

15 November 2023

The Manager
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Australian Securities Exchange Limited
Sydney NSW 2000

**Platinum Asset Management Limited (PTM)
2023 Annual General Meeting Chair's Address and Presentation Slides**

PTM will hold its 2023 Annual General Meeting (AGM) today at 10.00am (AEDT). Attached is a copy of the Chair's address and associated presentation slides to be given at the AGM.

Authorised by

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Investor contact

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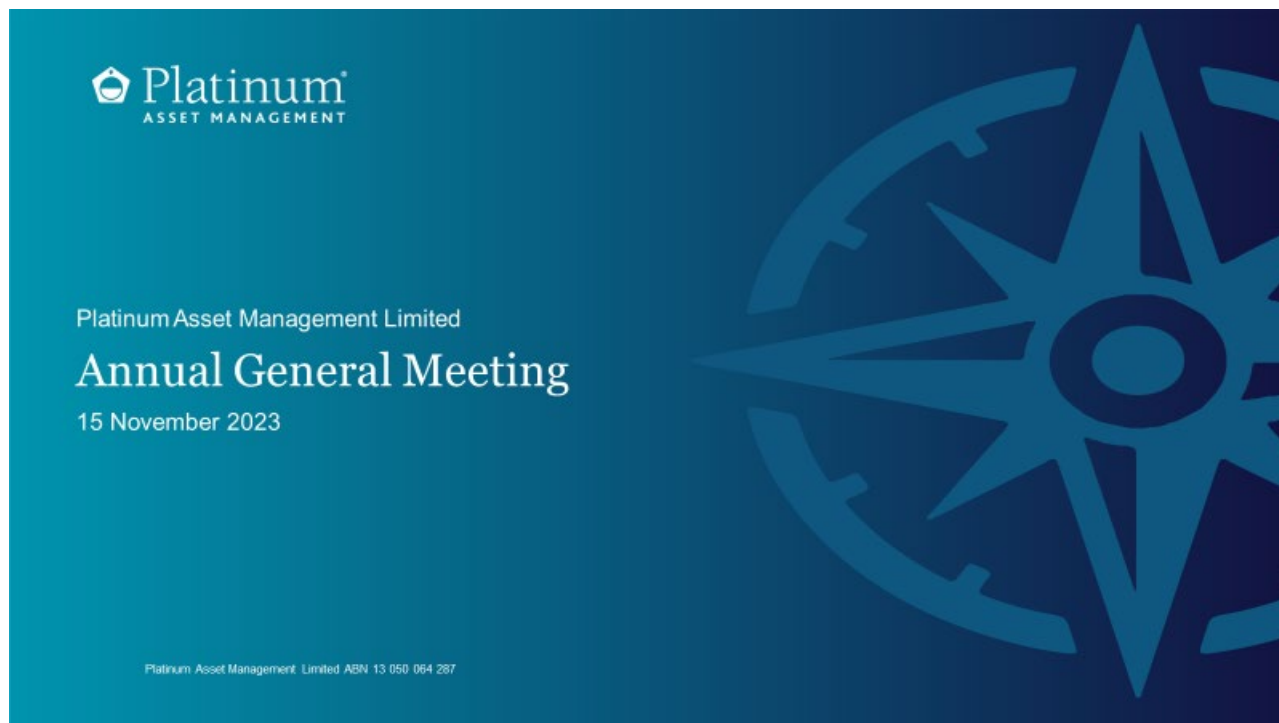
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Platinum Asset Management Limited ABN 13 050 064 287

Platinum Asset Management Limited, 2023 Annual General Meeting – Chair address

Introduction and welcome



Good morning Ladies and Gentleman and welcome to today's Annual General Meeting. My name is Guy Strapp and I am delighted to address you as a Director and the Chair of Platinum Asset Management Limited.

I would like to begin by acknowledging that I am speaking to you today from the lands of the Gadigal people of the Eora nation. I also acknowledge the traditional custodians of the various lands on which each of you join the meeting from today. I hereby pay my respects to their Elders past, present and emerging.

It is now 10:00am (AEDT), the appointed time for holding the meeting and I am advised that the necessary quorum is present. The Notice of Meeting dated 13 October 2023 was published on the ASX market announcements platform and sent to Shareholders so, unless there are any objections, I will take the notice as read.

There are no objections, so I declare the meeting open.

This year we are again holding our AGM as a hybrid meeting, which gives you, our Shareholders, the opportunity to attend the meeting in-person or virtually. We hope that in doing so, we have been able to encourage broader participation amongst our Shareholders.

Please now allow me to introduce your Board of Directors:

Firstly, the Executive Directors:

Andrew Clifford (Chief Executive Officer and Co-Chief Investment Officer), Elizabeth Norman (Director of Investor Services and Communications) and Andrew Stannard (Finance Director).

.....and now my fellow Non-Executive Directors:

Anne Loveridge (Chair of the Company's Audit, Risk and Compliance Committee), Brigitte Smith (Chair of the Company's Nomination and Remuneration Committee), Stephen Menzies and Philip Moffitt.

We also have present Rita Da Silva, the Ernst & Young partner in charge of auditing the Consolidated Group's financial statements.

Markets and returns

Investment Performance to 30 June 2023

Strong absolute performance in 12 months to 30 June 2023

Performance of Platinum Trust Funds A\$ At 30 June 2023		1 Year p.a.	5 Year p.a.	10 Year p.a.	Since inception p.a.	FUM (A\$b)
International Fund (PMs: AC, CS, ND)	- Absolute Return	13.9%	5.5%	9.1%	11.5%	6.6
	- Relative Return	-6.5%	-4.9%	-3.2%	+4.0%	
Asia Fund (PMs: AC, CR, KH)	- Absolute Return	2.1%	4.9%	9.2%	12.0%	2.7
	- Relative Return	0.0%	+1.8%	+1.4%	+3.8%	
Japan Fund (PM: JH)	- Absolute Return	18.3%	4.9%	10.0%	12.8%	0.5
	- Relative Return	-3.8%	-0.4%	+1.0%	+9.4%	
European Fund (PMs: ND, ACo)	- Absolute Return	20.7%	4.0%	8.8%	10.5%	0.4
	- Relative Return	-5.3%	-2.9%	+0.1%	+6.7%	
Brands Fund (PM: JH)	- Absolute Return	12.3%	5.3%	9.2%	11.4%	0.4
	- Relative Return	-8.1%	-5.1%	-3.0%	+6.9%	
Health Care Fund (PM: BO)	- Absolute Return	15.0%	6.7%	11.8%	9.2%	0.4
	- Relative Return	+5.8%	-5.0%	-1.7%	-0.3%	
Global (Long Only) Fund (PM: CS)	- Absolute Return	22.9%	4.8%	10.1%	10.0%	0.2
	- Relative Return	+2.0%	-5.5%	-2.2%	+2.0%	
Technology Fund (PMs: AB, JS)	- Absolute Return	16.5%	9.3%	11.7%	9.5%	0.1
	- Relative Return	-22.2%	-10.8%	-10.8%	+4.7%	
Subtotal (A\$b) % of Total FUM						11.3 66%

PORTFOLIO MANAGERS:

AC = Andrew Clifford, CS = Clay Smolinski, JH = Jamie Halse, ACo = Adrian Coliga,
ND = Nik Dvornak, BO = Bianca Ogden, AB = Alessandro Barbi, CR = Cameron Robertson
KH = Kirit Hira, JS = Jimmy Su

2

Source: Platinum and Factset Research Systems Inc. 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. Relative returns represent the returns of the relevant fund relative to the fund's nominated index as stated in the latest Platinum Trust Product Disclosure Statement. Past performance is not a reliable indicator of future performance.



Let me start by sharing my reflections on the past year.

Global equity markets performed strongly over the last financial year with the MSCI AC World Net Index delivering 20.4% for the year, despite the initial dampening effect of rapidly rising interest rates, several bank failures and weakness in the Chinese economy.

The Platinum Trust Funds, for the most part, also delivered strong absolute investment performance during this period, with the flagship Platinum International Fund returning 13.9%.

The difference between the fund's performance and the index was largely due to the nuances of the index composition, being heavily dominated by mega-cap US technology stocks, further exacerbated by a weak Chinese market.

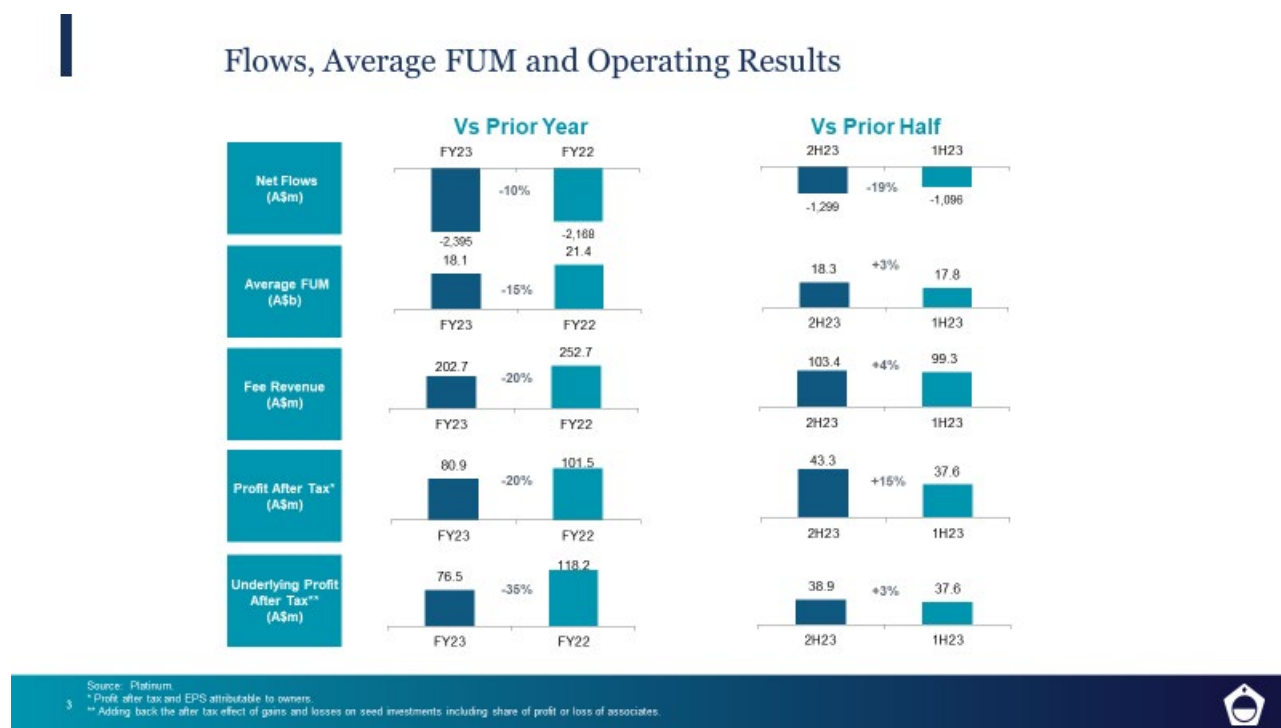
The strongest-performing funds during the period were the Platinum Global Fund (Long Only), Platinum European Fund and Platinum Global Fund, which all delivered returns above 20% for the year ended 30 June 2023.

Whilst our investment returns for the financial year have generally been very solid in an absolute sense, in order to grow funds under management (FUM), and hence profits and Shareholder returns, our performance outcomes need to be attractive to particular market segments and for a large number of these, it's still relative performance that matters.

Furthermore, and as we have previously discussed, competition for investors' savings is fierce, with index tracking ETF strategies crowding the marketplace. More recently, with rising interest rates and term deposits offering returns of 4% to 5%, an additional source of competition for investors' funds has emerged.

Unsurprisingly, the asset management sector is under pressure and Platinum is not immune, with the trend of net outflows continuing during the period. Whilst redemptions were dominated by some large institutional withdrawals, retail outflows, the predominant part of our business, remained steady.

Financial results and dividends



Against this backdrop, FUM at 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.

Profit before tax was \$116.8 million, down 20.4% from the previous year and earnings per share were 14 cents per share, down by 3.4 cents.

Total fee revenue decreased by 19.8% to \$202.7 million, and performance fees decreased to \$1.2 million.

The main drivers of the decrease in profit and earnings per share were a decrease in fee revenues (reflecting changes in average FUM) and an increase in employee expenses (specifically in relation to the investment team), partially offset by improved returns from seed investments.

Underlying profit after tax, excluding gains and losses on seed investments, was down 35.3% to \$76.5 million.

With respect to dividends....

The Board determined to pay a 2023 final fully franked dividend of 7 cents per share, taking total dividends for the 2023 financial year to 14 cents per share, delivering a yield of 8% based on the closing share price at 30 June 2023 of \$1.74.

Share price and buy-back

Capital management and business development

- Commenced the "10/12 limit" on-market share buy back on 14 September 2023.
- Primary objective of buy-back is to provide liquidity to existing Shareholders and accretion to continuing Shareholders.
- Good absolute and relative investment performance for flagship funds (International and Asia) is critical for FUM growth, which drives revenues.
- Wholesale pricing introduced for flagship funds and distribution capability strengthened through new hire.
- Wholesale pricing for the remaining Platinum Trust Funds will be rolled out in near future plus lower wholesale fee for Platinum Global Fund (Long Only).

4



Since 30 June 2023, the share price has declined further. On 14 September 2023, we began the execution of the Company's '10/12 limit' share buy-back program. As at 14 November 2023 4,511,784 shares had been bought back.

The Board's primary objective in effecting the buy-back is to provide liquidity to existing Shareholders and accretion to continuing Shareholders, rather than to support the share price.

It is abundantly clear to us that FUM growth, and consequently growth in revenues, is largely dependent on Platinum being able to deliver consistently good absolute and relative investment returns for the flagship funds. This is what drives demand for Platinum's investment strategy and consequently the share price.

Business development

On the business development front, to meet the growing managed account segment of the market, we introduced new wholesale pricing for our International and Asia flagship funds, subject to minimum investment criteria. We also added new capability to our distribution team with the addition of an experienced SMA investment specialist to actively market our wholesale fee arrangement in the domestic market.

We have been reviewing our broader distribution strategy in light of the changing financial adviser landscape. Pivotal to this review is our product and fee offering. As such, we will be rolling out our wholesale pricing for the remaining Platinum Trust Funds in the near future with a lower wholesale fee to be made available for our Platinum Global Fund (Long Only).

Remuneration

FY 2023 remuneration outcomes

- Strong weighted average investment performance over rolling 1 and 3 year periods to 31 March 2023 drove bonus pools for investment team.
- Review of investment team plans is underway to seek better alignment with business outcomes.
- Shareholder and proxy adviser feedback, drove decision-making process for executive KMP, with A Stannard and L Norman receiving STI awards of only 55% of the maximum potential, and one third as deferred equity with a 4 year service condition.
- A Clifford did not receive STI awards under the CEO Plan at his own request but is eligible for STI awards under the investment team plans (ITP and PSP), required to be delivered as deferred equity with a 4 year service condition.
- Under Resolution 3, A Clifford is seeking shareholder approval to take his STI awards **instead** as LTI awards under the Platinum Partners LTIP. If approved, these awards will need to be re-tested against the TSR hurdles of the plan before they can vest. They will also be subject to an 8 year service condition.

5

Source: Platinum Investment Management Limited. Figures are subject to rounding



With respect to remuneration, strong weighted average investment performance over rolling 1 and 3 year periods to 31 March 2023 - the metrics driving the bonus pool under the plans' rules – resulted in increased STI rewards for our investment team members. We acknowledge that our Shareholders experienced a noticeably reduced financial performance.

It is clear to the Board that remuneration outcomes for our investment team, the engine room of our business, need to be better aligned with business outcomes. Accordingly, a key focus of the Board's remuneration work during the latter part of 2023 has been to initiate a review of investment team's STI remuneration framework. Following this review, we are seeking to implement a number of changes, commencing 1 April 2024, which will include:

- Ensuring the bonus pool size is more heavily driven by revenue outcomes;
- Placing more emphasis on three-year investment performance numbers over one-year numbers; and
- Providing more transparency around metrics that drive allocation of the pool to individuals.

This year we also continued to use Shareholder and proxy adviser feedback as a key factor in our decision-making process for our executive KMP. The improvements made to our remuneration disclosures in our 2022 remuneration report, which received strong support from Shareholders at the 2022 AGM, were also carried through and enhanced in this year's report. We also used stakeholder feedback to revise the KPIs for our executive KMP for the 2023/2024 performance year, making the following changes:

- Greater alignment of KPIs with financial outcomes; and
- Introducing a risk gate opener and consequence management framework.

Specifically, in respect of Andrew Stannard and Liz Normans' STI awards for FY2023, we used our discretion to reduce their balanced scorecard raw scores by between 69%-71%. This resulted in STI awards of 55% of the maximum potential, with approximately one third of the awards delivered as deferred equity subject to a 4 year service condition.

A Clifford's STI award FY23

For the last several years, Andrew Clifford has not received any STI awards either in his role as CEO or Co-CIO. This year, Andrew did not receive any STI under the CEO Plan at his request. However, in his role as Co-CIO, Andrew is eligible for STI awards under the rules of the investment team plans, as was the case for other members of the investment team. Under the terms of Andrew's employment contract, these awards must be delivered as deferred equity and are subject to a 4 year service condition. However, in order to seek better alignment with future Shareholder outcomes, Andrew has asked to receive these awards as performance rights under the Platinum Partners Long Term Incentive Plan (Resolution 3), subject to Shareholder approval. If approved, these awards will need to be re-tested against the TSR hurdles of the plan before they can vest. They will also be subject to an 8 year service condition.

This proposal shows a strong desire by Andrew to align his personal interests with the interests of Shareholders and, in my view, demonstrates a high level of integrity on his part. I therefore strongly urge Shareholders to vote in favour of Resolution 3.

Our work to improve our remuneration outcomes across investment and non-investment teams will continue over coming years to ensure we retain valuable talent and total pay is fair, appropriate and competitive.

Executive KMP LTI awards FY23

Resolutions 4 to 6 are seeking Shareholder approval for the grant of performance rights to the executive KMP under the Platinum Partners' Long-Term Incentive Plan in order to align executive remuneration with future shareholder value creation.

Board renewal

CEO search and Board renewal

- A Clifford to step aside as Chief Executive Officer to focus on portfolio management.
- CEO search is well advanced and we hope to be able to announce an appointment soon.
- S Menzies will retire after close of the Meeting today.
- G Strapp will be seeking re-election today.



We announced to the market on 23 August 2023 that Andrew Clifford will be stepping aside as CEO in order to concentrate on portfolio management. I am very pleased to say that we are well progressed in our search for a new CEO and hope to be able to make an announcement on this shortly.

Stephen Menzies, who has been a long serving member on the Board, has elected not to stand for re-election this year and will be retiring after the close of the Meeting. His experience and insights have been extremely valuable to the Board, and I thank Stephen for his significant contribution.

We have received several questions prior to the meeting that can be summarised as follows:

“What is the Board and management doing to improve investment performance, turnaround flows and thereby increase profitability and the share price?”

The first thing I would say is that both the Board and management are deeply aware of the challenges facing the business.

Senior members of the team hold equity in the business either directly or via deferred share awards, and, like other Shareholders, have been exposed to the downward share price movements. In addition, long term incentive awards previously granted to staff, have not met the TSR hurdles so far, which means no awards have vested from those grants. As such, the team is strongly incentivised to work hard to address these challenges.

As I have already mentioned, the Board has taken other practical steps during FY23, including the implementation of the share buy back as well as providing oversight and support to the management team as they take action to address business development and operational efficiencies.

We believe that the splitting of the CEO and CIO roles should allow for greater focus on business results and investment performance that should, over time, improve share price performance. The Board is excited by the quality and experience of the CEO candidates seen so far and optimistic that a high quality hire may happen in the not too distant future.

Another common theme for questions has been on expense control.

Firstly, to provide some context, less than 130 staff delivered over \$200m in revenue in FY23 with a profit margin of over 50%.

The business has been active in controlling expenses. Despite significant inflationary pressures, non-people costs (1/3rd of total costs) are lower than they were 5 years ago thanks to a combination of cost control measures, most notably the competitive re-tendering of key supplier services.

On the people side, we have sought to reduce cash incentives in favour of share-based awards that better link remuneration outcomes to the share price. FY23 cash STI was lower than five years ago with much of the growth in share-based plan expenses being by way of non-cash accounting charges. We are also well advanced with a review of compensation plans to ensure that they better align with shareholder outcomes.

To conclude, despite the challenges facing the firm, Platinum’s brand as an Australian retail provider of active global equity management remains strong. Our balance sheet also continues to be both robust and free of debt which provides a measure of future flexibility.

Conclusion

Ladies and Gentlemen, that concludes my update.

Proxy Position

Resolution 1 – Re-election of Guy Strapp as a Director

FOR	AGAINST	OPEN-USABLE CHAIR	OPEN-USABLE NON-CHAIR
155,438,269	28,102,105	935,412	986,666
83.82%	15.15%	0.50%	0.53%

Resolution 2 – Adoption of FY 2023 Remuneration Report (advisory)

FOR	AGAINST	OPEN-USABLE CHAIR	OPEN-USABLE NON- CHAIR
113,931,698	48,142,866	901,627	981,066
69.48%	29.37%	0.55%	0.60%



Resolution 3 – STI award for Managing Director and Chief Executive Officer, Andrew Clifford to be delivered instead as Performance Rights under the Platinum Partners' LTIP

FOR	AGAINST	OPEN-USABLE CHAIR	OPEN-USABLE NON-CHAIR
140,390,458	15,541,679	993,147	978,766
88.91%	9.84%	0.63%	0.62%

11



Resolution 4 – Grant of Performance Rights under the Platinum Partners' LTIP to the Managing Director and Chief Executive Officer, Andrew Clifford

FOR	AGAINST	OPEN-USABLE CHAIR	OPEN-USABLE NON-CHAIR
136,952,656	19,082,344	912,054	978,766
86.72%	12.08%	0.58%	0.62%

13



Resolution 5 – Grant of Performance Rights under the Platinum Partners’ LTIP to the Director of Investor Services and Communications, Elizabeth Norman

FOR	AGAINST	OPEN-USABLE CHAIR	OPEN-USABLE NON-CHAIR
170,739,892	18,583,760	930,347	984,766
89.28%	9.72%	0.49%	0.51%

14



Resolution 6 – Grant of Performance Rights under the Platinum Partners’ LTIP to the Finance Director, Andrew Stannard

FOR	AGAINST	OPEN-USABLE CHAIR	OPEN-USABLE NON-CHAIR
164,887,919	25,210,661	910,147	984,766
85.89%	13.13%	0.47%	0.51%

15

