

Stability. Growth. Yield.

HIGHLIGHTS OF FINANCIAL YEAR ENDING 30 JUNE 2020



9.5c per share

43%

Profit after Tax **\$24 million**

44%

Portfolio Return¹ 11.3%

6.5% above index

7.6%Total Shareholder Return (TSR)

9.4%
TSR grossed up for franking credits

Full Year Dividend **5c per share**Fully Franked

Important Dates
Final Dividend
2.5 c per share

Ex date:
8 October 2020
Record date:
9 October 2020
Payment date:
23 September 2020

AGM

28 October 2020

KEY BENEFITS FOR SHAREHOLDERS



- Consistent stream of fully franked dividends
 - Dividend yield of 4.7% for FY 2020¹
 - 6.6% yield grossed up for franking credits¹
- Excellent portfolio management²
 - 11.3% portfolio return for FY 2020
 - 10.2 % portfolio return since mandated
 - Strong outperformance in a falling market
- Largest ethical LIC on ASX
- Invests where others don't

3 KEY AIMS

GROW WEALTH

PROTECT CAPITAL

MINIMIZE VOLATILITY

DEDICATED TO DELIVERING STABLE FULLY FRANKED YIELD



\$26 bn worth of ASX dividend income disappeared in 2020.

Unlike many other companies that are limited in their ability to pay dividends due to capital constraints, illiquidity or debt covenants...

PIA is well positioned to pay stable and secure dividends over many years to come

>\$114 million profit reserve

Highly liquid global investments

No debt

Performance through all market cycles

WHY PIA IS ABLE TO DELIVER STABLE FULLY FRANKED YIELD



1. Profits and Profit Reserves

- Profits to cover the dividend
- PIA is uniquely placed to satisfy this test
- PIA has \$114 million of profits reserves, i.e. sufficient to pay the current annual level of dividends for the next several years.

2. Sufficient Franking Credits

- Highly liquid holdings
- Truly diversified portfolio
- Flexibility across medium long term holding periods
- More likely to result in the sale of stocks that make large gains (i.e. that reach our price targets)
- Franking available to cover 5cps annual dividend through to FY2021

ESG INVESTING WITHOUT COMPROMISING RETURNS: GROW WEALTH

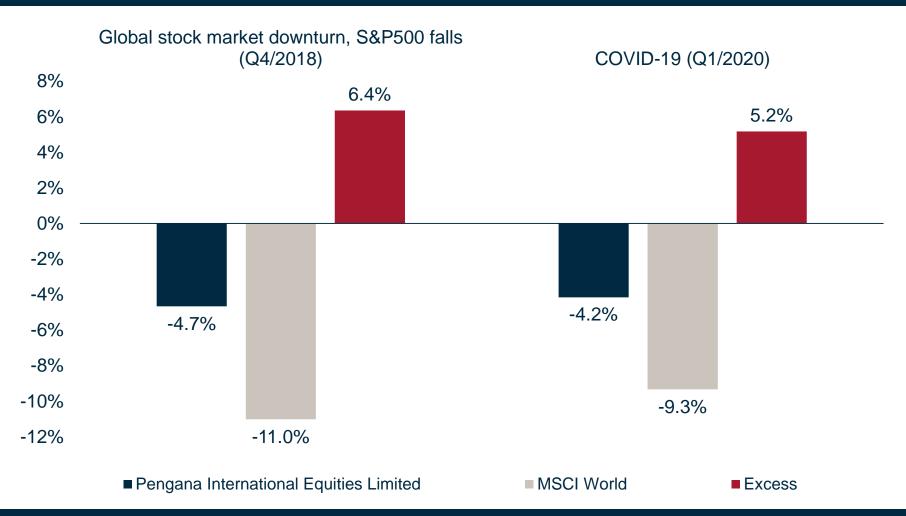


Performance as at 30 June 2020



KEY OBJECTIVE: PROTECTING CAPITAL AND MANAGING VOLATILITY





INVESTMENT PHILOSOPHY



3 KEY AIMS

GROW WEALTH

Focus on the highest quality businesses around the world at reasonable valuations

PROTECT CAPITAL

Truly diverse across geographies and sectors. Opportunities that aren't always obvious

MINIMIZE VOLATILITY

Through active diversification of businesses and consistent cash generation and low leverage

ESG AND ETHICAL INVESTING WITHOUT COMPROMISING RETURNS

HOW WE DO IT

PORTFOLIO CONSTRUCTION

ACTIVE MANAGEMENT

CONVICTION

PORTFOLIO UPDATE



INVESTMENT PROCESS: STOCK REQUISITE CHARACTERISTICS

















STRONG ESG AND ETHICAL FRAMEWORK

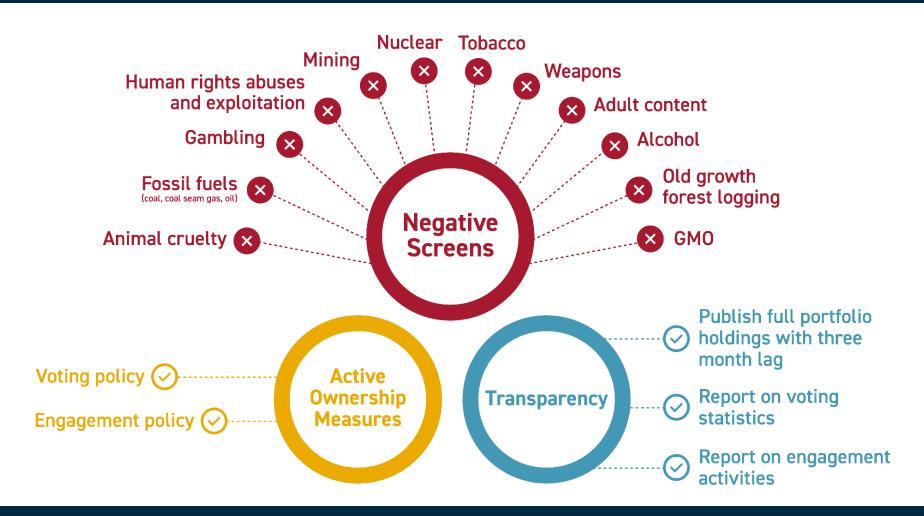
INTEGRATION OF ESG AND ETHICAL FACTORS INTO THE RESEARCH PROCESS











FUNDAMENTAL BOTTOM UP APPROACH TO INVESTING





- High cash flow generative businesses
- Stable and growing with positive tailwinds



CYCLICAL

- Business that operate in cyclical industries
- Poised for an upturn



OPPORTUNISTIC

- Company specific situations
- Attractive potential upside

A DIVERSIFIED INTERNATIONAL ETHICAL CONGLOMERATE





VOLATILE MARKETS PRESENT OPPORTUNITIES



Thermo Fisher

- World largest provider of scientific equipment and services
- Has been able to grow faster than the market
- Can expect share price gains to continue in the future
- Robust long term growth prospects
- Defensive position in uncertain times
- 4.2% Free Cash flow Yield
- Low gearing







- Houlihan Lokey (HLI) is a global advisory firm specialising in M&A and Financial restructuring
- 2019 HLI was the #1 M&A adviser in the US (by number of deals) and #1 global restructuring advisor by number of distressed debt and bankruptcy deals
- Independent/specialised player with a strong partnership culture.
- Low "key person risk" and strong staff retention
- Capital-lite business model makes money through all stages of the cycle
- HSD medium-to-longer term growth profile
- >6% FCF yield



COUNTER-CYCLICAL PERFORMANCE IN TIMES OF MARKET STRESS



FLOW TRADERS

- One of the largest global "market makers" for ETFs
- Provides protection against spikes in market uncertainty/volatility
- Reason: higher volatility = higher spreads for Flow
 Traders (and higher profits for shareholders)
- Share price has risen strongly through the current crisis
- Offers FCF yield of around 7%



PORTFOLIO POSITIONING AS AT 30 JUNE 2020



Geographic Exposure

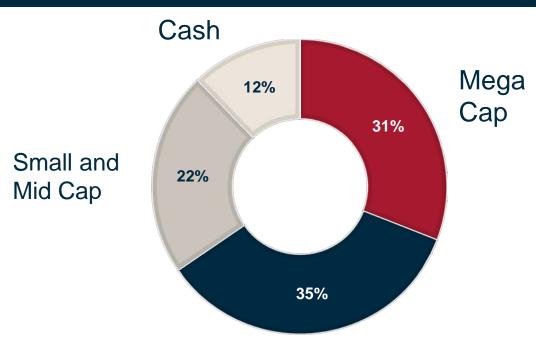
Sector Exposure



Only 41% of portfolio invested in US



Overweight Europe ex-UK and Emerging Markets



Large Cap

- Overweight Communication Services and Financials
- Underweight Information Technology, Energy and Industrials

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3 KEY AIMS

GROW WEALTH

PROTECT CAPITAL

MINIMIZE VOLATILITY

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