,696**
30 June 2022			
Associates' financial position			
PAI	397,163	1,522	395,641
PWP	377,439	2,162	375,277
Total associates' statement of financial position			770,918
Group's share of associate			
PAI	32,369	124	32,245
PWP	60,644	495	60,149
Total Group's carrying amount of investment in associate			92,394

^ Associates' total assets include non-current assets of $3,936,000 (2022: $5,709,000).

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

** The decrease in PWP's total assets during the year ended 30 June 2023 is primarily due to redemptions by one large institutional investor.

Note 6. Equity investments in associates – continued

c. Carrying amount of investment using the equity method

	2023 $'000	2022 $'000
Opening balance	**92,394**	107,622
Sale of Platinum Asia Fund (Quoted Managed Hedge Fund) ("PAXX") units	**–**	(2,498)
Sale of PWP units	**(21,891)**	–
Share of associates' profit/(loss) (see Note 6d)	**803**	(15,417)
Exchange rate translation impact	**1,917**	5,268
Dividends received and dilution of unitholding (see Note 6d)	**(1,527)**	(2,581)
Closing balance (see Note 6a)	**71,696**	92,394

d. Associates' net income

	PAI $'000	PWP $'000	PAXX* $'000	TOTAL $'000
30 June 2023				
Associates' net income				
Total investment income/(loss)	12,526	11,818	–	24,344
Total expenses	(5,477)	(4,366)	–	(9,843)
Profit/(loss) before tax	7,049	7,452	–	14,501
Income tax expense	(2,513)	–	–	(2,513)
Total profit/(loss) after tax	**4,536**	**7,452**	**–**	**11,988**
Group's share of associate				
Total investment income/(loss)	1,016	1,814	–	2,830
Total expenses	(444)	(1,378)	–	(1,822)
Profit/(loss) before tax	572	436	–	1,008
Income tax benefit	(205)	–	–	(205)
Total profit/(loss) after tax	**367**	**436**	**–**	**803**
Dividend received and dilution of unitholding	(1,527)	–	–	(1,527)
Transfer from foreign currency translation reserve	–	2,969		2,969
Share of profit/(loss) of associates	**(1,160)**	**3,405**	**–**	**2,245**

* PAXX's net income disclosed only for 30 June 2022 when PAXX was an associate.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 6. Equity investments in associates – continued

d. Associates' net income – continued

	PAI $'000	PWP $'000	PAXX $'000	TOTAL $'000
30 June 2022				
Associates' net income				
Total investment income/(loss)	(60,053)	(81,014)	(17,241)	(158,308)
Total expenses	(7,151)	(5,492)	–	(12,643)
Profit/(loss) before tax	(67,204)	(86,506)	(17,241)	(170,951)
Income tax benefit	19,750	–	–	19,750
Total profit/(loss) after tax	(47,454)	(86,506)	(17,241)	(151,201)
Group's share of associate				
Total investment income/(loss)	(4,892)	(10,523)	(107)	(15,522)
Total expenses	(583)	(921)	–	(1,504)
Profit/(loss) before tax	(5,475)	(11,444)	(107)	(17,026)
Income tax benefit	1,609	–	–	1,609
Total profit/(loss) after tax	(3,866)	(11,444)	(107)	(15,417)
Dividend received and dilution of unitholding	(2,582)	–	1	(2,581)
Share of profit/(loss) of associates	(6,448)	(11,444)	(106)	(17,998)

Note 6. Equity investments in associates – continued

ACCOUNTING POLICY

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

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

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

Critical accounting judgements, estimates and assumptions
Assessment of significant influence: At 30 June 2023, the consolidated entity was assessed as having significant influence over PAI and PWP, as a result of its direct investment and investment management activities and other factors outlined in Note 6a.

We have conducted an impairment assessment of the carrying amount of the investment in associates, including a look-through of each of the underlying assets and liabilities. Our assessment is that at 30 June 2023, no impairment was identified for PAI or PWP. The carrying amount for PAI is equal to the fair value of PAI's underlying net assets.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 7. Income tax

(a) Income tax expense

The income tax expense attributable to profit comprises:

	2023 $'000	2022 $'000
Current tax	**38,329**	53,218
Deferred tax	**(2,422)**	(7,993)
Income tax expense	**35,907**	45,225
Numerical reconciliation of income tax expense:		
Profit before income tax expense	**116,770**	146,718
Tax at the statutory tax rate of 30%	**35,031**	44,015
Tax effect amounts which are not deductible/ (taxable) in calculating taxable income:		
Tax rate differential on offshore business income	**(269)**	(740)
Non-taxable losses/(gains) on investments	**–**	615
Share-based payments	**1,856**	2,536
Other non-deductible expenses	**92**	58
Prior year and other adjustments	**5**	(71)
Franking credits and foreign tax credit received	**(808)**	(1,188)
Income tax expense	**35,907**	45,225

(b) Non-current liabilities – net deferred tax liabilities

	2023 $'000	2022 $'000
Deferred tax liabilities comprise temporary differences attributable to:		
Unrealised foreign exchange gains/(losses) on cash	**(1)**	27
Share-based payments	**3,882**	4,657
Employee provisions	**(2,205)**	(1,946)
Unrealised gains on investments	**922**	2,636
Capital expenditure on fixed assets and lease liabilities not immediately deductible	**(661)**	(584)
Expense accruals	**(406)**	(317)
Net deferred tax liabilities	**1,531**	4,473

Note 7. Income tax – continued

(b) Non-current liabilities - net deferred tax liabilities – continued

The net deferred tax liability figure is comprised of $3,273,000 (2022: $2,847,000) of deferred tax assets and $4,804,000 (2022: $7,320,000) of deferred tax liabilities.

The deferred tax assets that will be recovered or settled within 12 months are estimated to be $2,613,000 at 30 June 2023 (2022: $2,642,000).

Deferred tax includes $520,000 (2022: $1,260,000) recorded in the share-based payments reserve and foreign currency translation reserve within equity.

ACCOUNTING POLICY

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

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

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

Offshore Banking Unit ("OBU") Legislation
In June 2010, the Australian Taxation Office declared that the consolidated group is an Offshore Banking Unit (OBU) under Australian Taxation Law. This allows the consolidated group to apply a concessional tax rate of 10% to net income it derives from its offshore mandates. The concession was applied from 1 July 2010 and is expected to cease after 30 June 2023.

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 8. Earnings per share

	2023 $'000	2022 $'000
Profit after income tax attributable to the owners of Platinum Asset Management Limited	**80,851**	101,493

	NUMBER	NUMBER
Weighted average number of ordinary shares used in calculating basic earnings per share	**573,594,056**	578,659,423
Adjustment for performance rights	**4,179,326**	3,626,061
Weighted average number of ordinary shares used in calculating diluted earnings per share	**577,773,382**	582,285,484

	CENTS	CENTS
Basic earnings per share	**14.10**	17.54
Diluted earnings per share	**13.99**	17.43

ACCOUNTING POLICY

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

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

Note 9. Depreciable assets

	2023 $'000	2022 $'000
Fixed assets – at cost	**6,344**	6,109
Less: Accumulated depreciation	**(4,680)**	(4,006)
	1,664	2,103
Right-of-use asset – at cost	**10,642**	10,638
Less: Accumulated depreciation	**(7,728)**	(5,787)
	2,914	4,851

Reconciliations

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

	FIXED ASSETS $'000	RIGHT-OF-USE ASSET $'000
Balance at 1 July 2021	2,777	6,767
Additions	219	18
Disposal	(11)	–
Depreciation expense	(882)	(1,934)
Balance at 30 June 2022	2,103	4,851
Additions	363	3
Disposal	(13)	–
Depreciation expense	(789)	(1,940)
Balance at 30 June 2023	**1,664**	**2,914**

ACCOUNTING POLICY

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 10. Financial assets at fair value through profit or loss

	2023 $'000	2022 $'000
Platinum Trust fund investments	**189**	164
Equity securities held by the seeded investments	**55,681**	38,151
Unlisted shares*	**6,237**	1,000
Platinum Asia Investments Limited options	**143**	–
Convertible note*	**–**	4,000
	62,250	43,315

* In March 2022, the Group invested $1 million to acquire a 0.25% shareholding in an unlisted entity and also acquired $4 million of convertible notes issued by the same unlisted entity. In March 2023, the $4 million of convertible notes converted to unlisted shares.

ACCOUNTING POLICY

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

The consolidated entity has applied AASB 13: *Fair Value Measurement* as the basis to value its financial assets at fair value through profit or loss. AASB 13 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

The standard prescribes that the most representative price within the bid-ask spread should be used for valuation purposes. With respect to the consolidated entity, the last-sale or "last" price is the most representative price within the bid-ask spread, because it represents the price that the unit last changed hands from seller to buyer.

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

Note 11. Fair value measurement

Fair value hierarchy

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

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

(ii) inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices) (level 2); and

(iii) inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (level 3).

The 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. Further details of the fair value of investments in associates is provided in Note 6.

Note 11. Fair value measurement – continued

The following table analyses within the fair value hierarchy model, the consolidated entity's assets and liabilities, measured or disclosed at fair value, using the three-level hierarchy model at 30 June 2023 and 30 June 2022.

2023	LEVEL 1 $'000	LEVEL 2 $'000	LEVEL 3 $'000	TOTAL $'000
Financial assets				
Equity securities held by wholly owned seed funds	**55,521**	**303**	**–**	**55,824**
Unlisted shares	**–**	**–**	**6,237**	**6,237**
Platinum Trust fund investments	**–**	**189**	**–**	**189**
	55,521	**492**	**6,237**	**62,250**

2022	LEVEL 1 $'000	LEVEL 2 $'000	LEVEL 3 $'000	TOTAL $'000
Financial assets				
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
	38,034	281	5,000	43,315

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.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 11. 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. Level 3 assets were 1.9% of net assets at 30 June 2023 (2022: 1.5%). Further details related to the level 3 securities are not disclosed, as the amounts are not material to the Group.

	2023 $'000	2022 $'000
Opening balance	**5,000**	260
Purchases during the year	**–**	5,000
Transfers to Level 1	**–**	(80)
Gains/(losses) during the year	**1,237**	(180)
Closing balance	**6,237**	5,000

Note 12. Trade and other receivables

	2023 $'000	2022 $'000
Management fees receivable	**20,539**	22,231
Performance fees receivable	**1,009**	4,510
Prepayments	**2,260**	2,637
Distribution receivable	**21**	18
Interest receivable	**980**	156
Sundry debtors	**168**	219
	24,977	29,771

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

ACCOUNTING POLICY

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

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

Note 13. Provisions & employee benefits

	2023 $'000	2022 $'000
Current liabilities		
Annual leave	**2,825**	2,495
Long service leave	**2,148**	1,665
	4,973	4,160
Non-current liabilities		
Long service leave	**970**	846
Provision for payroll tax on Deferred Remuneration Plan	**1,408**	1,481
	2,378	2,327

ACCOUNTING POLICY

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

Note 14. Trade and other payables

	2023 $'000	2022 $'000
Trade payables	**7,085**	4,254
GST payable	**1,573**	1,836
	8,658	6,090

ACCOUNTING POLICY

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 15. Leases

The Group has entered into lease agreements for the Sydney and London premises it occupies and pays rent on a monthly basis.

Set out below are the carrying amounts of lease liabilities for the Sydney premises and the movements during the period:

	2023 $'000	2022 $'000
Balance at 1 July	**5,254**	7,110
Payments	**(2,105)**	(2,008)
Accretion of interest	**104**	152
Balance at 30 June	**3,253**	5,254
Current	**2,141**	2,005
Non-current	**1,112**	3,249

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

	30 JUNE 2023 $'000	30 JUNE 2022 $'000
Rent* and other occupancy	**308**	305
Depreciation of right of use asset	**1,940**	1,934
Finance costs on lease liabilities	**104**	152
	2,352	2,391

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

	30 JUNE 2023 $'000	30 JUNE 2022 $'000
Within one year*	**78**	74

* Primarily relates to the short-term lease for the London premises.

Note 15. Leases – continued

ACCOUNTING POLICY	
	Assets and liabilities arising from the premises lease are initially measured on a present value basis. Lease liabilities include the net present value of the future lease payments, less any lease incentives receivable. The lease payments used to determine the lease liability were discounted using an estimated incremental borrowing rate of 2.5% at the date of initial application. The consolidated entity is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The lease payments for short-term leases are charged to the consolidated statement of profit or loss and other comprehensive income.

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

	2023 $'000	2022 $'000
Profit after income tax expense for the year	**80,863**	101,493
Adjustments for:		
Share-based payments expense	**12,931**	11,908
Foreign exchange differences on foreign bank account	**(368)**	(79)
Distributions and dividends	**(2,899)**	(3,695)
Depreciation of fixed assets	**789**	882
Loss on fixed assets disposal	**12**	–
Depreciation of right-of-use asset	**1,940**	1,934
Interest income	**(5,164)**	(498)
(Gain)/loss on investments	**(6,315)**	24,094
Movement in operating assets and liabilities:		
Movement in trade and other receivables	**5,306**	(2,159)
Movement in income tax payable	**(4,065)**	(5,903)
Movement in trade and other payables	**2,405**	878
Movement in deferred tax assets	**(1,174)**	(823)
Movement in deferred tax liabilities	**(1,768)**	(5,910)
Movement in provisions	**864**	538
Net cash from operating activities	**83,357**	122,660

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 17. Share-based payments

Deferred Remuneration Plan

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

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

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

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

	NUMBER OF DEFERRED RIGHTS	
	2023	2022
Opening balance	**11,156,804**	6,973,139
Granted during the year	**5,222,868**	5,003,258
Forfeited during the year	**(131,734)**	(31,218)
Vested and exercised	**(958,471)**	(788,375)
Closing balance	**15,289,467**	11,156,804
Exercisable at the end of the period	**2,004,143**	1,344,191

Note 17. Share-based payments – continued

Long-Term Remuneration Plan

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

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

AWARD PERFORMANCE PERIOD	PROPORTION OF AWARD THAT IS TESTED AGAINST THE HURDLE	HURDLE
Year 1	25%	1-year TSR
Year 2	25%	2-year annualised TSR
Year 3	25%	3-year annualised TSR
Year 4	25%	4-year annualised TSR

TSR HURDLE (VESTING CONDITION)	ENTITLEMENT TO RESULTING PTM SHARES PER PERFORMANCE RIGHT
TSR < 7.5%	Nil
TSR between 7.5% and 10% (target)	Between 0.75 and 1 (on a pro-rata straight line basis)
TSR between 10% and 15%	Between 1 and 2 (on a pro-rata straight line basis)
TSR at or above 15%	2

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 17. Share-based payments – continued

Long-Term Remuneration Plan – continued

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

The second 25% of the June 2021 Platinum Partners' LTIP grant was tested against TSR hurdles for the period ended 30 June 2023 and did not vest (2022: The first 25% of the June 2021 Platinum Partners' LTIP grant was tested against TSR hurdles for the period ended 30 June 2022 and did not vest).

The first 25% of the June 2022 Platinum Partners' LTIP grant and the November 2022 KMP Partner Plan grant were tested against TSR hurdles for the period ended 30 June 2023 and did not vest.

In the current year, the total fair value of performance rights arising from the June 2023 allocation awards was $13,565,514 (June 2022 allocation: $16,093,342), which was based on the 9,165,888 performance rights (2022: 11,920,994) granted. The fair value of performance rights was estimated at $1.48 (2022: $1.35) based on the share price at grant date of $1.69 (2022: $1.71) adjusted for the fair value of dividends forfeited and graded vesting based on the TSR Hurdle. The fair value was estimated using a Monte Carlo model with expected volatility of 35% (2022: 35%), expected dividend yield of 6.8% (2022: 9.2%) and risk-free rate of 4.0% (2022: 3.4%).

In the current year, the total fair value of performance rights arising from the KMP awards approved at Platinum's annual general meeting in November 2022 was $2,262,737 (30 June 2022 allocation: nil), which was based on the 1,432,112 rights (2022: nil) granted. The fair value of rights was estimated at $1.58 (2022: nil) based on the share price at grant date of $1.85 (2022: nil) adjusted for the fair value of dividends forfeited and graded vesting based on the TSR Hurdle. The fair value was estimated using a Monte Carlo model with expected volatility of 35% (2022: nil), expected dividend yield of 7.2% (2022: nil) and risk-free rate of 3.1% (2022: nil).

Note 17. Share-based payments – continued

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

ACCOUNTING EXPENSE	2023 $'000	2022 $'000
Performance rights granted in 2023: Platinum Partners' LTIP	**1,311**	–
Performance rights granted in 2022: Platinum Partners' LTIP	**1,860**	1,554
Performance rights granted in 2021: Platinum Partners' LTIP	**2,435**	2,665
Deferred rights granted in 2023: DRP	**1,540**	–
Deferred rights granted in 2022: DRP	**1,429**	1,476
Deferred rights granted in 2021: DRP	**1,500**	1,408
Deferred rights granted in 2020: DRP	**1,486**	1,343
Deferred rights granted in 2019: DRP	**1,370**	1,268
Deferred rights granted in 2018: DRP	**–**	2,194
Total share-based payments expense	**12,931**	11,908

ACCOUNTING POLICY

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 18. Issued capital

	2023 SHARES	2022 SHARES	**2023 $'000**	2022 $'000
Ordinary shares – fully paid[(a)]	**586,678,900**	586,678,900	**751,355**	751,355
Treasury shares[(b)]	**(17,949,392)**	(13,858,865)	**(49,333)**	(44,760)
Total issued capital	**568,729,508**	572,820,035	**702,022**	706,595

(a) *Ordinary shares*: entitles shareholders to participate in dividends as determined and in the event of winding up of the Company, to participate in the proceeds in proportion to the number of and amounts paid on the ordinary shares held. Ordinary shares entitle the shareholder to one vote per share, either in person or by proxy, at a meeting of the Company's shareholders. All ordinary shares issued have no par value. On 16 September 2022, the Company announced a 12-month extension to the on-market share buy-back program, in which shares will be bought-back, should the Board consider that such is in the interest of shareholders as a whole. No shares have been bought-back as at 30 June 2023.

(b) *Treasury shares*: are shares that have been purchased by the employee share trust, pursuant to the Deferred Remuneration Plan (Refer to Note 17). Treasury shares are held by the employee share trust for future allocation to employees. Details of the balance of treasury shares at the end of the financial year were given below:

	2023 SHARES	2022 SHARES	**2023 $'000**	2022 $'000
Opening balance	**13,858,865**	8,018,094	**44,760**	36,462
Shares acquired by the employee share trust	**5,675,399**	6,420,446	**9,691**	10,934
Shares transferred to employees	**(1,584,872)**	(579,675)	**(5,118)**	(2,636)
Balance at the end of the financial year	**17,949,392**	13,858,865	**49,333**	44,760

ACCOUNTING POLICY

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

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

Note 19. Reserves

	2023 $'000	2022 $'000
Foreign currency translation reserve	**(313)**	(601)
Capital reserve	**(588,144)**	(588,144)
Share-based payments reserve	**37,017**	28,622
	(551,440)	(560,123)

Foreign currency translation reserve

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

Capital reserve

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

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

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

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

Share-based payments reserve

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 19. Reserves – continued

Movements in reserves

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

	SHARE-BASED PAYMENTS $'000	FOREIGN CURRENCY $'000	CAPITAL $'000	TOTAL $'000
Balance at 30 June 2021	18,644	(6,334)	(588,144)	(575,834)
Exchange rate translation impact	–	5,733	–	5,733
Movement in share-based payments reserve	9,978	–	–	9,978
Balance at 30 June 2022	28,622	(601)	(588,144)	(560,123)
Exchange rate translation impact	–	288	–	288
Movement in share-based payments reserve	8,395	–	–	8,395
Balance at 30 June 2023	**37,017**	**(313)**	**(588,144)**	**(551,440)**

Note 20. Dividend paid and proposed

Dividends paid

Dividends paid during the financial year were as follows:

	2023 $'000	2022 $'000
Final dividend paid for the 2022 financial year (7 cents per share)	**40,145**	–
Interim dividend paid for the 2023 financial year (7 cents per share)	**40,199**	–
Final dividend paid for the 2021 financial year (12 cents per share)	**–**	69,454
Interim dividend paid for the 2022 financial year (10 cents per share)	**–**	57,922
	80,344	127,376

Note 20. Dividend made and proposed – continued

Dividends not recognised at year-end

Since 30 June 2023, the Directors determined to pay a 2023 final fully franked dividend of 7 cents per share, payable out of profits for the 12 months to 30 June 2023. The dividend has not been provided for at 30 June 2023, because the dividend was determined after year-end.

Franking credits

	2023 $'000	2022 $'000
Franking credits available at reporting date based on a tax rate of 30%	**74,469**	66,545
Franking credits/(debits) that will arise from the payment/(refund) of the provision for income tax at the reporting date based on a tax rate of 30%	**(1,422)**	3,517
Franking credits available for subsequent financial years based on a tax rate of 30%	**73,047**	70,062

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

Note 21. Financial risk management

Financial risk management objectives

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

- PAI and PWP; and
- Equity and other securities held by the seeded investments, being the offshore Cayman Island domiciled funds Platinum Global Opportunities Fund Ltd, Platinum Asia Ex-Japan Opportunities Fund Ltd (the "Cayman Funds"), Platinum Global Transition Fund (Quoted Managed Hedge Fund) ("PGTX"), other seed funds and investments.

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 21. Financial risk management – continued

Financial risk management objectives – continued

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

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

Market risk

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

(i) poor investment performance: absolute negative investment performance will reduce FUM and relative under performance to appropriate market benchmarks could reduce the attractiveness of Platinum's investment products to investors, which would impact on the growth of the business. Poor investment performance could also trigger redemptions from Platinum's investment products and the termination of investment mandate arrangements;

(ii) market volatility: Platinum invests in global markets. It follows that a decline in overseas stock markets, adverse exchange rates and/or interest rate movements will all impact on FUM;

(iii) a reduction in the ability to retain and attract investors: that could be caused by a decline in investment performance, but also a range of other factors, such as the high level of competition in the funds management industry;

(iv) a loss of key personnel; and

(v) investor allocation decisions: investors constantly re-assess and re-allocate their investments on the basis of their own preferences. Investor allocation decisions could operate independently from investment performance, such that fund outflows occur despite positive investment performance.

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

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

Note 21. Financial risk management – continued

Market risk – continued

Performance fees may be earned by the Group, if the investment return of a Platinum Trust fund, PMC, PAI, PWP, PGTX or any other applicable investment mandate exceeds their hurdle rates. Should the actual performance of one or more of these entities be higher than the applicable hurdle rate, a performance fee would be receivable. As at 30 June 2023, performance fees of $1,009,000 (2022: $4,510,000) were receivable.

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

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

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

The section below mainly discusses the direct impact of foreign currency risk, price risk and interest rate risk on the Group's financial instruments held at 30 June 2023.

Foreign currency risk

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

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 21. Financial risk management – continued

Foreign currency risk – continued

FINANCIAL ASSETS AND LIABILITIES	IMPACT ON NET PROFIT BEFORE TAX OF 10% INCREASE/(DECREASE) IN AUSTRALIAN DOLLAR			
	USD $'000 INCREASE/(DECREASE)		HKD $'000 INCREASE/(DECREASE)	
	30 JUNE 2023	30 JUNE 2022	**30 JUNE 2023**	30 JUNE 2022
Cash and cash equivalents	**(733)/895**	(732)/894	**–**	–
Investments in:				
PWP	**(3,692)/4,512**	(5,468)/6,683	**–**	–
PAI	**–**	–	**(2,826)/3,454**	(2,931)/3,583
Equity securities held by the seeded investments	**(5,062)/6,187**	(4,197)/5,130	**–**	–
Platinum Trust funds	**(17)/21**	(15)/18	**–**	–
Receivables	**(36)/43**	(80)/98	**–**	–
Payables	**58/(71)**	7/(9)	**–**	–

US Dollar fees

If the Australian Dollar had been 10% higher/lower against the US Dollar than the prevailing exchange rate used to convert the US mandate and PWP fees, with all other variables held constant, then net profit before tax would have been A$319,386 lower/A$390,360 higher (2022: A$721,972 lower/A$882,436 higher).

Price risk

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

ENTITY	IMPACT ON NET PROFIT BEFORE TAX OF 10% INCREASE/(DECREASE) IN 30 JUNE VALUES	
	2023 $'000 INCREASE/(DECREASE)	2022 $'000 INCREASE/(DECREASE)
PAI	**3,109/(3,109)**	3,225/(3,225)
PWP	**4,061/(4,061)**	6,015/(6,015)
Equity securities held by seeded investments	**5,568/(5,568)**	4,616/(4,616)
Platinum Trust funds	**19/(19)**	16/(16)
PAI option	**14/(14)**	–
Unlisted shares and convertible notes	**624/(624)**	500/(500)

Note 21. Financial risk management – continued

Price risk – continued

Interest rate risk

At 30 June 2023, cash and term deposits are the only significant assets with potential exposure to interest rate risk held by the Group. A movement of +/-1% in Australian interest rates occurring throughout the year ended 30 June 2023 would cause the Group's net profit before tax to be $1,860,596 higher/lower (2022: $1,773,253 higher/lower), based on the impact on its interest-bearing cash balances. An interest rate movement at 30 June 2023 will not impact the profit earned from term deposits, as term deposit interest rates are determined on execution.

Credit risk

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

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

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

The credit quality of cash and term deposits held by each entity in the Group, by counterparty, can be assessed by reference to the counterparty's external credit ratings. All term deposits are held with Australian banks that have a credit rating of AA- (2022: AA-) or higher. At 30 June 2023 and 30 June 2022, the relevant credit ratings were as follows:

RATINGS	**2023 $'000**	2022 $'000
AA-	**180,775**	168,807
A+	**4,575**	7,891
A	**709**	625
	186,059	177,323

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 21. Financial risk management – continued

Liquidity risk

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

Remaining contractual maturities

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

2023	AT CALL $'000	WITHIN 30 DAYS $'000	BETWEEN 1 AND 3 MONTHS $'000	OVER 3 MONTHS $'000	TOTAL $'000
Trade and other payables	**–**	**8,658**	**–**	**–**	**8,658**
Lease liabilities	**–**	**185**	**370**	**2,814**	**3,369**
Total	**–**	**8,843**	**370**	**2,814**	**12,027**

2022	AT CALL $'000	WITHIN 30 DAYS $'000	BETWEEN 1 AND 3 MONTHS $'000	OVER 3 MONTHS $'000	TOTAL $'000
Trade and other payables	–	6,090	–	–	6,090
Lease liabilities	–	173	345	4,900	5,418
Total	–	6,263	345	4,900	11,508

Financial liabilities at fair value through profit or loss

The Group had no financial liabilities at fair value through profit or loss at 30 June 2023 or 30 June 2022. The Group does not have a significant direct exposure to liquidity risk.

Fair value of financial instruments

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

Note 21. Financial risk management – continued

Capital risk management

(i) Capital requirements

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

(ii) External requirements

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

Note 22. Related party transactions

Subsidiaries and associates

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

Key management personnel

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

Tax consolidation and dividend transactions

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

Fees received

PIML provides investment management services to:

(i) the Platinum Trust funds and Platinum Global Fund;

(ii) the Irish domiciled, PWP;

(iii) two ASX-listed investment companies, PMC and PAI;

(iv) three ASX quoted managed funds, PIXX, PAXX and PGTX; and

(v) the Cayman Funds.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 22. Related party transactions – continued

Fees received – continued

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

	2023 $	2022 $
Recognised in the statement of profit or loss and other comprehensive income	**163,636,309**	202,632,121
Receivable in the statement of financial position	**15,202,485**	18,440,903

PIML recognised management fee and performance fee of $4,076,916 (2022: $5,623,006) from PAI. PIML recognised management fee and performance fee of $1,433,012 (2022: $2,844,024) from PWP.

Investment transactions

During the year, the subsidiary PIML received a final 2022 fully franked dividend of $750,000 (2022: $1,800,000) and an interim 2023 fully franked dividend of $750,000 (2022: $750,000) from its investment in PAI.

On 13 April 2023, PIML was allotted PAI options on a one for four basis. PIML was allotted 7,500,000 PAI options for 30 million ordinary shares that it held in the Company, and held 7,500,000 PAI options at 30 June 2023.

PIML also received the 30 June 2023 distribution of $5,703 from the Platinum Trust funds (2022: $18,296).

Other related-party transactions

Mr Stephen Menzies is PIML's nominated representative on the Board of PWP. PIML reimburses Stephen Menzies for any incidental travel and accommodation associated with attendance at PWP Board meetings in Ireland. During the year, the amount reimbursed was $12,819 (2022: $7,996).

PIML incurred a fee of $2,925,017 (2022: $2,592,825) for general marketing and distribution services provided by Platinum UK Asset Management Limited. PIML incurred a fee of $182,863 (2022: $132,836) for general marketing and distribution services provided by Platinum Management Malta Limited.

In the current year, the cash amount transferred to the Platinum Employee Share Trust was $8,900,000 (2022: $8,460,000).

Loan Agreements with related parties

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

Note 22. Related party transactions – continued

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

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

Note 23. Key management personnel

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

	2023 $'000	2022 $'000
Cash salary, Directors' fees and short-term incentive cash awards	**3,241**	3,249
Accounting expense related to the KMP allocation under the Deferred Remuneration Plan and Platinum Partners' LTIP^	**1,149**	803
Superannuation	**178**	177
Increase in the Group's annual and long service leave provision	**29**	75
	4,597	4,304

^ Andrew Clifford, Elizabeth Norman and Andrew Stannard are the only members of KMP who have received an allocation of rights under the Deferred Remuneration Plan and Platinum Partners' LTIP.

The expense attributable to KMP are based on the allocation of performance rights in the current and prior years is as follows:

	2023 GRANT (UNVESTED)	2022 GRANT (UNVESTED)	2021 GRANT (UNVESTED)	2020 GRANT (UNVESTED)	2019 GRANT (VESTED)	TOTAL
Number of rights allocated during each year under the Deferred Remuneration Plan	294,990	295,000	153,462	160,859	108,696	1,013,007
Number of rights allocated during the year under the Platinum Partners' LTIP	1,432,112	–	–	–	–	1,432,112
Accounting expense attributed to KMP	$666,143	$87,000	$144,000	$132,000	$119,999	$1,149,142

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 23. Key management personnel – continued

Interests of Non-Executive and Executive Directors in shares

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

	OPENING BALANCE	ADDITIONS	DISPOSALS	NET CHANGE OTHER	CLOSING BALANCE	CONTINGENT RIGHTS[1]	VESTED RIGHTS[1]
Guy Strapp	72,000	28,000	–	–	100,000	–	–
Stephen Menzies	40,000	–	–	–	40,000	–	–
Anne Loveridge	50,000	–	–	–	50,000	–	–
Brigitte Smith	84,000	–	–	–	84,000	–	–
Philip Moffitt	50,000	–	–	–	50,000	–	–
Andrew Clifford[1]	32,831,449	–	–	–	32,831,449	671,303	165,563
Elizabeth Norman[1]	766,748	–	–	–	766,748	719,339	247,314
Andrew Stannard[1]	–	–	–	–	–	587,756	78,996
Kerr Neilson (until 16/11/2022)[2]	126,037,420	–	–	(126,037,420)	–	–	–

1 Represents contingent rights to receive shares and vested, but unexercised, rights to receive shares pursuant to awards made under the Company's Deferred Remuneration Plan or Platinum Partners' LTIP as at 30 June 2023.

2 Net change other represents the number of ordinary shares held by Kerr Neilson on the date he retired as a director and therefore ceased to be a KMP.

Note 24. Remuneration of auditors

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

	FIRM	**2023 $**	2022 $
Audit services			
Audit and review of the financial statements and AFSL audit	EY	**177,103**	176,962
Audit of financial statements	Overseas EY	**10,312**	10,554
Total audit, compliance and assurance services		**187,415**	187,516
Taxation services			
Compliance services	EY	**35,200**	29,500
Compliance services	Overseas EY	**1,706**	1,941
Total taxation services		**36,906**	31,441
Total fees paid and payable to the auditors and their related practices		**224,321**	218,957

Note 25. Parent entity information

Set out below is supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	PARENT	
	2023 $'000	2022 $'000
Profit after income tax	**83,000**	129,069
Total comprehensive income	**83,000**	129,069

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2023

Note 25. Parent entity information – continued

Statement of financial position

	PARENT	
	2023 $'000	2022 $'000
Total current assets	**76,023**	85,895
Total assets	**752,360**	754,524
Total current liabilities	**–**	3,315
Total liabilities	**–**	3,315
Net assets	**752,360**	751,209
Equity		
Issued capital	**702,023**	706,577
Reserves	**48,132**	43,291
Retained profits	**2,205**	1,341
Total equity	**752,360**	751,209

ACCOUNTING POLICY

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

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

Note 26. Events after the reporting period

On 23 August 2023 Andrew Clifford advised the Board of his intention to step aside as Managing Director/Chief Executive Officer (CEO) of Platinum. The Board will shortly commence a search process for a new CEO. Whilst this search is underway, Andrew will continue to hold the CEO role on an interim basis until his successor is appointed. Andrew Clifford will continue in the positions of Co-Chief Investment Officer and co-portfolio manager of the Global and Asia strategies.

Apart from the above and the dividend determined on 23 August 2023, no other matter or circumstance has arisen since 30 June 2023 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.

DIRECTORS' DECLARATION
30 JUNE 2023

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described under Basis of Preparation to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company and consolidated entity will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001.*

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors

Guy Strapp
Chair

Andrew Clifford
Managing Director

23 August 2023
Sydney

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

Building a better working world

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REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Platinum Asset Management Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(a) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its consolidated financial performance for the year ended on that date; and

(b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key audit matters

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

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Revenue recognition of management and performance fees

WHY SIGNIFICANT	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
The Group's key revenue streams are management and performance fees earned by Platinum Investment Management Limited (PIML), a consolidated subsidiary, through the Investment Management Agreements in place with Platinum Funds and other investment vehicles. For the year ended 30 June 2023, management fees and performance fees were $202,664,000 as disclosed in Note 3 to the financial report. Due to the quantum of these revenue streams and the impact that the variability of market-based returns can have on the recognition and earning of performance fees, this was considered a key audit matter.	Our procedures included: – Recalculating management fees, on a sample basis, in accordance with contractual arrangements. – Assessing the performance fees recognised for the period to 30 June 2023 from investments vehicles on a sample basis, and assessing whether they met the relevant revenue recognition criteria per the requirements of AASB 15 *Revenue from Contracts with Customers*. This included assessing the inputs into the calculation model and examining the methodology applied in accordance with contractual arrangements. – Assessing the adequacy of the disclosures included in Note 3 to the financial report in accordance with Australian Accounting Standards.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

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Accounting for investments in associates

WHY SIGNIFICANT	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
The Group's investments in associates where significant influence was deemed to be present as at 30 June 2023 totalled $71,696,000 as disclosed in Note 6 to the financial report. The determination of the appropriate accounting treatment of investments held by the Group depends upon its ability to exercise control or significant influence on the investees. This matter was considered a key audit matter as judgement is required in determining the appropriate accounting, particularly due to the Group's practice of seeding investment products, resulting in ownership percentages changing over time.	Our procedures included: – Evaluating the Group's assessment of control or significant influence for each investment vehicle, and relevant accounting treatment and presentation thereon; – Performing independent assessment of control or significant influence over the associate investments with consideration to: • Equity ownership • Representation on the Board of the directors of the investee • Participation and ability for the Group to influence decision making of the investee • Material transactions between the Group and the investee – Obtaining external confirmation of the Group's ownership interest in the investees, recalculated the carrying amount by agreeing inputs such as net asset value and share prices of the investees.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

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Accounting for investments in associates – continued

WHY SIGNIFICANT	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
	– Performing an impairment assessment on investment in associates. This included an assessment of objective evidence of impairment, in accordance with the Australian Accounting Standards, for associates where the carrying amount exceeded the fair value. – Assessing the adequacy of the disclosures included in Note 6 to the financial report in accordance with Australian Accounting Standards.

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

The directors are responsible for the other information. The other information comprises the information included in the Company's 2023 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

Building a better working world

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation 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 control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

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Building a better working world

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PLATINUM ASSET MANAGEMENT LIMITED

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REPORT ON THE AUDIT OF THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 34 to 72 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Platinum Asset Management Limited for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Rita Da Silva
Partner

23 August 2023
Sydney

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