

Notes accompanying Barramundi Manager's Review for the ASM 11 October 2019

Slide 13

- It is important to run one's own race in ultra-marathons and in investing

Slide 17: Reflected in our portfolio positioning

- This slide shows the difference in sector weights between Barramundi & the ASX 200 Index
- Barramundi's investment process results in a portfolio of quality & growth companies that is different to the mix in the ASX 200 Index
- Barramundi runs its own race in investing
- Barramundi expects the same from its portfolio companies, and Credit Corp and Seek provide two examples of this

Slide 19: Running to its own beat

- Credit Corp deemed the pricing environment to be unfavourable in the Australian purchased debt ledger market for a number of years
- Credit Corp remained disciplined and was prepared to lose out on buying debt ledgers for over 2 years because of this.
- It was only after market conditions began improving post February 2019 that they saw scope for increased investment in the market.

Slide 21: Long term value vs short term earnings

- SEEK is a high growing business with strong mid-teens revenue growth for the past seven years
- After tax earnings growth has not been as high, because SEEK is investing back in its business to create value in the future – they think long term
- The market has rewarded SEEK through time for this (although the share price has been volatile)

Slide 22: Chinese strategy a case in point

- SEEK's Chinese subsidiary (Zhaopin) was prepared to cut pricing in 2017 to increase hirer volumes on its website
- Only once Zhaopin had a substantial lead over its nearest competitor was it prepared to look at increasing prices and drive earnings growth
- SEEK & Zhaopin are focussed on their own race – delivering long term value to shareholders