

VGI PARTNERS

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AFSL No. 321789 | SEC Registered

23 February 2021

ASX Market Announcements

ASX Limited

Exchange Centre

20 Bridge Street

Sydney NSW 2000

BY ELECTRONIC LODGEMENT

FY20 Results for the year ended 31 December 2020

VGI Partners Limited ("VGI Partners" or the "Company", ASX:VGI) today released its results for the year ended 31 December 2020.

As previously announced to the ASX on 18 January 2021, Funds Under Management (FUM) was \$3.1 billion at 31 December 2020.

Statutory revenue for FY20 was \$56.8 million.

Net management fees were \$43.1 million¹ for the FY20 period and up 33% on FY19, the prior corresponding period (pcp). The increase was driven by higher average FUM (including a full year's contribution from VGI Partners Asian Investments Limited (VG8) in FY20)² and also the expiry of the VGI Partners Global Investments Limited (VG1) fee waiver in April 2019, meaning that VGI Partners has been earning management fees from VG1 since that date.

FY20 performance fees were \$21.1 million, consistent with VGI Partners' announcement on 18 January 2021. This compares with \$36.7 million in FY19. As at 19 February 2021, FUM was \$3.3 billion and all performance-fee-eligible funds were above their respective high-water marks.

Normalised operating costs of \$19.2 million (excluding depreciation and amortisation) were down 8% on FY19, largely due to disciplined expense management and reduced staff bonuses.

FY20 normalised Net Profit After Tax (NPAT) was \$30.7 million and statutory NPAT was \$25.9 million. Normalised NPAT is calculated by adding back unrealised fair value losses on VGI Partners' investments in VG1 and VG8 and contra-revenue relating to amortisation of VG8 and VG1 IPO costs¹.

The Board has declared a final dividend of 28.0 cents per share (fully franked at 30%). This will be paid on 11 March 2021 to all shareholders who are on the register at the record date of 2 March 2021.

¹ Management fees have been normalised for the amortisation of VG1/VG8 IPO costs and the operating costs of VGI Partners' funds. More details on the calculation of normalised earnings can be found on slide 12 and in Appendix B of VGI Partners' FY20 Investor Briefing presentation (released to the ASX on 23 February 2021). All normalisation adjustments have been tax-effected at 30% except for amortisation of VG8 Initial Public Offer alignment shares costs (which are not tax deductible and hence no tax impact is applied). The method that was used to normalise earnings in FY20 has also been used to normalise the pcp.

² In FY19, VGI Partners earned management fees from VG8 for a 2-month period only.

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The dividend implies a 94% payout ratio on normalised Net Profit After Tax (NPAT) for 2H20. Full year dividends equate to a payout of 75% of normalised NPAT for FY20.

The balance sheet of the VGI Partners Group remains strong with \$41.7 million of cash and no debt as at 31 December 2020.

Key metrics for the year ended 31 December 2020¹

Statutory NPAT	\$25.9 million
Add back: post-tax normalisation adjustments	\$4.8 million
Normalised NPAT (after adding back post-tax adjustments)	\$30.7 million
Cash and cash equivalents at 31 December 2020	\$41.7 million
Cash, cash equivalents and investments at 31 December 2020	\$76.2 million

Dividend

Final dividend per share (fully franked at 30%)	28.0¢
<ul style="list-style-type: none">• Ex-date: 1 March 2021• Record date: 2 March 2021• Payment date: 11 March 2021	

Please see VGI Partners' FY20 Investor Briefing presentation and Annual Report for more details.

Briefing details

There will be a live webcast and conference call at 11.00am (AEDT) today, 23 February 2021, for analysts and investors. Please pre-register for the call or use the webcast to avoid delays. A link to the recorded webcast will also be archived on VGI Partners' website (www.vgipartners.com).

Pre-register for the call: <https://s1.c-conf.com/diamondpass/10012502-8d3dw8.html>

Webcast link: <https://edge.media-server.com/mmc/go/VGI-FY20/>

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 8 February.

Authorised for release by:

Ian Cameron
Company Secretary

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