

16 March 2021

*By Electronic Lodgement*

Market Announcements Office  
ASX Ltd  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam,

## Plato Income Maximiser Limited (ASX: PL8) – Monthly Investment Update

Please find attached a copy of the investment update the month ending 28 February 2021.

For further information, please contact 1300 010 311.

Authorised by:

**Calvin Kwok**  
**Company Secretary**

## PERFORMANCE AND COMPANY UPDATE

As at 28 February 2021, the Company's investments delivered a total return of 8.3%<sup>1</sup> and distributed a yield of 7.7% (incl. franking) since inception<sup>2</sup> compared to the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) ('Benchmark') return of 8.6%<sup>1</sup> and a yield of 5.2%<sup>1</sup>.

<sup>1</sup>Including franking credits.<sup>2</sup>Inception date 28th April 2017.

## 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 January, February and March 2021. 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.

### PORTFOLIO PERFORMANCE<sup>1</sup>

Total return <sup>2</sup> since inception <sup>3</sup> :	8.3%
1 Month - February 2021:	0.1%
Income <sup>2</sup> since inception <sup>3</sup> :	7.7%
1 Month - February 2021:	0.5%

<sup>1</sup>Past performance is not a reliable indicator of future performance. Performance is quoted in AUD net of portfolio related fees, costs and taxes.

<sup>2</sup>Total return includes franking credits and special dividends. Income is distributed income including franking credits.

<sup>3</sup>Inception date 28th April 2017.

### COMPANY SNAPSHOT

Share Price (PL8):	\$1.195
Market Capitalisation:	\$512m
Inception date:	28-Apr-17
Listing date:	5-May-17
Management fee:	0.80% p.a. <sup>1</sup>
Pre-tax NTA <sup>2</sup> :	\$1.041

<sup>1</sup>0.82% p.a. inclusive of the net impact of GST and RITC.

<sup>2</sup>Pre-tax NTA includes tax on realised gains or losses and other earnings, but excludes any provision for tax on unrealised gains or losses.

## MARKET OVERVIEW

February saw a strong rebound in corporate profits and dividends as the strength in household spending and commodity prices continued and optimism grew around vaccines. Banking stocks also rallied after strong updates which saw both ANZ and Westpac write back some of their Covid provisions as borrower stress previously forecast did not eventuate. However, in the second half of February, the global reflation trade took hold and bond yields rose strongly (for eg. the Australian 10yr bond yield rose 79bps to 1.92%), adding to the rally in bank stocks but also causing the rate sensitive sectors (such as IT, Utilities and Consumer Staples) to fall. The strongest sectors (materials, energy and financials) were all beneficiaries of the reflation trade.

The largest positive contributors to the Company's investments during the month were overweight positions in Fortescue and BHP as well as underweight positions in Afterpay Touch, Transurban and Xero. However, overweight positions in Coles, JB Hi-fi and Wesfarmers underperformed and an underweight position in NRW Holdings detracted from relative performance.

Our proprietary dividend cut model indicates that the proportion of stocks forecast to cut dividends has returned to a normal level after being elevated from March-October last year. The February reporting season was also strong for dividend prospects, particularly in the financials and mining sectors which has resulted in an increase to our Australian market gross dividend forecast from 4.2% to 4.8%. The Company remains actively positioned to seek superior income than the benchmark.

TOP 10 HOLDINGS	TOP 10 YIELDING	YIELD% P.A. <sup>1</sup>
ANZ	Fortescue Metals	10.4
BHP Group	JB Hi-Fi	8.9
Commonwealth Bank	Regis Resources	7.3
CSL	Mineral Resources	6.7
Fortescue Metals	Rio Tinto	6.4
Macquarie Group	Medibank Private	6.2
Telstra Corporation	Amcor	5.7
Wesfarmers	Coles Group	5.6
Westpac	St Barbara	5.5
Woolworths	Stockland	5.3

<sup>1</sup>Including franking credits

PORTFOLIO PERFORMANCE <sup>1</sup>	1M%	3M%	1YR% P.A.	3YRS% P.A.	INCEPTION% P.A.
Total return <sup>2</sup>	0.1	2.2	7.2	9.0	8.3
Income <sup>3</sup>	0.5	1.5	6.7	8.9	7.7
Bench. total return <sup>2</sup>	1.6	3.2	7.4	8.8	8.6
Excess total return <sup>2</sup>	-1.5	-1.0	-0.2	0.2	-0.3
Excess Income <sup>3</sup>	-0.1	0.7	3.1	3.9	2.5
Excess franking <sup>3</sup>	0.0	0.3	1.1	1.4	1.0

<sup>1</sup>Past performance is not a reliable indicator of future performance. Performance is quoted in AUD net of portfolio related fees, costs and taxes.

<sup>2</sup>Including franking credits and special dividends.

<sup>3</sup>Distributed income including franking credits.

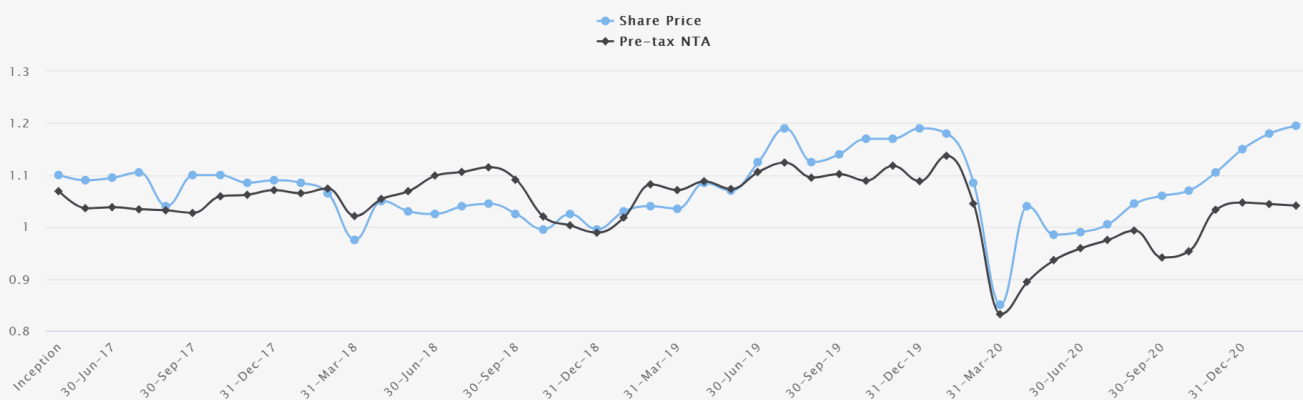
NET TANGIBLE ASSETS <sup>1</sup>	
Pre-tax NTA <sup>2</sup>	\$1.041
Post-tax NTA <sup>3</sup>	\$1.058
Distributed Dividends since inception	\$0.221
Distributed Dividends (incl. franking)	\$0.316

<sup>1</sup>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 \$0.008 per share.

<sup>2</sup>Pre-tax NTA includes tax on realised gains or losses and other earnings, but excludes any provision for tax on unrealised gains or losses.

<sup>3</sup>Post-tax NTA includes tax on realised and unrealised gains or losses and other earnings.

## PL8 SHARE PRICE V NTA<sup>1,2</sup>



Source: Iress, Plato Investment Management.

<sup>1</sup>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 \$0.008 per share.

<sup>2</sup>Pre-tax NTA includes tax on realised gains or losses and other earnings, but excludes any provision for tax on unrealised gains or losses.