

GQG Partners

ASX Earnings Call

11 August 2022
ASX Limited
ASX Market Announcements Office
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

GQG Partners Inc.
Interim results for the period ended 30 June 2022

SELECT HIGHLIGHTS

- Net flows of US\$6.3 billion
- Funds under management of US\$86.7 billion
- Net revenue up 21.3% to US\$222.7 million for the first six months of 2022
- Net operating income up 18.3% to \$174.2 million for the first six months of 2022
- Board declares a quarterly interim dividend of US\$0.0198 per share. This represents 90% of distributable earnings for the quarter ended 30 June 2022

RESULTS SUMMARY

	1H 2022	1H 2021	Change
Average funds under management (US\$ billions)	91.0	74.0	23.0%
Closing FUM (US\$ billions)	86.7	84.7	2.4%
Net revenue (US\$ millions)	222.7	183.5	21.3%
Net operating income (US\$ millions)	174.2	147.2	18.3%
Net income after tax (US\$ millions)	125.3	146.4	-14.4%
Distributable earnings (US\$ millions)	133.3	N/A	N/A
Diluted EPS (US cents per share)	0.04	N/A	N/A
Total dividends (US cents per share)	0.0407	N/A	N/A

Tim Carver, CEO, said: “We are pleased to announce our mid-year financial results for the period ending 30 June 2022. During the first 6 months of the year, GQG had positive net inflows of US\$6.3 billion despite a challenging market environment with continued industry outflows and overall negative market returns. Our peak month end FUM was \$94.6 billion, occurring in May. After a significant decline in markets in June, we ended the period with \$86.7 billion, a 2.4% increase from our 30 June 2021 FUM of \$84.7 billion. These positive results, combined with FUM growth in prior periods, led to Net Revenue growth of 21.3% to US\$222.7 million during the first half of this year compared to the first half of 2021. Net Operating Income increased 18.3% to US\$174.2 million during the same period from US\$147.2 million during the first half of 2021, reflecting the increase in average funds under management partially offset by an increase in expenses as GQG continues to invest in talent and overall business activities.

Our financial result is driven in large part by our investment performance over the long term. As at the end of June 2022 our strategies continued to provide solid long-term performance as compared to their benchmarks, which we believe provides the underpinnings for continued business success.”

GQG PARTNERS STRATEGY COMPOSITES TOTAL RETURN PERFORMANCE

AS OF 30 JUNE 2022

GQG PARTNERS EMERGING MARKETS EQUITY STRATEGY		GQG PARTNERS GLOBAL EQUITY STRATEGY	
TOTAL RETURNS SUMMARY	5 YRS	TOTAL RETURNS SUMMARY	5 YRS
Composite net of fees %	5.78	Composite net of fees %	12.38
MSCI Emerging Markets Index (Net) %	2.18	MSCI ACWI Index (Net) %	7.00
GQG PARTNERS INTERNATIONAL EQUITY STRATEGY		GQG PARTNERS US EQUITY STRATEGY	
TOTAL RETURNS SUMMARY	5 YRS	TOTAL RETURNS SUMMARY	5 YRS
Composite net of fees %	9.11	Composite net of fees %	16.97
MSCI ACWI ex USA Index (Net) %	2.50	S&P 500® %	11.31

Represents composite performance for GQG Partners’ primary investment strategies calculated in US dollars. Returns are presented net of management fees and include the reinvestment of all income. Net performance are calculated after the deduction of actual trading expenses and other administrative fees (custody, legal, admin, audit and organization fees). Net of fee returns also are calculated by deducting GQG’s stated annual fee for separately managed accounts, pro-rated on a quarterly basis. Net performance are net of foreign withholding taxes. Performance presented does not include composite performance achieved prior to 1 June 2016. Returns for periods greater than one year are annualized. **PAST PERFORMANCE MAY NOT BE INDICATIVE OF FUTURE RESULTS.** The complete composite track records for the above strategies can be found in GQG Partners’ 2022 Mid-Year Earnings Presentation. The above information is provided for informational purposes and is not intended as an offer of any GQG products or services.

GQG continues to see strong business momentum in a variety of geographies and across channels. In addition, we were excited to announce that effective 1 July 2022, three of GQG’s senior investment analysts previously designated as Deputy Portfolio Managers for our four core strategies were elevated to the position of Portfolio Manager alongside Rajiv Jain, our Chief Investment Officer.

We continue to offer what we believe are very attractive fees relative to our competition. Our weighted average management fee for the 6 months ended 30 June 2022 was 47.6 bps, lower than 49.6 bps for the first half of 2021. Furthermore, less than 3% of our revenues for the first half of this year were derived from performance fees, as opposed to asset-based fees, which we believe will be more stable in periods of market volatility.

In addition, although markets have experienced significant volatility since the beginning of 2022 our funds under management have remained broadly stable with FUM of US\$88.9 billion as at 31 July 2022.

QUARTERLY DIVIDEND

On 11 August 2022, the Company announced that the Board of Directors declared a quarterly interim dividend of US\$0.0198 per share / CHESS Depository Interest.

Below is the timetable for the upcoming dividend:

Announcement Date	11 August 2022
Ex-Dividend Date	16 August 2022
Record Date	17 August 2022
Cash Payment Date	29 September 2022

In line with the capabilities of our share registry, the currency conversion rate from US dollars to Australian dollars for the dividend will be released on or before 8 September 2022.

Find our Half Year Report and more at our Results Centre:

<https://investors.gqgpartners.com/investor-centre/>

ABOUT GQG PARTNERS INC.

GQG Partners Inc. is a global investment boutique headquartered in the United States that focuses on managing active equity portfolios. As of 31 July 2022, our group managed US\$88.9 billion for investors that include many large pension funds, sovereign funds, wealth management firms and other financial institutions around the world. GQG is listed on the Australian Securities Exchange (ASX Code: GQG). Further information can be obtained from www.gqgpartners.com.

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INFORMATION ABOUT BENCHMARKS

MSCI benchmark returns have been obtained from MSCI, a non-affiliated third-party source. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

The **MSCI All Country World (Net) Index (MSCI ACWI)** is a global equity index, which tracks stocks from 23 developed and 24 emerging markets countries. Developed countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US. Emerging Markets countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. With 2,895 constituents (as at 30 June 2022), the index covers approximately 85% of the global investable equity opportunity set.

The **MSCI All Country World ex USA (Net) Index (MSCI ACWI ex USA)** is an international equity index that excludes securities from the United States. The index tracks stocks from 22 developed and 23 emerging markets countries. Developed countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK. Emerging Markets countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. With 2,269 constituents (as at 30 June 2022), the index covers approximately 85% of the international equity opportunity set outside of the US.

The **MSCI Emerging Markets (Net) Index** is a free float-adjusted market capitalization index that consists of indices in 24 emerging economies: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. With 1,382 constituents (as at 30 June 2022), the index covers about 85% of the free float-adjusted market capitalization in each country.

The **S&P 500® Index** is a widely used stock market index that can serve as barometer of US stock market performance, particularly with respect to larger capitalization stocks. It is a market-weighted index of stocks of 500 leading companies in leading industries and represents a significant portion of the market value of all stocks publicly traded in the United States. The S&P 500 Index is a product of S&P Dow Jones Indices LLC, a division of S&P Global, or its affiliates (SPDJI) and has been licensed for use by GQG Partners LLC. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC, a division of S&P Global (S&P); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (Dow Jones). GQG Partners US Equity is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to nonresident institutional investors who do not benefit from double taxation treaties.

Information about benchmark indices is provided to allow you to compare it to the performance of GQG strategies. Investors often use these well-known and widely recognized indices as one way to gauge the investment performance of an investment manager's strategy compared to investment sectors that correspond to the strategy. However, GQG's investment strategies are actively managed and not intended to replicate the performance of the indices; the performance and volatility of GQG's investment strategies may differ materially from the performance and volatility of their benchmark indices, and their holdings will differ significantly from the securities that comprise the indices. You cannot invest directly in indices, which do not take into account trading commissions and costs.