

19 November 2024

By Electronic Lodgement

Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

2024 Plato Income Maximiser Limited (ASX: PL8) Annual General Meeting – Chairman's Address

Please find attached a copy of the Chairman's address which will be delivered at the PL8 Annual General Meeting today.

This announcement was authorised for release by the Board of Directors.

2024 Annual General Meeting – Chairman’s Address

[Slide 3 – Section Break to start Chairman’s Address]

My address will cover an overview of the Company, a review of our performance to date, a dividend update, an overview of PL8’s share price performance and a high level summary of PL8 today in comparison to how it looked at IPO over seven years ago.

[Slide 4 – Company Overview]

Firstly, I will provide a brief overview of the Company - as a quick reminder to our longstanding shareholders and importantly to welcome our new shareholders.

Plato Income Maximiser Limited, PL8, was established to provide shareholders the opportunity to benefit from an actively managed, well-diversified portfolio of Australian equities and a monthly dividend payment provided it has sufficient profit reserves. It is the first and only LIC in the Australian market that pays monthly franked dividends to shareholders.

First listed in May 2017, the Company now has approximately \$837 million of pre-tax net assets, up from \$326 million at IPO, making it one of the larger LICs on the ASX.

The Company’s investment portfolio is managed by Plato Investment Management Limited and invests into the Plato Australian Shares Income Fund.

[Slide 5 – Performance]

PL8 has achieved strong results since listing:

- The annualised portfolio performance for the period from inception in May 2017 to 30 June 2024 was 9.6% p.a. total return including franking credits. Updated through to 31 October 2024, the total return was 10.0% p.a. including franking credits.
- The annualised distributed dividends including franking credits for the period from inception to 30 June 2024 was 7.6% p.a., and remained at 7.6% p.a. through to 31 October 2024.
- The Company’s annualised total shareholder return, or TSR performance, which measures the return from the change in share price of PL8 and dividends paid, from inception to 30 June 2024 was 6.9% p.a. Updated through to 31 October 2024, TSR performance was 7.0% p.a.
- The Company’s share price was \$1.225 on 31 October 2024 compared to an issue price of \$1.10, with dividends of 45.7 cents paid since inception. This TSR excludes any benefit from franking which helps to explain why the TSR is below the annualised portfolio performance, which includes franking. The dividends paid since inception plus the benefit of franking credits to 31 October 2024 equates to 65.2 cents.

[Slide 6 – Dividend Update]

The directors are pleased that the Company has been able to achieve its stated aim to pay monthly dividends at a level higher than the overall market’s dividend yield. The chart on this slide shows the dividend history of the Company.

The chart shows that since April 2022, a period of a little over two and a half years, the monthly dividend has remained stable at 0.55c per share per month. This reflects a fairly stable environment for overall dividends on the ASX and the continued ability of the Manager to keep outperforming the market’s level of dividends. We will hear more from Don on this a bit later.

In May 2019, shareholders were also paid a special dividend of 3.0 cents per share and in May 2022, the Company paid a special dividend of 0.55c per share to mark the Company’s 5th birthday since listing on the ASX – these are not shown on the chart.

[Slide 7 – Growth and Income]

Looking at the return drivers across growth and income over the first six full financial years of the Company ending June 2024, and up until today (as at 31 October 2024). The pre-tax NTA, as shown by the dark blue bars, is slightly higher over this period, driven by the relatively low returns from Australian shares over the period.

Distributed dividends (and related franking credits), in the light blue bars, have been the primary driver of returns over the period, highlighting the importance of income (and franking) in generating total shareholder returns.

[Slide 8 – Share price compared to NTA]

The chart on this slide indicates that pleasingly, for most of the life of the Company since listing that the Company's share price has traded at a premium to its pre-tax NTA. Since the most recent SPP capital raising in November 2023, the NTA premium has stabilised at approximately 10% over the last year.

[Slide 9 – IPO vs Now]

The table on this slide provides a high-level overview of some of the key metrics of PL8 as a Company since IPO compared to now (31 October 2024).

The net assets of the company have grown approximately 2.5x from \$326m at IPO to \$827m as at 31 October 2024.

The number of shareholders in the Company has grown approximately 2.0x from 5,618 to 12,568.

The liquidity of PL8 shares has grown approximately 3.0x from \$6.8m a month to \$21.8m a month on average over the last twelve months. This is approximately \$1m a day of trading volume in PL8 given there are on average about 22 trading days in a calendar month.

The annual running costs of the Company as a % of the Company's net assets (note this excludes the Manager's fee of 0.8% p.a.) have almost halved from 0.18% p.a. in FY2018 to 0.10% p.a. in FY2024, further indicating the benefits of scale for shareholders, as shareholder returns are after these costs.