



Barramundi  
LANDING TOMORROW'S TROPHIES

# ANNUAL MEETING OF SHAREHOLDERS

— 11 OCTOBER 2019 —

# Agenda

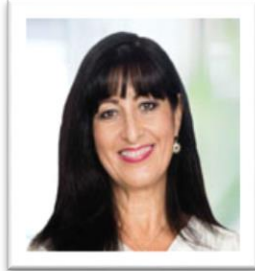
- Preliminary matters
- Chair's Overview
- Manager's Review
- Q&A
- Annual Meeting Resolutions

# Board of Directors

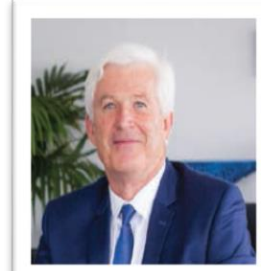
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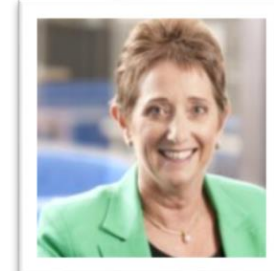
Alistair Ryan



Carmel Fisher



Andy Coupe



Carol Campbell

# Barramundi Team

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Robbie  
Urquhart  
Snr Portfolio  
Manager



Terry Tolich  
Snr Investment  
Analyst



Delano  
Gallagher  
Investment  
Analyst



Wayne Burns  
Corporate  
Manager



# Chair's Overview



# Barramundi's Investment Objectives

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## Absolute Returns

Achieve a high real rate of return, comprising both income and capital growth within acceptable risk parameters

## Diversified Portfolio

Access to a diversified portfolio of Australian quality, growth stocks in a single tax-efficient vehicle



# Corporate Governance

- Investment Committee
- Audit and Risk Committee
- Performance Fee Reduction

# 2019 Overview

Net profit	Dividend	NAV per share	Share price
<b>\$7.4m</b> (2018: \$20.5m)	<b>5.38<sub>cps</sub></b> (2018: 5.32 <sub>cps</sub> )	<b>\$0.69</b> (2018: \$0.71)	<b>\$0.63</b> (2018: \$0.60)
Total shareholder return*	Dividend return	Adjusted NAV return*	Share price discount to NAV <sup>^</sup>
<b>+15.5%</b> (2018: 10.1%)	<b>+9.0%</b> (2018: +8.9%)	<b>+5.6%</b> (2018: 22.6%)	<b>8.7%</b> (2018: 15.5%)

\*These metrics are Non-GAAP measures calculated in accordance with the methodology described in the Barramundi Non-GAAP Financial Information Policy which is available on the Barramundi website.

<sup>^</sup>Share price discount/(premium) to NAV (including warrant price on a pro-rated basis).

# 2019 Overview - Continued

## Portfolio Performance

For the year ended 30 June	12 months	3 years (annualised)	5 years (annualised)
<b>Adjusted NAV return*</b> (Net return to an investor after expenses, fees and tax)	<b>+5.6%</b> (2018: +22.6%)	<b>+10.0%</b>	<b>+9.2%</b>
<b>Benchmark Index^</b>	<b>+10.2%</b> (2018: +14.9%)	<b>+13.3%</b>	<b>+11.1%</b>

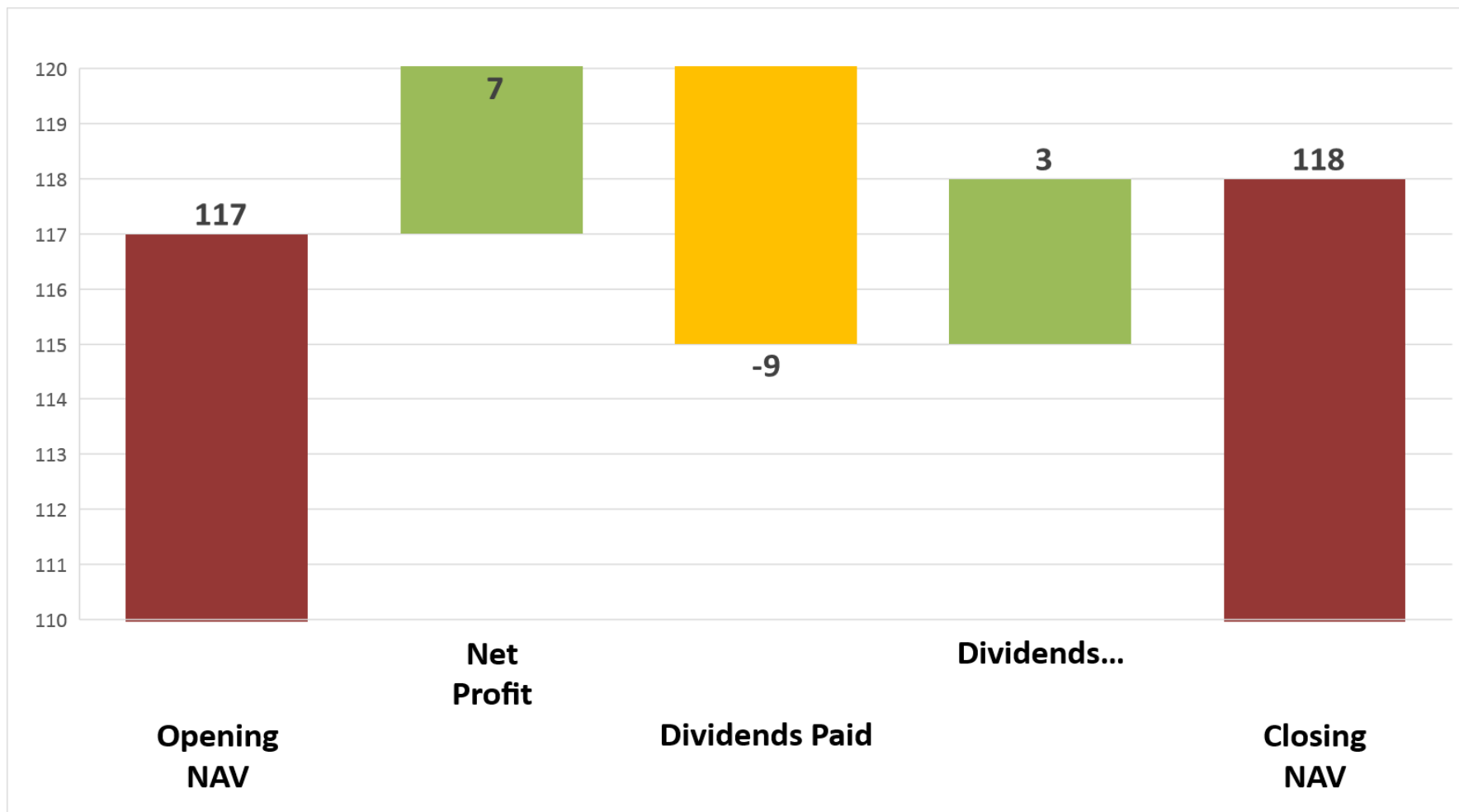
\*These metrics are Non-GAAP measures calculated in accordance with the methodology described in the Barramundi Non-GAAP Financial Information Policy which is available on the Barramundi website.

^S&P/ASX Small Ords Industrial Gross Index until 30 September 2015 & S&P/ASX 200 Index (hedged 70% to NZD) from 1 October 2015.



# Movements in Shareholders' Funds

12 Months to 30 June 2019 (\$m)



# Quarter 1, 2020

**30 June – 30 September 2019**

Total shareholder return* <b>+2.7%</b>	Net profit <b>\$9.0m</b>
NAV per share <b>\$0.73</b>	Adjusted NAV Return* <b>+7.6%</b>
Share price <b>\$0.63</b>	Benchmark Index <b>+3.3%</b>

\*These metrics are Non-GAAP measures calculated in accordance with the methodology described in the Barramundi Non-GAAP Financial Information Policy which is available on the Barramundi website.

# Warrants

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- **31 October 2018:** Eligible shareholders were issued 1 warrant for every 4 shares (BRMWE).
- **13 September 2019:** Final Exercise Price of \$0.59 announced.
- **25 October 2019:** Exercise Date for the warrants (BRMWE).



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# Manager's Review

— 11 OCTOBER 2019 —





# Agenda

Running our own race

Time-split analysis: 12 months to 30 June 2019

Portfolio changes & next leg of the race



# Running our own race



# Core elements of our investment process

STEEPP

Focus on quality, growing companies

Long term time horizon

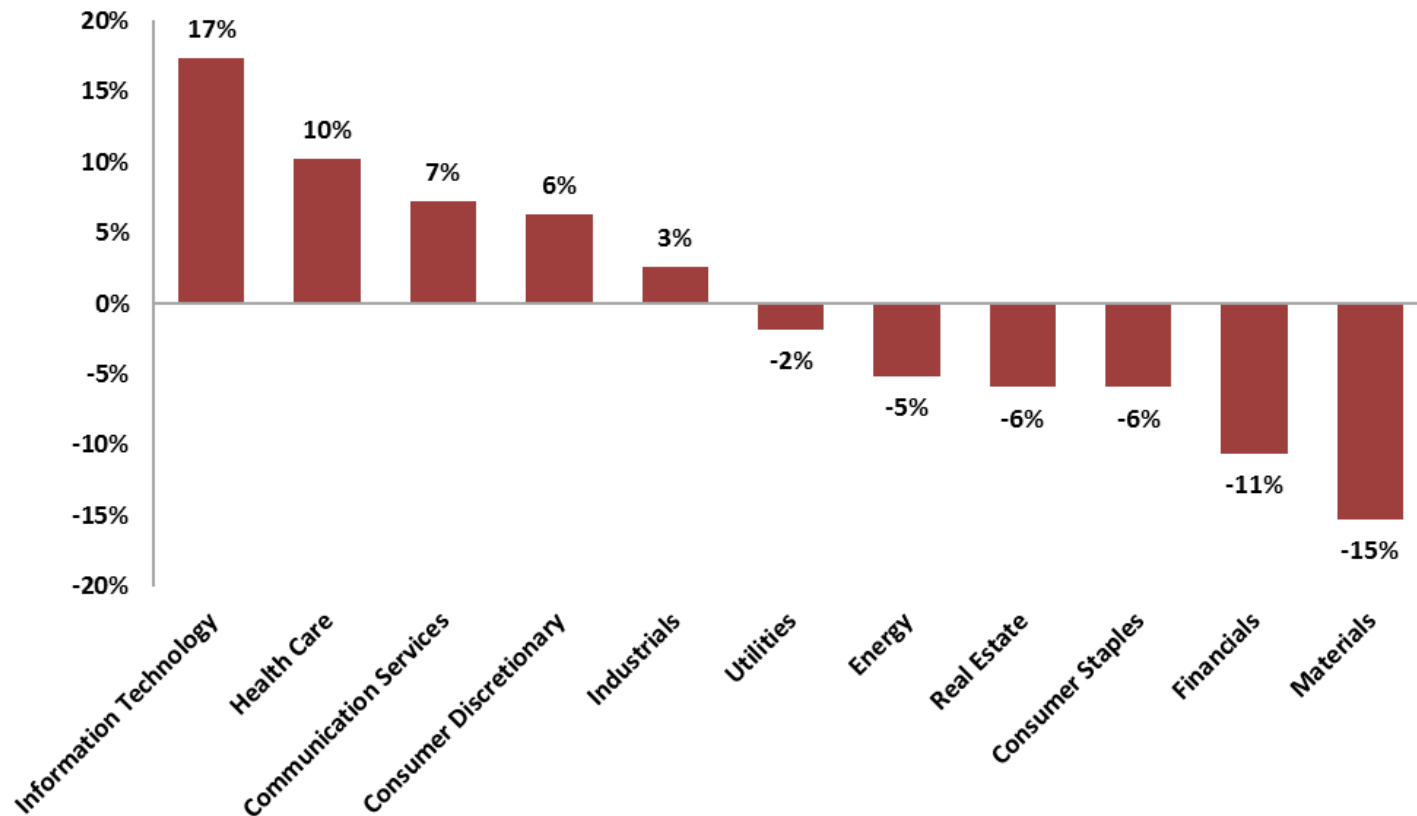
In-depth research

Investment team continually seeking improvement



# Reflected in our portfolio positioning

Difference between BRM & ASX200 sector weights at 30 September 2019





**Credit Corp** Group



# Running to its own beat

“We are **not tempted to invest** at uneconomic rates of return because we have three profitable businesses operating in separate markets with different dynamics.” CEO: **2017 Annual Report**

“We have seen some **very high prices being paid** for purchased debt ledgers (PDLs) by competitors. **Our response is to remain disciplined**” CEO: *February 2019*

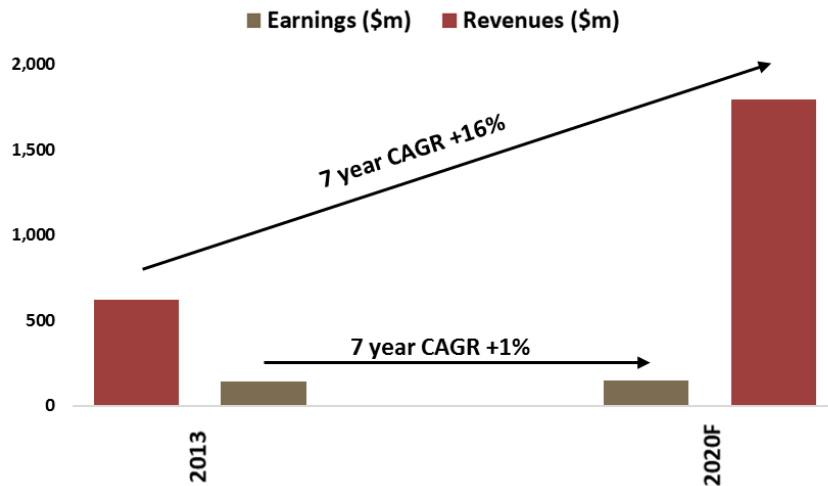
“...**signs of competitor stress** in that market create the **prospect of increased investment**” *July 2019 results announcement*



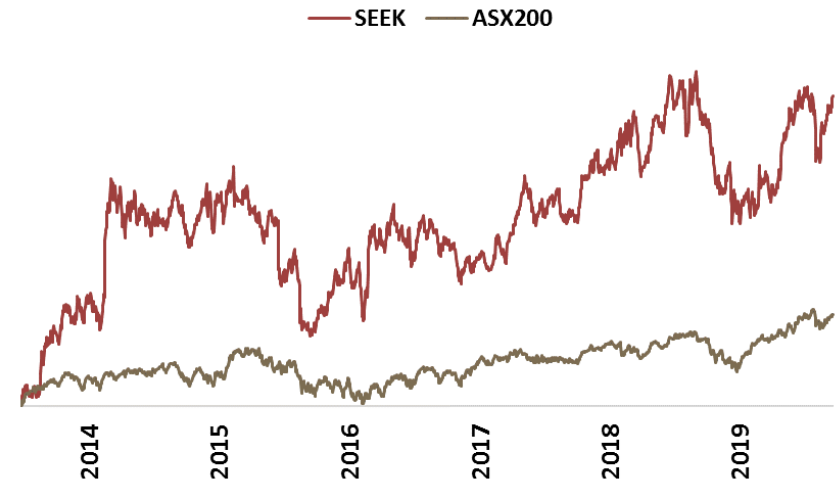


# Long term value vs short term earnings

## SEEK's Revenue vs Earnings Growth



## SEEK's Share Price vs Index Returns

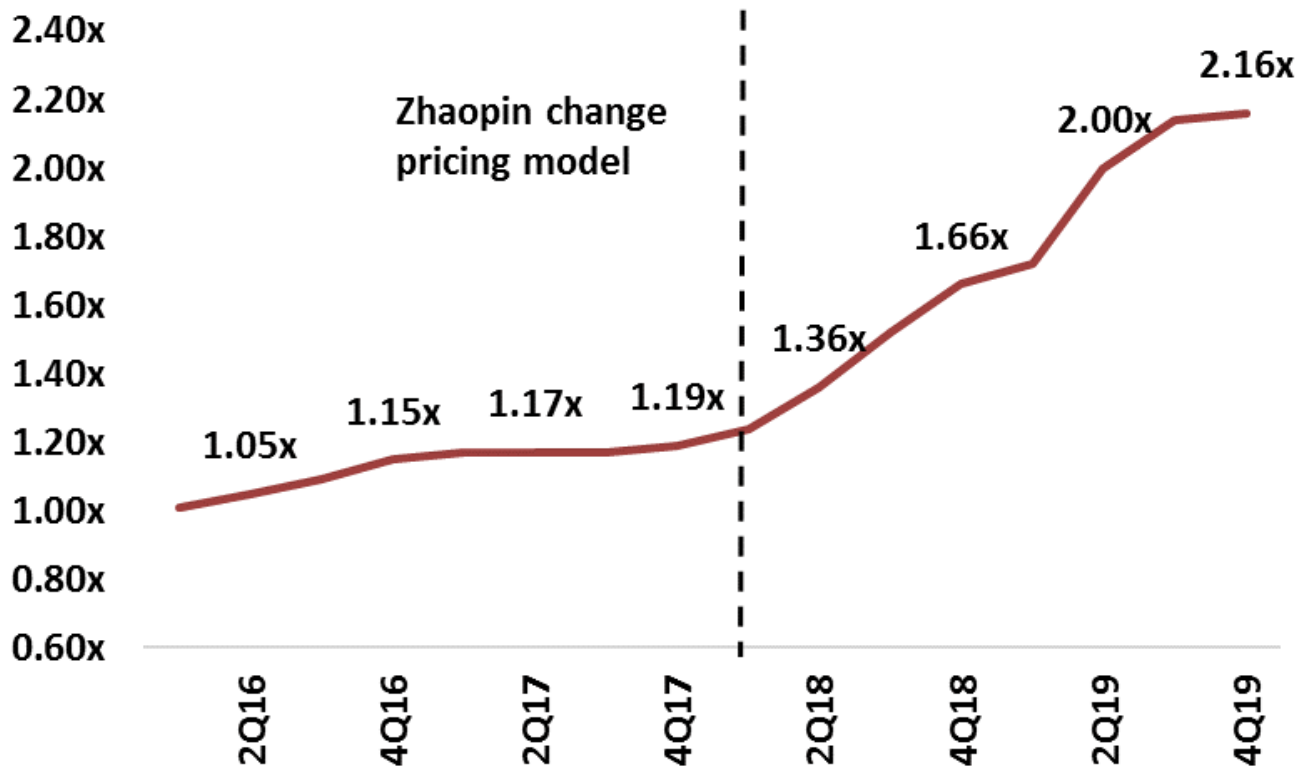


\*SEEK revenues exclude discontinuing operations



# Chinese strategy a case in point

## Hirer Volumes vs Listed Competitor

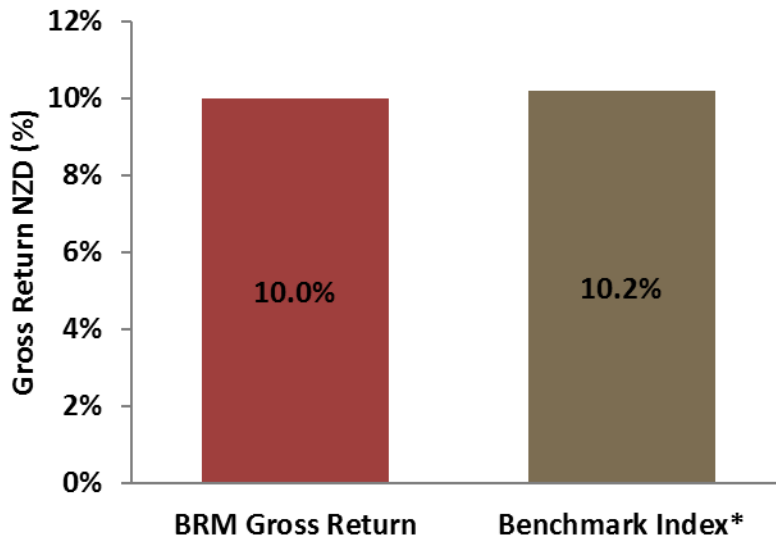




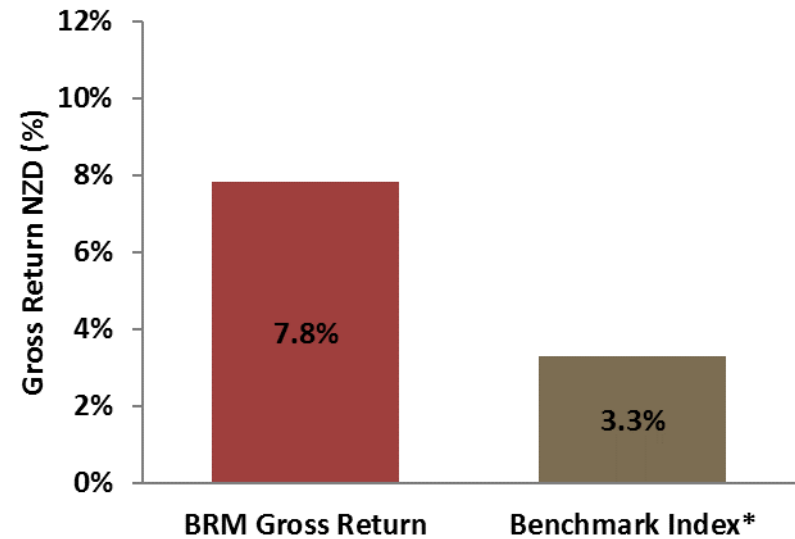
# Time-split analysis: 12 months to June 2019

# Kept pace with the market in 2019

## Fiscal Year to 30 June 2019



## Quarter Ending 30 September 2019

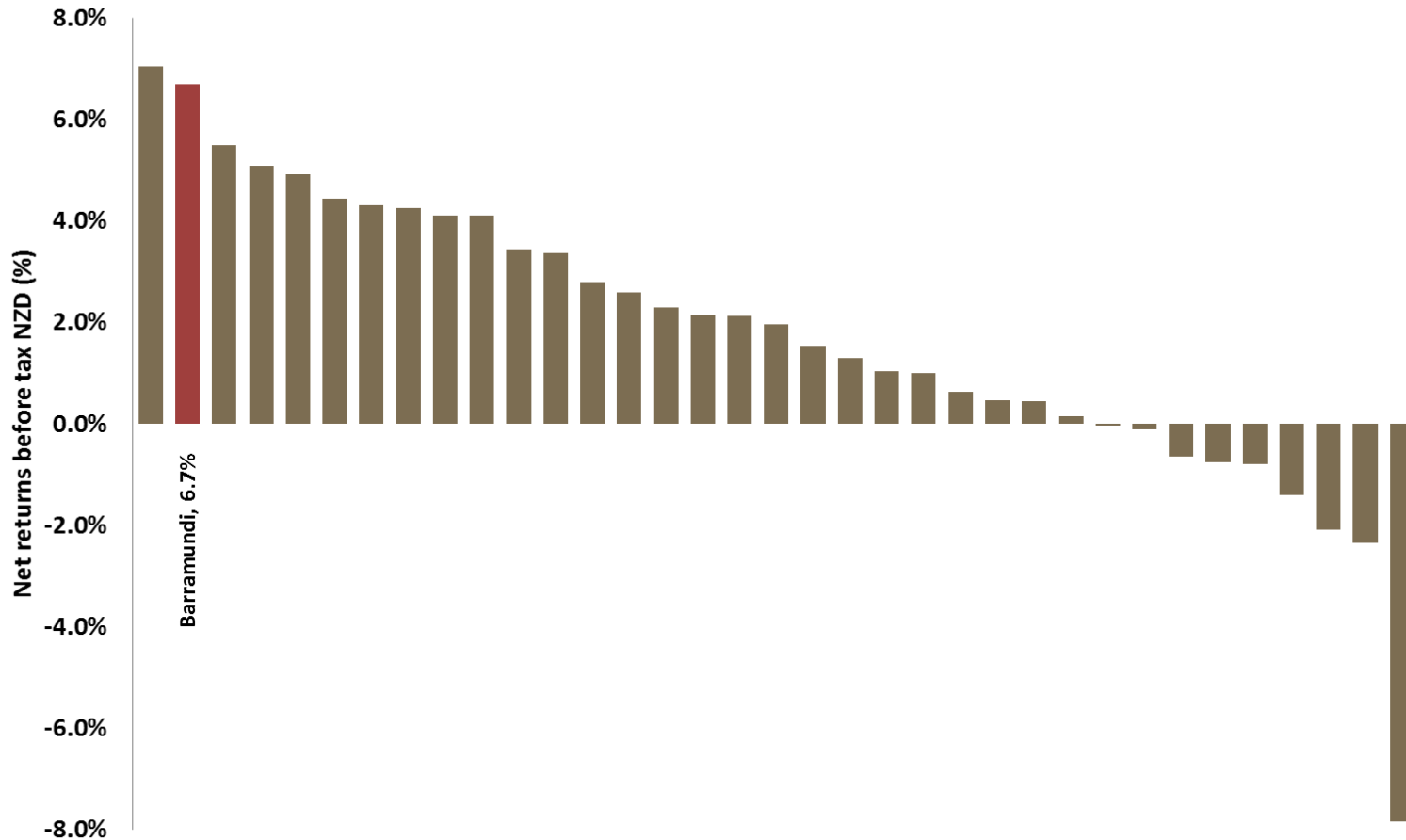


\*ASX200 Index 70% hedged into NZ\$

## Good start to FY 2020



# Performance compares well to competitors



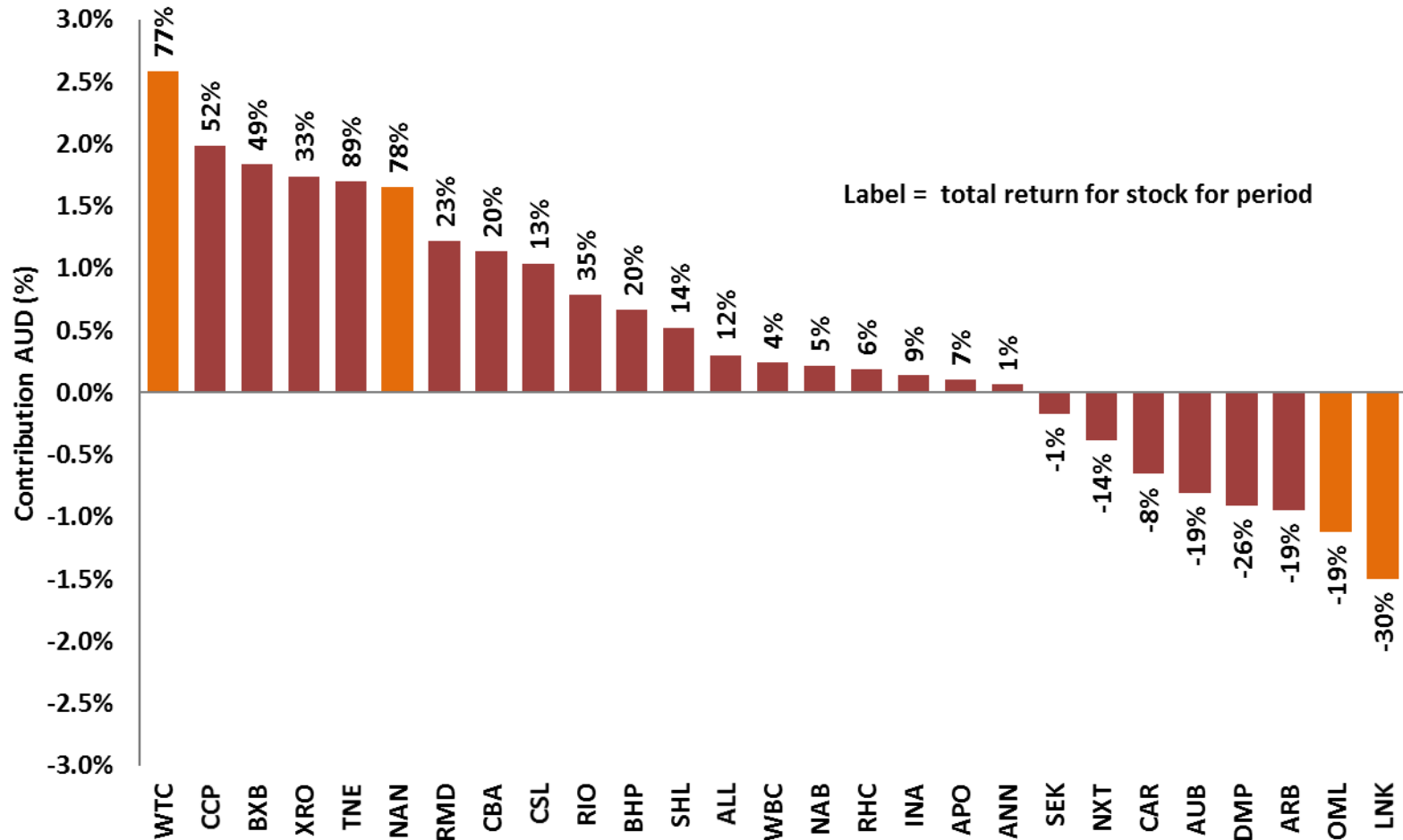
\* Source of competitor returns: FundSource


\*\* Performance is on an after fees, before tax, basis for the 12 months ended 30 June 2019. Australian fund returns are in NZ\$ terms

\*\*\* Where managers had multiple fund entries in the FundSource data, we show funds most closely matching 'Australian equity' description

# Portfolio company performance

For 12 Months Ended 30 June 2019





# Portfolio changes & next leg of the race

# New portfolio additions



*#1 global gaming machine manufacturer*

*38% pa earnings growth (5yrs) driven by innovation*

*Investment in online gaming - platform for growth*

*#1 supplier of cooling products to motorsports*

*Expanded into super cars & adjacent technologies*

*Earnings growth of 18% pa since listing*





# Portfolio exit



Our Responsible Investing Policy excludes companies producing thermal coal

Rio Tinto has completely exited its thermal coal assets

BHP continues to own two thermal coal assets in NSW and Colombia

Unremedied – it is in breach of our policy





# Upcoming terrain

Low interest rates = low growth

Stimulatory central bank policy vs global trade concerns

Clearer air on Australian political & regulatory front

Tax cuts & infrastructure spending to boost local economy

....Reflected in higher market valuations

**Our portfolio companies are well positioned for longer term growth**



# General Questions from Shareholders

(not relating to resolutions)



# Annual Meeting

## 2019 resolutions



# 2019 Annual Meeting Resolutions

- Introduce and propose
- Discussion, questions
- Enter your vote on voting paper and lodge your voting paper at end of resolutions

# Matters of Business

- Annual Report
- Resolutions:
  - Re-elect Alistair Ryan
  - Re-elect Carmel Fisher
  - Auditor remuneration
  - Constitution changes

# Proxy Count

<b>Resolution</b>	<b>For</b>	<b>Against</b>	<b>Discretionary</b>	<b>Total</b>	<b>Abstain</b>
<b>Re-elect Alistair Ryan</b>	14,395,777	78,281	4,351,063	18,825,121	2,266
<b>Re-elect Carmel Fisher</b>	10,473,947	37,188	4,278,459	14,789,594	4,037,793
<b>Auditor remuneration</b>	14,109,971	275,316	4,339,834	18,725,121	102,266
<b>Constitution amendments</b>	13,691,388	67,383	4,928,516	18,687,287	140,100

Proxy votes to date: 18.8 million

Resolution 1  
Re-election of Alistair Ryan

*To re-elect Alistair Ryan as a Director of  
Barramundi Limited*



Resolution 2  
Re-election of Carmel Fisher

*To re-elect Carmel Fisher as a Director of  
Barramundi Limited*





Resolution 3  
Auditor Remuneration

*That the Board of Directors be authorised to  
fix the remuneration of the auditor for the  
ensuing year*



Resolution 4  
Constitution changes

*To revoke the existing constitution and adopt a new Constitution of the Company in the form described in the Explanatory Notes to the Notice of Meeting, and tabled at the Annual Meeting of Shareholders on 11 October 2019.*

# Conclusion

- Complete and sign voting paper
- Voting papers in the voting boxes
- If you need a voting paper please see  
Computershare
- Results to NZX





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THANK YOU

