



26th July 2021

For Public Release

KGF AGM Resolutions and Manager's Presentation

Kinetic Growth Fund Limited (KGF) held its Annual General Meeting of shareholders on Thursday, 22nd July 2021, at 10.30a.m.via Zoom.

At the AGM, the representative of KGF's Manager, Kontiki Capital Pte Ltd (KCL), presented on KGF's FY2020 performance and outlined KGF's strategic priorities for the intermediate term.

Resolutions passed by the shareholders were as follows:

Item 1 - Financial statements for the year ended 31 December, 2020

The audited financial statements together with the report of the directors and auditors for the financial year ended 31 December, 2020 were approved.

A motion was moved by Mr. Jack Lowenstein and seconded by Ms. Christina Kwan. By show of hands, the motion was passed unanimously by the shareholders.

Item 2 - Election of Directors

Mr. Jack Lowenstein retired by rotation in accordance with Article 52 of KGF's Articles of Association, and being eligible, offered himself for re-election. Mr. Lowenstein was re-elected.

A motion was moved by Mr. Philipp Thomas and seconded by Ms Jiutajia Matawalu. By show of hands, the motion was passed unanimously by the shareholders.

Mr. Philipp Thomas retired by rotation in accordance with Article 52 of KGF's Articles of Association, and being eligible, offered himself for re-election. Mr. Thomas was re-elected.

A motion was moved by Jack Lowenstein and seconded by Mr. Andy Yuen. By show of hands, the motion was passed unanimously by the shareholders.

Ms. Siale Yee whose term of office expired at the Annual General Meeting, was appointed in accordance with Article 50 of KGF's Articles of Association.

A motion was moved by Mr. Philipp Thomas and seconded by Mr. Andy Yuen. By show of hands, the motion was passed unanimously by the shareholders.

Item 3 - Appointment of Auditors

The Board proposal to re-appoint Messrs. Ernst & Young as Auditors for the next financial year was approved.

A motion was moved by Mr. Jack Lowenstein and seconded by Mr. Philipp Thomas. By show of hands, the motion was passed unanimously by the shareholders.

Item 4 – Articles of Association

The Board proposal to consider, and if thought fit, to adopt the new Articles of Association in accordance with the provisions of section 46 and any other applicable provisions of the Companies Act 2015 was approved.

A motion was moved by Ms. Philipp Thomas and seconded by Mr. Andy Yuen. By show of hands, the motion was passed unanimously by the shareholders.

Yours sincerely,



Erik Larson
Chair



Griffon Emose
Company Secretary

KINETIC GROWTH FUND



Annual General Meeting
22 July 2021

2020 Review

Financial Performance

■ Holding Company

■ Revenue	\$1,019,128	▲ 19.3%
■ NPAT	\$9,117	▼ 95.3%

■ Group

■ Revenue	\$ 1,399,451	▲ 10.4%
■ NPAT	\$(37,924)	2019: \$95,574

Key: ▼ Declined ▲ Improved

Key Factors to Performance

■ Holding Company

■ Unrealised gains	\$923,860	▲ 53.1%
■ Dividends received	\$91,072	▼ 60.2%
■ Write-down in DSF	\$0.2m (49.9%)	
■ Performance fee	\$0.00	2019: \$16,558

■ Group

■ OCL revenues	\$364,482	▼ 8.9%
■ OCL net loss	(\$47,041)	2019: (\$179,737)

Key: ▼ Declined ▲ Improved

Shareholders' Equity

- NAV per Share as at 31 December:
 - 2016 \$0.62
 - 2017 \$1.01 ▲ 62.9%
 - 2018 \$1.06 ▲ 5.0%
 - 2019 \$1.04 ▼ 2.0%
 - 2020 \$1.04 No change
- Over the last 3 years, shareholders equity grew by 12.3%
- No dividend declared or paid

Key: ▼ Declined ▲ Improved

Share Price

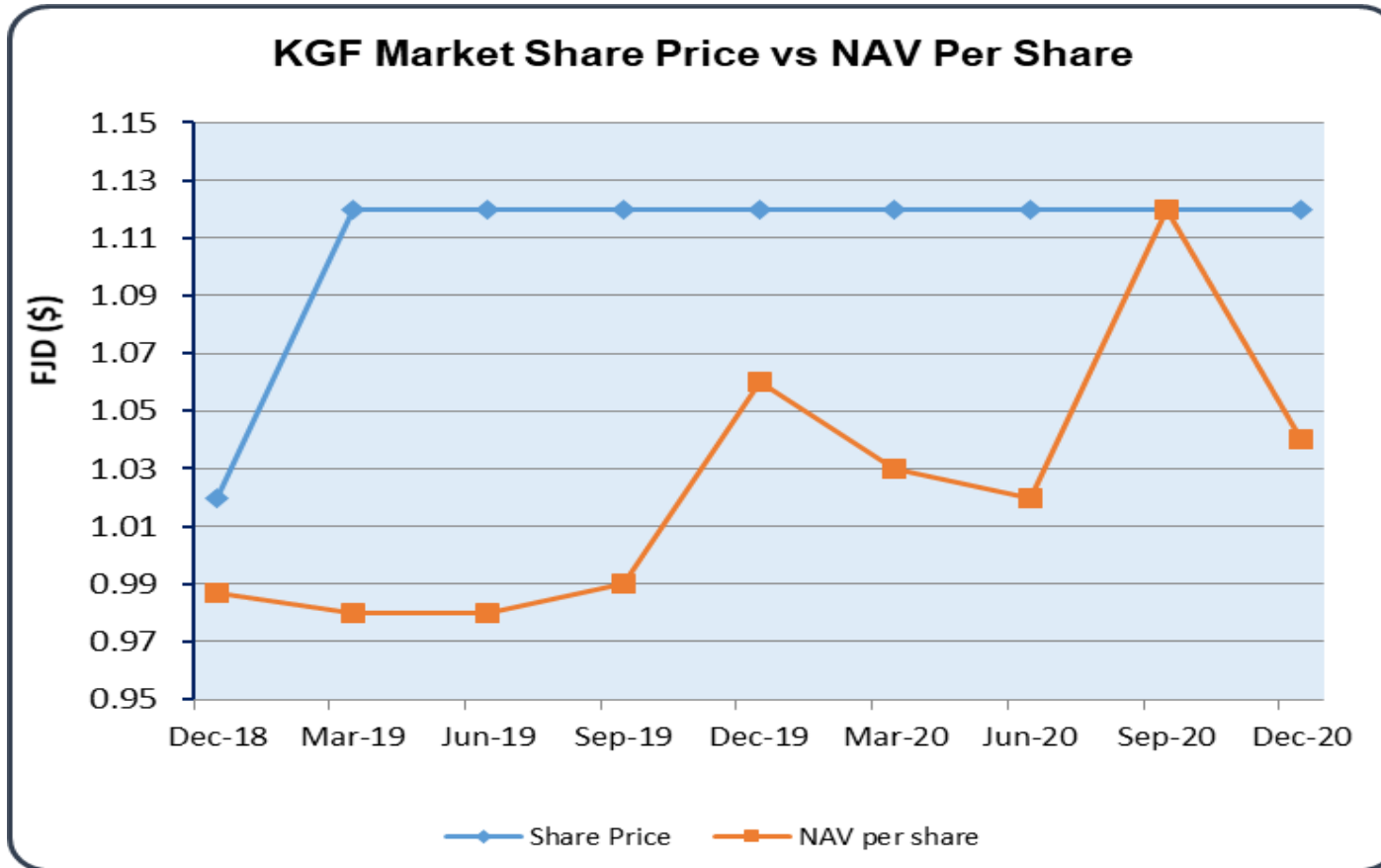
- Share price as at 31 December:

■ 2016	\$0.45	- 0.0%
■ 2017	\$0.53	▲ 17.8%
■ 2018	\$1.02	▲ 92.5%
■ 2019	\$1.12	▲ 9.8%
■ 2020	\$1.12	No change

- KGF shares traded at a 7.4% premium to NAV per share as at 31 December 2020

Key: ▼ Declined ▲ Improved

KGF Price vs NAV / Share



Equity Portfolio - 31 December 2020

Shares	Company		Cost (\$)	Market (\$)	% Net Assets
	<i>Oceanic Communications Pte Ltd</i>	Unquoted			
224,256	<i>OCL Preference Shares</i>		224,256	224,256	5.7%
N/A	<i>OCL Preference Share Dividends Receivable</i>		N/A	34,345	0.9%
	<i>Drone Services (Fiji) Pte Ltd</i>	Unquoted			
82,500	<i>DSF Ordinary Shares</i>		82,500	-	0.0%
217,500	<i>DSF Preference Shares</i>		217,500	120,030	3.0%
N/A	<i>DSF Preference Share Dividends Receivable</i>		N/A	56,080	1.4%
	<i>Island Quarries Pte Ltd</i>	Unquoted			
250,000	<i>IQL Convertible Notes</i>		250,000	250,000	6.3%
N/A	<i>IQL Preference Shares Receivable</i>		N/A	37,625	1.0%
138,254	<i>Halabe Investment Pte Ltd</i>	Unquoted	883,443	1,163,731	29.4%
231,097	<i>Pleass Global Ltd</i>	SPX: PBP	185,604	658,626	16.6%
94,234	<i>FMF Foods Ltd</i>	SPX: FMF	48,194	198,834	5.0%
692,967	<i>Kontiki Finance Ltd</i>	SPX: KFL	253,681	741,475	18.7%
2,492,048	<i>Fiji Kava Ltd</i>	ASX: FIJ	371,328	472,113	11.9%
Total Financial Assets			2,516,505	3,957,115	100.0%
			Cost (\$)	Market (\$)	% Net Assets
Private Equity			1,657,699	1,758,017	45.9%
Listed Equity			858,806	2,071,048	54.1%

Listed Portfolio

Listed Shares

Shares	Company	Cost (\$)	Market (\$)	% Net Assets
231,097	Pleass Global Ltd	185,604	658,626	16.6%
94,234	FMF Foods Ltd	48,194	198,834	5.0%
692,967	Kontiki Finance Ltd	253,681	741,475	18.7%
2,492,048	Fiji Kava Ltd	371,328	472,113	11.9%

Performance

■ Dividends

■ FY2017	\$0.23m	▲ 259.5%
■ FY2018	\$0.03m	▼ 85.8%
■ FY2019	\$0.03m	▼ 11.0%
■ FY2020	\$0.04m	▲ 44.4%
■ Paid by FMF, PBP, KFL		

■ Unrealised capital gains

■ FY2017	\$1.31m	▲ 465.2%
■ FY2018	\$0.63m	▼ 51.3%
■ FY2019	\$0.60m	▼ 4.4%
■ FY2020	\$0.92m	▲ 53.1%

Key: ▼ Declined ▲ Improved

Private Equity Portfolio

Halabe Investments

Performance

- Total Operating income \$393,384 ▼ 28.3%
 HIL sold 1 unit in Viti Towers during the year
- EBITDA \$70,039
- NPAT \$11,438
- Occupancy rate down to 80.0%
- Rent freeze remains in place
- KGF received \$50,000 dividend from unit sale

Key: ▼ Declined ▲ Improved

2021 Update

- Occupancy rates remain depressed
- Strategy of selling off assets to realise value to continue
- But depressed property market currently
- Dividends if further sales of property assets occur

Oceanic Communications Ltd

Performance

- Revenues \$364,482 ▼ 8.9%
- NPAT (\$47,041) 2019: \$(179,737)
- Constrained market during 2020 due to COVID-19
- No preference share dividends paid to KGF over the year
- Company focused on cost control while protecting revenues
 - Salary cuts
 - Set-up for new business lines

Key: ▼ Declined ▲ Improved

2021 Update

- Major impact by COVID-19 on advertising industry
- Constrained environment expected to continue into 2022
- Resumed repayment of preference share dividends
- Focus on:
 - Cost control
 - Collection from debtors
 - New client acquisition
 - New business lines e.g. social media campaign management

Drone Services

Performance

- Total Operating income \$346,669 ▼ 9.4%
- NPAT (\$241,147) 2019: (\$115,974)
- Unit sales and associated training has been main segment
 - \$0.28m increase on 2019
 - All other segments virtually non-earning
- Minimal payments preference share dividends to KGF over the year

Key: ▼ Declined ▲ Improved

2021 Update

- Major impact by COVID-19
 - Up-tick in unit sales and associated training for enforcement agencies
 - Other segments down
 - Constrained environment expected to continue into 2022
 - CEO remains in Australia
- Accounting now fully outsourced
- Continued repayment of preference share dividends
- Focus remains on winning new business and cost control
 - Substantial new contract for unit sales starting in 2022

Island Quarries

Update

- \$170k of \$250k drawn down at time of closure
 - Landslide in March 2020
- Focus on:
 - Recommencement of operations
 - Quarry operations partner
- Company cleared by Govt to recommence once rehab programme complete
- Several potential partners pending recommencement of operations

Other Highlights & Way Forward

Other Highlights in 2020

- Welcomed Andy Yuen and Siale Yee as new directors
- Implemented new policies for corporate governance
 - Board charter
 - Whistleblower policy
 - Grievance redressal mechanism
 - Insider trading policy
 - Investment and trading policy
- No share buy-backs during the year

Focus for 2021 and Beyond

- COVID-19 has had a significant effect on investment generally
- Continue to grow NTA per Share
- Renew investment portfolio with profitable opportunities
 - Discussions with various potential investments on-going
- Continue to work closely with subsidiary companies to enhance value and address impacts of COVID
 - Monitor performance
 - Financial management and advisory support
 - Strategy and planning

Thank You