

14 August 2019

Full Year 2019 Results and Final Dividend Announcement

Highlights

- The Company will pay shareholders a final fully franked dividend of 2.2 cents per share, taking the full-year total ordinary dividend to 4.4 cents per share fully franked. (2018: 4.2 cents per share)
- Full year after-tax profit - excluding special dividends and retrospective tax changes - was \$8.5 million. (2018: \$8.4 million)

The Company today announced a final, fully franked dividend of 2.2 cents per share (cps) to be paid to shareholders on 20 September 2019. For the full year, the Company's fully franked ordinary dividend is 4.4 cps.

The Company reported a net after-tax profit - excluding special dividends and retrospective tax changes - of \$8.5 million for the year to 30 June 2019. The net after-tax profit - including special dividends and retrospective tax changes - was \$9.4 million for the year. On an earnings per share basis, this result equates to after-tax basic earnings of 3.40 cents.

The Company's Chairman Mr Peter McKillop said: "The Board is pleased to announce an increased fully franked dividend. This means that shareholders who subscribed four years ago to the IPO in August 2014 have now been paid a total of 16.7 cents per share in fully franked dividends.

Our objective is to provide shareholders with steadily growing returns achieved by both increases to the underlying net tangible assets (NTA) of the Company and where possible, the payment of fully franked dividends. Since inception, the Company's investment portfolio has delivered shareholders a total return of +7.5% per annum.

The Board of the Company remains steadfast that the best strategy for growing wealth over the long term is identifying companies which are undervalued, well managed, with strong competitive advantages and provide both earnings and dividend growth."

QVE Portfolio and Performance

The Company's portfolio, for the 12 months to 30 June 2019, delivered a return before tax and after fees of -0.4%.

Anton Tagliaferro, Investment Director at Investors Mutual Limited said: "This was a disappointing result when compared to the ASX ex20's return of +7.7%. Having said this, the benchmark's return was driven by sectors such as the IT and REITs sectors - sectors which we exercised strong caution in given the excessive valuations. In addition, some investments held back the portfolio's return for the year. On the plus side, the portfolio benefited from its exposure to holdings such as Amcor, Ruralco, Genesis Energy and Steadfast.

Despite increasing trade tensions and slowing global economic growth, record low interest rates continued to lift markets higher over FY2019 with many companies' valuations pushed above their fundamentals. As such, IML has remained disciplined and prudent in managing the QVE portfolio of stocks outside the ASX top 20.

Our objective is clear: to deliver reasonable, long-term growth over time through a steadily growing NTA, whilst paying a healthy dividend to QVE's shareholders sourced from the dividends paid by the companies in which we invest. As true-to-label value investors, we refuse to be carried away with the current fads, concepts or momentum plays. We remain focussed on investing in companies with solid fundamentals that in our view are trading at reasonable valuations. IML continues to maintain strict adherence to the investment mantra which has defined its approach to investing over the past 21 years through all market cycles."

Year in Summary FY2019

Profit after tax (excluding special dividends and adjusted for retrospective tax changes) \$8,473,067 (\$8,415,596 in FY18)	Management Expense Ratio 1.03% (0.99% in FY18)		
Profit after tax \$9,387,628 (\$11,143,913 in FY18)	Portfolio Return (Pre-tax)* -0.4%	Benchmark** +7.7%	ASX 300* +11.4%
Earnings Per Share (cents) 3.40 Basic (4.05 in FY18)	Portfolio Return (Post-tax)* -0.1%		
Dividends 4.4 cps Fully Franked (declared for FY19) (4.2cps plus 1.0cps special in FY18)	Portfolio Return (Pre-tax) since inception +7.5% per annum	Benchmark# Return since inception +11.0% per annum	
Net Assets \$311,749,767 (\$326,002,469 in FY18)	Net Tangible Assets (NTA) \$1.15 (pre-tax cum div) \$1.13 (post tax cum div)		

All data as at 30 June 2019 unless otherwise specified. *Returns are measured for the 2019 financial year # S&P/ASX300 ex20 index

Dividend Reinvestment Plan and Important Dates

The Company offers a Dividend Reinvestment Plan (DRP) for shareholders. Shareholders participating in the DRP will benefit from a 3% discount. To participate in the DRP for the final dividend payments, shareholders must submit their election to the Company before **5pm on 30 August 2019**. Further details regarding dividend payments will be sent to shareholders in the coming weeks.

The table below summarises the key dates related to the final dividend for the year ended 30 June 2019.

Ex-Dividend date	28 August 2019
Record Date	29 August 2019
Last Election date for DRP	30 August 2019
Payment Date	20 September 2019

Annual General Meeting & Investment Update

Shareholders are invited to attend the Company's AGM on the following date:

Date	Monday 21 st October, 2019
Time	10am
Location	Adelaide Room, Sofitel Sydney Wentworth Hotel 61-101 Phillips Street, Sydney

Following the AGM, shareholders are invited to attend an Investment Update presented by the Company's Investment Manager, Investors Mutual Limited.

For shareholders who are unable to attend the AGM, a **webinar** of the Investment Update presentation will be held on **Tuesday 22nd October at 12pm AEDT**. To register, simply email info@qvequities.com providing your full name & email address, or register online <https://register.gotowebinar.com/register/7827479753927923981>

About QV Equities: QV Equities Limited (QVE) is a Listed Investment Company established with the primary objective of providing both long-term capital growth and income through a diversified portfolio of ASX-listed entities outside of the S&P/ASX 20 Index. The portfolio is managed by Investors Mutual Limited, an award-winning and experienced investment management company with an excellent track record of successfully managing Australian equities since 1998.

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