

Plato Income Maximiser Limited (ASX:PL8)

INVESTMENT UPDATE AS AT 31 JULY 2020

Performance and Company Update

As at 31 July 2020, the Company's investments delivered a total return of 6.3%⁴ and distributed a yield of 8.0% (incl. franking) since inception⁵ compared to the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) ('Benchmark') return of 5.5%⁴ and a yield of 5.4%⁴. In the month of July, the company's investments outperformed its benchmark by 1.7% bringing the outperformance for the last 12mths to 2.9%.

Monthly Dividends

The Company aims to pay regular monthly dividends. The PL8 Board has resolved to pay three fully franked dividends of \$0.004 per share for July, August and September 2020. This is a continuation of the previous recent monthly dividends of \$0.004 per share, and is a level the Board feels is prudent given current economic conditions and the related uncertainty on the outlook for Australian company dividends experienced as a result of the COVID-19 virus.

See more information [here](#).

Portfolio Performance ¹

Total return ⁴ since inception ⁵ :	6.3%
1 month – July 2020:	2.2%
Income ² since inception ⁵ :	8.0%
1 month – July 2020:	0.6%

Company Snapshot

ASX code Share price:	PL8 \$1.005
Market capitalisation:	\$431m
Inception date:	28 April 2017
Listing date:	5 May 2017
Management fee:	0.80% p.a. ³
Pre-tax NTA ⁷ :	\$0.975

1 Past performance is not a reliable indicator of future performance.
Performance is quoted in AUD net of portfolio related fees, costs and taxes.
2 Distributed income including franking credits.
3 0.82% p.a. inclusive of the net impact of GST and RITC.
4 Including franking credits.
5 Inception date 28th April 2017

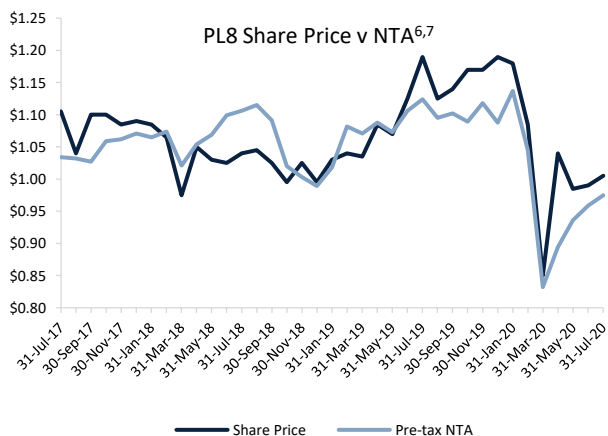
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Market Overview

The Australian market finished only marginally up in July, after a surge in COVID-19 cases in Victoria and a subsequent stage three lockdown erased early gains in the month and increased fears of a slower than expected recovery. The 4.1% rise in the Australian dollar (vs the US dollar) put pressure on stocks with a high proportion of overseas earnings such as some of the large Healthcare stocks. The top performing sectors were Materials, Information Technology and Telcos which are all not particularly exposed to the re-imposition of lockdowns in parts of Australia. In contrast, the Energy, Healthcare and Industrials sectors finished in negative territory for the month.

The largest positive contributors to the Company's investments during the month were overweight positions in Coles, Rio Tinto, Telstra and Fortescue as well as an underweight position in National Australia Bank. However, overweight positions in Aurizon and Orora underperformed and underweight positions in Newcrest and Afterpay Touch detracted from relative performance.

The Company's investments remain actively positioned to seek superior income than the benchmark, albeit, we expect dividends for both the benchmark and our strategy to fall at least 30% due to the economic impact of COVID. However, the distribution of this cut in dividends is not expected to be consistent across sectors. Whilst we think the dividends from financials, retail property trusts and energy stocks are challenged, we expect solid dividends from iron ore and gold miners as well as Consumer Staples like Woolworths and Coles.



Source: Iress, Plato Investment Management

PORTFOLIO PERFORMANCE ¹	1 MTH	3 MTHS	1 YR	INCEPT. P.A.
Total return ⁴	2.2%	10.9%	-5.9%	6.3%
Income ⁵	0.6%	1.7%	7.3%	8.0%
Benchmark total return ⁴	0.5%	7.7%	-8.8%	5.5%
Excess total return ⁴	1.7%	3.2%	2.9%	0.8%
Excess income ⁵	0.6%	1.4%	2.6%	2.6%
Excess franking ⁵	0.2%	0.5%	1.0%	1.0%

⁴ Including franking credits and special dividends.

⁵ Distributed income including franking credits.

NET TANGIBLE ASSETS (NTA) ⁶	
Pre-tax NTA ⁷	\$0.975
Post-tax NTA ⁸	\$1.014
Distributed Dividends since inception	\$0.193
Distributed Dividends (incl. franking)	\$0.276

⁶ NTA calculations exclude Deferred Tax Assets relating to capitalised cost deductions and carried forward tax losses of \$0.006. The Franking Account Balance (not reflected in NTA) is \$0.009 per share.

⁷ Pre-tax NTA includes tax on realised gains or losses and other earnings, but excludes any provision for tax on unrealised gains or losses.

⁸ Post-tax NTA includes tax on realised and unrealised gains or losses and other earnings.

TOP 10 HOLDINGS	TOP 10 YIELDING	YIELD% P.A. ⁴
ANZ	Rio Tinto	9.2
Aurizon	AGL Energy	9.0
BHP Group	Commonwealth Bank	8.6
Coles Group	BHP Group	8.3
Commonwealth Bank	Fortescue Metals Group	8.2
CSL	Super Retail Group	8.0
Macquarie Group	Origin Energy	8.0
Rio Tinto	Orora	8.0
Telstra Corporation	Aurizon Holdings	7.6
Wesfarmers	Telstra Corporation	6.8

Plato

INCOME MAXIMISER

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Plato Investment Management Limited (ABN 77 120 730 136, AFSL 504616) ('Plato') is the investment manager of Plato Income Maximiser Limited ACN 616 746 215 ('PL8' or the 'Company'). PL8 is the issuer of the shares in the Company under the Offer Document. Any offer or sale of securities are made pursuant to definitive documentation, which describes the terms of the offer ('Offer Document') available at <https://plato.com.au/lic-overview/>

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