25 February, 2022

The Manager
ASX Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

APPENDIX 4E FOR YEAR ENDED 31 DECEMBER 2021 AND ANNUAL REPORT

Under the ASX Listing Rules, GQG Partners Inc. (ASX code: GQG) encloses for immediate release the following information:

1. Appendix 4E; and
2. GQG's 2021 Annual Report for the year ended 31 December 2021 (**2021 Annual Repor**t).

Please note that additional Appendix 4E disclosure requirements can be found in Section 3 of the 2021 Annual Report, which contains our Consolidated Financial Statements.

Authorized for lodgement by:

Rick Sherley
General Counsel and Company Secretary

For investor and media inquiries: investors@gqgpartners.com

GQG Partners Inc.
Appendix 4E

Preliminary Final Report

This Preliminary Financial Report is provided to the Australian Securities Exchange under ASX Listing Rule 4.3A.

1 COMPANY DETAILS

Name of Entity:	GQG Partners Inc. (the **Company**)
ARBN:	651 066 330
Reporting period:	For the year ended 31 December 2021
Previous period:	For the year ended 31 December 2020

2 RESULTS FOR ANNOUNCEMENT TO THE MARKET

RESULTS		PERCENTAGE CHANGE %	31 DECEMBER 2021 ($US000'S)
Revenue from ordinary activities	Up	74.9%	397,943
Profit from ordinary activities after tax attributable to members/shareholders	Up	81.6%	304,872
Net profit for the period attributable to members/shareholders	Up	81.6%	304,872

On 25 February 2022, the Board of Directors of GQG Partners Inc. declared a dividend of US$0.0154 per CHESS Depository Instrument ("CDI"). The dividend will have a record date of 3 March 2022 and is payable on 30 March 2022. The dividend will not be franked. CDI holders will have dividends paid in US dollars or Australian dollars in accordance with their account designation. If a CDI holder is designated to receive Australian dollars, the holder will receive the Australian dollar amount equivalent to US$0.0154 per CDI. In line with the capabilities of our share registry, the currency conversion rate from US dollars to Australian dollars for the dividend will be determined as of the business day after the record date.

Key dates (dates in Australian Eastern Time)

Dividend announcement date	25 February, 2022
Ex-dividend date – final dividend	2 March, 2022
Final dividend record date	3 March, 2022
Final dividend payment date	30 March, 2022
Closing date for the receipt of nominations from persons wishing to be considered for election as a director	22 February, 2022
Annual General Meeting	27 April, 2022

There are no dividend reinvestment plans for the final dividend.

3 NET TANGIBLE ASSETS

KEY DATES	31 DECEMBER 2020 (US$)	31 DECEMBER 2021 (US$)
Net tangible assets per ordinary security	N/A	0.02

The net tangible assets per ordinary security is defined as the shareholders' equity per common stock issued. The common stock: CDI ratio is 1:1.

4 DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD

On 28 October 2021, GQG Partners Inc. completed its IPO on the Australian Securities Exchange ("ASX").

Upon completion of the IPO, GQG Partners Inc. issued 2,952,805,434 new shares of common stock. The common stock is publicly traded on the ASX under the ticker "GQG" in the form of CHESS Depositary Interests ("CDIs"). CDIs are units of beneficial ownership in shares of GQG Partners Inc. common stock held by CHESS Depositary Nominees Pty Limited ("CDN"), a wholly owned subsidiary of ASX Limited, the company that operates the ASX.

Each share of common stock is equivalent to one CDI.

Following the IPO, the prior Beneficial Owners of GQG Partners LLC own 79.9% of shares in GQG Partners Inc. common shares outstanding. The remaining common stock is in the form of CDIs and is owned by new investors.

In connection with the IPO, certain owners who hold approximately 78.4% of shares of GQG Partners Inc. common stock and CDIs entered into voluntary escrow agreements that impose certain restrictions in dealings in such securities.

Name of entities (or group of entities)	GQG Partners LLC and its subsidiaries
Date control gained	28 October 2021

	($US000'S)
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during FY2021	321,832

5 DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

Not applicable.

6 ADDITIONAL INFORMATION

Additional Appendix 4E disclosure requirements and further information including commentary on significant features of the operating performance, results of segments, trends in performance and other factors affecting the results of the current reporting period are contained in the 2021 Annual Report, which is attached.

The consolidated financial statements in the 2021 Annual Report, on which this preliminary report is based, have been prepared in accordance with U.S. Generally Accepted Accounting Principles and have been audited by KPMG LLP.

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GQG
PARTNERS

Delivering performance on a global scale

GQG Partners Inc.

Annual Report 2021

Explanatory notes:

All references to "dollars" in this Annual Report are to United States Dollars, unless otherwise specified.

All references to dates in this Annual Report are to dates in US Eastern Time, unless otherwise specified.

All references in this Annual Report to the "Company," "GQG Partners," "GQG," the "Group" or "we" refers to, collectively, GQG Partners Inc. and its direct and indirect subsidiaries, unless the context requires otherwise. In addition, GQG Partners Inc. may be referred to as "GQG Inc." and GQG Partners LLC may be referred to as "GQG LLC" in this Annual Report.

Contents

1 Executive Chairman and Chief Executive Officer Reports

1.1 EXECUTIVE CHAIRMAN'S REPORT

Dear Investor,

On behalf of the Board of Directors, it is my pleasure to write my first annual letter for GQG Partners Inc. (GQG) as a listed entity.

As I've said many times this business is unrelenting and requires a team that is constantly challenging ourselves, re-evaluating, and adapting. We do this in the most competitive of environments, where the signal is very faint. Markets are exacting. Clients always hear me say, we strive to deliver outperformance in every environment. Of course, the truth is much harder, and we often have periods where we fall behind. This happens sometimes when we are looking for signals and market regimes remain entrenched. The longer a trend has lasted, the more entrenched behavior tends to become. And the problem is that the more durable the trend has been, the higher the probability of it changing. We need to be very attentive to shifting winds and keep adjusting our sails. There is a fine line between stability and stagnation.

All of this emanates from a philosophy based on protecting client capital. In our minds, this is paramount – if we can continue what we've done now for many years and many cycles – protect better on the downside – then the power of compounding from a higher-base can result in outperformance over time. Outperforming should be the only reason for any active investment management firm to exist.

The key to achieving this goal in my opinion – based on learning from our own mistakes and having built many teams over the years – is to continually build an experienced and diverse team. Investing is different from a game of tennis. In tennis if I have a weak backhand, I must either live with it or try to improve. In investing I can bring partners on the court who can complement my weaknesses (i.e., can hit my backhand for me).

We have endeavored to build a truly diverse team, drawing on people with different professional backgrounds, countries of origin, language skills, and most importantly, differentiated thinking. At the same time, I believe that a successful team must have unifying cultural characteristics. We have focused on attracting people with low ego, a passion for investing and a desire to grow through continuous learning. We will strive to build cohesion on the team, and to constantly adapt and improve together. To that end, we have built what I believe is the best team I've ever worked with. This team has served our clients well, and is our most important competitive edge. We will continue to invest in this team, and the team itself will grow, learn and adapt over time, just as we grow, learn and adapt in markets.

My rhetoric might sound different from a typical chairman of a listed entity. Our belief is that this is the most competitive business in the world. As a whole, the active management industry underperforms the market after fees. Few firms are successful in beating the market over the long-term. Our endeavor to build a long-term sustaining investment culture that can outperform over many years and many cycles is therefore daunting.

In this business you must hone your competitive edge every day. Markets, and their very sophisticated participants, compete with us constantly. So – even though our team performed admirably over the last year – you won't hear me talk about our great performance when we have it, but rather what we have to do today and tomorrow to protect our clients' capital.

What I will talk about is our firm's focus on clients. Every member of the GQG team recognizes the privilege we have to do this job, and the responsibility that comes with managing other peoples' money. That responsibility breeds humility in our team, which I believe is a key characteristic to being a successful investor. If you aren't humble, and you don't obsess over serving clients, you won't last long at GQG. Here again I might not sound like a typical chairman: you, our shareholders, should expect our costs to go up over time, as we continually invest in our team and infrastructure in the hopes of sustaining our competitive edge. You, our shareholders, should expect our fees (as a percent of FUM) to go down over time, as we operate in increasingly competitive markets. As I've said before we will never have a focus on growth or margin, but rather will spend whatever we have to spend to field a team that we believe will deliver for our clients.

"As I've said many times this business is unrelenting and requires a team that is constantly challenging ourselves, re-evaluating, and adapting."

The good news for shareholders is that when run properly – with a complete focus on delivering results and delighting clients – these businesses can be very valuable indeed. And Tim and I have quite a lot of incentive to deliver for shareholders – as we are invested right along-side of you as the largest shareholders of the business! We also take no cash compensation other than a salary, so our economics from the business are essentially all tied up creating long-term value for shareholders. And, along with our team members, we are also clients, and with hundreds of millions of dollars invested in our strategies, we are hyper-focused on driving returns. In our view this is the most important element of creating lasting value for our shareholders.

We welcome you on this journey with us and will do our best to perform and deliver value for you.

Rajiv Jain
Executive Chairman and Chief Investment Officer

1 Executive Chairman and Chief Executive Officer Reports Continued

1.2 CHIEF EXECUTIVE OFFICER'S REPORT

Dear Shareholder,

I want to begin by thanking you for your trust and confidence in our business. We aim to have a business defined by alignment – both with clients and shareholders. We think, behave, and invest with the mindset of both, because our team are meaningfully invested in this business and our strategies. I would like to acknowledge the exceptional efforts put forth by our team. My colleagues at GQG are the most committed, high-energy and caring people I've worked with in my life. They care deeply about our clients, and as a result our business is thriving and as shareholders we will all benefit from these efforts and results. Of course, our employees received equity as part of our IPO as well, and so in addition to excellent compensation and benefits, they too enjoy the rewards of equity ownership.

I believe deeply that in the long-run, great investment results are an outgrowth of a great firm culture. We are intentional about our culture and hope and expect that our team will reinforce key elements of this culture every day. Our culture is centered on performance. We expect excellence in everything we do. Our people expect that of themselves, and constantly push themselves and one another to learn, grow, adapt and perform in a way that thrills our clients.

Of course, to sustain such a culture, our team has to enjoy the work and the camaraderie that they find in the workplace. Indeed, I believe that companies are ultimately never an end to themselves, but a means of pursuing some greater mission. In a for-profit setting like the one in which GQG operates, that mission is of course commercial. But companies like ours carry other missions as well – to support and advance our clients' purpose and ambition, to be a place of community for our people, and to deliver social results to the communities in which we live and operate. Recognizing this, I am pleased that when I see the team at GQG, I see people who care about one another, enjoy working together, and share the common goal of delighting our clients with our service.

Finally, we recognize that as is the case with any company, we are an organ of society. We believe our social responsibility is fundamental to our existence. We established the GQG Partners Community Empowerment Foundation in 2018, and since then have donated over $1.5million to over 50 charitable organizations around the world. The donations are targeted at the areas of education, women and children, and disaster relief.

"I believe deeply that in the long-run, great investment results are an outgrowth of a great firm culture."

The need in these areas, especially in light of COVID-19, has been extreme, but we remain inspired by our wide-ranging community partners whose work includes rural healthcare in India, early-education in New York City, and food pantries in Fort Lauderdale, Florida to highlight a few. Importantly, many of the organizations we support are organizations that our team brings to our attention, and in many cases that they give not only financial resources, but also their time and energy. We are proud to support our people and our communities in this way. For more information about the GQG Partners Community Empowerment Foundation please visit https://gqgpartners.com/community.

2021 was a momentous year for GQG Partners. Of course, our IPO on the ASX topped the list of milestones for our company. Through our listing we hope to have established permanence in our business, skin in the game for our team, and currency for strategic expansion.

We added 34 new team members to GQG in 2021, taking our total team to 122 members at year-end. Although we operated remotely for the entire year, we continued to invest meaningfully in our infrastructure, which we believe will help us continue to scale our business. We launched 3 new dividend focused strategies during the year, giving our clients new ways to access and use our investment content, and sowing the seeds for future growth.

That said, we have much continued hard work and investment in front of us.

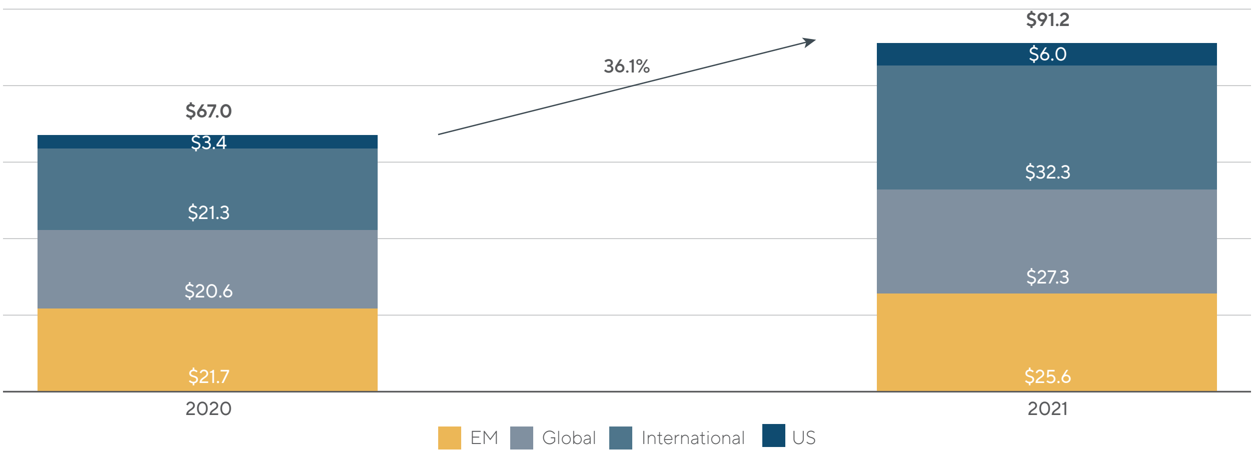
We believe that active investment management firms over the long term can exist only if they are capable of sustaining outperformance. Without performance, clients will not pay active management fees. Clients can compare us to other options every day, and switching costs in this business are very low. We are therefore obsessive about performance. We believe our business begins and ends with performance, and we invest heavily in developing our team with the goal of perpetuating a culture of performance. We continue to seek an edge through dedicated and innovative work internally, and seek out other teams in the market that might want to join our platform and bring to us their own innovative approaches to investing.

Finally, our team is fanatical about providing best in class service to our clients. Clients comment on the quality, timeliness and thoughtfulness of our analysis and reporting. We will continue to invest in these areas and hire teammates who thrill in offering insights and great service to our clients. Coupled with our investment results, we believe this obsessiveness with the client experience is an important competitive edge.

We are pleased to announce strong investment performance and record levels of Funds Under Management (FUM) for the year ending 31/12/21.

We ended the year with $91.2B in FUM, up from $67.0B at the end of 2020. These assets were broken down into $27.3B in our Global, $32.3B in our International, $25.6B in our Emerging Markets, and $6.0B in our US strategies. We experienced growth across all three of our channels: institutional, sub-advisory, and wholesale/retail. We are pleased with the establishment of several new relationships in each of these channels.

Figure 1 – FUM GROWTH US$ BILLIONS



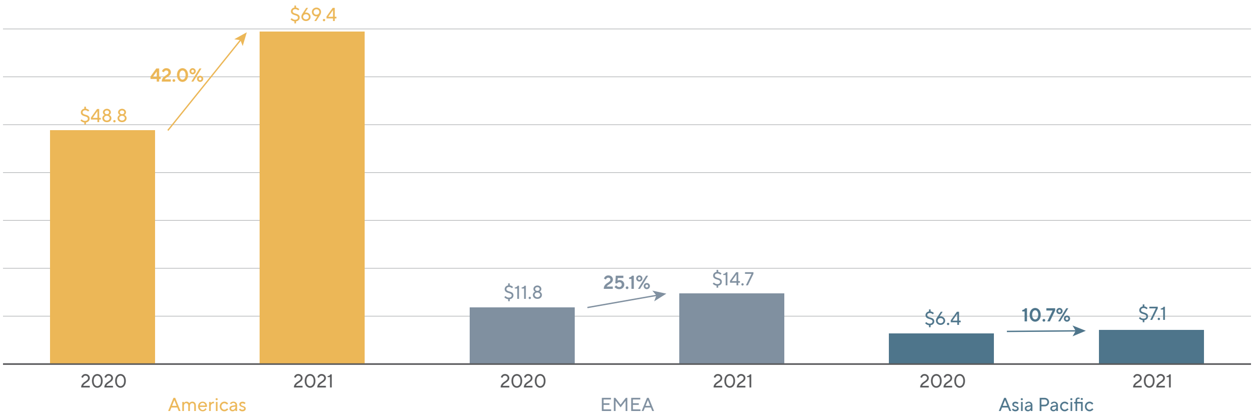
FUM represent both discretionary and non-discretionary funds, as well as funds under management that are both fee paying and non-fee paying and are rounded to the nearest $100 million. Amounts have not been audited.

1 Executive Chairman and Chief Executive Officer Reports Continued

All FUM are managed or advised by GQG Partners LLC (GQG LLC), a wholly owned subsidiary of GQG Inc.

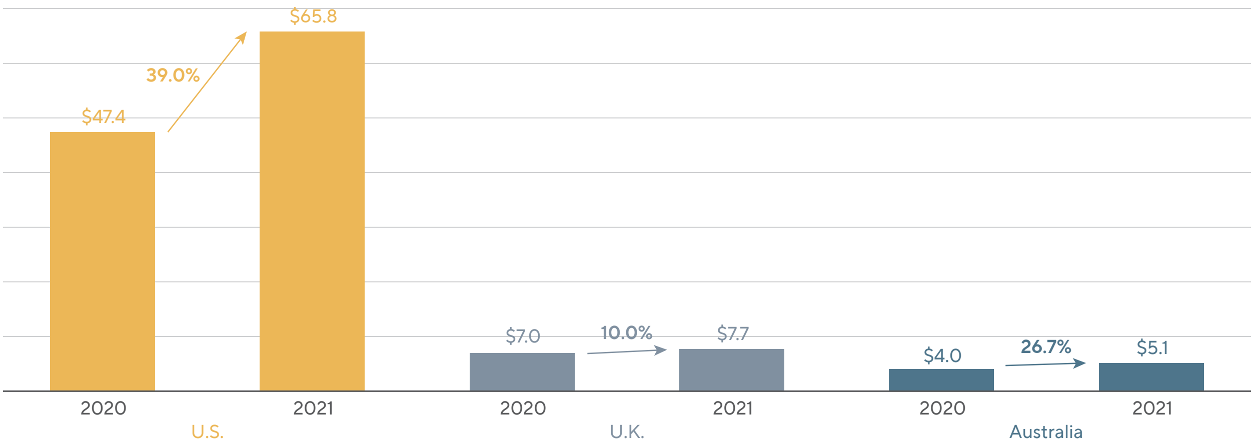
We also experienced growth in all of our major markets: Americas, EMEA and APAC.

Figure 2 – FUM BY REGION ($BN)
YEAR OVER YEAR GROWTH BY REGION



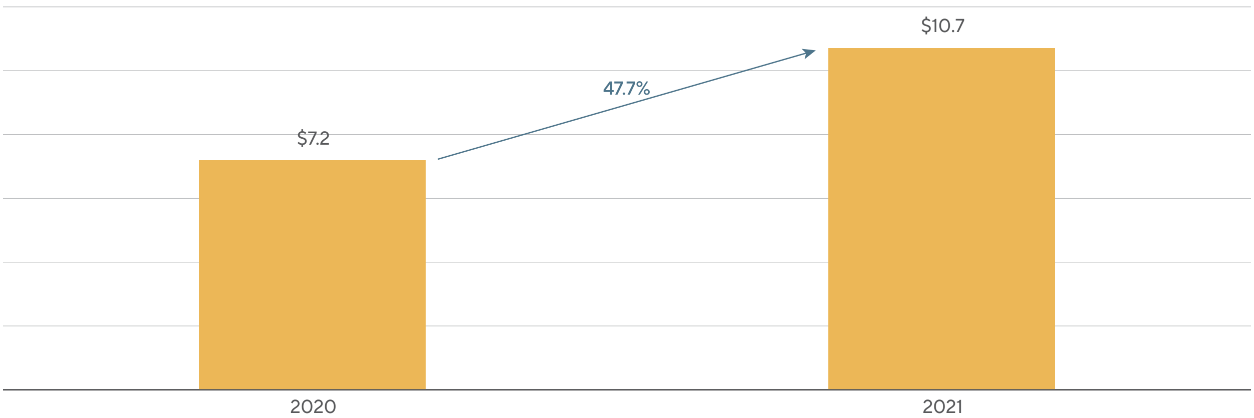
The top three countries in which we operate, the US, UK and Australia, grew by 39.0%. 10.0% and 26.7% respectively.

Figure 3 – FUM BY COUNTRY ($BN)



We are pleased with this growth, particularly in the wholesale/retail parts of the market, where we have focused in the past few years. As a proxy looking at the US wholesale/retail growth you can see YoY growth of 47.7% in our management of US mutual funds.

Figure 4 – US MUTUAL FUNDS ($BN)



Developing a broader client based in Australia remains a strategic growth opportunity for our business. Our EM fund ranked #1 in fundraising and our Global fund was #10 amongst all competitors in the Australian market. This is exciting growth, but we believe we are early in our journey of building a diversified client base in Australia.

Figure 5 – AUSTRALIA FUM ($BN)

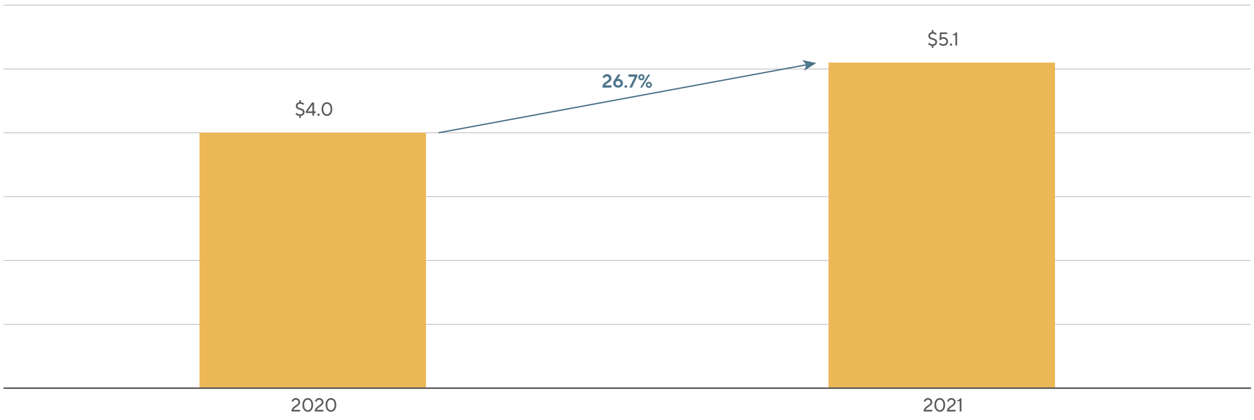


Figure 6 – INCREASED REVENUE - INCREASED MARGINS

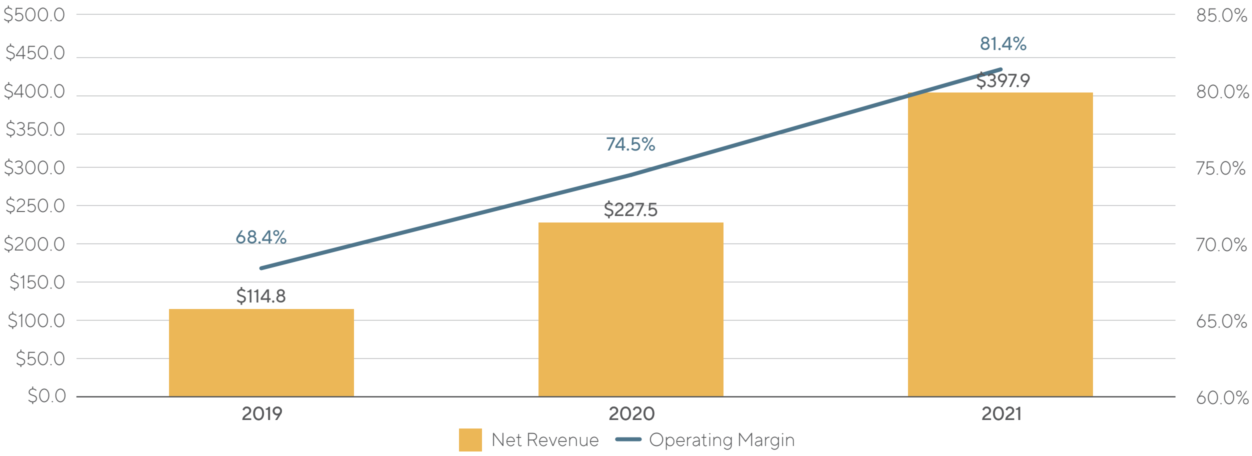
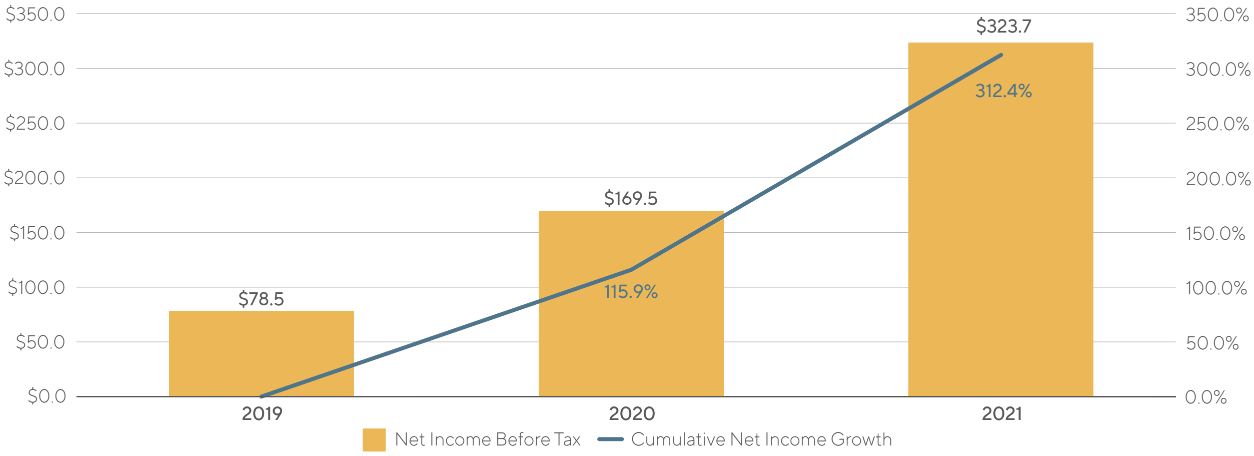


Figure 7 – GROWTH OF NET INCOME BEFORE TAX



In the US and UK, wholesale markets also grew nicely. Given the scale of these markets, we believe that we have significant headroom for continued growth. When taken together with our performance for the year compared to other top fundraisers in these markets, we feel we are well positioned in all three countries.

Our sub-advisory business also continued to grow through 2021 with the addition of 8 new sub-advisory mandates during the year, including 6 in Q4. We believe these types of relationships provide optionality as third-party institutions work to grow the pools of assets, which are then allocated to us to manage. To the extent that those third parties are successful, we can experience growth without a significant incremental investment at GQG. We continue to actively seek sub-advisory opportunities that bring diversification and operating leverage. Again, given our performance and the recent growth for us in this market, we feel that we are well positioned in this channel.

We continue to see strong growth across multiple geographies and with a diverse set of asset consultants. We won business from clients advised by 23 asset consultants in 2021, which we believe demonstrates the deep diversification of our client base.

Quality of earnings:

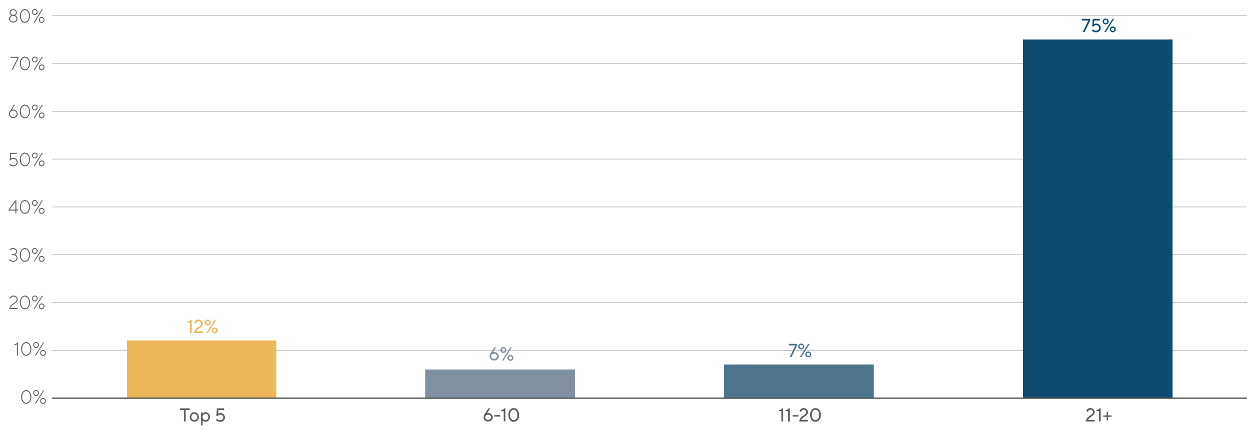
There are several factors we consider in looking at the makeup of our revenues: Diversification, fees and investment performance.

Diversification:

Our net revenues are not dependent on one investment strategy or one market. Our net revenues were split $108 million, $99 million, $178 million and $13 million among International, Global, EM and US, respectively. They are split $314 million, $55 million, $29 million among geography North America, EMEA and APAC respectively.

Our top 10 institutional clients represent 13% of our overall revenues, and our subadvisory mandates represent thousands of underlying investors.

Figure 8 – INSTITUTIONAL CLIENT CONCENTRATION
% OF TOTAL FUM AS OF 31-DEC-2021



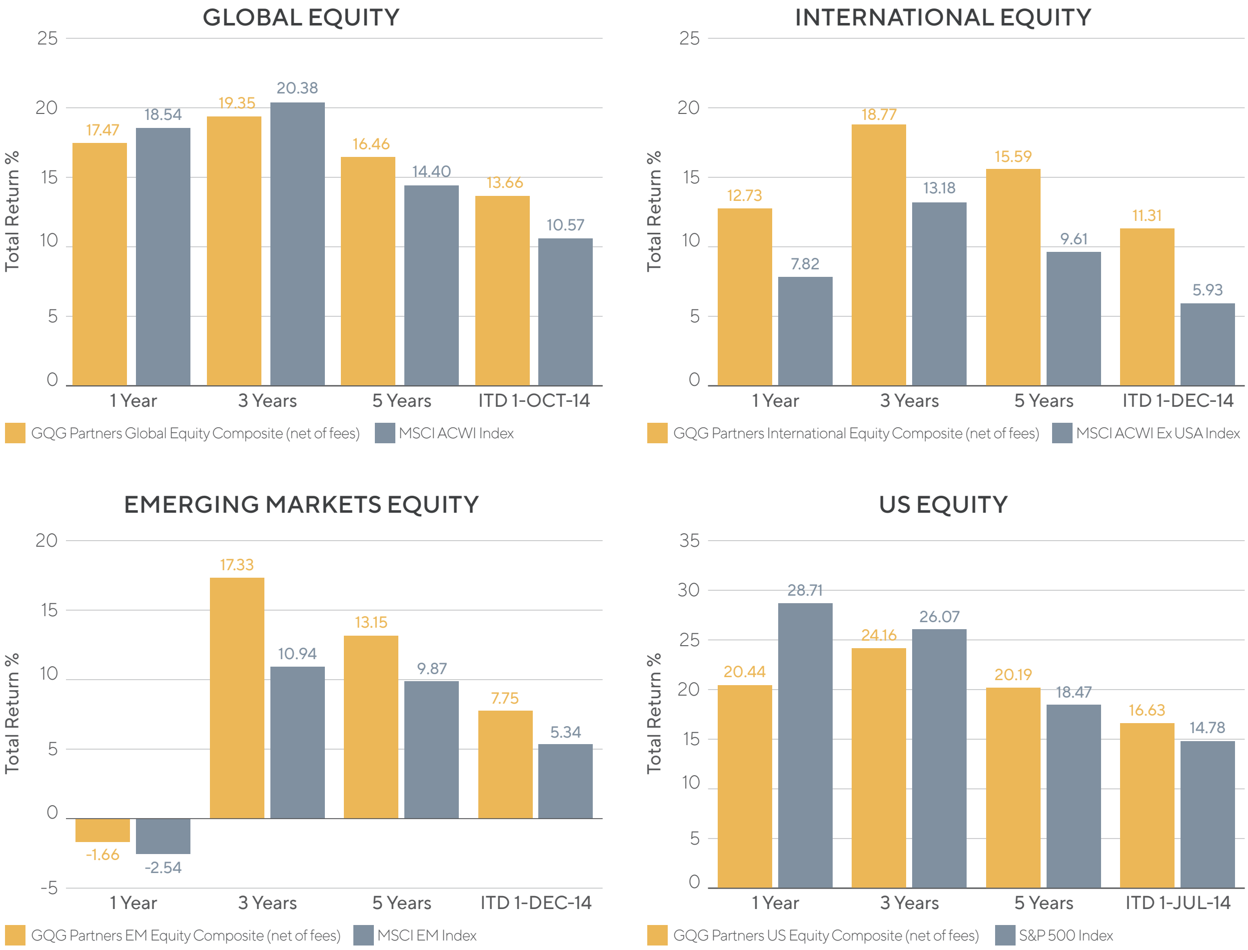
Fees:

We believe our fees are very competitive in the market. Our weighted average management fee was 49.2bps for 2021. Performance fees represented .4% of our revenues in 2021. Because our revenues are primarily driven by base fees, and because we believe those fees are competitive in the market, we expect lower volatility in revenues as compared to businesses with a greater share of performance fees contributing to their revenues.

Investment Performance:

We continue to experience compelling absolute, peer relative, and risk adjusted performance. 2021 was a year of significant portfolio repositioning where we adapted our portfolios to changing opportunities and what we see as likely growing risks.

Figure 9 – STRATEGY LEVEL PERFORMANCE AS OF 31-DEC-21



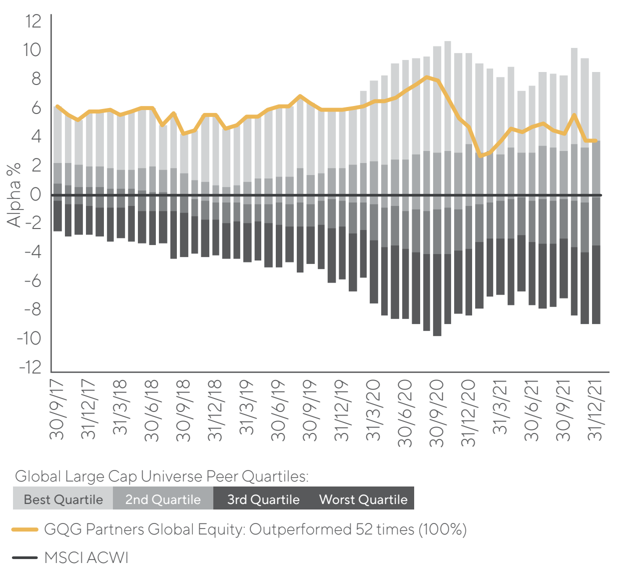
Represents composite performance for GQG Partners' primary investment strategies calculated in US dollars. Returns are presented net of management fees and include the reinvestment of all income. Net performance is calculated after the deduction of actual trading expenses and other administrative fees (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 is net of foreign withholding taxes. Performance presented prior to 1 June 2016 was achieved prior to the creation of the firm. Returns for periods greater than one year are annualized. PAST PERFORMANCE MAY NOT BE INDICATIVE OF FUTURE RESULTS. Please see the Important Information at the end of this document for additional disclosures and benchmark descriptions.

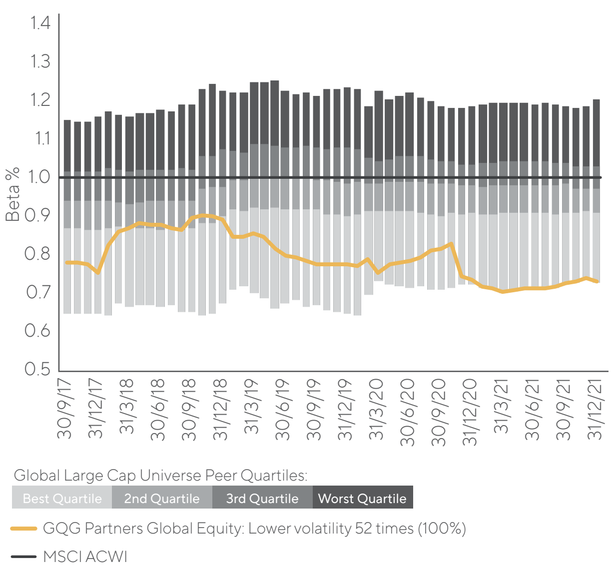
While we measure ourselves on absolute performance, we believe our clients also care about the volatility of our returns and are equally focused on risk-adjusted returns, and the persistence of measures of alpha and beta – or how much of our returns are driven simply by market exposure as compared to the returns driven by our active management.

The volatility in our returns remained lower than the market in 2021, leading to top quartile risk-adjusted returns. Our alpha and beta remained top and bottom quartile respectively for the period.

1 Executive Chairman and Chief Executive Officer Reports Continued

Figure 10 – GQG PARTNERS GLOBAL EQUITY OUTPERFORMANCE AND VOLATILITY





As at 31 December 2021. Source: Morningstar. Past performance may not be indicative of future results. Risk indicators calculated with monthly net of fees returns of the Composite and the respective benchmark. Please see the Important Information at the end of this document for additional disclosures and benchmark descriptions.

While our past performance is not necessarily an indicator of future performance, we believe this performance positions us well in the market. We remain confident in the prospects for continued growth in the business, and are laser focused on delivering great performance coupled with exceptional service for our clients.

Tim Carver
Chief Executive Officer

2 Operating and Financial Review

2.1 PRINCIPAL ACTIVITIES

As discussed in our prospectus and the CEO letter above, we are a global boutique asset management firm focused on active equity portfolios. As at 31 December 2021, we managed $91.2 billion across our investment strategies. We are headquartered in the United States and have built a client base with many prominent institutions and important wholesale platforms around the world.

Our leadership team has been involved in helping build a number of leading investment organizations over the past 25 years. Our investment team has a long history with an average of approximately 13 years of industry experience.

We are a purposeful organization with a vision to build a distinctive investment firm with an investment culture that can sustain itself over many investment cycles. Our focus is on delivery of excellence to our clients in all that we do.

Our value proposition is centered on our investment strategies which are focused on the following pillars:

- **Concentrated Active Portfolios** — our investment strategy involves building concentrated active portfolios to achieve the objective of long-term capital appreciation.
- **Global Umbrella, Focused Team** — we continually identify and update an 'umbrella' of global companies with quality attributes that we research and consider for investment. We have one focused research team covering this universe of potential investments. From this universe, we construct portfolios for our four primary investment strategies: Global Equity, Emerging Markets Equity, International (non-US) Equity and US Equity. We also seek to develop new strategies from time to time.
- **Sustainable Fee Structure** — the investment management business is among the most competitive in the world. Fees have been under pressure for years. We do not expect that pressure to abate. As a relatively new entrant to the business, we have been able to price our services based on the market as we see it now. Given we have scaled our business relatively quickly, we now operate profitably with fees that we believe are attractive to clients in the markets in which we operate. We therefore believe our fees are likely to be more sustainable than many of our competitors, even if the industry as a whole, and we as a participant, continue to experience fee pressure.
- **Highly Aligned Teams and Business Structure** — we see ourselves as co-investors with our clients, as we have made meaningful investments in our business, and our goal is for employees to have exposure to our strategies alongside our clients. Additionally, while our co-founders take a base salary, they do not receive any cash bonus, instead receiving the vast majority of their economics "below the line" through dividends as shareholders in the business. In addition, our employees at the time of the IPO received equity in GQG as part of the IPO. We believe this tightly aligns their interests with those of all shareholders.

We acquire and service clients across 3 of the core distribution channels of the asset management market:

- **Institutional** — investors with large pools of investable assets including insurance funds, pension/superannuation funds (who invest on behalf of their ultimate members or beneficiaries), sovereign wealth funds and ultra-high net worth investors. These investors may use specialist asset consultants to assist in the selection and management of asset managers, to whom they allocate capital. Institutional investors invest either into portfolios that are specifically constructed for their needs (referred to as separately managed accounts), or into pooled funds which may be set up in a range of structures driven by regional regulatory requirements;
- **Sub-advisory** — a sub-advised fund is an investment fund that is formed and managed by a third-party firm that retains us to manage part or all of the fund on a sub-advisory basis. Sub-advisory arrangements typically involve the third-party fund 'sponsor' assuming sales and marketing responsibilities, enabling the sub-adviser to focus on delivery of investment content and allowing the sub-adviser to benefit from the third-party's fundraising capabilities.
- **Wholesale/Retail** — are typically financial intermediaries, including financial advisers, wealth management administration platforms, private banks or other discretionary wealth managers, that generally have access to a wide range of investment strategies from numerous asset managers, or individual investors generally investing through those intermediaries.

We reach retail investors through the sub-advisory and the wholesale channels. At 31 December 2021, most of our assets are split across the institutional and sub-advisory distribution channels. See Section 1.2, Chief Executive Officer's Letter, at "*Diversification*," above.

2 Operating and Financial Review Continued

2.2 REVIEW OF FY2021 OPERATIONS AND RESULTS

On 28 October 2021, GQG Inc. completed its IPO on the Australian Securities Exchange ("ASX") successfully raising $865 million in proceeds, net of offering costs.

Upon completion of the IPO, GQG Inc. issued 2,952,805,434 new shares of common stock. The common stock is publicly traded on the ASX under the ticker "GQG" in the form of CHESS Depositary Interests ("CDIs"). Each share of common stock is equivalent to one CDI.

Following the IPO, the prior Beneficial Owners of GQG LLC own 79.9% of shares of GQG Inc. common stock outstanding. The remaining common stock is in the form of CDIs and is owned by new investors.

In connection with the IPO, GQG Inc. entered into voluntary escrow agreements with certain holders of 2,315 million shares of common stock and CDIs, and certain controlling persons of such holders, that prohibit such holders and controllers from dealing in such securities (subject to limited exceptions), until the first business day after release to the ASX of GQG Inc.'s financial accounts for the half year ending 30 June 2022.

Financial Performance

The 2021 Financial Year saw strong market performance despite significant volatility and the impact of a global pandemic that continued to disrupt economies around the globe. Net profit after tax was $304.9 million compared to historical 2020 results of $167.9 million. FUM increased 36.1% to $91.2 billion primarily due to net inflows of $17.1 billion, resulting in a 74.9% increase in revenue to $397.9 million for the year.

With strong investment performance, we continue to see business momentum across multiple geographies and channels heading into the 2022 Financial Year.

Summary of Consolidated Statements of Operations for the years ended 31 December 2021 and 2020 (Dollars in US$ thousands)

	2021 ($)	2020 ($)	CHANGE ($)	CHANGE (%)
Management fee income	396,220	220,615	175,605	*79.6%*
Performance fee	1,723	6,931	(5,208)	*(75.1%)*
Net revenue	**397,943**	**227,546**	**170,397**	***74.9%***
Compensation and benefits	(41,954)	(39,306)	(2,648)	*6.7%*
Third-party commissions	(10,935)	(5,627)	(5,308)	*94.3%*
General and administrative costs	(15,459)	(9,819)	(5,640)	*57.4%*
IT and information services	(6,156)	(3,522)	(2,634)	*74.8%*
Operating expenses	**(74,504)**	**(58,274)**	**(16,230)**	***27.9%***
Net operating income	**323,439**	**169,272**	**154,167**	***91.1%***
Net gain (loss) on investment in funds	740	268	472	*176.1%*
Other income (expense)	(438)	–	(438)	100%
Net income before provision for income tax	**323,741**	**169,540**	**154,201**	***91.0%***
Provision for income taxes	18,869	1,632	17,237	1056.2%
Net income after tax[1]	**304,872**	**167,908**	**136,964**	***81.6%***

1 Net income after tax attributable to shares of common stock for the period from 28 October 2021 through 31 December 2021, the period following the IPO, is $46,444.

Revenue

Net revenue was $397.9 million, up 74.9% compared to last year. The increase in net revenue is primarily due to the increase in FUM and slight shift in mix of FUM across investment strategies to higher management fee margin strategies. Average FUM for the year was $80.5 billion compared to average FUM of $45.4 billion for 2020.

We earn revenue primarily from management fees, which accounted for 99.6% of our total revenues in the fiscal year ended 31 December 2021. Management fees are based on a percentage of FUM, and are charged in exchange for investment advice, strategies and services we provide to our clients.

In addition to management fees, we also charge performance fees for a small number of clients and fund investors. These fees are linked to investment performance and only payable if a fund or account surpasses a certain threshold performance. For fiscal year ended 31 December 2021, performance fees represented less than 1% of our total revenues.

Expenses

Total operating expenses were $74.5 million for the year ended 31 December 2021, a 27.9% increase compared to total operating expenses of $58.3 million for the year ended 31 December 2020. The increase in operating expenses was primarily due to increases in FUM and number of employees. Throughout this period, GQG continued to invest in people, products and operations, with an increased focus on data and technology.

The 27.9% increase in operating expenses is the result of business growth:

- **Compensation and benefits** — increased $2.6 million or 6.7%, driven by an increase in team members from 88 to 122 (38.6%) during the period. Employees were added across the organization as part of our commitment to excellence in serving our clients.
- **Third-party commissions and fee payments** — increased by $5.3 million or 94.3%, associated with an increase in FUM in our US mutual funds and our UCITS funds. During the period, FUM growth for our mutual funds and UCITS were 47.7% and 48.9%, respectively.
- **General and administrative costs** — increased by $5.6 million or 57.4%, and included a $2.1 million increase in middle office expenses primarily driven by the increase in FUM and a $1.2 million increase in consulting expenses associated with recruiting and project support.
- **IT and information services costs** — increased by $2.6 million or 74.8%, as GQG internalized key portions of the information technology function and migrated to a full cloud infrastructure.
- **Provisions for income tax** — increased by $17.2 million as a result of the IPO and the restructure of GQG LLC that preceded it. GQG Inc. is a corporation and subject to federal, state and local tax. Prior to the restructure and IPO, GQG LLC was treated as a partnership for tax purposes and accordingly federal and state income taxes were the responsibility of members.

Net Income

Net income before tax increased by 91% as the growth of net revenue far outpaced the growth of expenses resulting in 90.5% of the increase in net revenue dropping to net income before tax. Impacted by the transition to corporate taxation, net income after tax grew at 81.6%.

Financial Position

GQG has a strong balance sheet, with total assets at 31 December 2021 of $375.9 million, cash and cash equivalents of $56.8 million and no debt. GQG's liabilities primarily consist of trade creditors and accruals, lease liabilities and employee compensation. Total liabilities were $85.1 million at 31 December 2021 compared to $11.7 million at 31 December 2020. The increase year-over-year is primarily the result of a distribution payable associated with the allocation of profits earned prior to the IPO and owed to the prior beneficial owners of GQG LLC (Beneficial Owners).

2 Operating and Financial Review Continued

Summary of Consolidated Statements of Financial Condition at 31 December 2021 and 2020 (Dollars in US$ thousands)

	2021 ($)	2020 ($)
Assets		
Current assets		
Cash	56,787	17,753
Advisory fee receivable	69,213	50,381
Other current assets	2,447	1,338
Total current assets	**128,447**	**69,472**
Non-current assets		
Property and equipment, net of accumulated depreciation and amortization	1,193	546
Investment in funds, at fair value	8,480	3,675
Security deposits	1,188	443
Deferred tax asset	234,521	–
Right-of-use asset	2,027	–
Total non-current assets	**247,409**	**4,664**
Total assets	**375,856**	**74,136**
Liabilities and members'/shareholders' equity		
Current liabilities		
Compensation accrual	4,613	4,462
Other current liabilities and due to affiliates	5,857	7,235
Taxes payable	14,454	–
Distribution payable	58,008	–
Total current liabilities	**82,932**	**11,697**
Operating lease liability	2,148	–
Total liabilities	**85,080**	**11,697**
Members'/shareholders' equity		
Members'/shareholders' equity	290,776	62,439
Total liabilities and members'/shareholders' equity	**375,856**	**74,136**

Assets

- **Cash** — As at 31 December 2021, GQG's cash was $56.8 million compared to $17.8 million as at 31 December 2020. There were no cash equivalents or restricted cash. The primary use of GQG's cash continues to be working capital and distributions/dividends.
- **Advisory fee receivable** — Represents the earned but uncollected management and performance fees. The increase in advisory fee receivable is the result of an increase in management fees driven by the increase in FUM.
- **Investment in funds** — generally is associated with GQG's compensation plans designed to provide employees with economic exposure to GQG strategies, resulting in alignment between GQG's employees and clients. The investment in funds increased as a result of an increase in employees and participants in these compensation plans.
- **Deferred Tax Asset** — The restructure and IPO resulted in a goodwill deferred tax asset for GQG creating a cash tax benefit. The deferred tax asset is calculated as the net proceeds from the IPO received by the Beneficial Owners, multiplied by the deferred tax rate of GQG Inc. The total current year cash tax savings as a result of the goodwill deferred tax asset for the period ended 31 December 2021 is approximately $4.0 million. This cash savings in taxes paid is added to net income after tax to arrive at distributable earnings, the basis for the dividend calculation, as further described below.
- **Right-Of-Use (ROU) Asset** — originates from FASB authoritative guidance ASU 842 which requires the capitalization of operating leases for public companies. On 1 November 2021, GQG implemented the standard of which the most significant impact was the recognition of ROU (right of use) Assets and lease liabilities for operating leases. The ROU Assets are less than the operating lease liabilities primarily because lease incentives reduced the value of the ROU Assets.

Liabilities

- **Taxes Payable** — As a result of the restructure of GQG LLC and the IPO, GQG Inc. is a corporation and subject to federal, state and local tax. Prior to the restructure and IPO, GQG LLC was treated as a partnership for tax purposes and accordingly federal and state income taxes were the responsibility of the members.
- **Distribution Payable** — Prior to the completion of the IPO, GQG LLC declared a distribution of accumulated earnings relating to the period up to settlement date of the IPO in the amount of $89 million for the Beneficial Owners. An initial payment of this distributable amount was made to the Beneficial Owners in December 2021, and it is GQG's intention to pay out the remaining balance in 2022.
- **Operating lease liability** — originates with the implementation of ASU 842 and reflects all remaining lease payments discounted using an incremental borrowing rate (on a collateralized basis) based on the remaining lease term (**Discount**),

Members'/Stockholders' Equity

GQG Inc. initially sold shares of common stock (**Securities**) in its IPO in October 2021 and there has been no change to ordinary shares on issue since that time.

Dividends

In accordance with GQG's distribution policy, the Board of Directors of GQG Inc. (**Board**) has approved a dividend for the period after the IPO through the end of 2021 (28 October to 31 December 2021). The policy allows for a payment of 85% - 95% of "distributable earnings" which is calculated as net income after tax plus the cash tax benefit resulting from amortization of the deferred tax asset (**Distributable Earnings**).

The declared dividend of $0.0154 per share represents 90% of the Distributable Earnings during the period. The following are the key dates surrounding this dividend payment in Australia.

Declaration Date – 25 February 2022
Ex-Dividend Date – 2 March 2022
Record Date – 3 March 2022
Payable Date – 30 March 2022

The Board will consider a dividend on calendar quarter earnings each quarter with an expected payout ratio of between 85% and 95% of GQG Inc.'s Distributable Earnings. While dividends are expected to be paid quarterly, the level of the payout ratio is expected to vary between periods, depending on, among other factors, fluctuations in markets and business operations.

2 Operating and Financial Review Continued

2.3 BUSINESS STRATEGIES AND FUTURE PROSPECTS

We intend to create value for our shareholders by:

- focusing on creating superior investment performance in our investment strategies;
- growing the funds under management in our existing investment strategies;
- attracting new talent through recruitment of investment professional individuals or teams;
- increasing alignment through employee and GQG investment in our strategies; and
- identifying new clients for whom our strategies will add value.

(a) Organic growth of existing strategies

Our main focus will be on organic growth of our existing strategies. Our competitive performance and global distribution strategy have enabled us to experience strong organic growth since our inception. The gatekeeper model in the asset management industry creates important barriers which we believe can amplify asset flows if we have strong performance. We see significant headroom for continued growth from these efforts in our current investment strategies, which will be our primary focus for FUM growth. While we believe we will continue to achieve organic FUM growth, it is important to note that our Emerging Markets strategy is closed to new separate account, private fund, and CIT mandates.

(b) Launch new strategies

Beyond organic growth in our current strategies, there are other growth opportunities that we may pursue. We have a track record of successfully adding strategies over time, where we believe our current research efforts can be leveraged. An example has been the launch of a Concentrated Global Equity Strategy, which is a subset of our Global Equity strategy and has grown from $12 million as at 31 December 2016 to $5.3 billion by 31 December 2021. Another example is the launch of our US Equity strategy, effectively utilizing the US equity portion of our Global Equity portfolios, which has grown from $19 million as at 31 December 2018 to $5.9 billion by 31 December 2021. As we have indicated, we have also launched three 'Quality Dividend Income' strategies (Global, International, and US). Our first institutional mandate in the Global Quality Dividend Income strategy was funded by a leading Australian institution in Q4 2021. GQG may use its capital as part of this process. When doing so, we will focus on opportunities where we feel that our team is well-positioned to provide investment insight. We may develop new strategies for various reasons, including to provide our team with the opportunity to grow their capabilities, to establish the discipline of a deeper focus on a particular industry or region that we believe would enhance our overall investment capabilities, or to address anticipated client demand.

(c) Geographic expansion

We are a US-headquartered investment manager, but we will look to further expand our geographic footprint as the business grows, a goal since our inception. We have grown our client base with respected global institutional investors and continue to expand our wholesale vehicle line-up and sub-advisory relationships globally. In addition to our headquarters being in the United States, we have a business development and client service office in London as well as a dedicated team in Sydney. To date, our marketing efforts have resulted in key sub-advisory relationships in Australia, Canada, Japan and the US and we have institutional client relationships in numerous non-US countries, including Australia, Canada, Ireland, Japan, the United Arab Emirates, Saudi Arabia, the Netherlands, Italy, Germany, New Zealand and the United Kingdom.

As at 31 December 2021, we managed $25.3 billion on behalf of non-US clients with key areas for future growth being Australia, United Kingdom, Canada and the Middle East. In particular, we feel that Australia's superannuation system and long-term investor focus make it among the best markets globally for the asset management industry. As such, we have invested heavily in building our business in Australia with a dedicated business team and fund infrastructure. We are invested for the long-term in both the institutional and wholesale markets in Australia. Today we have indirect relationships with thousands of Australian investors via superannuation clients, and our funds are available in the wholesale market, with total Australian FUM of US$5.1 billion as at 31 December 2021.

We believe there is significant opportunity for continued growth in this market.

(d) Inorganic Growth

While we have no firm plans to this end, we believe that our trading, operations and distribution platform could be leveraged by adding new investment teams through recruitment of investment professional individuals or teams.

We may from time to time pursue opportunities to recruit teams of investment professionals where we believe they:

- share our investment culture;
- can add to our overall investment 'intellectual property'; and
- provide products that our investors would benefit from.

We may also from time to time find attractive opportunities to invest in or acquire teams or businesses.
We would expect any such activity to be investment led.

Taken together, we believe these opportunities provide potential for longer-term inorganic growth.

2.4 MATERIAL BUSINESS RISKS

Summary of Risks

The key business risks faced by, and mitigation approaches of, GQG Partners are set out below.

Risk Category	Risk Description	Mitigants
Investment management	Risk arising from: • poor absolute investment performance or investment underperformance relative to peers or benchmarks; • failure to adhere to investment strategy or guidelines; or • inadequate management of market, liquidity or other risks for clients	• Defined investment strategy and guidelines • Established investment governance and risk management frameworks • Pre- and post-trade investment compliance
Strategic	Risk arising from poor or poorly implemented strategic decisions	• Strategic and business planning processes • Application of Risk Appetite Statement in strategic decision-making and implementation • Identification and development of talent for developing and implementing strategy
Operational	Risk arising from inadequate or failed internal processes or systems or from external events (e.g. business continuity disruptions)	• Defined policies, procedures, controls, roles and responsibilities • Clear reporting lines and management processes • Business continuity planning and disaster recovery programs
People	Risk arising from: • reliance on a small number of highly talented key executives; • a potential inability to attract, engage and retain quality people to execute strategy; or • failure to bring in diverse perspectives to help avoid group think	• Talent identification and development • Appropriate alignment of employee interests with business and client outcomes • Development of plans for unavailability of key personnel • Seeking to develop a diverse workforce

Risk Category	Risk Description	Mitigants
Financial	Risk arising from reliance for substantially all revenue from management fees, including under agreements that can be terminated on short or no notice	• Diversification of client type and location • Development of multiple investment strategies
Information Technology and Cyber-Security	Risk arising from failed, breached or inadequate information systems, which could result in confidentiality breaches, loss of sensitive or critical data and business disruption	• Defined information security program and information technology security policies • Implementation of operational security technology (e.g., firewalls and antivirus) • Security (penetration) testing of key systems • Information security incident response plans • Business continuity planning and disaster recovery programs
Compliance and Legal	Risk of breaching applicable laws and regulations or compliance policies and procedures	• Appropriately staffed and experienced legal and compliance teams • Documentation and monitoring of compliance obligations • Clearly defined policies, procedures, controls, roles and responsibilities • Consultation with and reliance on outside expert resources as appropriate
Service Providers	Risk that services performed by external service providers are not performed as required under contractual standards or in line with industry or internal operational standards	• Engaging well-regarded and proven strategic partners • Appropriate oversight and review of key vendors • Written contracts, including in certain cases service level agreements, in place and monitored
Natural Disasters	Risk that the occurrence of hurricanes, earthquakes, tsunamis or other natural disasters may have a material and adverse impact on our ability to conduct business operations at one or more of our offices for some time, which could be substantial	• Business continuity planning and disaster recovery programs • Focus on vendor management for cloud service offerings and other redundancy and contingency options
Misconduct	Risk arising from conduct by directors, employees or contractors that is fraudulent, unethical, illegal or otherwise contrary to policies or expectations	• Appropriate internal controls, compliance policies and procedures • Appropriate oversight of personnel • Appropriate review of potential directors, employees and contractors for potential indications of material prior misconduct • Mandated training on Code of Business Conduct and other relevant policies and procedures

As a Company, GQG does not view itself as being subject to material social risks.

Risk Management Framework and Risk Appetite Statement

The Board has adopted the following framework for risk management oversight and a risk appetite in furtherance of managing GQG's risks.

The Board has delegated certain risk management oversight responsibilities to its Risk Committee (**Board Risk Committee**) as described in the Board Risk Committee's Charter. The Charter provides that the Board Risk Committee's key responsibilities and functions are to oversee GQG's:

- processes for identifying and managing financial and non-financial risks;
- non-financial periodic reporting;
- internal controls and systems; and
- processes for monitoring compliance with laws and regulations.

The Board and the Board Risk Committee rely on GQG's management team to implement appropriate risk management processes within the organization. Management believes that it is critically important to constantly identify, assess, evaluate and appropriately respond to existing and emerging risks.

Within the context of the Framework, the primary mechanisms in place to manage risk include, but are not limited to:

- comprehensive business and compliance policies and procedures;
- clear lines of decision-making authority;
- management committees and working groups:
- investment and other technical expertise;
- internal control frameworks;
- clearly defined behavioral and performance expectations; and
- mandatory education and compliance training for all employees.

GQG recognizes that the effectiveness of its risk management program is dependent on employees throughout the organization and seeks to promote a "risk aware" culture that prudently and appropriately pursues the interests of GQG's stakeholders, including shareholders and clients.

GQG's senior management is responsible for identifying and assessing risks, developing responses to those risks (e.g., risk management policies, practices and controls) and ensuring that GQG's risk management program is appropriately managed and effectively implemented by GQG and its subsidiaries, consistent with the Framework and GQG's overall business strategy. In this regard, senior management is expected to provide regular and special reporting to the Board Risk Committee with respect to risk matters, including on existing and emerging risks faced by GQG and the appropriateness and effectiveness of GQG's policies, practices and controls in managing risk.

To meet the foregoing responsibilities, GQG's senior management has established a management level Risk Committee (**Management Risk Committee**), which is comprised of the Chief Executive Officer, Chief Investment Officer, Chief Financial Officer, Chief Operating Officer, General Counsel, Chief Compliance Officer, Chief Technology Officer and the Managing Directors for International and Global Distribution. The Management Risk Committee meets on a quarterly basis (or more frequently if needed). The Management Risk Committee and its members have overall day-to-day responsibility for implementation and maintenance of GQG's risk management program. Each member, in relation to the member's respective area of supervision, is responsible for (i) ensuring that appropriate processes are in place to identify and mitigate relevant risks and (ii) monitoring the effectiveness of the risk-limiting measures and controls.

The Board believes that GQG should take a measured approach to risk of all types, seeking the best overall results for GQG shareholders on a risk adjusted basis. In this regard, the Board directs management to seek always to:

- fully evaluate the strategic, investment, operational, compliance, financial and other risks that GQG faces;
- create a sound operational environment;
- adopt and implement policies and procedures reasonably designed to prevent violation of applicable laws and regulations;

- implement controls that are reasonably designed to minimize the likelihood of significant financial, operational, legal or regulatory risk events; and
- communicate and reinforce management's expectations related to risk within the organization.

At all times, consistent with this risk appetite, the Board directs that management seek to ensure that adequate resources are in place to support existing business operations and future growth opportunities and to absorb foreseeable loss events.

2.5 CORPORATE SUSTAINABILITY AND RESPONSIBILITY REPORT

Putting People at the Heart of our Business

Our core objective is to secure our clients' financial futures – organizationally, we prioritize our team to create the best possible environment for putting our clients first.

To operate at peak performance, we must recognize the strengths and weaknesses of individuals within the team, nurture those strengths, and put in place necessary resources to help all team members succeed. Critical to building an effective team is the ability to attract and retain talent. To do this, we have created a performance-driven culture based on five pillars: compensation, development, diversity, responsibility and engagement.

By focusing on these five areas, we seek to provide our employees with motivation and pride to work for GQG and, in doing so, we expect they will serve our clients well.

This culture is embedded into how we work together and invest our clients' capital.

People

Compensation

GQG has structured its employee compensation plan with the goal of fostering a meritocracy – seeking to differentiate employees based on performance and impact – and tying compensation to GQG's core corporate values.

A foundational principle of GQG's compensation plan is alignment. Through this plan, GQG strives to align employee incentives with clients' interests, shareholders' interests and departmental and overall company objectives. For more details on the components of our compensation programs, see our Remuneration Report at Section 5 below.

Development

While our compensation package is in place to motivate and attract, we also focus strongly on development to ensure our employees remain challenged and continue to learn. In doing so, they will continue to develop their skill sets, which will enrich them and help better serve our clients.

GQG Partners is a flat organization that focuses on meritocracy. We strive to offer high performers with promotions to help them grow.

Employees have direct access to senior leaders and we foster open discourse. "All-hands" update calls are structured in such a way to provide employees ample time to ask questions directly to our Executive Chairman and our CEO.

GQG supports and encourages employee development in pursuit of career advancement by delivering training programs, paying for professional development opportunities or industry designations and providing opportunities for employees to work on initiatives both within and outside of their business area. For example, seven employees earned or were actively pursuing the Chartered Financial Analyst designation in 2021, and seven employees earned the Chartered Institute of Management Accountants designation in 2021 or are actively pursuing it in 2022.

Diversity and Inclusion

GQG is a minority-owned firm committed to fair and equitable representation with a genuine emphasis on diversity, inclusion, and equity. The Executive Chairman, CEO and management team share a belief system that various backgrounds and lived experiences create a superior outcome both from an investment perspective and as it relates to building a world-class, highly sustainable business.

We believe that diversity in our workforce, across the various dimensions of social and cultural identity, and an inclusive environment are essential to achieving excellence and delivering on our promises to clients and our communities. Each employee's unique experiences and perspectives are forged by individual social, economic, and cultural identities. GQG is committed to a culture where all employees feel valued, included, and empowered to do their best work and confidently share their great ideas, The cognitive diversity that this brings not only supports the depth of our investment research, it also nurtures enthusiasm and creativity across a range of other activities.

We actively pursue an equal opportunity recruiting process by working with recruiters to provide a diverse candidate pool, creating an environment of inclusion.

Health and Safety

We believe that every employee has the right to work in surroundings that are free from all forms of unlawful discrimination. It is our policy that we will not engage in unlawful discrimination on any basis prohibited by any relevant laws. Our Employee Handbook and Basic Employment Policies include Equal Employment Opportunity, non-harassment and other policies setting out standards for a safe, respectful and healthy work environment.

Community

At GQG we are committed to serving our communities as a company and as individuals with both our time and charitable donations. We believe that service promotes a greater understanding and respect for diversity.

We establish relationships with organizations that serve diverse communities. In partnership with these organizations, we plan company-wide service projects, such a beach cleaning program during GQG's all staff week in 2019. We support employees taking time away from work for service initiatives as a team and as individuals.

As further described in our Chief Executive Officer's Report in Section 1.2, GQG has established the GQG Partners Community Empowerment Foundation to help GQG and our employees make a meaningful impact in the communities in which we live and work.

In addition, our commitment extends to empowering our employees and their shared desire to make a difference. One way we do this is by matching each associate's charitable donations to qualified non-profits dollar-for-dollar, up to $5,000 per calendar year per associate.

Responsible Investment

GQG has been a signatory to the United Nations-supported Principles for Responsible Investment (**PRI**) since October 2016 and was awarded an "A" rating across all rated modules[1]. We also recently become an investor signatory of the Carbon Disclosure Project (**CDP**).

We are stewards of our clients' capital and aim to compound their wealth over time. Because Environmental, Social and Governance (**ESG**) factors can materially impact the value of our investments, we are committed to considering material ESG factors in our investment process.

ESG research

We take an integrated approach that factors ESG considerations into our fundamental, bottom-up analysis of potential portfolio companies. We believe earnings drive stock prices and continue to seek quality companies with enduring sustainable advantages. Long-term earnings quality is often tied to a company's ability to adapt to a changing marketplace and – in the context of ESG – to the emerging challenges facing the environment and society. These qualities in an organization are typically a product of its culture and governance, which we think are relevant factors to a company's long-term success. Time and again we have seen the damage that a poor corporate culture can cause a company.

Companies with a strong purpose-driven culture tend to score higher on ESG metrics because they are focused on the same things we as investors care about, resiliency and sustainability over the long term. But culture is hard to measure effectively and so sits outside the domain of most traditional securities analysis. From its start, GQG has aimed to set itself apart from peers by researching the intangible elements that impact a company's long-term value. One of our founding ideas is the importance of intellectual diversity, which includes viewpoints more aware of the environmental and social costs of capitalism.

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1 2020 Assessment published in March 2021.
https://stpublic.blob.core.windows.net/pri-ra/2020/Investor/Public-TR/(Merged)_Public_Transparency_Report_GQG%20Partners_2020.pdf

At GQG, we understand that identifying and measuring ESG issues is a complex task that requires a deep and nuanced approach.

While we do not have a dedicated ESG team, we have hired additional resources to monitor certain ESG analytics and to oversee and record our activities around engagement. It is our belief that having a separate ESG research team would not enhance our understanding of these non-financial risks – rather, we believe each analyst must consider ESG factors holistically when researching companies. We believe that it is impossible to completely separate financial and non-financial risks. Instead, a full range of risks should be considered when assessing the long-term growth expectations for a company. We use a variety of research techniques, ranging from credit analysis to equity analysis, including understanding the "ecosystem" of the companies in which we invest. Each of these research layers helps build a holistic view of the risks and opportunities resulting from both financial and non-financial factors.

Second, our research team includes analysts that focus on non-traditional equity research, which often encompasses ESG considerations. These analysts have extensive experience in business journalism and reporting. For example, one of our analysts has almost 15 years' experience at The Wall Street Journal, where she was a staff correspondent covering emerging markets and commodities. These analysts play a key role in helping us to understand the ESG factors regarding a potential portfolio company and are engaged as an additional layer of our vetting process. Our analysts will gather information by interviewing a company's former employees, competitors, suppliers, regulators and others with the goal of gauging social concerns, including labor management and employee safety practices and corporate governance concerns. We also have a research analyst with a specialized accounting background who performs focused financial statement analysis. In our view, accounting-focused analysis is one of the most objective ways to review management's view of risk-taking. It also can provide insights into ESG-related matters. A review of financial incentives for executives, as well as overall company compensation relative to the industry, provides a window into human resource policies. A close examination of one-time expenses and legal fees can often reveal more than the headlines offered to investors.

Environment

Our approach to climate change risk assessment is rooted in materiality, scalability and reliability. We are taking a deliberate approach to building our carbon risk analytics function to ensure that it adds value to the investment process and to our role as responsible stewards of our clients' capital. Over the course of 2021 we have made significant progress in establishing workflows for producing regular portfolio-level emission analytics. This process is compounding our institutional knowledge about the practical challenges of integrating multiple third-party ESG data sources into our processes.

We are focusing our efforts on improving our understanding of the material impacts that climate change and decarbonization may have on individual portfolio companies. We have designed our carbon analytics to include forward-looking metrics, such as quality of strategy disclosures as defined by the Task Force on Climate-Related Financial Disclosures. We also incorporate company-level assessments from the Transition Pathway Initiative and the CDP into our research. Metrics such as these help inform our assessment of the direction of travel for our carbon-intensive holdings. We focus much of our carbon risk analysis on the strategic responses by portfolio companies to decarbonization, with a strong preference for companies that are contributing to solutions.

Engagement

We see engagement as a tool to drive and promote change. It helps to gain insights into the sustainability strategies of companies and assess their credibility. Engagement is also an opportunity to communicate our ESG priorities to portfolio companies and inform management of areas of potential improvement.

At the firm level in 2021 we performed a total of 27 ESG-focused engagements across 20 separate companies.

Of those 27 engagements, 21 included an environmental focus, three included a social focus and 11 included a governance focus. It is important to note that our engagements typically have more than one ESG focus.

2.6 OTHER INFORMATION

(a) Environmental regulation

The Group is not subject to any significant environmental regulation.

(b) Significant changes

GQG listed on the ASX on 25 October 2021 and completed a restructure as part of this listing. There were no other significant changes in the Group's state of affairs or principal activities during the financial year ended 31 December 2021. Other than as disclosed in this Annual Report, the Group is not aware of any matter or circumstance that has arisen since 31 December 2021 that has significantly affected or may significantly affect GQG's operations in future years, the result of those operations or GQG's state of affairs in future years.

(c) Prejudicial information

Information that would result in unreasonable prejudice to the Group has not been included in this operating and financial review.

GQG Partners Inc and Subsidiaries Consolidated Financial Statements

As of and for the Years Ended 31 December 2021 and 2020
(With Independent Auditors' Report Thereon)

Financial Statements Contents

3 Financial Statements

As of and for the Years Ended 31 December 2021 and 2020
(With Independent Auditors' Report Thereon)

3.1 INDEPENDENT AUDITORS' REPORT

KPMG

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

To the Board of Directors
GQG Partners Inc and Subsidiaries:

Opinion

We have audited the consolidated financial statements of GQG Partners Inc and Subsidiaries (the "Company"), which comprise the consolidated statements of financial condition as of 31 December, 2021 and 2020, and the related consolidated statements of operations, changes in members'/shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of 31 December, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

KPMG

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

New York, New York
24 February, 2022

3.2 CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

As of 31 December 2021 and 2020
(Dollars in US$ thousands, except share data)

	2021 ($)	2020 ($)
Assets		
Current assets:		
Cash	56,787	17,753
Advisory fee receivable	63,574	45,641
Advisory fee receivable from affiliates	5,639	4,740
Prepaid expenses and other current assets	2,447	1,338
Total current assets	**128,447**	**69,472**
Non-current assets:		
Property and equipment, (net of accumulated depreciation and amortization of $721 and $551 at 31 December 2021 and 2020, respectively)	1,193	546
Investments in funds, at fair value (cost of $7,390 and $3,325 at 31 December 2021 and 2020, respectively)	8,480	3,675
Security deposits	1,188	443
Deferred tax asset	234,521	–
Right-of-use assets	2,027	–
Total non-current assets	**247,409**	**4,664**
Total assets	**375,856**	**74,136**
Liabilities		
Current liabilities:		
Compensation accrual	4,613	4,462
Accounts payable	5,857	6,439
Taxes payable	14,454	–
Distribution payable	58,008	–
Other current liabilities and due to affiliates	–	796
Total current liabilities	**82,932**	**11,697**
Non-Current liabilities:		
Operating lease liability	2,148	–
Total liabilities	**85,080**	**11,697**
Members'/Shareholders' Equity		
Total GQG Partners LLC Members' Equity	–	62,439
Common Shares $0.001 par value; 10,000,000,000 shares authorized, 2,952,805,434 shares are issued and outstanding as of 31 December 2021	2,953	–
Additional paid-in-capital	241,379	–
Retained earnings	46,444	–
Total Members'/Shareholders' Equity	**290,776**	**62,439**
Total liabilities and members'/shareholders' equity	**375,856**	**74,136**

The accompanying notes are an integral part of these consolidated financial statements.

3.3 CONSOLIDATED STATEMENTS OF OPERATIONS

For the years ended 31 December 2021 and 2020
(Dollars in US$ thousands, except share data)

	2021 ($)	2020 ($)
Net revenue		
Management fees (net of $6,398 and $5,037 of waived and rebated management fees at 31 December 2021 and 2020, respectively)	396,220	220,615
Performance fees	1,723	6,931
Total net revenue	**397,943**	**227,546**
Operating expenses		
Compensation and benefits	41,954	39,306
Third-party commissions	10,935	5,627
General and administrative costs	15,459	9,819
Information technology and services	6,156	3,522
Total operating expenses	**74,504**	**58,274**
Net operating income	**323,439**	**169,272**
Non-operating income/expenses		
Net gain on investments in funds	740	268
Other income (expense)	(438)	–
Income before provision for income taxes	**323,741**	**169,540**
Provision for income taxes	18,869	1,632
Net income	**304,872**	**167,908**

Earnings per share of common stock[1]	
Basic	0.02
Diluted	0.02

1. Represents earnings per share of common stock and weighted-average shares of common stock for the period from 28 October 2021, through 31 December 2021, the period following the initial public offering (see note 9).

The accompanying notes are an integral part of these consolidated financial statements.

3.4 CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS'/SHAREHOLDERS' EQUITY

For the years ended 31 December 2021 and 2020
(Dollars in US$ thousands, except share data)

	COMMON A UNITS ($)	COMMON B UNITS ($)	COMMON C UNITS ($)	COMMON SHARES	PAR – COMMON SHARES ($)	APIC ($)	RETAINED EARNINGS ($)	TOTAL MEMBERS' /SHARE-HOLDERS' EQUITY ($)
Members' equity, 31 December 2019	3,328	24,519	2,319					30,166
Net income	7,938	144,540	15,430					167,908
Distributions	(7,080)	(116,060)	(12,495)					(135,635)
Members' equity, 31 December 2020	**4,186**	**52,999**	**5,254**	**–**	**–**	**–**	**–**	**62,439**
Net income 1 January 2021 through 27 October 2021	9,747	225,122	23,559					258,428
Distributions 1 January 2021 through 27 October 2021	(11,266)	(275,325)	(28,813)					(315,404)
Members' equity, 27 October 2021	**2,667**	**2,796**	**–**	**–**	**–**	**–**	**–**	**5,463**
Issuance of common stock in connection with GQG Partners LLC Members' interest transferred for Shares	(2,667)	(2,796)		2,359,236,727	2,359	3,104		–
Issuance of common stock in connection with initial public offering, net of offering cost of $24,711				593,500,101	594	864,827		865,421
Payment of initial public offering proceeds in connection with GQG Partners LLC Members' interest transferred for Cash						(865,421)		(865,421)
Initial establishment of deferred tax asset						237,938		237,938
Directors compensation				68,606		100		100
Share-based compensation						831		831
Net income 28 October 2021 through 31 December 2021							46,444	46,444
Shareholders' equity, 31 December 2021	**–**	**–**	**–**	**2,952,805,434**	**2,953**	**241,379**	**46,444**	**290,776**

The accompanying notes are an integral part of these consolidated financial statements.

3.5 CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended 31 December 2021 and 2020
(Dollars in US$ thousands, except share data)

	2021 ($)	2020 ($)
Operating activities		
Net income	304,872	167,908
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	170	196
Net gain on investments in funds	(740)	(268)
Deferred tax asset	3,416	–
Non-Cash compensation expense	931	–
Non-Cash lease expense	235	–
Changes in operating assets and liabilities:		
Advisory fee receivable	(17,933)	(24,985)
Advisory fee receivable from affiliates	(899)	(2,023)
Prepaid expenses and other current assets	(1,109)	(1,338)
Security deposits	(745)	(58)
Compensation accrual	151	3,034
Accounts payable	(582)	2,445
Other current liabilities and due to affiliates	(909)	(1,081)
Taxes payable	14,454	–
Net cash provided by operating activities	**301,312**	**143,830**
Investing activities		
Purchase of property and equipment	(817)	–
Purchase of investments in funds	(4,065)	(3,075)
Net cash used in investing activities	**(4,882)**	**(3,075)**
Financing activities		
Distributions, net of distribution payable	(257,396)	(135,635)
Issuance of common stock in connection with IPO, net of offering cost of $24,711	865,421	–
Payment of IPO proceeds to Members	(865,421)	–
Net cash used in financing activities	**(257,396)**	**(135,635)**
Net increase in cash	39,034	5,120
Cash – beginning of year	17,753	12,633
Cash – end of year	**56,787**	**17,753**
Supplemental cash flow information		
Cash paid for taxes	2,775	1,165

The accompanying notes are an integral part of these consolidated financial statements.

3.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in US$ thousands, except share data)
31 December 2021 and 2020

(1) Organization and Business

Nature of Business

GQG Partners Inc. ("GQG Inc") together with its subsidiaries, is a global boutique asset management firm focused on active equity portfolios. GQG Partners Inc. and its subsidiaries are hereafter referred to collectively as "GQG" or the "Company".

GQG manages assets for clients primarily using global equity, US equity, international (non-US) equity and emerging markets equity strategies (the "Strategies"). Our value proposition is centered on investment strategies focused on the pillars of concentrated active portfolios, a team focused on an "umbrella" of quality global companies, sustainable fee structure and a highly aligned team and business structure. GQG participates in the institutional, sub-advisory and wholesale/retail segments of the asset management market.

Organization

GQG Inc. was incorporated in the State of Delaware, USA on 2 March 2021. On 13 September 2021, GQG was registered as a foreign company in Australia under Chapter 5B of the Corporations Act. GQG Partners Inc. owns 100% of the equity interests in GQG Partners LLC ("GQG LLC" or "LLC").

GQG LLC was formed as a limited liability company on 4 April 2016 in the State of Delaware, USA. GQG LLC is registered with the US Securities and Exchange Commission as an investment adviser under the US Investment Advisers Act of 1940 as amended and provides investment advisory and asset management services to investment funds and separately managed accounts for US and non-US investors using the Strategies.

Subsidiaries

During 2018, GQG LLC formed three wholly owned subsidiaries registered in the United Kingdom, Australia, and Ireland, respectively.

GQG Partners (UK) Ltd. primarily operates as an appointed representative of a firm authorized and regulated by the UK Financial Conduct Authority. Its activities are limited to sales and distribution. Certain of its personnel are also seconded to a separate, unaffiliated entity that is located outside the UK to facilitate sales of certain funds in certain EU countries, where possible.

GQG Partners (Australia) Pty Ltd., ACN 626 132 572, holds an Australian financial services license pursuant to section 913B of the *Corporations Act 2001* (Cth) that permits it to provide general financial product advice and services to wholesale clients. It has also appointed GQG LLC to act as its authorized representative in connection with the provision of such advice and services.

GQG Partners (Ireland) Ltd. was dissolved on 12 August 2020.

Restructuring Transaction

Immediately prior to GQG Inc.'s initial public offering ("IPO") described below, ownership interests in GQG LLC were held by GQG Partners LP, a Delaware partnership, on behalf of entities associated with Rajiv Jain and Pacific Current Group, and GQG Partners Employee Holdings LLC, a Delaware limited liability company, on behalf of certain members of management of GQG LLC, including Tim Carver (together with such entities associated with Rajiv Jain and Pacific Current Group, the "Beneficial Owners").

In anticipation of the IPO, GQG Inc. and GQG LLC, GQG Partners LP, GQG Partners Employee Holdings LLC and the Beneficial Owners, entered into a transfer agreement ("Transfer Agreement") to give effect to an internal reorganization (referred to herein as the "Restructuring Transaction"). Under the Transfer Agreement, GQG Partners LP and GQG Partners Employee Holdings LLC distributed their ownership interests in GQG LLC to their respective Beneficial Owners. Immediately thereafter, GQG Inc. acquired 100% of the outstanding units of ownership interests in GQG LLC from the Beneficial Owners in exchange for a combination of cash and shares of GQG common stock.

In addition, prior to the completion of the IPO, GQG LLC declared a distribution of accumulated earnings for the benefit of the Beneficial Owners in respect of the period prior to completion of the IPO. An initial payment of this distributable amount was made to the Beneficial Owners in December 2021, and it is GQG's intention to pay out the remaining balance in 2022.

Initial Public Offering ("IPO")

On 28 October 2021, GQG Inc. completed its IPO on the Australian Securities Exchange ("ASX").[2]

Upon completion of the IPO, GQG Inc. issued 2,952,805,434 new shares of common stock. The common stock is publicly traded on the ASX under the ticker "GQG" in the form of CHESS Depositary Interests ("CDIs"). CDIs are units of beneficial ownership in shares of GQG Inc. common stock held by CHESS Depositary Nominees Pty Limited ("CDN"), a wholly owned subsidiary of ASX Limited, the company that operates the ASX.

Each share of common stock is equivalent to one CDI.

Following the IPO, the prior Beneficial Owners of GQG LLC own 79.9% of shares of GQG Inc. common stock outstanding. The remaining common stock is in the form of CDIs and is owned by new investors.

In connection with the IPO, certain owners who hold approximately 78.4% of shares of GQG Inc. common stock and CDIs entered into voluntary escrow agreements that impose certain restrictions in dealing in such securities as further described in Note 5, "Capital Structure-Restrictions" below.

(2) Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements have been prepared in accordance with US generally accepted accounting principles ("US GAAP") and the significant accounting policies of GQG summarized below. The financial statements are presented in US dollars, unless otherwise stated.

The Restructuring Transaction, completed in conjunction with the IPO, was treated as a combination of entities under common control in line with Accounting Standards Codification ("ASC") 805, Business Combinations whereby the receiving entity, GQG Inc., recorded the contributed assets and liabilities at the carrying value of GQG LLC.

The consolidated financial statements presented have been retrospectively adjusted to present information as if GQG Inc. always held the net assets or equity interests previously held by GQG LLC. As such, financial information (including comparatives) of GQG Inc. have been presented as a continuation of the pre-existing accounting values of assets and liabilities in GQG LLC's financial statements.

The consolidated financial statements include the accounts of GQG Inc. and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

GQG has reclassified certain amounts relating to its prior period results to conform to its current period presentation. These reclassifications have not changed the results of operations of prior periods.

Operating Segment

GQG operates in one segment, the investment management industry. GQG LLC provides investment management services to separate accounts, mutual funds, and other pooled investment vehicles. Management assesses the financial performance of these vehicles on a combined basis.

Use of Estimates

The preparation of the consolidated financial statements in accordance with US GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of income and expenses for the period. Significant estimates made by management include, but are not limited to, share-based compensation, useful lives of assets, and income taxes including valuation allowances on deferred tax assets. GQG bases its estimates and judgements on historical experience and on various assumptions that it believes are reasonable under the circumstances. Actual results could differ from those estimates.

2 The IPO was completed on 29 October 2021 in Sydney, Australia/28 October 2021 in Ft. Lauderdale, Florida, USA.

Recently Adopted Accounting Pronouncements

In May 2014, the US Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." The core principle of the revenue model is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. GQG LLC completed an assessment of its revenue streams and a review of related contracts potentially affected by the new standard, including management fees, and performance fees. Based on this assessment, GQG LLC concluded that ASU No. 2014-09 did not change the method in which GQG LLC currently recognizes revenue. GQG LLC adopted ASU No. 2014-09 as of 1 January 2020, using a modified retrospective approach. As the implementation of the new standard did not impact the measurement or recognition of revenue a cumulative effect adjustment to opening retained earnings was not deemed necessary.

In February 2016, the FASB issued authoritative guidance under ASU No. 2016-02, "Leases Topic (842)." Most prominent among the changes in the standard is the recognition of right-of-use assets ("ROU Assets") and lease liabilities by lessees for certain leases classified as operating leases under current US GAAP. GQG LLC has made the policy election to not recognize ROU Assets or lease liabilities for short-term leases, defined as a lease term of one year or less. GQG LLC adopted the standard as of 1 November 2021, using the modified retrospective transition approach and has elected to use the option transition method which allows GQG LLC to apply guidance of Topic 842 including disclosure requirements, in the comparative periods presented.

In addition, GQG LLC elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things allowed GQG LLC to carry forward the historical lease classifications related to agreements entered into prior to adoption. Consequently, financial information and disclosures for the 2021 reporting period are presented under Topic 842, while 2020 amounts are not adjusted and continue to be reported in accordance with GQG LLC's historic accounting policies under Topic 840.

The most significant impact was the recognition of ROU Assets and lease liabilities for operating leases. The adoption of the new standard resulted in the recording of ROU Assets and lease liabilities of approximately $2.1 million and $2.2 million, respectively, at 1 November 2021. The operating lease liabilities at 1 November 2021 reflect all remaining lease payments discounted using an incremental borrowing rate (on a collateralized basis) based on the remaining lease term (the "Discount"), as an implicit rate was not readily determinable for GQG LLC's existing operating leases. The ROU Assets are less than the operating lease liabilities primarily because lease incentives reduced the value of the ROU Assets.

Lease and non-lease components will be accounted for as a single lease component if the non-lease component is determined to be insignificant to the total agreement. The cumulative impact to retained earnings, as of the adoption date, was not material. The standard did not materially impact consolidated net earnings and cash flows.

Cash

GQG defines cash as cash at banks and highly liquid investments, invested overnight in a cash account. Cash is stated at cost, which approximates fair value due to the short-term nature and liquidity of these types of financial instruments. Cash is subject to credit risk and was primarily maintained in demand deposit accounts with financial institutions. At 31 December 2021 and 2020, GQG did not have any cash equivalents and there were no restricted cash balances.

Advisory Fee Receivable

Advisory fee receivables, including advisory fee receivables from affiliates, include management fees and performance fees earned but not yet collected from clients. The fees receivable balance does not include any allowance for doubtful accounts as GQG believes all fees receivable balances are fully collectable. The estimate of the allowance for doubtful accounts, recorded as bad debt expense, is determined through analysis of the aging of receivables, assessments of collectability based on historical trends and other qualitative and quantitative factors. There has not been any bad debt expense recorded for the years ended 31 December 2021 and 2020.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets primarily consist of prepaid insurance policies and prepaid service agreements. Assets are initially recorded at invoiced amounts and are amortized monthly to the Consolidated Statements of Operations using the straight-line method. The amortization period is determined by the terms of the individual contracts.

Property and Equipment

Property and equipment are carried at cost and are reported in the Consolidated Statements of Financial Condition net of accumulated depreciation and amortization. Depreciation and amortization are recorded on a straight-line basis over the estimated useful lives of the respective assets, or non-cancellable lease terms, as appropriate. The estimated useful lives of property and equipment as of 31 December 2021, are as follows:

Property and Equipment Type	Useful Life
Leasehold Improvements	5-6 years
Computer Equipment	5 years
Furniture & Fixtures	7 years

Maintenance and repair costs are expensed to the Consolidated Statements of Operations as incurred. When equipment is retired or disposed of, the related cost and accumulated depreciation are removed from the respective accounts and any gain or loss on disposal is recognized in the Consolidated Statements of Operations.

Investment in Funds

Investments in mutual funds are carried at fair value, using the quoted net asset values of the individual funds as of the valuation date. These investments are classified within Level 1 of the fair value hierarchy established by ASC 820, Fair Value Measurement and Disclosures. Investments in affiliated funds for which market prices or quotations are not readily available, are measured at fair value using GQG LLC's proportionate share of the net asset value of the fund as a practical expedient. Investments in affiliated funds, using net asset value as a practical expedient are not categorized within the fair value hierarchy. Changes in the fair value of the investments are recognized as gains and losses on the net gain on investments in funds line on the Consolidated Statements of Operations.

Lease Obligations

Operating lease ROU Assets and lease liabilities are recognized at the present value of the future lease payments at commencement date. The interest rate implicit in GQG LLC's operating leases is not readily determinable, and therefore an incremental borrowing rate is estimated to determine the present value of the future lease payments. The estimated incremental borrowing rate factors in a hypothetical interest rate on a collateralized basis with similar terms, payments, and economic environments. Operating lease ROU assets also include any prepaid lease payments and lease incentives.

Certain operating lease agreements may contain rent concession, rent escalation, and option to renew provisions. Rent concession and rent escalation provisions are considered in determining the straight-line single lease cost to be recorded over the lease term. Single lease cost is recognized on a straight-line basis over the lease term commencing on the date GQG LLC has the right to use the leased property. The lease terms may include options to extend or terminate the lease. GQG LLC generally uses the base, non-cancellable, lease term when recognizing the lease assets and liabilities, unless it is reasonably certain that the renewal option will be exercised. Refer to Note 12 for a detailed lease disclosure.

Revenue Recognition

Management Fees

GQG LLC enters into investment management agreements with investment funds and managed accounts to provide investment advisory services. Based on these agreements, GQG LLC earns management fees. GQG LLC's performance obligation is a series of services that form part of a single performance obligation satisfied over time. Management fees are generally calculated based on the Net Asset Value ("NAV") of the investment funds or managed accounts over applicable periods such as daily, monthly, or quarterly. The management fees are presented net of management fee waivers and rebates. Management fees are paid to GQG LLC monthly, quarterly, or semi-annually and are accrued ratably each month.

Performance Fees

Performance fees are calculated as a percentage of investment returns that exceed certain benchmark returns during the period, in accordance with the respective terms set out in each governing agreement. Performance fees will not be recognized as revenue until (a) it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur, or (b) the uncertainty associated with the variable consideration is subsequently resolved. Performance fees are presented as a component of net revenue when realized at the end of the measurement period.

Fee Waiver and Rebates

When investment funds' operating expenses exceed the fund expense cap and management fees are waived to achieve the total fund expense ratio, or GQG LLC otherwise enters into an applicable contractual commitment, GQG LLC may be obligated to grant fee waivers or rebates to customers. GQG LLC reflects fee waivers and rebates in the Consolidated Statements of Operations as a reduction of management fee revenue per the guidance established in ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." Generally, fee waivers are recognized in the same accounting period as the revenues to which they relate.

Share Based Compensation

GQG has a share-based compensation plan that allows for the grant of certain equity-based incentives, including stock options, performance stock units ("PSUs") and restricted stock units ("RSUs") to employees, valued in reference to GQG Inc.'s CDIs.

The fair value of the RSUs granted is equal to the market price of GQG Inc.'s CDIs at the date of grant. The expenses for these equity-based incentives are based on their fair value at the date of grant and are amortized over the stated vesting period during which an employee is required to provide service in exchange for RSUs. GQG does not estimate the value of potential forfeitures when determining the amount of compensation costs to be recognized in each period and accounts for forfeitures as they occur.

See Note 7, "Employee Retention Awards" for detailed information related to GQG's share-based compensation plans.

Commissions

Third-party commissions are fees paid to third parties and distribution agents that originate and service FUM (funds under management) for GQG and can be broken down into three categories: Revenue Sharing Commissions (charged on retail products by investment platforms), Affiliate Commissions (a percentage of management fees generated by clients introduced by them), and Other Commissions (paid to agents and introducers as a percentage of the FUM originated). The affiliate commission contracts terminated in 2021. The commission structure is contractually agreed with each service provider. Commissions are accrued in the Consolidated Statements of Operations as incurred.

Revolving Facility

On 20 December 2021, GQG LLC entered into a secured credit facility with HSBC Bank USA, N.A. The aggregate principal amount of this revolving facility is $50 million. As of 31 December 2021, there was no outstanding balance under this revolving facility, and it was not utilized during the period. See Note 14 below for more details regarding this revolving facility.

Variable Interest Entities

Investments include interests in variable interest entities that GQG LLC does not consolidate as GQG LLC is not deemed the primary beneficiary.

Commitments and Contingencies

In the normal course of business, GQG enters into contracts that contain a variety of representations and warranties and that may provide general indemnifications related to certain risks service providers undertake in performing services. The maximum exposure is unknown, as any such exposure would result from future claims that may be, but have not been made against GQG, based on events which have not occurred. Any such exposure against GQG is also unknown as potential exposure only arises if future claims are made.

Income Taxes

GQG Inc. is incorporated in the State of Delaware, USA, and is subject to federal, state, and local income taxes at the rate applicable to corporations. GQG LLC, which is a wholly owned operating subsidiary of GQG Inc., is a limited liability company that has elected to be treated as a partnership for tax purposes. GQG LLC has not made a provision for federal or state income taxes as it is the responsibility of each of the operating company's partners to separately report their proportionate share of the operating company's taxable income or loss. GQG LLC has made a provision of approximately $1.9 million for New York City Unincorporated Business Tax ("UBT").

GQG Inc. is subject to the income tax laws of the United States as well as the US states and municipalities in which it operates. These tax laws are complex, and the manner in which they apply an individual taxpayer's facts is sometimes open to interpretation. In establishing a provision for income tax expense, GQG Inc. must make judgments about the application of inherently complex tax laws.

GQG Inc. uses the asset and liability approach to account for income taxes as required by ASC 740, Income Taxes, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases.

GQG Inc. recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, GQG Inc. considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations.

GQG Inc. establishes a liability for unrecognized tax benefits, which are the differences between a tax position taken or expected to be taken in a tax return and the benefit recognized in the financial statements.

In establishing the liability for unrecognized tax benefits, assumptions may be made in deciding whether, and the extent to which, a tax position will be sustained. A liability for a tax position is recognized only when it is more likely than not to be sustained upon examination by a taxing authority based on its technical merits. The tax benefit recognized is the largest benefit that GQG Inc. believes is more likely than not to be realized upon settlement. As new information becomes available, GQG Inc. evaluates its tax positions and adjusts the unrecognized tax benefits, as appropriate.

Partnership Distributions

Prior to the IPO, GQG LLC completed the Restructuring Transaction, as further described in Note 1 above. In connection with that transaction, GQG LLC was to distribute all accumulated earnings to the existing partnership relating to the period up to the settlement date of the IPO, which occurred on 27 October 2021 in the United States. GQG LLC had not yet received all the cash related to those earnings; thus, a payable of $89 million was established for the total amount due to the Beneficial Owners. An initial payment of $31 million was made to the Beneficial Owners in December 2021. It is GQG's intention to pay out the remaining balance of $58 million in 2022.

Earnings Per Share

Basic earnings per share (EPS) is computed by dividing the net income attributable to shareholders of GQG Inc. by the weighted-average number of shares of common stock outstanding during the reporting period.

Diluted earnings per share (EPS) is computed using the weighted-average number of shares of common stock and dilutive potential shares of common stock outstanding during the period. Dilutive potential shares of common stock primarily consist of RSUs.

(3) Investments in Funds, at Fair Value

As of 31 December 2021 and 2020, investments in funds, at fair value, included the following:

	2021 ($)	2020 ($)
Investments in mutual funds, at fair value	6,906	2,326
Investment in affiliated funds, at fair value	1,574	1,349
	8,480	**3,675**

The fair value of a financial instrument is the amount that will be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market. The fair values of financial instruments involve uncertainty and cannot be determined with precision.

When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 Inputs: Other than quoted prices that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

Investments in mutual funds are carried at fair value at their quoted net asset values as of the valuation date. These investments are classified within Level 1 of the fair value hierarchy established by ASC 820, Fair Value Measurement and Disclosures. Investments in affiliated funds for which market prices or quotations are not readily available are measured at fair value using GQG LLC's proportionate share of the net asset value of the fund as a practical expedient. Investments in affiliated funds using net asset value as a practical expedient are not categorized within the fair value hierarchy.

All such investments are recorded at fair value, with net unrealized gains recognized as a component of net gain on investments in funds in the Consolidated Statements of Operations.

(4) Variable Interest Entities

Investments on 31 December 2021 and 2020, include interests in variable interest entities that are not consolidated as GQG LLC is not deemed the primary beneficiary. The maximum risk of loss related to GQG LLC's involvement with these entities is as follows:

	2021 ($)	2020 ($)
Advisory fee receivable from affiliates	5,639	4,740
Investment in affiliated funds, at fair value	1,574	1,349
	7,213	**6,089**

(5) Capital Structure

Shareholders' Equity

GQG Inc.'s shares of common stock are listed for quotation in the form of CDIs on the ASX that trade under the symbol "GQG". Each CDI is equivalent to one share of common stock.

Authorized Capital Stock

GQG Inc.'s Certificate of Incorporation, as amended, authorizes GQG Inc. to issue 10,001,000,000 shares having a par value of $0.001 consisting of 10,000,000,000 shares of common stock and 1,000,000 shares of preferred stock.

Common Stock/CDIs

As each CDI represents one share of common stock, holders of CDIs are entitled to one vote for every CDI they hold. Holders of shares of common stock and CDIs are to receive entitlements, which attach to underlying shares such as participation in rights issues, bonus issues, capital reductions and liquidation preferences. The CDIs entitle holders to dividends, if any, and other rights economically equivalent to shares of common stock, including the right to attend stockholders' meetings.

Preferred Stock

Under GQG Inc.'s Certificate of Incorporation, as amended, the Board of Directors is expressly granted authority to issue shares of preferred stock, in one or more series, and to fix for each such series such voting powers, full or limited, and such designations, preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions. Each qualification, limitation or restriction shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issue of such series and as may be permitted by the Delaware General Corporation Law. Unless otherwise provided under the Certificate of Incorporation, as amended, the powers, preferences and relative, participating, optional and other special rights, and the qualifications, limitations or restrictions thereof, of each series of preferred stock, if any, may differ from those of any and all other series of preferred stock at any time outstanding. As of 31 December 2021, no preferred stock has been issued.

Restrictions

Voluntary escrow: In connection with the IPO, GQG Inc. entered into voluntary escrow agreements with certain holders of 2,315 million shares of common stock and CDIs, and certain controlling persons of such holders, that prohibit such holders and controllers from dealing in such securities (subject to limited exceptions), until the first business day after release to the ASX of GQG Inc.'s financial accounts for the half year ending 30 June 2022.

Foreign Ownership Restriction: GQG Inc.'s CDIs and shares of common stock are considered "restricted securities" in accordance with Rule 144 under the US Securities Act of 1933, as amended, and offers and sales of the CDIs and underlying shares of common stock will be subject to an initial one-year distribution compliance period whereby holders of CDIs are unable to sell the CDIs into the United States or to a US person unless the re-sale of the CDIs is registered under the US Securities Act of 1933, as amended, or an exemption is available.

Issued Stock

Following the Restructuring Transaction given effect prior to the IPO, 2,359,236,727 shares of common stock were issued by GQG Inc. On 28 October 2021, in connection with the IPO on the ASX, 593,500,101 shares were sold by GQG Inc. An additional, 68,806 shares were issued at the IPO. As of 31 December 2021, 2,952,805,434 shares of common stock and CDIs were outstanding.

Certain Beneficial Owners received GQG Inc. shares of common stock under the Transfer Agreement that are subject to vesting over a six-year period under a separate vesting agreement. Generally, upon a holder's employment termination, unvested shares of common stock will be forfeited subject to certain exceptions as documented in the holder's vesting agreement. During the vesting period, a holder will be treated as a shareholder of GQG with respect to the right to vote and receive dividends. In certain situations, dividends paid on unvested shares will be forfeited and repaid to GQG Inc. in connection with a termination as defined in the holder's vesting agreement. From the time of issuance to 31 December 2021, no unvested shares were forfeited, and no dividends were paid. There were no transactions in restricted shares subject to a vesting agreement during the period and the total restricted shares included in shares of common stock outstanding and subject to vesting were 44,727,429 at 31 December 2021.

Members' Equity

Prior to the IPO, members' equity consisted of three classes of membership units: Common A Units, Common B Units and Common C Units. The members' interests were governed by the Second Amended and Restated Limited Liability Company Agreement of GQG LLC dated 31 August 2018 (the "LLC Agreement").

Common A Units

GQG LLC was authorized to and issued 2.5 million Common A Units and held prior to the IPO. The holders of Common A Units had no voting rights except for certain protective covenants, as defined in the LLC Agreement.

Common B Units

GQG LLC was authorized to issue 44 million Common B Units; 43.0 million were held prior to the IPO. The holders of Common B Units had voting rights.

Common C Units

GQG LLC was authorized to issue 10.0 million non-voting Common C Units; 4.5 million were held prior to the IPO subject to vesting as described in the applicable grant agreements. Provided that no termination had occurred prior to the applicable vesting date, the grants vested with varying percentages between the grant date and the completion of the vesting schedule described in the applicable grant agreement.

Allocation of Net Profit or Loss

The LLC Agreement provided for net profits and net losses during any fiscal year to be allocated to the persons who were Members during such fiscal year, equal to hypothetical distribution (if any) that such Member would receive if, on the last day of the fiscal year, GQG LLC were to liquidate, adjusted for any contribution obligation and share of GQG LLC's minimum gain under IRC regulations.

Distributions

The LLC Agreement provided for quarterly tax distributions, to the extent possible, and annual or, more frequent distributions as determined by the LLC Manager, of the remaining distributable cash. Distributions were made following a prescribed priority as detailed in the LLC Agreement.

(6) Employee Benefit Plans

GQG LLC has a 401(k)-defined contribution pension plan in which all US full-time employees are eligible to participate on the first day of the month following the completion of eligibility requirements. Employees generally may contribute up to 100% of their qualifying compensation subject to statutory limitations. GQG LLC may make a Safe Harbor Contribution up to the first 5% of the participant's qualifying compensation. GQG LLC's contributions immediately vest. GQG LLC's 401(k) match obligation was $965 and $825 for the years ended 31 December 2021 and 2020, respectively. GQG employees based outside the US have comparable benefits provided in accordance with the local market.

On 22 April 2020, GQG LLC established a Supplemental Award Program to provide certain employees of and other providers of services to GQG LLC ("SAP Participants") with a special one-time bonus award. A bookkeeping account was established for each SAP Participant and will accrue the rate of return earned by GQG Partners Global Equity Fund, a series of GQG Partners Series LLC. Each SAP Participant will vest in such bookkeeping account on 21 April 2025, subject to the SAP Participant's continued service with GQG. In connection with this program GQG LLC invested an aggregate amount of USD $750 into the GQG Partners Global Equity Fund on 22 April 2020.

GQG recognized $214 and $311 of expense for the years ended 31 December 2021 and 2020, respectively, related to the Supplement Award Program in the Consolidated Statements of Operations, which includes the rate of return earned by the GQG Partners Global Equity Fund. The accrued liability of $525 and $311 for the years ended 31 December 2021 and 2020, respectively, is reported in the Compensation Accrual on the Consolidated Statements of Financial Condition.

Effective 31 December 2020, GQG LLC established an Investment Alignment Plan ("Alignment Plan") to better align the compensation program of certain employees and other providers of services to GQG LLC ("AP Participant") with clients' long-term investment objectives. Under the Alignment Plan, a portion of each AP Participant's compensation will be paid in cash and the remainder will be allocated to the Alignment Plan. A bookkeeping account was established for each AP Participant and will accrue the rate of return earned by GQG Partners Global Quality Equity Fund (a mutual fund) on a gross of management fee basis, during the applicable vesting period. AP Participants will vest 33-1/3% of the amount in the bookkeeping account on each of the three-year anniversaries of that AP Participant's participation in the Alignment Plan, subject to the Participant's continued service with GQG. Generally, if an AP Participant's service with GQG terminates on or prior to any applicable vesting date the unvested portion of the AP Participants bookkeeping account will be forfeited in its entirety. In connection with this program GQG LLC invested USD $2,325 million into the referenced mutual fund on 31 December 2020. GQG recognized $1,212 of expense for the year ended 31 December 2021 related to the Alignment Plan in the Consolidated Statements of Operations.

Effective 1 October 2021, GQG LLC established Investment Alignment Plan II ("Alignment Plan II") to better align the compensation program of certain employees and other providers of services to GQG LLC ("AP II Participant") with clients' long-term investment objectives. Under Alignment Plan II, each AP II participant was awarded twenty-five hundred USD as of 18 October 2021 (the Grant Date). A bookkeeping account was established for each AP II Participant and will accrue the rate of return earned by GQG Partners Global Quality Equity Fund (a mutual fund) on a gross of management fee basis, during the applicable vesting period. AP II Participants will become fully vested in the amount in the bookkeeping account on the fifth anniversary of the Grant Date, subject to the Participant's continued service with GQG. Generally, if an AP II Participant's service with GQG terminates on or prior to the applicable vesting date the unvested portion of the AP II Participants bookkeeping account will be forfeited in its entirety. GQG recognized $12 of expense for the year ended 31 December 2021 related to Alignment Plan II in the Consolidated Statements of Operations.

(7) Employee Retention Awards

In connection with the completion of its IPO, GQG Inc. implemented its 2021 Equity Incentive Plan (the "2021 Plan"), which is designed to align the interests of the employees and certain key contractors with the performance of GQG.

The 2021 Plan provides for award grants, including restricted stock, RSUs and PSUs. In 2021, GQG granted RSUs and PSUs under the 2021 Plan.

GQG measures the cost of all stock-based compensation at fair value on the grant date and recognizes such costs within the Consolidated Statements of Operations. GQG recognizes compensation expense related to awards using the straight-line method over the service period. For stock-based awards where vesting is dependent upon achieving certain performance goals, GQG estimates the likelihood of achieving the performance goals during the performance period. Stock-based compensation expense is recognized only for awards that are expected to vest and the impact of forfeitures is recognized when they occur.

All award grants require the grantee to be employed by GQG at the vesting date for all or the relevant portion of the award to vest, subject to limited exceptions specified in the grant document and in accordance with the 2021 Plan.

Total stock-based compensation expense was $0.8 million and nil for the years ended 31 December 2021 and 2020, respectively, and was included as a component of Compensation and Benefits expense in GQG's Consolidated Statements of Operations.

As of 31 December 2021, the Company had $27.2 million of total unrecognized compensation cost of unvested stock-based compensation awards granted under the 2021 Plan. This cost is expected to be recognized over the next six years as compensation expense. The expected cost does not include the impact of any future stock-based compensation awards.

The following RSUs and PSUs are issued and outstanding:

- 16,770,225 CDIs issuable upon settlement of outstanding RSU awards
- 2,009,244 CDIs issuable upon settlement of outstanding PSU awards

Restricted Stock Units (RSUs)

From time to time, the Board of Directors of GQG Inc. may approve the grant of additional RSUs, PSUs, stock options or other permissible forms of share-based awards under the 2021 Plan. Certain RSUs were granted in connection with the IPO. Each RSU represents the right to receive one CDI. The fair value of these RSU awards was determined by the opening price of shares of common stock at the IPO, which was A$ 2.00. In general, GQG Inc. expects to establish the fair value of future RSU awards using the weighted average closing CDI price on the grant date, subject to the terms of the 2021 Plan (or any future plan adopted by GQG Inc.) Compensation expense is recorded over the requisite service period that relates to the RSU award. Awards vest over a 6-year time period.

Activity of GQG Inc.'s granted RSUs that are expected to be payable in CDIs are summarized below:

RSUs ACTIVITY PLAN	NUMBER OF RSUs	GRANT DATE FAIR VALUE (PER CDI) ($)
Nonvested on 31 December 2020	–	–
Granted	16,770,225	1.50
Forfeited	–	–
Vested	–	–
Nonvested on 31 December 2021	16,770,225	1.50

There were no RSUs forfeited or vested during the period.

Performance Stock Units (PSUs)

Certain PSUs were also granted in connection with the IPO. These PSUs cliff vest after six years based on certain performance conditions – in general, the PSUs are forfeited in full if the performance conditions are not met at the end of the six-year period. Each PSU represents the right to receive one CDI. The fair value of these PSU awards was determined by the opening price of the common stock at IPO, or A$ 2.00.

Activity of GQG Inc.'s granted PSUs that are expected to be payable in CDIs are summarized below:

PERFORMANCE STOCK AND UNITS PLAN ACTIVITY	NUMBER OF PSUs	GRANT DATE FAIR VALUE (PER CDI) ($)
Nonvested on 31 December 2020	–	–
Granted	2,009,244	1.50
Forfeited	–	–
Vested	–	–
Nonvested on 31 December 2021	2,009,244	1.50

There were no PSUs forfeited or vested during the period.

(8) Income Taxes

GQG Inc. is incorporated in the State of Delaware, USA, and is subject to federal, state, and local income taxes at the rate applicable to corporations. GQG LLC, which is a wholly-owned operating subsidiary of GQG Inc., is a limited liability company that has elected to be treated as a partnership for tax purposes. In certain US jurisdictions, GQG LLC is subject to state and local taxes. On 28 October 2021, GQG Inc. acquired 100% of the ownership interests in GQG LLC as part of the Restructuring Transaction.

GQG LLC has not made a provision for federal or state income taxes as it is the responsibility of each of the operating company's partners to separately report their proportionate share of the operating company's taxable income or loss. GQG LLC has made a provision for New York City Unincorporated Business Tax ("UBT"). As of 31 December 2021 and 2020, the UBT recorded in the Consolidated Statements of Operations was $1,942 and $1,152 respectively.

The components of income tax expense for the year ended 31 December 2021 included in the Consolidated Statements of Operations are as follows:

	31 DECEMBER 2021 ($)
Current:	
Federal	9,868
State and local	5,584
	15,452

	31 DECEMBER 2021 ($)
Deferred:	
Federal	2,395
State and local	1,022
	3,417
Total Income Tax Expense	**18,869**

A reconciliation of the US federal statutory rate of 21 percent as of 31 December 2021, to GQG Inc.'s actual income tax rate is as follows:

	PERCENTAGE (%)
Statutory US federal income tax rate	21.00
Partnership income not subject to tax	(16.92)
State Taxes Net of Federal Benefit	1.74
Other	0.00
Effective tax rate	**5.82**

GQG Inc. has recorded pre-tax income for a full year of activity. The effective tax rate includes a rate benefit of approximately 16.92%, which results from earnings that were attributable to the operating company partners and thus not subject to corporate level taxes. Income attributable to the partnership is reported in the Consolidated Statements of Operations, but the related US income tax expense attributable to the operating company earnings is not reported by GQG Inc. It is the obligation of the individual partners of the operating company, GQG LLC, which causes the effective tax rate to be significantly lower than the statutory rate. The effective tax rate for GQG for the 2-month period after the IPO transaction is approximately 27.22%.

The significant components of net deferred tax assets and liabilities are as follows:

	31 DECEMBER 2021 ($)
Deferred income tax assets (liabilities)	
743 (b) basis adjustment[1]	233,972
Investment in LLC	549
	234,521

1 Represents the unamortized tax basis in Goodwill resulting from the exchange transaction. Please note there is no US GAAP goodwill recorded by GQG Inc. The total current year cash tax savings attributed to the step-up tax goodwill is approximately $4.0 million.

GQG Inc. assessed the recoverability of deferred tax assets and believes it is more likely than not that the assets will be realized. GQG Inc. has not recorded a valuation allowance as of 31 December 2021.

The tax years open for examination vary by jurisdiction for the operating company (GQG LLC). The earliest tax year subject to examination for federal and state and local jurisdiction is 2018.

GQG Inc. will file its initial US federal income tax return and various state returns during 2022. As this is GQG Inc.'s first filing in all jurisdictions, it is currently not subject to any open tax audits for periods before 31 December 2021.

(9) Earnings Per Share

Basic earnings per share of common stock of GQG Inc. is computed under the two-class method by dividing net income attributable to shares of common stock for the period from 28 October 2021 through 31 December 2021, the period following the IPO, by the weighted average number of shares of common stock outstanding during the same period. Unvested restricted share-based awards are excluded from the number of shares of common stock outstanding for the basic earnings per share calculation because the shares have not yet been earned. Income available to common shareholders is computed by reducing net income attributable to GQG Inc. by earnings (both distributed and undistributed) allocated to participating securities, according to their respective rights to participate in those earnings.

Diluted earnings per share is computed under the more dilutive of the treasury stock method or the two-class method. GQG Inc. used the treasury stock method to calculate diluted earnings per share. The weighted average number of shares of common stock outstanding during the period (following the IPO) is increased by the assumed conversion of nonparticipating unvested share-based awards into shares of common stock using the treasury stock method.

There were no traded shares of common stock outstanding prior to 28 October 2021, therefore earnings per share information is not presented for any period prior to that date.

Basic and diluted earnings per share is calculated as follows:

(US$ THOUSANDS, EXCEPT SHARE DATA)	2021 ($)
Numerator:	
Net Income Attributable to GQG Inc. Shareholders (Post IPO)	46,444
Denominator:	
Weighted average shares of common stock outstanding	2,908,078,005
Effects of dilutive shares	44,727,429
Weighted average diluted shares of common stock outstanding	2,952,805,434
Earnings Per Share	
Basic	0.02
Dilutive	0.02

(10) Indemnifications

In the normal course of business, GQG Inc. and its subsidiaries enter into agreements that include indemnities in favor of third parties. GQG Inc. has certain obligations under its organizational documents and contracts to indemnify its directors, officers, employees, and agents. GQG LLC (and its subsidiaries) has similar obligations. GQG's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against GQG and various GQG entities that have not yet occurred. While GQG maintains insurance policies that may provide coverage against certain claims under these indemnities, there can be no assurance that these policies would provide adequate coverage against any or all such claims.

(11) Property and Equipment

Property and equipment are carried at cost and are reported in the Consolidated Statements of Financial Condition net of accumulated depreciation and amortization. Depreciation and amortization are recorded on a straight-line basis over the estimated useful life of each asset, or non-cancellable lease term, whichever is shorter. Maintenance and repairs are charged as an expense as incurred.

(IN THOUSANDS)	ESTIMATED LIVES (YEARS)	31 DECEMBER 2021 ($)	31 DECEMBER 2020 ($)
Leasehold improvements	5-6	891	891
Computer equipment	5	206	206
Furniture & fixtures	7	817	–
		1,914	**1,097**
Less accumulated depreciation and amortization		(721)	(551)
		1,193	**546**

Depreciation expense was $170 and $196 for the years ended 31 December 2021 and 2020, respectively. Depreciation expense is included on the general and administrative expense line in the Consolidated Statements of Operations.

(12) Leases

GQG LLC adopted the lease accounting guidance, ASU No. 2016-02, Leases Topic (842), effective 1 November 2021. This resulted in the recognition of ROU Assets and lease liabilities related to operating leases on the Consolidated Statements of Financial Condition. GQG LLC determines if an arrangement is, or contains, a lease component at its inception and reevaluates the arrangement if the terms are modified. Operating lease ROU Assets represent the right to use an underlying asset for the lease term and operating lease liabilities reflect the obligation to make regular payments arising from the lease. At any given time during the lease term, the operating lease liability represents the present value of the remaining lease payments, and the operating lease ROU Asset is measured at the amount of the lease liability, adjusted for rent prepayments, unamortized initial direct costs and the remaining balance of lease incentives received. Both the operating lease ROU Asset and the lease liability are reduced to zero by the end of the lease. GQG LLC does not record leases with a term of 12 months or less on the Consolidated Statements of Financial Condition. Instead, a lease expense is recorded in the Consolidated Statements of Operations over the lease term on a straight-line basis.

GQG currently leases office space under non-cancellable lease agreements in Fort Lauderdale, Florida, Seattle, Washington, and Sydney, Australia. The leases have remaining terms ranging from two to five years. Certain leases have renewal options that can be exercised at the discretion of GQG. It is GQG's policy to include renewal options in the lease term only when GQG is reasonably certain to exercise the option.

As of 31 December 2021, the weighted average remaining term of GQG's operating leases was 3 years and the weighted average discount rate used to measure the present value of the operating lease liabilities was 5%.

Maturities of the operating lease liabilities outstanding at 31 December 2021 for each of the years in the period ending 31 December 2024 are set forth in the table below ($ thousands).

	($)
Year ending 31 December 2022	1,434
Year ending 31 December 2023	661
Year ending 31 December 2024	247
	2,342

In June 2021, GQG LLC entered into a lease agreement of approximately 16 years for office space in New York, New York, which was under construction at 31 December 2021. The lease term will commence in the first quarter of 2022 when the facilities are delivered to GQG LLC. GQG LLC will recognize the related operating lease ROU Asset and the operating lease liability in the Consolidated Statements of Financial Condition on the lease commencement date.

Prior to the adoption of the new lease accounting guidance, the future net minimum lease commitments under non-cancellable operating leases at 31 December 2020, were are as follows:

	($)
Year ending 31 December 2021	1,104
Year ending 31 December 2022	802
Year ending 31 December 2023	823
Year ending 31 December 2024	433
Thereafter	264
	3,426

Lease expense primarily consists of office rent. Total lease expense for the years ended 31 December 2021 and 2020 was $1.4 million and $1.5 million, respectively.

(13) Related Party Transactions

GQG considers its principal owners, members of management and members of their immediate families, as well as entities under common control, to be related parties of GQG.

Treasury Group Investment Services Limited ("TGIS"), an affiliate of GQG LLC, provided GQG LLC with certain sales and marketing services as a finder and solicitation agent in Australia. As compensation for TGIS's services GQG LLC agreed to pay a referral fee of between 5% and 25% of the first three years management fees (determined by strategy and length of time of relationship of each specific account covered by the relationship) that GQG LLC received with respect to the assets invested by the introduced clients. On 4 May, 2018, GQG LLC amended its agreement with TGIS to provide that (i) GQG LLC will not pay referral fees to TGIS with respect to persons who become clients of GQG LLC after 26 July 2018 and (ii) GQG LLC will pay a monthly retainer fee to TGIS equal to $4 from 26 December 2017 to 26 July 2018 and thereafter until 31 May 2019 a monthly retainer fee of $42, each prorated during any partial month.

GQG LLC recorded expenses of approximately $154 and $532 related to the TGIS marketing services for the years ended 31 December 2021 and 2020, respectively. Of such amounts, $0 and $232 remain outstanding as of 31 December 2021 and 2020, respectively. The outstanding balance is included in the Due to Affiliates line on the Consolidated Statements of Financial Condition.

GQG LLC serves as an investment advisor to certain affiliated funds and receives management fees for providing such services. Management fees relating to such services were $61,408 and $40,141 for the years ended 31 December 2021, and 2020, respectively. These amounts are included in the Management Fees line on the Consolidated Statements of Operations. Of these amounts, $5,639 and $4,740 remained outstanding as of 31 December 2021 and 2020. The outstanding balance is included in the Advisory Fee Receivable from Affiliates line on the Consolidated Statements of Financial Condition.

NLCG Distributors, LLC ("NLCG"), an affiliate of the Company, provided the Company with certain sales and marketing services as a finder and solicitation agent in North America. Effective 30 April 2017, the sales and marketing services agreement was terminated without cause. The referral fee continued for three years on all clients who invested prior to September 30, 2017.

GQG LLC recorded expense of approximately $432 related to the NLCG marketing services for the year ended 31 December 2020. This expense is included on the Third-Party Commissions line on the Consolidated Statements of Operations. Of such amount, $54 remained outstanding as of 31 December 2020. The outstanding balance is included in the Other Current Liabilities and Due to Affiliates line on the Consolidated Statements of Financial Condition.

(14) Revolving Facility

On 20 December 2021, GQG LLC entered into a credit agreement and related documents with HSBC Bank USA N.A. ("HSBC") for a Secured Credit Facility consisting of a $50 million revolving loan commitment (the "Revolving Facility"). As security for the facility, GQG LLC has granted HSBC a security interest in its assets, subject to certain exceptions, as set out in the Security Agreement. GQG Inc. has entered into a guaranty in favor of HSBC with respect to GQG LLC's obligations under the Revolving Facility. GQG LLC loans outstanding under the Revolving Facility bear interest at different rates per annum, including a rate based on LIBOR plus a spread, as GQG LLC may elect at the time of the loan in accordance with the credit agreement. GQG LLC pays a commitment fee on the daily unused amount of commitments under the Revolving Facility. GQG LLC also paid a closing fee on the closing date, calculated as a percentage of the Revolving Facility amount. The Revolving Facility documentation contains certain restrictive financial covenants in favor of HSBC as are customary for such facilities.

As of and for the year-ended 31 December 2021, there were no borrowings made or outstanding under the Revolving Facility. There was no interest expense on the Revolving Facility for the year ended 31 December 2021.

(15) Subsequent Events

Management has evaluated subsequent events through 24 February 2022, the date the consolidated financial statements were available to be issued. There were no material events noted during this period that would impact the results reflected in these consolidated financial statements, except as discussed below.

During Q1, 2022, GQG took possession of new leased office space in New York City as further described above. GQG LLC will record a ROU Asset and related lease liability on its Consolidated Statements of Financial Condition.

The Board of Directors of GQG declared, effective 24 February 2022, a dividend of $0.0154 per share of common stock. The dividend is payable on 29 March 2022, to shareholders of record as of 2 March 2022 in the United States.

4 Corporate governance

4.1 BOARD OF DIRECTORS

Under GQG Inc.'s Certificate of Incorporation and Bylaws, as amended, our directors (Directors) are divided into three classes. At each annual meeting following their initial terms, Directors are elected for a term expiring at the annual meeting held in the third year following their election and until their successors are elected, with the term of one class of Directors expiring each year. Profiles of each Director are set out below.

Rajiv Jain
Chief Investment Officer, Executive Chairman and Executive Director

Tim Carver
Chief Executive Officer and Executive Director

Elizabeth Proust
Lead Independent Director

Paul Greenwood
Independent Director

Melda Donnelly
Independent Director

Rajiv Jain

Chief Investment Officer, Executive Chairman and Executive Director

Rajiv is the Executive Chairman and Chief Investment Officer of GQG and also serves as the lead portfolio manager for all our primary investment strategies. He commenced investment operations at GQG in June 2016 and has over 25 years of investment experience. Previously, Rajiv served as a Co-Chief Executive Officer (from July 2014) and Chief Investment Officer and Head of Equities (from February 2002) at Vontobel Asset Management. He was the sole portfolio manager of the International Equities strategy (since 2002) and Emerging Markets Equities strategy (since 1997) and the lead portfolio manager for the Global Equities strategy (since 2002). He was named by Morningstar as manager of the year in 2012. Rajiv helped build the business from less than $400 million under management to just under $50 billion in 2016. He joined Vontobel Asset Management as a co-portfolio manager of Emerging Markets Equities and International Equities in November 1994. Prior to that, he was an International Equity Analyst at Swiss Bank Corporation.

Rajiv earned an MBA in Finance and International Business from the University of Miami. He also has a master's degree from the University of Ajmer and an undergraduate degree in accounting with honors.

Class And Term

Class III;

Term expires 2024

Appointed as a director on 4 October 2021

Tim Carver

Chief Executive Officer and Executive Director

Tim is responsible for firm leadership and management of the firm's business functions. Prior to joining GQG, Tim co-founded Northern Lights Capital Group (now Pacific Current Group, listed on the ASX), and was central to building that business, eventually serving as a board member and CEO. While at Northern Lights, Tim oversaw 20 asset management investments and served on several boutique investment firm boards, including Aperio Group, ROC Partners and Goodhart Partners. Prior to co-founding Northern Lights, Tim was a co-founder of Orca Bay Partners, a private equity firm where he developed a practice area focused on capitalizing boutique investment firms. While there, he led investments in a variety of firms including Parametric Portfolio Associates and Envestnet. Tim began his career at Morgan Stanley in their New York analyst program. Tim graduated with honors from Harvard College.

Class And Term

Class III;

Term expires 2024

Appointed as a director on 3 March 2021

Elizabeth Proust

Lead Independent Director

Elizabeth is a non-executive director of Lendlease, Chairman of Cuscal, and Chairman of SuperFriend. She has held leadership roles in the public and private sectors for over 30 years. She spent eight years at ANZ Group including four years as Managing Director of Esanda and Managing Director of Metrobanking. Before joining ANZ, she was Secretary (CEO) of the Department of Premier and Cabinet (Victoria) and Chief Executive of the City of Melbourne. She was made an Officer of the Order of Australia in 2010 for distinguished service to public administration and to business. Elizabeth holds a Bachelor of Arts (Hons) from La Trobe University and a Bachelor of Laws from the University of Melbourne.

Class And Term

Class II;

Term expires 2023

Appointed as a director on 4 October 2021

Paul Greenwood

Independent Director

Paul is the Chief Executive Officer of Pacific Current Group and was a co-founder of Northern Lights Capital Group (now Pacific Current Group). Prior to Northern Lights, Paul served as director of US Equity for Russell Investment Group. Paul graduated with a BA in Finance from Washington State University and is a CFA charter holder.

Class And Term

Class I;

Term expires 2022

Appointed as a director on 4 October 2021

Melda Donnelly

Independent Director

Melda is the founder and former chairperson of the Centre for Investor Education, specialist education and consultancy firm for executives in Australian superannuation funds, institutional investment bodies and the financial services markets. She currently serves as a member of the Investment Committee of HESTA Super Fund, Chair of Coolabah Capital Investments Pty Ltd and Non-Executive Director of Pacific Current Group.

Melda's previous work experience includes CEO of the Queensland Investment Corporation, Deputy Managing Director of ANZ Funds Management and Managing Director of ANZ Trustees. Melda has held a range of directorships of both Australian and international companies including Non-Executive Director of Ashmore Group plc, trustee director of UniSuper, Deputy Chair of the Victorian Funds Management Corporation and Chair of Plum Financial Services Nominees Pty Ltd. Melda has a Bachelor of Commerce from the University of Queensland and is a chartered accountant.

Class And Term

Class II;

Term expires 2023

Appointed as a director on 4 October 2021

4 Corporate governance Continued

4.2 MANAGEMENT

Profiles of GQG's key executives are set out below.

Rajiv Jain

Chief Investment Officer

Rajiv is the Executive Chairman and Chief Investment Officer of GQG and also serves as the lead portfolio manager for all our primary investment strategies. He commenced investment operations at GQG in June 2016 and has over 25 years of investment experience. Previously, Rajiv served as a Co-Chief Executive Officer (from July 2014) and Chief Investment Officer and Head of Equities (from February 2002) at Vontobel Asset Management. He was the sole portfolio manager of the International Equities strategy (since 2002) and Emerging Markets Equities strategy (since 1997) and the lead portfolio manager for the Global Equities strategy (since 2002). He was named by Morningstar as manager of the year in 2012. Rajiv helped build the business from less than US$400 million under management to just under US$50 billion in 2016. He joined Vontobel Asset Management as a co-portfolio manager of Emerging Markets Equities and International Equities in November 1994. Prior to that, he was an International Equity Analyst at Swiss Bank Corporation.

Rajiv earned an MBA in Finance and International Business from the University of Miami. He also has a master's degree from the University of Ajmer and an undergraduate degree in accounting with honors.

Tim Carver

Chief Executive Officer

Tim is responsible for firm leadership and management of the firm's business functions. Prior to joining GQG, Tim co-founded Northern Lights Capital Group (now Pacific Current Group, listed on the ASX), and was central to building that business, eventually serving as a board member and CEO. While at Northern Lights, Tim oversaw 20 asset management investments and served on several boutique investment firm boards, including Aperio Group, ROC Partners and Goodhart Partners. Prior to co-founding Northern Lights, Tim was a co-founder of Orca Bay Partners, a private equity firm where he developed a practice area focused on capitalizing boutique investment firms. While there, he led investments in a variety of firms including Parametric Portfolio Associates and Envestnet. Tim began his career at Morgan Stanley in their New York analyst program. Tim graduated with honors from Harvard College.

Melodie Zakaluk

Chief Financial Officer

As Chief Financial Officer, Melodie is responsible for managing the firm's finance functions. Prior to joining GQG, Melodie served as Chief Operating Officer at Rainier Investment Management where she provided daily and strategic management of the firm's advisory and mutual fund platforms. She was also a member of Rainier's corporate board and management trustee for the Rainier Funds' board. Melodie has over 30 years of experience in the financial services industry, including her tenure at Russell Investments where she held the role of Managing Director, focusing on leading the daily operations, compliance monitoring, distributor servicing and information management for internal and external customers. Melodie earned a Bachelor of Science degree in Accounting from Boston College, and she holds the CPA designation, as well as the series 7, 24, 27 and 63 licenses.

4.3 OUR CULTURE AND VALUES

(a) GQG's Culture

We believe a strong culture is critical to the success and sustainability of our business. We will continue to strive to build an organization that perpetuates a performance-oriented, investment-led culture. We seek to be a leading investment firm over the long term. Our culture is informed by our co-founders' beliefs and values.

(b) Our Beliefs

- The markets we operate in are among the most competitive in the world.
- There should be very little value for being average, because investors can "buy" average market returns for next to nothing. We must therefore strive to be among the best in one of the most competitive businesses in the world.
- To sustain peak performance over the long-term, we must have a highly collaborative team with a deep sense of alignment.

(c) Our Values

- We believe that we are the caretakers of people's futures

  It's a privilege and an honor to manage someone else's money. We see this as a great responsibility, which our clients will see in the way we hold ourselves, the way we run the business and the way we build portfolios

- We strive to inspire peak performance at all levels of the organization

  Cultivating a performance-oriented culture is central to our aspirations of creating an enduring investment firm. We will work towards this objective through a commitment to continual personal and professional growth and a culture of strategic focus in execution. We will continually strive to make GQG a sought-after place to work, where our professionals find opportunities for learning, growth and development, and where they strive to rise to the high expectations that our clients will always have for us. We believe that if we take care of our people, they will take care of our clients.

- We hope that everyone we interact with has a fuller life for having worked with us

  Our purpose extends beyond simply a goal of delivering exceptional returns. We hope that every client, every employee and every business partner, when they look back at their time spent with us, feels that they are better off for having worked with us. Accordingly, we will operate with integrity, humility and trust.

- We seek broad impact

  We believe our platform gives us the opportunity to have a meaningful impact in our communities and the world. We intend to give back to the communities in which we operate. We see this as an end in its own right, but equally as a behavior that underpins a culture of humility, growth and perspective.

- We endeavor to create professional fulfillment

  To keep great people and serve our clients well, the journey must be meaningful. We will strive to make the work meaningful, and keep our talented people engaged.

These principles are core to our business. We will not compromise them for short-term financial considerations. We believe that by reinforcing these principles, we will maximize long-term shareholder value.

4.4 CORPORATE GOVERNANCE STATEMENT

Details of GQG's corporate governance practices are included in the Corporate Governance Statement available from the Company's website at https://investors.gqgpartners.com/investor-centre/?page=corporate-governance.

5 Remuneration Report

5.1 LETTER FROM THE CHAIR

Dear Shareholders

The Board is pleased to present you with GQG's first Remuneration Report for the year ended 31 December 2021. GQG was listed on the ASX on 25 October 2021.

GQG has prepared this Remuneration Report to provide an overview of the remuneration arrangements in place for key members of management and non-executive directors.

The Board believes that the remuneration framework adopted is well suited to the Company's goal of alignment of employee interests with those of both shareholders and clients. In particular, Rajiv Jain and Tim Carver receive only a fixed salary, and neither is entitled to any discretionary bonus (i.e., an annual variable award). Rather, they receive the vast majority of their compensation 'below the line' (i.e. as shareholders), providing all shareholders the benefit of enhanced margins, higher dividend payouts and aligned incentives. In addition, although not a form of compensation, each has committed to provide for at least 95% of the net proceeds (after all taxes and fees) of the IPO that he owns or controls to be invested using GQG managed investment strategies for at least seven years (subject to certain exceptions, and as further described in the prospectus for the offering), which provides for alignment with clients.

Given that the Company was publicly owned for less than three months during 2021, this report focuses on compensation philosophy and structure for GQG's key executives, which GQG defines to be Rajiv Jain, Tim Carver and Melodie Zakaluk.

On behalf of the Board, I invite you to read the Report and welcome any feedback that you may have.

Elizabeth Proust
Chair of the Remuneration and Nomination Committee

5.2 SCOPE OF THIS REPORT

The remuneration arrangements described in this Report have been in place from the closing of GQG's IPO (in October 2021) to 31 December 2021 and are expected to remain in effect for FY2022. This report does not address compensation arrangements or compensation relating to arrangements in effect in periods prior to the closing of GQG's IPO. This Report sets out information regarding remuneration arrangements in place across the Group as well as individual remuneration arrangements both for GQG's key executives named below and for non-executive Directors.

Name	Role
Key Executives	
Rajiv Jain	Executive Chairman and Chief Investment Officer
Tim Carver	Chief Executive Officer
Melodie Zakaluk	Chief Financial Officer
Non-executive Directors	
Elizabeth Proust	Lead Independent Director
Paul Greenwood	Independent Director
Melda Donnelly	Independent Director

This Report has not been reviewed by the external auditor.

5.3 REMUNERATION GOVERNANCE AND FRAMEWORK

(a) Remuneration Philosophy

Overall employee remuneration

To successfully deliver long-term value to our clients and shareholders, we believe we must attract and retain high-caliber human capital. A thoughtfully designed employee remuneration architecture is an important pillar in attracting, motivating, rewarding and retaining employees across GQG. To that end, we routinely evaluate compensation across the team to help ensure we are compensating high-performing employees commensurate with their value.

We have structured our employee compensation plan with the goal of fostering a meritocracy – we seek to differentiate employees based on performance and impact and align compensation with this philosophy and our core corporate values.

A foundational principle of GQG's compensation programs is alignment. We have structured our employee compensation plan striving to align employee incentives with our clients' interests, our shareholders' interests and finally our departmental and overall company objectives. Further details of our employee compensation components are described more fully below.

Non-executive Director remuneration

In remunerating non-executive Directors, GQG aims to ensure that it can attract and retain qualified and experienced directors having regard to:

- the specific responsibilities and requirements for the Board;
- fees paid to non-executive Directors of other comparable companies; and
- the size and complexity of GQG's operations.

(b) Non-executive Director fees

Under GQG's Bylaws, the Board may decide the compensation to which each Director is entitled for his or her services as a Director of the Company. However, under the ASX Listing Rules, the total amount paid to all non-executive Directors for their services as Directors must not exceed in aggregate in any financial year, the amount fixed by stockholders in general meetings. At the time of the IPO, GQG fixed this amount at $1,000,000 per annum.

Compensation attributable to non-executive Directors is presented below (excluding pension or superannuation payments).

Lead Independent Director	$150,000 per annum
Non-Lead Independent Director	$100,000 per annum
Committee Chair	$25,000 per committee
Committee Participation	$10,000 per committee

(c) Grant of CHESS Depositary Interests (CDIs) to Elizabeth Proust

The Company made a one-off grant of 68,606 CDIs to the Lead Independent Director, Elizabeth Proust, in connection with her involvement in preparing the Company for listing. The CDIs are subject to voluntary escrow arrangements. Under these arrangements, Elizabeth may not deal in the CDIs until the period ending at 4:15pm (Sydney Time) on the first business day after release to the ASX of the Company's financial accounts for the half year ending 30 June 2022, subject to certain exceptions. The CDIs carry the same rights as other CDIs, including dividend and voting rights.

5.4 EMPLOYEE REMUNERATION OVERVIEW

(a) Remuneration Governance

Overall remuneration policies, including aggregate bonus pools and the overall levels of equity-based awards, as well as remuneration payable to key executives, are subject to review and approval by the Board's Remuneration and Nomination Committee. This Committee is comprised our independent Directors, Elizabeth Proust (Chair), Melda Donnelly and Paul Greenwood.

The Remuneration and Nomination Committee has delegated to the members of GQG Partners LLC's Board of Managers (Rajiv Jain, Tim Carver and Melodie Zakaluk) the responsibility for developing compensation arrangements of individual employees (other than key executives), including individual salary, bonus and incentive awards.

(b) Fixed remuneration

Employees receive fixed remuneration in the form of a base salary and employee benefits. A formal salary review is conducted each year with a focus on employees that were either promoted and/or assumed a material increase in responsibility.

(c) Benefits

Employee benefits include health insurance and participation in a retirement plan, as appropriate for the jurisdiction in which the employee resides. For example, in the United States, employees may make contributions to a 401(k), defined contribution pension plan, into which GQG LLC may make fully vested, matching contributions of up to 5% of employee qualifying compensation. US employees also benefit from health savings accounts, in which GQG LLC makes a contribution for each employee equal to the deductible for the employee's health plan coverage.

(d) Annual Variable Award

Currently, all GQG employees (other than our co-founders Rajiv Jain and Tim Carver and commissioned employees) who meet certain criteria are eligible to receive a variable award in the form of an annual discretionary bonus. The overall employee bonus pool for these eligible employees is determined after considering several quantitative and qualitative factors, including but not limited to GQG's financial and operational results and investment performance.

The annual discretionary bonus is determined for each such employee based on factors such as the employee's role, impact, seniority, performance on a relative and absolute basis and professional development. In addition, investment professionals who are eligible are further evaluated based on quality of research, quality and quantity of unique investment ideas and investment performance results. The annual discretionary bonus is paid through a combination of cash and, for certain more highly compensated employees, a deferred bonus award that is subject to vesting. This deferred bonus plan was adopted starting in FY 2020.

Currently, the implementation of the deferred bonus plan for eligible employees provides for a three-year vesting period, during which period the employee's deferred bonus amount has economic exposure to one of GQG's investment strategies, increasing eligible employees' alignment with the interests of our clients. The terms of the deferral are subject to change in the future.

(e) Commissioned Employees

Certain employees within our US sales team participate in a formulaic compensation scheme rather than an annual discretionary bonus. In these cases, employees receive compensation based largely on amounts contributed for investment with GQG by new and existing clients and investors. Payments are generally made to these employees over four consecutive quarters. Similar to non-commissioned employees as described above, a portion of formulaic compensation paid to certain eligible employees who receive commissions is generally subject to deferral and exposure to GQG's investment strategies

(f) Grants of Restricted Stock Units

In FY2021, the Company granted all employees at the time of the IPO (other than Rajiv Jain, Tim Carver, Melodie Zakaluk and certain other members of senior management) Employee Retention Awards under GQG Inc.'s 2021 Equity Incentive Plan (**Equity Incentive Plan**).

These Employee Retention Awards were granted in the form of Restricted Stock Units (**RSUs**) and Performance Stock Units (**PSUs**). These awards are intended to: (i) reward GQG employees for their individual contributions, (ii) retain key employees and (iii) further align GQG employee interests with those of our Shareholders.

The Company granted Employee Retention Awards with a total value of approximately $28 million in connection with listing, to provide all ongoing employees with an equity interest in the Company. Although executive Directors will be eligible to participate in the Equity Incentive Plan in the future, no Director received Employee Retention Awards in FY2021.

During the vesting period applicable to RSUs, a dividend or dividend equivalent payment on RSUs may be paid at approximately the same time as dividends payable on securities, subject to the terms of the grant.

5.5 MANAGEMENT REMUNERATION IN DETAIL

This section identifies the remuneration arrangements in place and FY2021 outcomes for individual key executives who are covered by this Remuneration Report.

(a) Total Fixed Remuneration and Employee Benefits

In accordance with the employment agreements, for the period following the closing of GQG's IPO in FY2021 and for FY2022, the total fixed remuneration (TFR) for Rajiv, Tim and Melodie is as follows:

- Rajiv Jain is entitled to receive annual TFR of $750,000
- Tim Carver is entitled to receive annual TFR of $600,000
- Melodie Zakaluk is entitled to receive annual TFR of $300,000

These amounts may be reviewed and varied from time to time.

Rajiv, Tim and Melodie also receive the standard employee benefits described above, including participation in GQG's 401(k) retirement plan (including matching contributions as permitted), health insurance and health savings account.

(b) Annual Variable Award for FY2021

In light of their equity ownership in GQG and the desire to provide for alignment of interests with shareholders, Rajiv and Tim are not eligible to receive an Annual Variable Award under their current employment agreements. Melodie is entitled to receive an Annual Variable Award under the terms of her employment agreement.

In 2021, the Board Remuneration Committee approved a discretionary bonus payment for Melodie of $500,000 in consideration of her contributions to GQG's successful IPO and other high-quality work. In accordance with the deferred bonus plan, an amount equal to 200,000 of Melodie's bonus has been deferred, will be exposed to the investment performance of a GQG investment strategy and will be paid out in three annual instalments, subject to Melodie's continued employment at GQG.

(c) Retention Awards

Rajiv, Tim and Melodie did not receive Employee Retention Awards, in light of their existing equity holdings.

6 Shareholder information

Unless stated otherwise, the information in this Section 6 is current as at 1 February 2022.

6.1 OVERVIEW

GQG Inc. shares of common stock (**Securities**) have been listed in the form of CHESS Depository Interests (**CDIs**) on the ASX since 25 October 2021 and trade under the symbol "GQG". Each CDI represents an interest in one Security. Legal title to the Securities underlying the CDIs is held by CHESS Depositary Nominees Pty Ltd (**CDN**), a wholly owned subsidiary of the ASX. CDN holds legal title to the Securities on behalf of the CDI holder. GQG Securities are not listed on any other stock exchange. Details of GQG equity securities on issue are set out below.

SECURITY	NUMBER ON ISSUE	NUMBER OF HOLDERS AS AT 1 FEBRUARY 2022
Common stock[1]	2,952,805,434	5
CDIs	593,568,707	6,171
RSUs and PSUs[2]	18,422,155	105

1 QVFT LLC (which is an entity associated with Rajiv Jain) holds 2,030,616,054 Securities. This accounts for 68.8% of Securities. Securities are not quoted on the ASX.

2 RSUs and PSUs are issued under the Equity Incentive Plan and are not quoted on the ASX. Refer to the Remuneration Report in Section 5 for details on RSUs and PSUs currently on issue pursuant to the Equity Incentive Plan.

6.2 VOTING RIGHTS

(a) Securities

At a meeting of shareholders of GQG Inc., every holder of Securities present in person or by proxy, is entitled to one vote for each Security held on the record date for the meeting on all matters submitted to a vote of the shareholders. Shareholders do not have cumulative voting rights. RSUs and PSUs do not carry voting rights.

(b) CHESS Depository Interests

CDN will receive notice of any meeting of holders of Securities and be entitled to attend and vote at any such meeting. CDI holders may attend and, subject to the requirements listed below, vote at any meeting of holders of Securities. Under the ASX Listing Rules, GQG Inc. as an issuer of CDIs must allow CDI holders to attend any meeting of holders of Securities unless relevant laws in the United States at the time of the meeting prevent CDI holders from attending those meetings.

In order to vote at such meetings, CDI holders may:

- instruct CDN, as the legal owner of the Securities, to vote the Securities underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the Share Registry prior to the meeting;
- inform GQG Inc. that they wish to nominate themselves or another person to be appointed as CDN's proxy in respect of their Securities underlying the CDIs for the purposes of attending and voting at the general meeting; or
- transmute their CDIs into a holding of Securities and vote these at the meeting (although if the former CDI holder later wishes to sell their investment on ASX, it would be necessary to transmute the Securities back to CDIs). In order to vote in person, the transmutation must be completed prior to the record date for the meeting.

Since CDI holders will not appear on GQG Inc.'s share register as the legal holders of the Securities, they will not be entitled to vote at meetings of holders of Securities (and their CDIs will not count towards any relevant quorum requirements at such meetings) unless one of the above steps is undertaken.

As each CDI represents one Security, being a share of common stock of the Company, a CDI holder will be entitled to one vote for each CDI that it holds. Under the ASX Settlement Operating Rules, CDN will appoint two proxies for each vote: one for votes in favor of a poll and another for votes against. CDI voting instruction forms will be included in each notice of meeting sent to CDI holders by the Company.

These voting rights exist only under the ASX Settlement Operating Rules, rather than under the US Securities Exchange Act of 1934, as amended, or the Delaware General Corporation Law. Since CDN is the legal holder of applicable Securities, the CDI holders do not have any directly enforceable rights under GQG Inc.'s Certificate of Incorporation or Bylaws, as amended.

6.3 SUBSTANTIAL HOLDERS

As at 1 February 2022, GQG Inc. is aware of the following Security holders who, together with their associates, have a relevant interest (within the meaning of section 608 of the *Corporations Act 2001* (Cth) (Corporations Act)) in Securities representing 5% or more of the total number of votes attaching to voting shares in GQG Inc.

NAME	DATE OF BECOMING A SUBSTANTIAL SHAREHOLDER	NUMBER AND CLASS OF EQUITY SECURITIES IN WHICH THE HOLDER, TOGETHER WITH THEIR ASSOCIATES, HAS A RELEVANT INTEREST	PERCENTAGE TOTAL VOTING POWER
GQG Partners Inc.[1]	28 October 2021	2,314,577,904 shares of common stock (representing 2,314,577,904 CHESS Depository Interests (**CDIs**))	78.4%
QVFT LLC	28 October 2021	2,030,616,054 shares of common stock (representing 2,030,616,054 CDIs)	68.8%
Pythia Pronaos LLC	28 October 2021	164,771,990 shares of common stock (representing 164,771,990 CDIs)	5.6%

1 GQG Inc. holds a relevant interest under section 608(8) of the Corporations Act as a result of a voluntary escrow deeds entered into with certain shareholders in respect of shares of common stock in GQG Inc.

6.4 DISTRIBUTION OF EQUITY SECURITY HOLDERS

Analysis of the number of shareholders by size of holding at 1 February 2022 is below:

RANGE	SECURITY HOLDERS
1 to 1,000	2,244
1,001 to 5,000	2,088
5,001 to 10,000	718
10,001 to 100,000	1,060
100,001 and over	65
Total	**6,175**

Restricted Stock Units

RANGE	SECURITY HOLDERS
1 to 1,000	0
1,001 to 5,000	0
5,001 to 10,000	0
10,001 to 100,000	70
100,001 and over	35
Total	**105**

6.5 UNMARKETABLE PARCELS

There were 159 shareholders holding less than a marketable parcel of CDIs and Securities (as converted to CDIs) based on a closing share price of A1.530 per CDI on 1 February 2022. An unmarketable parcel, as defined by the ASX Listing Rules, is a parcel of Securities worth less than A$500.00.

6 Shareholder information Continued

6.6 LARGEST 20 SHAREHOLDERS (AS AT 1 FEBRUARY 2022)

		REGISTERED	BALANCE GQG			
	TYPE	SECURITY HOLDER	FREE FLOAT	ESCROWED	TOTAL	%
1	Common Share	QVFT LLC		2,030,616,054	2,030,616,054	68.77%
2	CDI	CITICORP NOMINEES PTY LIMITED	193,808,248		193,808,248	6.56%
3	Common Share	PYTHIA PRONAOS LLC		164,771,990	164,771,990	5.58%
4	Common Share	NORTHERN LIGHTS MIDCO LLC		119,121,254	119,121,254	4.03%
5	CDI	NATIONAL NOMINEES LIMITED	100,647,435		100,647,435	3.41%
6	CDI	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	88,052,870		88,052,870	2.98%
7	CDI	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	67,473,935		67,473,935	2.29%
8	Common Share	GQG PARTNERS INC FBO EMPLOYEE SHARES	44,727,429		44,727,429	1.51%
9	CDI	BNP PARIBAS NOMS PTY LTD <DRP>	37,683,524		37,683,524	1.28%
10	CDI	BNP PARIBAS NOMINESS PTY LTD <AGENCY LENDING DRP A/C>	33,178,018		33,178,018	1.12%
11	CDI	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	5,735,166		5,735,166	0.19%
12	CDI	BNP PARIBAS NOMS (NZ) LTD <DRP>	4,298,425		4,298,425	0.15%
13	CDI	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	2,865,160		2,865,160	0.10%
14	CDI	TRUEBELL CAPITAL PTY LTD <TRUEBELL INVESTMENT FUND>	2,650,000		2,650,000	0.09%
15	CDI	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	2,069,924		2,069,924	0.07%
16	CDI	BNP PARIBAS NOMINESS PTY LTD HUB24 CUSTODIA SERV LTD <DRP A/C>	2,033,219		2,033,219	0.07%
17	CDI	BNP PARIBAS NOMINEES PTY LTD <IOOF INVMT MNGT LTD DRP>	1,655,000		1,655,000	0.06%
18	CDI	UBS NOMINEES PTY LTD	1,248,805		1,248,805	0.04%
19	CDI	SWORD EQUITY INVESTMENTS PTY LTD	1,000,000		1,000,000	0.03%
20	CDI	MAAS GROUP FAMILY PROPERTIES PTY LTD	750,000		750,000	0.03%
		Total of Top 20			**2,904,386,456**	**98.36%**
		Remaining Securities			**48,418,978**	**1.64%**
		TOTAL SECURITIES			**2,952,805,434**	**100.00%**

6.7 VOLUNTARY ESCROW ARRANGEMENTS

In aggregate, 2,315 million Securities and CDIs are the subject of voluntary escrow arrangements, representing approximately 78% of the total Securities and CDIs on issue immediately following completion of the issue of new CDIs of GQG Inc. to investors (**Completion**) under the prospectus issued by the Company on 7 October 2021 and lodged with the Australian Securities and Investments Commission (**Prospectus**).

These Securities and CDIs are held by Elizabeth Proust and entities associated with Rajiv Jain, Tim Carver and Pacific Current Group (**Escrowed Shareholders**). Each Escrowed Shareholder, together with in certain cases its controlling person, has entered into a voluntary escrow deed with GQG Inc. pursuant to which the Escrowed Shareholder (and controlling person as applicable) has agreed in relation to the Securities or CDIs held by that Escrowed Shareholder (as applicable) to not 'deal' in those restricted Securities (subject to certain exceptions) during the period commencing immediately following Completion and ending at 4:15pm (Sydney Time) on the first business day after release to the ASX of GQG Inc.'s financial accounts for the half year ending 30 June 2022.

6.8 ADDITIONAL INFORMATION

GQG does not currently have an on-market buy-back in operation.

No Securities were purchased on-market during the period from listing to 31 December 2021 under or for the purposes of an employee incentive scheme or to satisfy the entitlements of the holders of RSUs or PSUs granted under an employee incentive scheme.

Additional corporate information is set out below.

Company Secretary	Rick Sherley
Registered offices	**GQG PARTNERS INC.** 450 East Las Olas Boulevard, Suite 750 Fort Lauderdale, Florida 33301 USA Telephone: +1 754 218 5500 **c/o Company Matters Pty Ltd** Level 12, 680 George Street Sydney NSW 2000 Australia Telephone: +61 2 8280 7355
Share Registry	**LINK MARKET SERVICES LIMITED** Level 12, 680 George Street Sydney, NSW 2000 Australia Telephone: 8280 7100 (within Australia) +61 2 8280 7100 (outside Australia) **American Stock Transfer & Trust Company, LLC** 6201 15th Ave Brooklyn NY 11219 USA Telephone: +1 800 937 5449 (Toll-free within the United States) +1 718 921 8124 (Outside the United States)

7 Important Information

The information provided in this document does not constitute investment advice and no investment decision should be made based on it. Neither the information contained in this document or in any accompanying oral presentation is a recommendation to follow any strategy or allocation. In addition, neither is a recommendation, offer or solicitation to sell or buy any security or to purchase of shares in any fund or establish any separately managed account. It should not be assumed that any investments made by GQG Partners LLC (GQG) in the future will be profitable or will equal the performance of any securities discussed herein. Before making any investment decision, you should seek expert, professional advice, including tax advice, and obtain information regarding the legal, fiscal, regulatory and foreign currency requirements for any investment according to the law of your home country, place of residence or current abode.

This document reflects the views of GQG as of a particular time. GQG's views may change without notice. Any forward-looking statements or forecasts are based on assumptions and actual results may vary.

GQG is not required to update the information contained in these materials, unless otherwise required by applicable law.

GQG Partners LLC is registered as an investment adviser with the US Securities and Exchange Commission. Please see GQG's Form ADV Part 2, which is available upon request, for more information about GQG.

Unless otherwise indicated, the performance information shown is unaudited, pre-tax, net of applicable management, performance and other fees and expenses, presumes reinvestment of earnings and excludes any investor-specific charges. All past performance results must be considered with their accompanying footnotes and other disclosures.

Past performance may not be indicative of future results. Performance may vary substantially from year to year or even from month to month. The value of investments can go down as well as up. Future performance may be lower or higher than the performance presented, and may include the possibility of loss of principal.

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.

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The MSCI Emerging Markets (Net) Index is a free float-adjusted market capitalization index that consists of indices in 27 emerging economies: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey, and the United Arab Emirates. With 1,420 constituents (as of December 31, 2021), the index covers about 85% of the free float-adjusted market capitalization in each country.

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