

3 November 2021

By Electronic Lodgement

The Manager
Company Announcements Office
ASX Ltd
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Plato Income Maximiser Limited (ASX:PL8) announces Placement to wholesale investors and Share Purchase Plan to existing shareholders

Plato Income Maximiser Limited (**PL8** or the **Company**) (ACN 616 746 215) is pleased to announce that it has launched a placement to wholesale investors to raise up to A\$71.3 million (**Placement**). Shortly after the closing of the Placement, the Company will undertake a Share Purchase Plan (**SPP**), open to all eligible PL8 shareholders at the record date (2 November 2021).

Placement

Placement Overview

The Company is proposing to issue up to 64.2 million new ordinary fully paid shares (**New Shares**) at a price of A\$1.11 per New Share pursuant to the Placement.

The Placement price of A\$1.11 is based on the last reported pre-tax net tangible assets per share (**NTA**) and represents a 13.6% discount to the closing share price on 2 November 2021, the day prior to this announcement and a 14.2% discount to the volume weighted average price for the five trading days up until 2 November 2021.

The New Shares to be issued under the Placement will represent up to 15% of the Company's issued capital (being an amount which is within the Company's available placement capacity under ASX Listing Rule 7.1) and will therefore not require shareholder approval.

The New Shares to be issued under the Placement will rank equally with existing ordinary fully paid shares in the Company with effect from their date of issue, including in respect of entitlements to dividends. New Shares to be issued under the Placement will be entitled to the monthly dividend of \$0.005 per share with a record date of 16 November 2021.

New Shares under the Placement are expected to be issued, and commence trading, on the ASX on Thursday, 11 November 2021. Following completion of the Placement (assuming it is fully subscribed) the Company will have approximately 492.6 million ordinary fully paid shares on issue.

Placement joint lead managers and fees

Neither the Placement nor the SPP is being underwritten. However, the Placement is being arranged by Taylor Collison Limited with Morgans Financial Limited and Ord Minnett Limited as additional joint lead managers.

All fees and costs regarding the Placement will be borne by the Manager.

Share Purchase Plan

Share Purchase Plan Overview

Following the closing of the Placement, the Company will conduct the SPP.

Under the SPP existing eligible PL8 shareholders will have the opportunity to acquire up to A\$30,000 worth of New Shares at a price that is the lower of:

- A\$1.11 per New Share (being the same price per New Share as in the Placement); and
- The pre-tax NTA per share on the day the SPP closes.

Participation in the SPP is optional and open to existing PL8 shareholders with a registered address in Australia or New Zealand as at 7.00pm (Sydney, Australia time) on Tuesday, 2 November 2021 (**Eligible Shareholders**). The SPP is also being extended to Eligible Shareholders who are custodians to participate in the SPP on behalf of certain beneficiaries on the terms and conditions of the SPP.

The SPP is targeting to raise a maximum of A\$50 million, while maintaining the flexibility to accept applications in excess of this amount. Applications in excess of the A\$50 million target amount may be scaled back (on a pro rata basis at the discretion of the Company).

New Shares issued under the SPP will rank equally with existing ordinary fully paid shares in the Company with effect from their date of issue, including in respect of entitlements to dividends. New Shares to be issued under the SPP will be entitled to the monthly dividend of \$0.005 per share with a record date of 17 December 2021.

The SPP is scheduled to open at 10.00am (Sydney time) on Friday, 5 November 2021 and expected to close at 5.00pm (Sydney time) on Friday, 26 November 2021. The Company expects to announce the final outcome of the SPP, including any scale-back, on Monday, 29 November 2021.

Shareholder approval is not required for the issue of New Shares under the SPP.

Share Purchase Plan Booklet

The SPP offer booklet (**Booklet**) containing further details of the SPP will be released separately and is expected to be provided to all Eligible Shareholders on Friday, 5 November 2021.

Placement and SPP rationale and use of funds

On 12 October 2021, the board of PL8 (**Board**) resolved to pay three fully-franked dividends of \$0.005 per share payable in October, November and December 2021. This is an increase of 11.1% on the dividends paid in the September 2021 quarter, reflecting the improved dividend environment and represents a return to the level of dividends paid by the Company prior to the commencement of the COVID-19 pandemic.

The Board, in consultation with Plato Investment Management Limited (**Plato or the Manager**), feels that the Company's profits reserves and franking credits are sufficient to maintain this level of monthly dividends including any additional capital raised under the Placement and SPP.

In addition, the Company believes that there will be a number of benefits from the Placement and SPP to existing and new shareholders such as:

- a larger market capitalisation of the Company following completion of the Placement and SPP which should lead to increased liquidity;
- a more diverse shareholder base (following completion of the Placement); and
- a potential lower management expense ratio due to economies of scale on the fixed costs of the Company.

The proceeds raised from the Placement and SPP will be invested via the Plato Australian Shares Income Fund (ARSN 152 590 157) (**Plato Fund**) in accordance with how the Company's investments are currently structured. Once the proceeds have been invested into the Plato Fund, the Manager will, in its

capacity as manager of the Plato Fund, invest these funds in accordance with the Company's investment strategy in order to deliver on the Company's investment objectives.

Commenting on the Placement, Dr Don Hamson, Director of PL8 and Managing Director of Plato said *“Dividends have rebounded strongly in 2021, as we predicted, reflecting a strong bounce back in the Australian economy. In the current environment, liquidity and diversification still remain important. By design, PL8’s underlying portfolio is well diversified and very liquid. One of the benefits of a closed-end listed investment company focused on income is the ability to manage capital amidst uncertainty so as to provide regular dividend distributions over time.*

We have received a considerable amount of enquiry from investors and shareholders wanting to invest additional capital in PL8. The Placement and SPP provides that opportunity. We continue to see attractive opportunities to deploy the Company’s capital and we look forward to deploying the additional capital raised from new and existing shareholders”

About the Company

Since the listing of the Company on 5 May 2017, the Company has aimed to:

- pay regular monthly dividends;
- generate an annual income (including franking credits) in excess of the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt) (**Benchmark**)¹; and
- outperform (after fees) the Benchmark in total return terms including franking credits over each full investment cycle (which the Manager considers to be a period of typically 3 to 5 years)².

This is delivered via an actively managed, well-diversified portfolio of Australian listed equities, implemented through an investment in the Plato Fund. The investment strategy of the Company and the Plato Fund are the same.

The Company hopes to continue to provide investors with a stable, fully franked dividend yield³. The Board believes that in a low interest rate environment, a consistently high yield should be of great value to our shareholders. Many retirees are look to live off the income from their investments and with current RBA cash rates continuing to be at a record low levels, this is increasingly difficult to achieve from traditional income securities.

Timetable

Key dates of the Placement and SPP are detailed below.

Event	Date
Record date for SPP	7.00pm (Sydney time) Tuesday, 2 November 2021
Trading halt and announcement of Wholesale Placement and SPP	Wednesday, 3 November
ASX announcement of the PL8 NTA as at 2 November	Pre-market open, Wednesday, 3 November

¹ The reference to the Company’s aim to “generate income” as part of the Company’s investment objectives or Investment Strategy should be read as including franking credits.

²The reference to the Company’s aim to “outperform the Benchmark” as part of the Company’s investment objectives or Investment Strategy should be read as including franking credits and after fees over each full investment cycle (which the Manager considers to be a period of typically 3 to 5 years).

³ This is not intended to be a forecast; it is merely a statement of the future intentions. The Company may not be successful in achieving this aim

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Placement opens	10.00am (Sydney time) Wednesday, 3 November
Placement closes	Thursday, 4 November Right to accelerate if strong demand
Placement results announced / Trading of shares recommences on the ASX	Friday, 5 November
SPP booklet and application forms provided to Eligible Shareholders	Friday, 5 November
SPP offer opens	10.00am (Sydney time) Friday, 5 November
Issue date of New Shares under Placement	Thursday, 11 November
Commencement of normal trading of New Shares issued under the Placement	Thursday, 11 November
Record date for monthly dividend	Tuesday, 16 November
SPP closes	5.00pm (Sydney time) Friday, 26 November
SPP results announced	Monday, 29 November
Issue date of New Shares under SPP / Appendix 2A on ASX	Wednesday, 1 December
Dispatch of holding statements / normal trading of New Shares issued under the SPP commences	Thursday, 2 December
Record date for monthly dividend	Friday, 17 December

This timetable is indicative only and subject to change. Subject to the ASX Listing Rules and the Corporations Act, the Directors of the Company reserve the right to vary these dates, without prior notice.

Issued with the authority of the board of directors

Shareholder enquiries

Please call Pinnacle Investment Management Limited, the distribution partner of the Company, between 9.00am and 5.00pm (Sydney time) Monday to Friday on 1300 010 311, email invest@plato.com.au or visit the [Company's website](#)

Distribution Partner

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