

## 2022 Full Year Results & Board Update

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26 August 2022

The latter half of the 2022 financial year saw a very challenging investment environment, one which has not been witnessed for many a year. As a result of this extremely challenging period, the Board of Fat Prophets Global Contrarian Fund Ltd (ASX: FPC) reports a loss of \$9.189m from ordinary activities (after tax) for the financial year ending 30 June 2022. The Company's Net Tangible Assets declined by 16.5% (net of fees and expenses) for the 12 months ending 30 June, 2022.

Notwithstanding a positive taxable result, unrealised losses on open trading positions led to the overall loss as at 30 June of \$9.189m. The selloff in markets was particularly significant in the last two months, with a large portion of these unrealised losses being incurred in June alone on the open positions.

As per accounting standards, the reported accounting results include realised and unrealised gains and losses. As a result of the Company's investment performance and being in an accounting loss situation as at 30 June 2022, the Company will not be declaring a final dividend for the 2022 financial year.

The Board's position on dividends remains that the objective is to deliver a stream of fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits, and it is within prudent business practices. This will be whilst adhering to the Company's investment mandate. The Board was pleased to announce a fully franked interim dividend of 3.0 cents per share in February this year.

By way of guidance, the Board intends to pay dividends as soon as possible taking into account best accounting and prudent business practice.

During the course of the financial year, FPC also launched the Equal Access Buyback (**EABB**), which although has only been taken up by a small number of shareholders, the Board views the EABB as a key liquidity structure that gives shareholders the ability to effectively sell their FPC shares at a small discount to post-tax NTA, a price that is often more advantageous than the FPC share price on offer via ASX. The Board's intention is to seek (via an AGM resolution) permission from shareholders to extend the EABB for another 12 months.

Our CIO, Angus Geddes, will detail more on the investment performance, the portfolio and positioning for the coming months in the CIO letter.

Last, the FPC AGM will be held at Fat Prophets office at 2.30pm on 24 November, on behalf of the Board, we look forward to seeing you there.

Kind regards,



Michael Gallagher  
Chairman  
**Fat Prophets Global Contrarian Fund**