

27 February 2020

ASX Market Announcements

ASX Limited

Level 6, Exchange Centre

20 Bridge Street

Sydney NSW 2000

BY ELECTRONIC LODGEMENT

## **FY19 Results for the Financial Year ended 31 December 2019**

VGI Partners Limited (“VGI Partners” or the “Company”, ASX:VGI) today announced its results for the financial year ended 31 December 2019. During this period the Company undertook an initial public offering (IPO) and listed on the ASX on 21 June 2019.

Funds Under Management (FUM) increased 48% over the year to \$3.1 billion. \$300 million of this growth was due to a raising for VGI Partners Global Investments (ASX:VG1) in June, around \$550 million was due to an Initial Public Offering of VGI Partners Asian Investments (ASX:VG8) in November and over \$100 million was contributed by performance. VGI Partners’ unlisted funds are closed to new investment.

Net management fees were \$32.4 million for the year<sup>1</sup>. A fee waiver for VG1 (that had been in place since VG1’s inception in 2017 until IPO costs were recouped) came to an end in late April 2019, meaning that VGI Partners has been earning management fees from VG1 since that date. Based on VGI Partners’ FUM as at 31 January 2020 of approximately A\$3.3 billion, VGI Partners estimates that the indicative go-forward annualised net management fee is now around \$47 million.<sup>2</sup>

FY19 performance fees were \$36.7 million, in line with the estimate in VGI Partners’ ASX announcement on 13 January 2020. Performance fees are generally weighted to the June half as the majority of VGI Partners’ FUM has June year-end performance fee calculation periods.

Taking the above into account, FY19 Statutory Net Profit After Tax (NPAT) was \$28.0 million and normalised NPAT was \$33.3 million. Normalised NPAT is calculated by adding back the following pre-tax adjustments (all then tax effected at 30%): \$5.8 million of non-recurring equity raising costs, \$1.5 million of unrealised fair value losses on VGI Partners’ investments in VG1/VG8 and \$0.3 million of contra-revenue relating to amortisation of VG8/VG1 IPO costs.

---

<sup>1</sup> Excluding \$0.3m in FY19 of contra-revenue relating to the amortisation of VG8/VG1 IPO costs and \$1.5m of “operating costs of VGI Partners Funds” (the latter of which VGI Partners has included in “normalised” operating costs).

<sup>2</sup> The indicative go-forward annualised net management fee of c.\$47m is a run-rate figure; it is not intended to be a forecast, target, prediction or guidance and can be subject to uncertainties. More detail on the calculation is provided in VGI Partners’ FY19 Investor Briefing presentation. Actual results may vary in a materially positive or negative manner.

# VGI PARTNERS

The Board has declared a final dividend of 9.3 cents per share (fully franked at 27.5%). This will be paid on 18 March 2020 to all shareholders who are on the register at the record date of 6 March 2020. VGI Partners encourages shareholders to provide their banking details to Boardroom, the share registry, to facilitate efficient payment.

The dividend implies a payout ratio on normalised earnings of approximately 74% for the second half of 2019 and is consistent with VGI Partners' dividend policy to typically target a payout ratio of 50-75% of normalised NPAT. This policy commenced on 1 July 2019. The actual payout in any period will be dependent on a number of factors, including whether performance fees are unusually high or low.

Commenting on the FY19 result, Executive Chairman Robert Luciano said: "2019 was a year of significant activity for VGI Partners with both the listing of our management company and the launch of our Asian investment strategy. I am pleased that we were able to structure these initiatives so as to strengthen the alignment between VGI Partners Fund investors and the company itself, while also aiding the growth of our business.

"Looking to the future, shareholders should not expect any change in our singular focus on providing investors in the VGI Partners Funds with capital growth over the long term. We are aware that the market is a great equaliser over time, and it is only through continued commitment to our investment philosophy and process that we can hope to continue to deliver attractive risk-adjusted returns.

"We look forward to the year ahead and thank all shareholders for your ongoing support of VGI Partners."

## Key metrics for the financial year to 31 December 2019

<b>VGI Partners Limited IPO listing date</b>	<b>21 June 2019</b>
<b>Statutory NPAT</b>	<b>\$28.0 million</b>
Add back: post-tax normalisation adjustments	\$5.3 million
<b>Normalised NPAT (after adding back post-tax adjustments)</b>	<b>\$33.3 million</b>
Net management fees <sup>1</sup>	\$32.4 million

## Additional information

<b>Go-forward annualised net management fees based on 31 January 2020 FUM of \$3.3 billion<sup>2</sup></b>	<b>c.\$47 million</b>
<b>Final dividend per share (fully franked at 27.5%)</b>	<b>9.3¢</b>
<ul style="list-style-type: none"><li>• Ex date: 5 March 2020</li><li>• Record date: 6 March 2020</li><li>• Payment date: 18 March 2020</li></ul>	

Please see VGI Partners' FY19 Investor Briefing presentation and Annual Report for more details.

# VGI PARTNERS

There will be a live webcast and conference call today at 10.30am (AEDT) for analysts and investors. A link to the recorded webcast will also be archived on VGI Partners' website ([www.vgipartners.com](http://www.vgipartners.com)).

Pre-register for the call: <https://s1.c-conf.com/diamondpass/10003350-invite.html>

Webcast link: <https://edge.media-server.com/mmc/go/VGI-FY19>

Alternatively, Australian dial-in numbers are 1800 908 299 (Toll Free) or +61 2 9007 8048 (Local) for those who do not pre-register. For additional briefing information, please refer to VGI Partners' ASX announcement on 24 January, or contact Investor Relations (details below).

**Ian Cameron**  
**Company Secretary**

For investor queries, please contact:

**Ingrid Groer, CFA**  
**Investor Relations Manager**

VGI Partners Limited

Phone: 1800 571 917 (inside Australia)  
+61 2 9237 8923 (outside Australia)

Email: [investor.relations@vgipartners.com](mailto:investor.relations@vgipartners.com)