



Morphic
Ethical
Equities
Fund

ASX: MEC

ANNOUNCEMENT

18 May 2021

Market Announcements Platform
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

2021 Half Year Results

Morphic Ethical Equities Fund Limited (ASX: MEC, "Company") has released its financial results for the half year ended on 31 March 2021.

The Board of Directors has declared a fully franked interim dividend of **2.5 cents per share**, which is an increase of **150%** on the FY2020 fully franked interim dividend.

The increase to the interim dividend follows a strong portfolio performance of **19.46%*** over the half year period. The Company's operating profit before tax for the period was \$11.9m (+662% in comparison to the corresponding period in FY2020) and operating profit after tax was \$8.4m (+675%).

The interim dividend represents an annualised fully franked dividend yield of **4.5%** (based on the 31 March 2021 share price of \$1.10 per share).

The Company's profits reserve at the end of the period was **27.1 cents per share**, before payment of the fully franked interim dividend of 2.5 cents per share. This represents **5.4 years of dividend coverage** for shareholders at current annualised dividend of 5.0 cents per share.

The increased interim dividend is consistent with the Company's policy of paying fully franked dividends to shareholders and raising the dividend over time, provided the Company has distributable profits, franking credits and it is within prudent business practices.

Please contact MEC's Investor Relations team on 02 9021 7701, if you require more information about this announcement.

** Net of investment management fees, before Company administration costs and taxes.*

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