



ASX ANNOUNCEMENT

20 October 2020

EXPANDED DIVIDEND POLICY

The Board of FPC is delighted to announce an expansion of the FPC dividend policy.

On 18 December 2019, the Board resolved that FPC would pay fully franked dividends on an ongoing basis to utilise and payout up to 100% of its franking credits.

The Board has now resolved that FPC intends to pay up to 100% of after-tax profits as dividends, where prudent business practices apply. It can be expected that future dividends may be partially franked.

The expanded dividend policy will provide shareholders with consistency in relation to future dividends as dividends will no longer be limited to amounts which can be fully franked.

While a final dividend was not declared for the year ended 30 June 2020, the expanded dividend policy gives the Board the scope to pay both an interim and final dividend in relation to the current year.

The Board is very pleased with the new expanded dividend policy and believes it will give shareholders clarity of dividends into the future.

DIVIDEND GUIDANCE FY2021

The current retained profits available for payment by way of dividend are approximately \$4.3 million, being 10.69 cents per share. On FPC's current share price this dividend would represent a yield of greater than 10% for the FY2021.***

The Board is pleased to announce its intention to pay an FY2021 interim of 2.5 cents per share, franked to the maximum extent possible (subject to no material adverse change in market conditions). Further it is the Board's intention to declare a final dividend for FY2021 of up to 100% of its after-tax profits for FY2021, franked to the maximum extent possible. This will depend on the Company's performance during FY2021.

The above dividend guidance is not a formal declaration of dividends. The amount and payment of all dividends will be subject to sufficient profit reserves and prudent business practice. If an interim dividend is declared, the Board expects that it would be declared in February 2021 and payable in May 2021.

This announcement is authorised by the Board of FPC.

Michael Gallagher
Chairman

***NB: This yield estimate assumes a share price of \$1.06 and that 100% of all currently available profits are paid out in accordance with prudent business practice.