

PL8 Results 1HFY23

1HFY23 profit	1HFY23 Portfolio performance (incl. franking)	Total dividends paid in 1HFY23
\$43.4m	+ 12.3% ¹ (+ 1.5% to benchmark ²)	3.3c ³

- 1HFY23 operating profit after tax of \$43.4 million (+\$28.0m to 1HFY22)
- Total dividends of \$0.033 per share, equivalent to annualised distributed yield of 8.0%⁴
- Monthly fully franked dividends at \$0.0055 per share representing largest monthly dividend (excluding special dividends) since ASX listing in May 2017
- Total portfolio return of +12.3%¹, +1.5% compared to benchmark of +10.8% (+0.5% p.a. to benchmark since inception)
- Distributed income of +4.0% for the half-year, +0.7% compared to benchmark of +3.3% (+2.2% p.a. to benchmark since inception)
- \$85.8 million raised via Share Purchase Plan (SPP)
- Shareholder webinar on the Company's results and investment portfolio

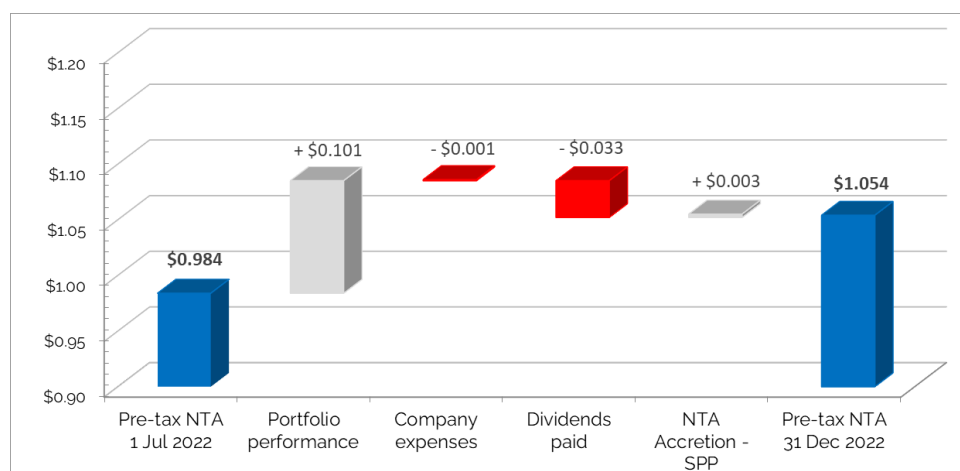
Company Performance

We are pleased to announce Plato Income Maximiser's (ASX:PL8) (**Company**) results for the half-year ended 31 December 2022 (**1HFY23**). The profit for the half-year was \$43.4 million, an increase of \$28.0m over the prior corresponding period, supported by continuing strong distribution revenues and an increase in asset values as markets recovered from the lows experienced during the 2nd half of the 2022 financial year (**2HFY22**).

During 1HFY23, the Company exceeded both its income objective (+0.7% to benchmark) and its performance objective (+1.5% to benchmark). Pleasingly, the Company has also exceeded both its income and performance objective since inception. The Company continued to achieve its stated aim to declare and pay monthly dividends throughout the half-year, with monthly dividends of \$0.0055 per share paid for the months of July through December 2022.

NTA performance breakdown for 1HFY23⁵

In 1HFY23, the pre-tax NTA per share increased from \$0.984 on 30 June 2022 to \$1.054 on 31 December 2022. The \$0.070 increase in NTA per share reflects the strong portfolio performance and a small accretive impact of the SPP of \$0.003 per share, and is after the payment of \$0.033 of fully franked dividends during the half-year³.



¹ Including franking credits, net of portfolio related fees, costs and taxes.

² S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt)

³ Paid via 6 consecutive \$0.0055 monthly dividends

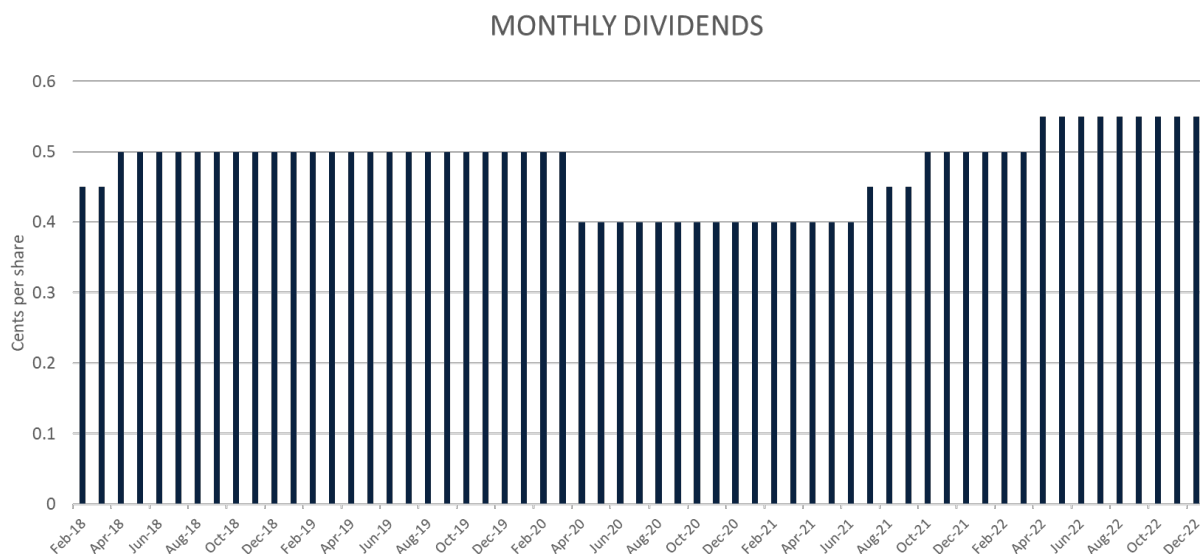
⁴ Calculated as monthly dividends paid (including franking credits) divided by average month-end share price over the period, annualised

⁵ NTA per share performance excludes value of franking credits. Portfolio performance is net of management fees

The post-tax NTA of the Company as at 31 December was \$1.084 per share, which was \$0.03 higher than pre-tax NTA, representing the value of tax on unrealised investment portfolio losses at period end, at the Company's tax rate of 30%. This difference between pre-tax and post-tax NTA fluctuates as unrealised gains and losses are made on PL8's investments.

Dividends

The Company paid six monthly dividends of \$0.0055 per share during 1HFY23. This represents the highest level of monthly dividend that the Company has paid, continuing to reflect the strong level of dividends generated by the Company's investment portfolio.



Since 31 December 2022, the Company has announced a further three fully franked monthly dividends of \$0.0055 per share for the March 2023 quarter, the first of which was paid on 31 January 2023.

The payment of dividends during the year is in line with the Board's stated objective to pay regular monthly dividends, provided the Company has sufficient profit reserves, it is permitted by law and within prudent business practices to do so. At 31 December 2022, the value of the Company's franking account was \$18.0m or \$0.029 per share. This is equivalent to \$0.067 per share in fully-franked dividends at the Company tax rate of 30% and the Company presently maintains sufficient profit reserves for this value of dividends.

Share Purchase Plan

During the half-year more than 4,000 shareholders participated in the Company's SPP which successfully raised \$85.8 million in December 2022 at \$1.11 per share, demonstrating continued support for the Company from existing shareholders.

After the SPP as at 31 December 2022 the Company's net assets were \$688.0 million, making PL8 one of the largest listed investment companies (LICs) on the ASX, while continuing to be the only one paying monthly fully franked dividends.

Shareholder webinar on results and portfolio

The Board invites you to the upcoming shareholder webinar on 7th March 2023 at 11.00am (AEDT). The webinar will provide an update on the Company's half-year financials and investments from Plato Investment Management's Senior Portfolio Manager, Dr Peter Gardner.

Shareholders are invited to register at the following link: [PL8 Half-Year FY2023 Results Presentation](#)

The Board of Plato Income Maximiser Limited has authorised this announcement to be released to the ASX.

Additional shareholder information

Portfolio performance as at 31 December 2022⁶

The Company's investment portfolio performance shows how Plato Investment management Limited (**Manager**) has performed after deducting management fees and costs⁶, as compared to the Company's investment objectives.

Performance as at 31 December 2022 ⁶	Return	Benchmark	Excess
Total return⁷			
- Half-Year	12.3%	10.8%	+ 1.5%
- Since Inception (p.a.) ⁸	9.2%	8.7%	+ 0.5%
Income⁹			
- Half-Year	4.0%	3.3%	+ 0.7%
- Since Inception (p.a.) ⁸	7.6%	5.4%	+ 2.2%

During the half-year ended 31 December 2022 the Company continued to exceed its income objective, distributing 0.7%⁹ excess income over the benchmark, and was also able to exceed its total return objective by 1.5%⁷.

Since inception⁸ the Company has distributed 7.6%¹⁰ p.a. gross income, 2.2% p.a. more than the benchmark, and generated a total return of 9.2%⁷, which is 0.5% p.a. more than the benchmark.

Manager's commentary

Five of the underlying investment portfolio's best contributions to active performance over 1HFY23 were overweights in BHP (up 18%), Whitehaven Coal (up 105%), Mineral Resources (up 63%) and Northern Star (up 62%) as well as an underweight position in Transurban (down 8%). Five of the largest detractors to active performance were an overweight in Graincorp (down 17%) as well as underweight positions in Rio Tinto (up 18%), Fortescue (up 26%), Pilbara Minerals (up 64%) and Oz Minerals (up 58%). We outperformed in the Energy and Industrials sectors but underperformed in the Materials and Consumer Staples sectors.

The S&P/ASX 200 gross dividend yield⁷ continued to recover from its Covid impacted fall as the income generated during 1HFY23 rose to 3.3% compared to 2.7% in the first half of FY22. The Company was able to distribute income of 4.0%⁷, 0.7% above its benchmark.

From an income perspective, the biggest generators of excess dividend income (including franking credits) were active positions in resource companies (BHP, Woodside, Rio Tinto and South32) as well as the big four banks. The Company's investments remain actively positioned to seek superior income than the benchmark and our expectation is for a continued strong dividend environment in the second half of FY23.

Market commentary

The broader share market, represented by the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) was up 10.8% over 1HFY23. The Company's investments performed above the benchmark over 1HFY23 by 1.5%. This was a good return in the context of rising interest rates and falling consumer sentiment. The Australian market outperformed global markets primarily due to our higher exposure to Resources and Financials stocks which are relative beneficiaries of a higher inflation and interest rate environment, and our lower exposure to Information Technology and growth stocks which have a greater impact to their valuation as interest rates rise given the long-term nature of their cashflows. The market also rallied late in the half as optimism rose that inflation may have peaked in the United States, which may lead to a lower number of interest rate hikes by the U.S. Federal Reserve.

⁶ Past performance is not a reliable indicator of future performance. Performance is quoted in AUD net of portfolio related fees, costs and taxes.

⁷ Inclusive of franking credits

⁸ Annualised from inception date: 28 April 2017

⁹ Distributed income including franking

¹⁰ Calculated as monthly dividends paid (including franking credits) divided by average month-end share price, annualised from inception date 28 April 2017

Market commentary (continued)

During 1HFY23, the best performing sectors were Materials and Energy which rose more than 14%. These sectors benefited from an underinvestment in capacity in the case of Energy, as well as the announcement that China was dropping its zero Covid strategy and the optimism that ensued. The worst performing sectors were Consumer Staples which fell as cost inflation rose, and Industrials which fell as rising interest rates impacted infrastructure stocks.

The strong divergence in sector performance during 1HFY23 shows the benefit of holding a diversified portfolio that is forward looking rather than investing in stocks with the highest level of historical income which may lag during particular market cycles.

Find out more about the Company and Manager

To find out more information about the Company, please visit the [PL8 Website](#)

To find out more information about the Manager, please visit the [Plato website](#)

Contact Us

If you have any questions for the Company, please reach us on 1 300 010 311

If you have any questions regarding your shareholding, please call Automic, the Company's share registry on 1 300 902 587

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