



**MARLIN GLOBAL LIMITED**  
**Annual Meeting**  
**of Shareholders**

8 November 2021

# Agenda

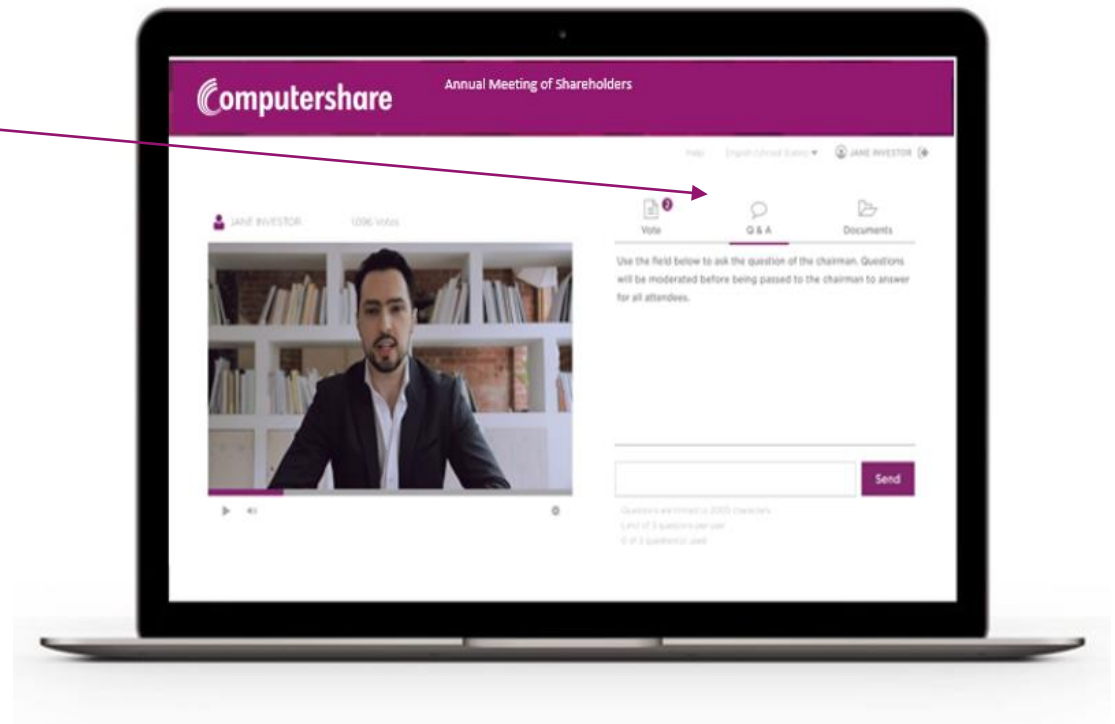
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- Preliminary matters
- Chair's Overview
- Manager's Review
- Q&A
- Annual Meeting Resolutions

# ONLINE Attendees – Question Process

**Written Questions:** If you have a question to submit please select the Q&A tab on the right half of your screen. Type your question into the field and press submit. Your question will be immediately submitted.

**Help:** The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.



# Board of Directors

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Alistair Ryan



David McClatchy



Andy Coupe



Carol Campbell

# Marlin Team

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Ashley Gardyne  
Snr Portfolio  
Manager



Chris Waters  
Snr  
Investment  
Analyst



Harry Smith  
Snr Investment  
Analyst



Wayne Burns  
Corporate  
Manager





# Chair's Overview

# Marlin's Investment Objectives

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## Absolute Returns

Achieve a high real rate of return, comprising both income and capital growth within acceptable risk parameters

## Diversified Portfolio

Access to a diversified portfolio of international quality, growth stocks in a single tax-efficient vehicle

# 2021 Overview

Net profit	Dividend	NAV per share	Share price
<b>\$69.2m</b> (2020: \$22.6m)	<b>8.84 cps</b> (2020: 7.90cps)	<b>\$1.28</b> (2020: \$1.03)	<b>\$1.60</b> (2020: \$0.98)
Total shareholder return	Dividend return #	Adjusted NAV return	Share price premium / (discount) to NAV
<b>+88.5%</b> (2020: 15.5%)	<b>+6.9%</b> (2020: +8.3%)	<b>+40.3%</b> (2020: 16.6%)	<b>24.6%</b> (2020: (4.7%))

\*These metrics are Non-GAAP measures calculated in accordance with the methodology described in the Marlin Non-GAAP Financial Information Policy which is available on the Marlin website.

# Dividend return – how much Marlin pays out in dividends each year relative to its average share price during the period. (Dividends paid by Marlin may include dividends received, interest income, investment gains and/or return of capital).

^Share price discount to NAV (excluding warrants).

# 2021 Overview - Continued

For the year ended 30 June	12 months	3 years (annualised)	5 years (annualised)
Adjusted NAV return *	+40.3% (2020: +16.6%)	+20.4%	+20.2%
Gross Performance *	+46.7% (2020: +19.8%)	+24.6%	+24.6%
Benchmark Index ^	+37.8% (2020: +0.04%)	+12.1%	+14.5%

\*These metrics are Non-GAAP measures calculated in accordance with the methodology described in the Marlin Non-GAAP Financial Information Policy which is available on the Marlin website.

^ Benchmark Index: S&P Large Mid Cap/S&P Small Cap Index (50% hedged to NZD)

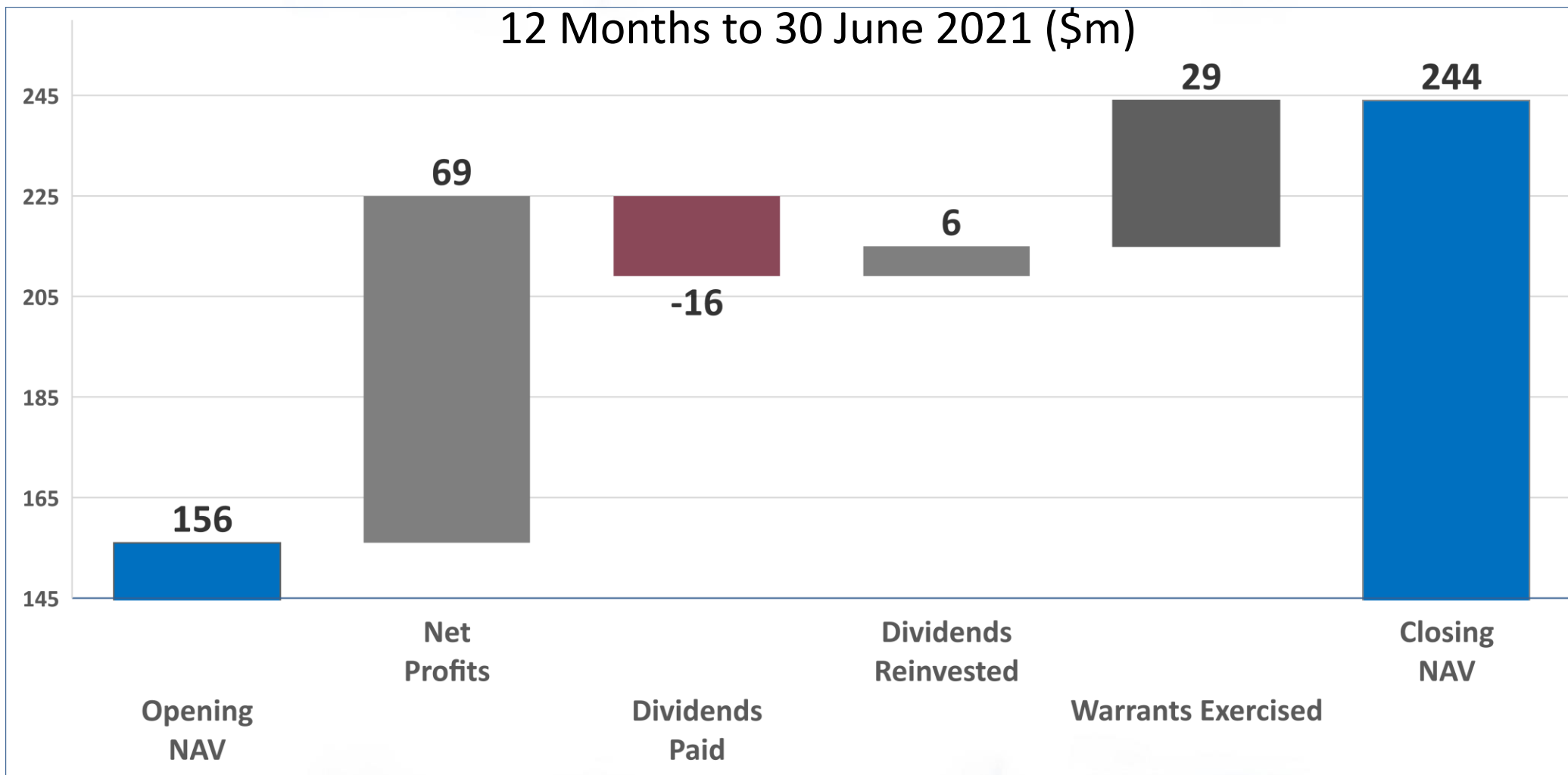


# Earnings Per Share

<b>Earnings Per Share</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Basic Earnings per Share (cents)</b>	<b>35.55</b>	<b>15.18</b>	<b>6.68</b>	<b>20.20</b>	<b>13.51</b>
<b>Diluted Earnings Per Share (cents)</b>	<b>38.60</b>	<b>15.09</b>	<b>6.49</b>	<b>20.08</b>	<b>13.51</b>

# Movements in Shareholders' Funds

12 Months to 30 June 2021 (\$m)



# Quarter 1, 2022

30 June – 30 September 2021	
Net loss (\$4.7m)	NAV per share \$1.24
Adjusted NAV Return (2.0%)	Benchmark Index (0.5%)
Share price \$1.49	Total shareholder return (5.7%)

# **Marlin Warrants - MLNWE**

- **47.3m warrants issued free to shareholders in May 2021**
- **Exercise date 20 May 2022**
- **Exercise price \$1.28, less dividends between 17 May 2021 and announcement of final exercise price in early April 2022**

# Manager's Review

Ashley Gardyne (Senior Portfolio Manager)



# Agenda

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1. Review of markets in 2021
2. Company performance
3. Portfolio activity and positioning
4. Outlook

# 1. Review of markets in 2021

# What a difference a year makes

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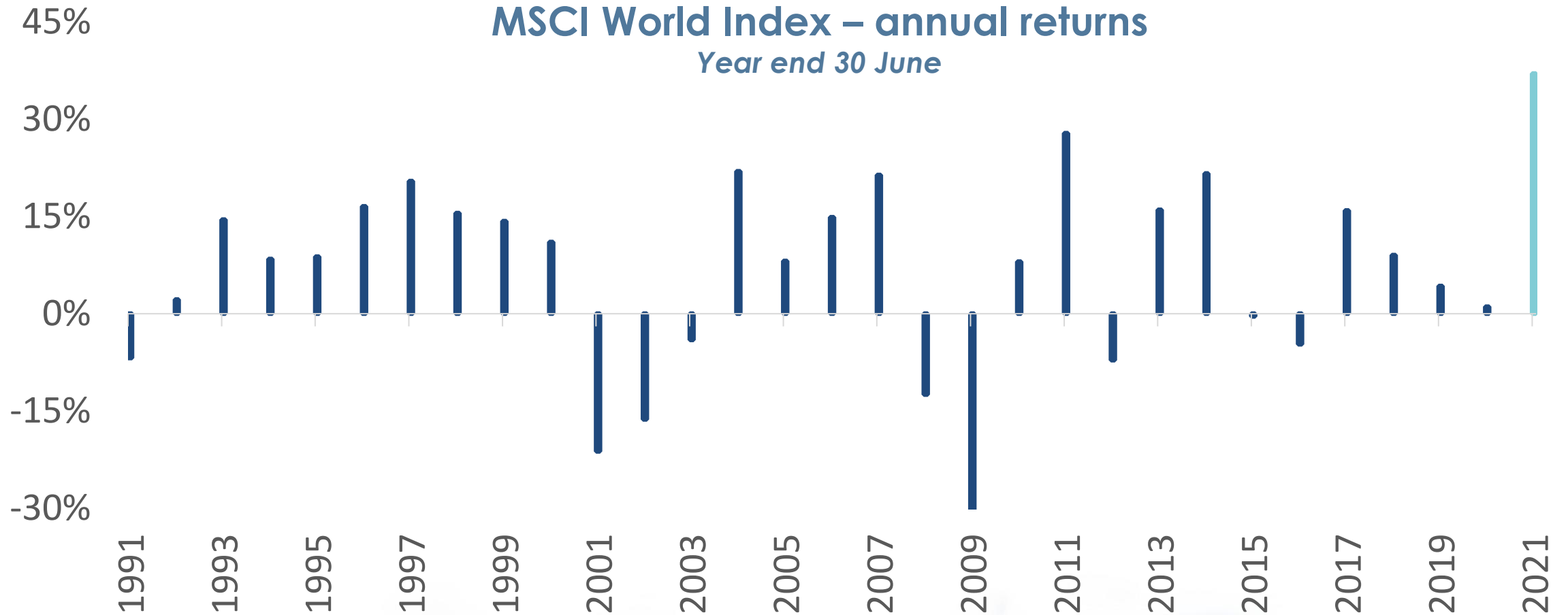
## MSCI World Index (USD)



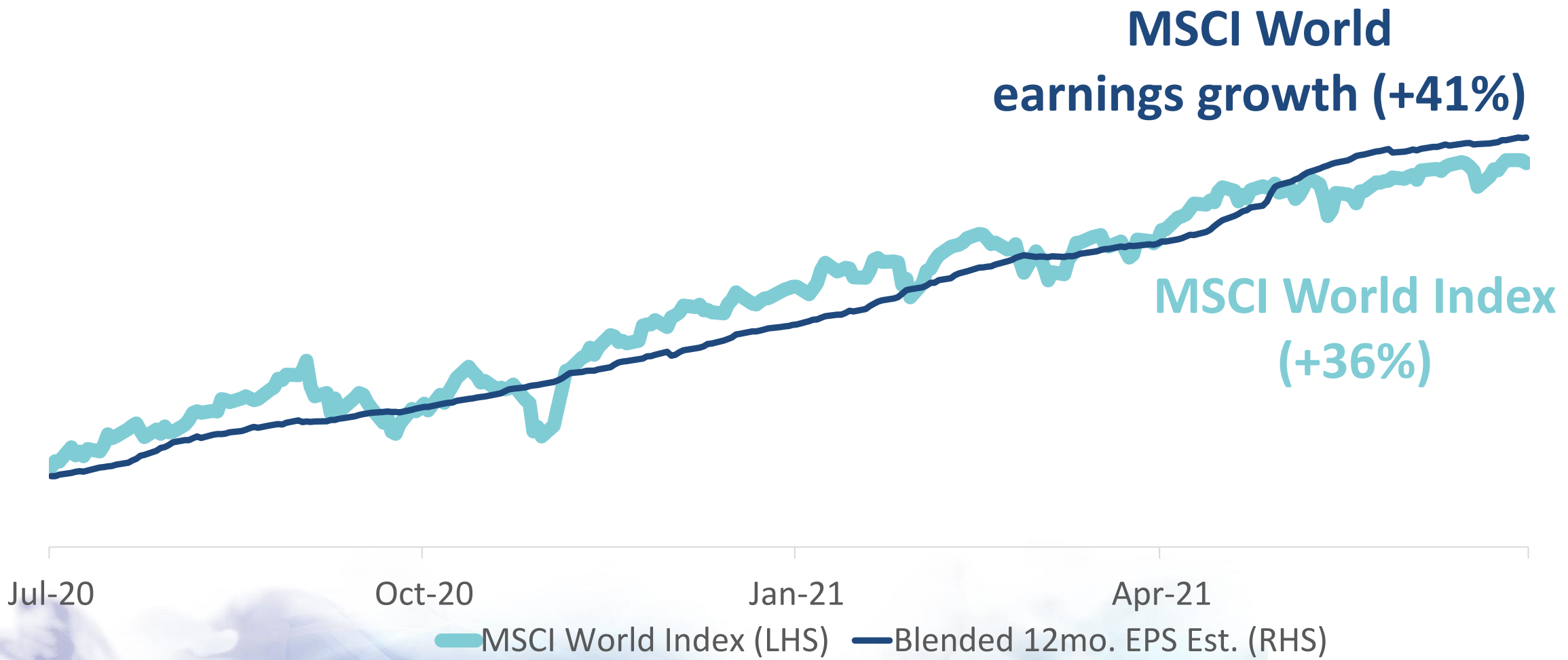
# For context – it was the best year in two decades

## MSCI World Index – annual returns

*Year end 30 June*



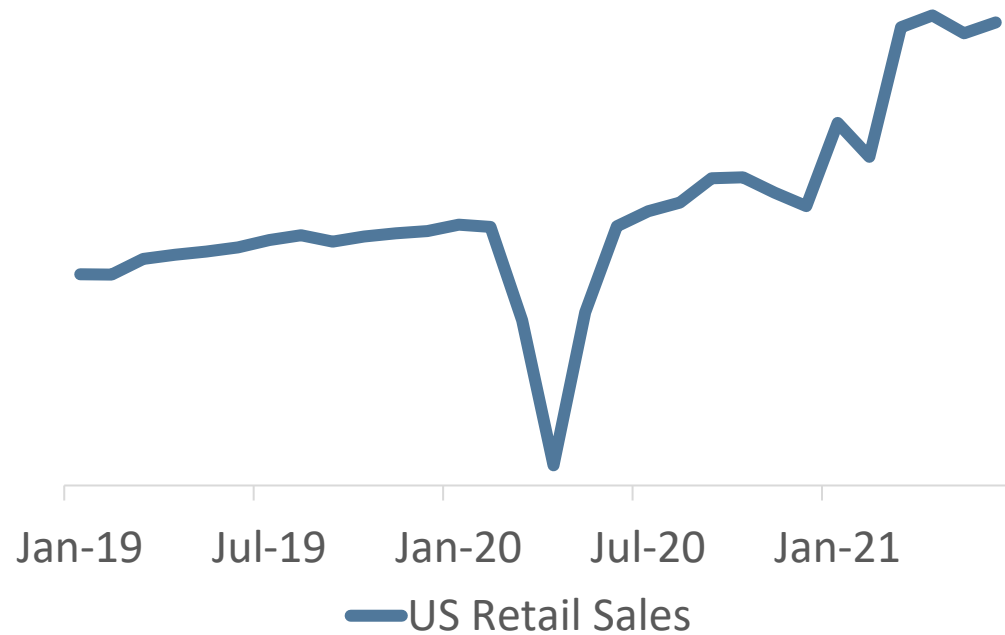
# One-way traffic driven by improving corporate earnings





# Reopening driving a strong economic rebound

Retail sales trending strongly...

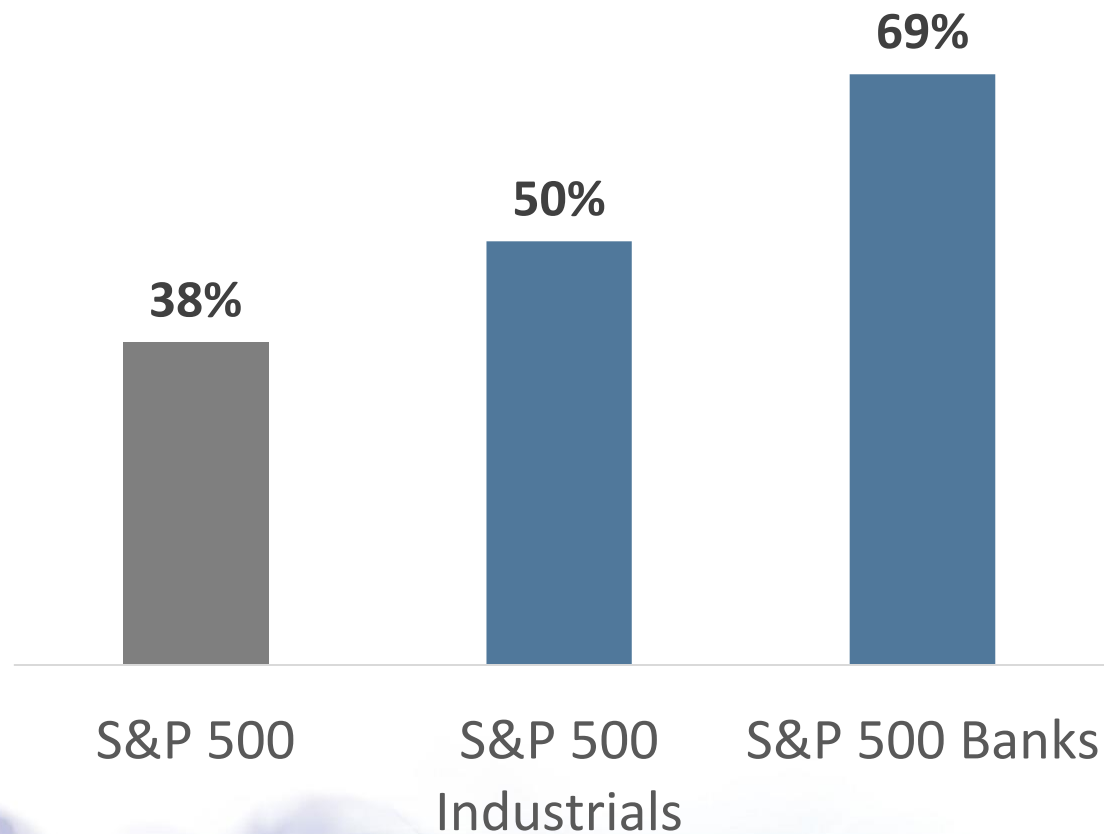


...and travel is coming back



# Cyclicals outperform last year's COVID-beneficiaries

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**amazon**

**+25%**

*Signature*  
SIGNATURE BANK®

**+134%**

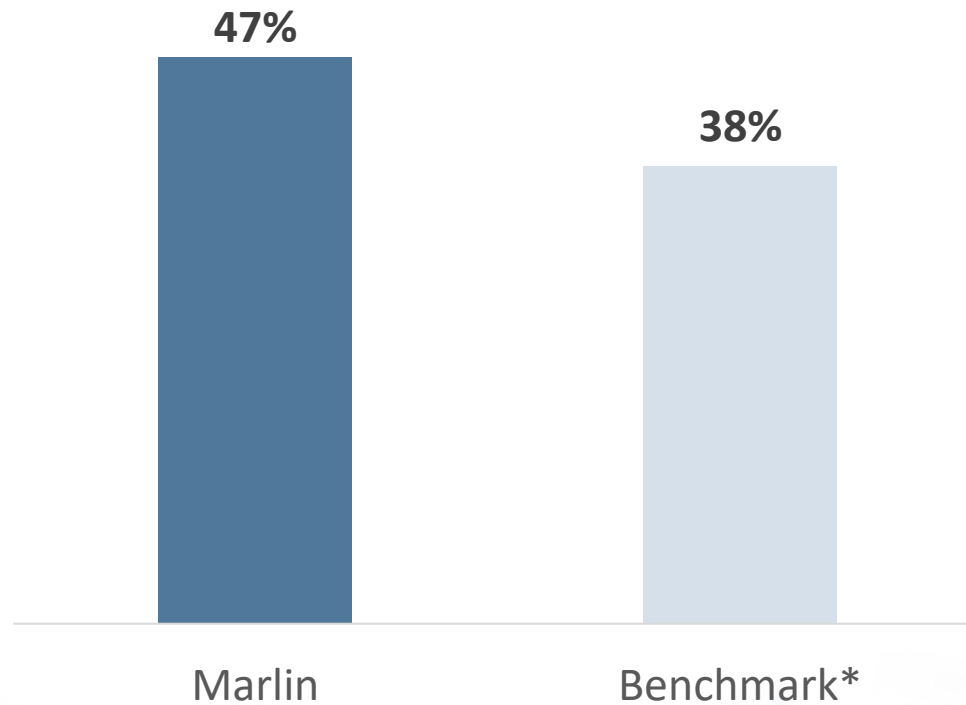
**maclin**  
growing globally

## 2. Company Performance

# Strong performance in a buoyant market

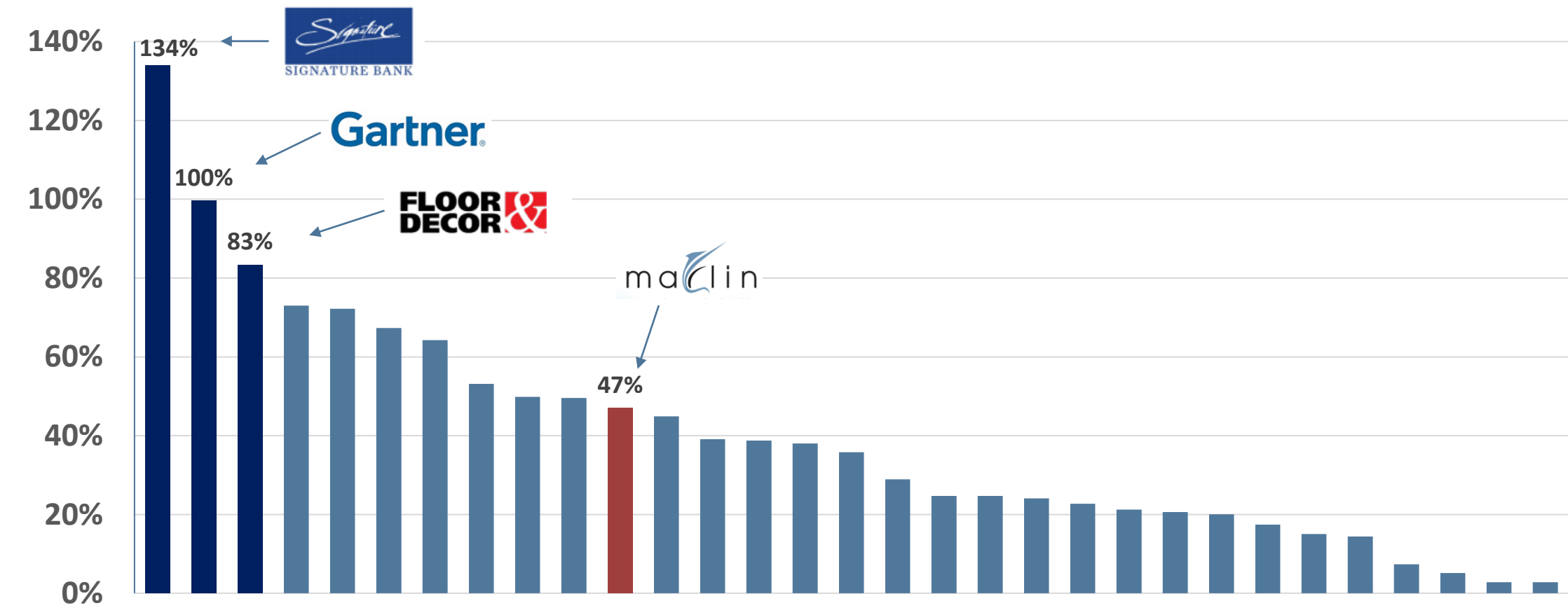
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## Marlin gross portfolio performance vs Global benchmark (%)



\* S&P Large Mid Cap/S&P Small Cap Index (hedged 50% to NZD)

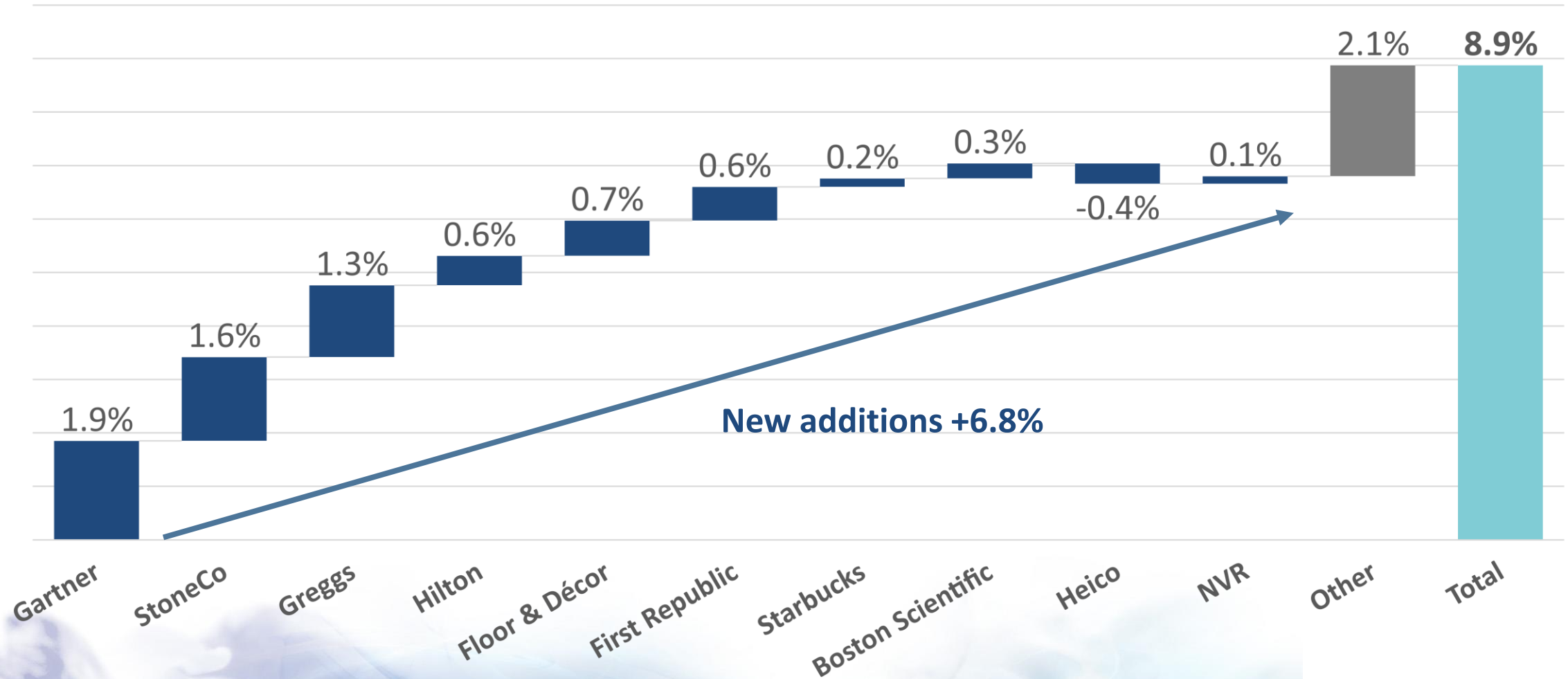
# Stock performance by company



Total Shareholder Return (%)  
*Marlin portfolio companies*



# New portfolio additions drove outperformance

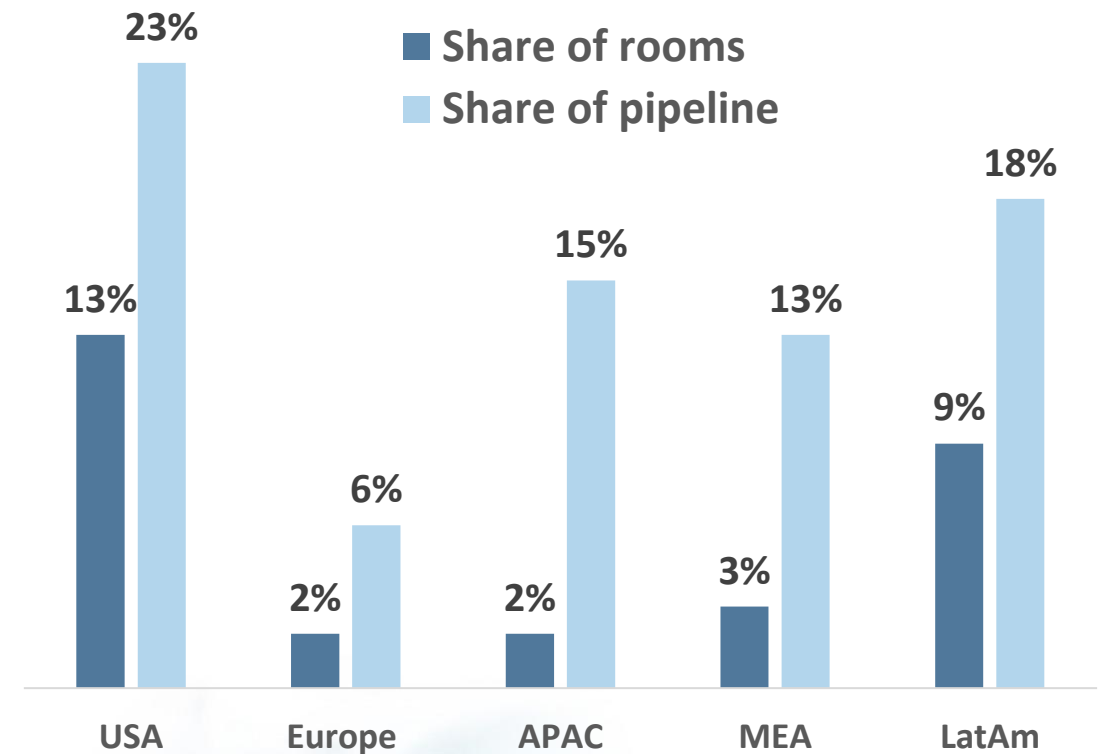


# Hilton: The Waldorf-Astoria of hotel stocks



- Leading global portfolio of hotel brands
- Fee-based business with minimal capital requirements
- 5% market share, but c.20% market share of future hotel openings
- Engaged customers with 118m loyalty members

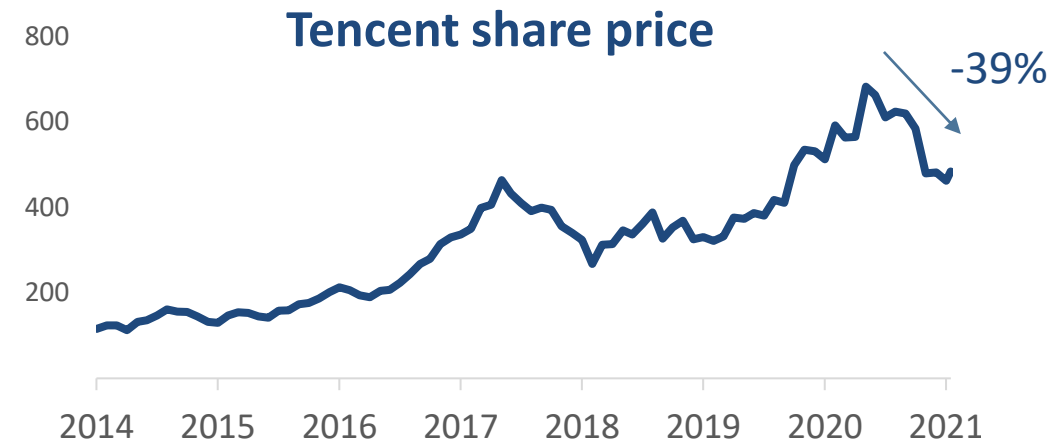
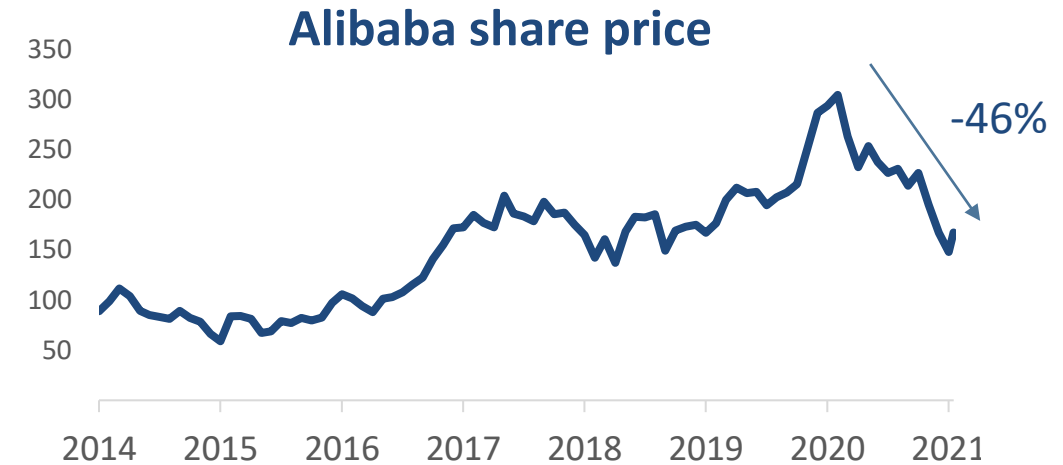
## Hilton - Market share by region



# China's regulatory crackdown impacting Alibaba and Tencent

Significant share market impact, but key regulatory changes seem measured and manageable for now

- **Anti-trust / competition**
  - End exclusive agreements, opening up platforms
- **Data and security**
  - Giving consumers more control of data
- **Fintech regulation**
  - Increased fintech oversight / regulation
- **Online gaming**
  - Limit children's time and money spent on gaming



# 3. Portfolio activity and positioning

# New additions bring diversity

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- Manufacturer of medical devices
- Taking share in a fast growing industry
- Proven track record of innovation and strong pipeline of new devices



- 4th largest homebuilder in the US
- Capital light business model
- Economies of scale benefits
- Taking share in a fragmented market



- Leading UK food-on-the-go brand
- Vertically integrated model
- High quality product at discount pricing
- Gaining share in fragmented market



- US bank for high-net-worth households
- Superior service offering
- Long track-record of growth
- Extremely prudent lending standards
- Well-run founde

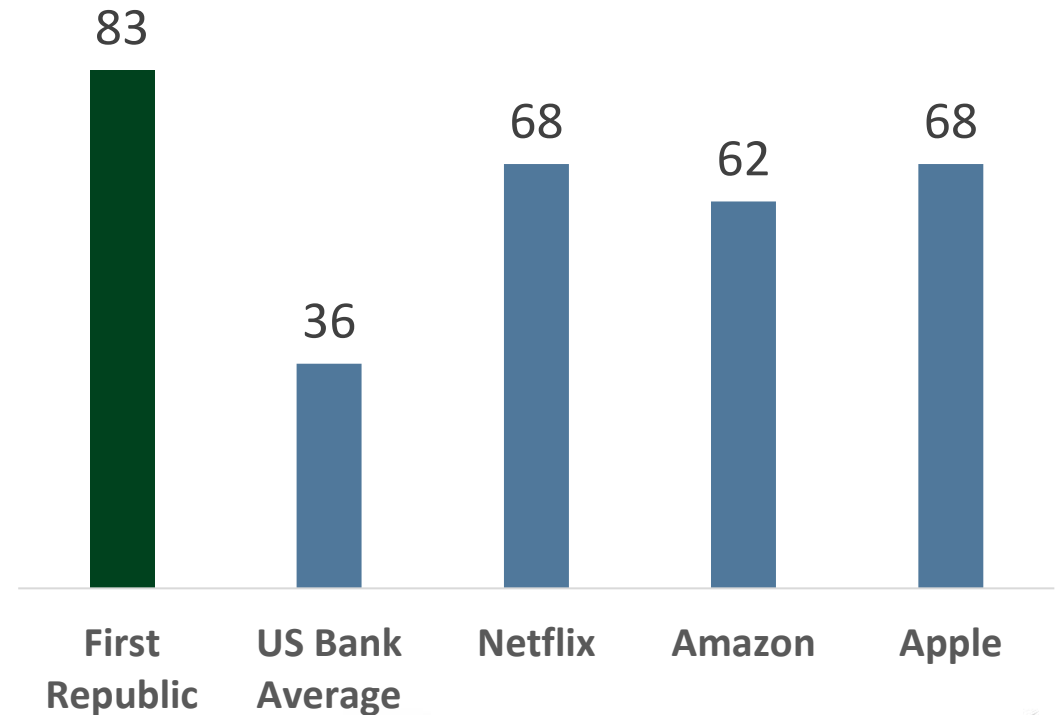


# First Republic: Service that delights



- Founder-led with a high touch relationship banking model
- Client satisfaction 2x the US banking industry
- Conservative lending and limited credit losses
- 15% pa revenue growth over last decade

## Client Satisfaction Score



*Satisfaction measured by Net Promoter Score.*

# Building an all-weather portfolio

## Economic scenarios

### *Strong economy*

**Cyclicals outperform**  
(housebuilders, industrials, banks)



### *Economy muddles through*

**Tech & growth stocks outperform**



### *Deep recession*

**Defensives outperform**  
(consumer staples, utilities)



***Diversification across sectors and economic sensitivity (cyclicals vs defensives) helps reduce exposure to any one economic scenario***

# 4. Outlook

# Outlook: a fork in the road

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- COVID recovery & healthy consumer driving economic growth, supply chain bottlenecks and inflation
- The inflation debate has broad implications for monetary policy, interest rates and financial markets
- High quality companies with pricing power have historically outperformed in periods of elevated inflation
  - e.g. Mastercard and PayPal well placed
- Portfolio now has greater exposure to cyclical companies, which would benefit from a prolonged upturn (e.g. banks and homebuilders)



# General Questions from Shareholders

(not relating to resolutions)



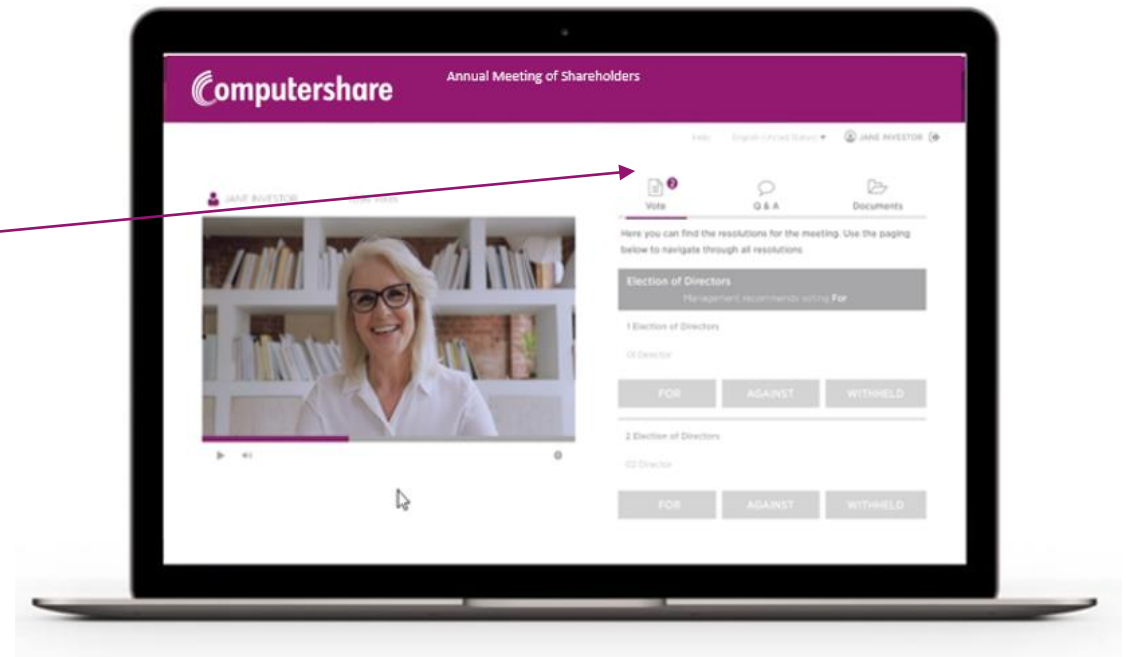
# Online Attendees – Voting Process

## Shareholder & Proxyholder Voting

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote'.



# Annual Meeting

## 2021 resolutions



# 2021 Annual Meeting Resolutions

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- Introduce and propose
- Discussion, questions
- Lodge your vote per the digital portal

# Matters of Business

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- Annual Report
- Resolutions:
  - Re-elect Carol Campbell
  - Elect David McClatchy
  - Auditor remuneration

## Resolution 1

# Re-election of Carol Campbell

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To re-elect Carol Campbell as a Director of  
Marlin Global Limited



## Resolution 2

# Election of David McClatchy

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To elect David McClatchy as a Director of  
Marlin Global Limited



## Resolution 3

# Auditor Remuneration

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That the Board of Directors be authorised to fix the remuneration of the auditor for the ensuing year

# Retirement – Carmel Fisher

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# Conclusion

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- Enter your votes via the digital portal
- Results to NZX





**Thank You**