



Kingfish Limited

# Annual Meeting of Shareholders

28 July 2017



# Introduction

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## Board of Directors

- Alistair Ryan (Chair)
- Carmel Fisher
- Carol Campbell
- Andy Coupe

## Senior Portfolio Manager

- Sam Dickie

## Senior Investment Analyst

- Zoie Regan

## Investment Analyst

- Matt Peek



# Agenda

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- Preliminary matters
  - Annual Report and minutes
  - Class financial advice
- Chair's Update
- Manager's Review
- Q&A
- Annual Meeting Resolutions



# Chair's Overview

Presentation of Annual Result



# Investment Objectives

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- A high real rate of return
  - income and capital growth
  - within acceptable risk parameters
- Access to a diversified portfolio
  - New Zealand quality, growth stocks
  - single tax-efficient vehicle



# Highlights of 2017

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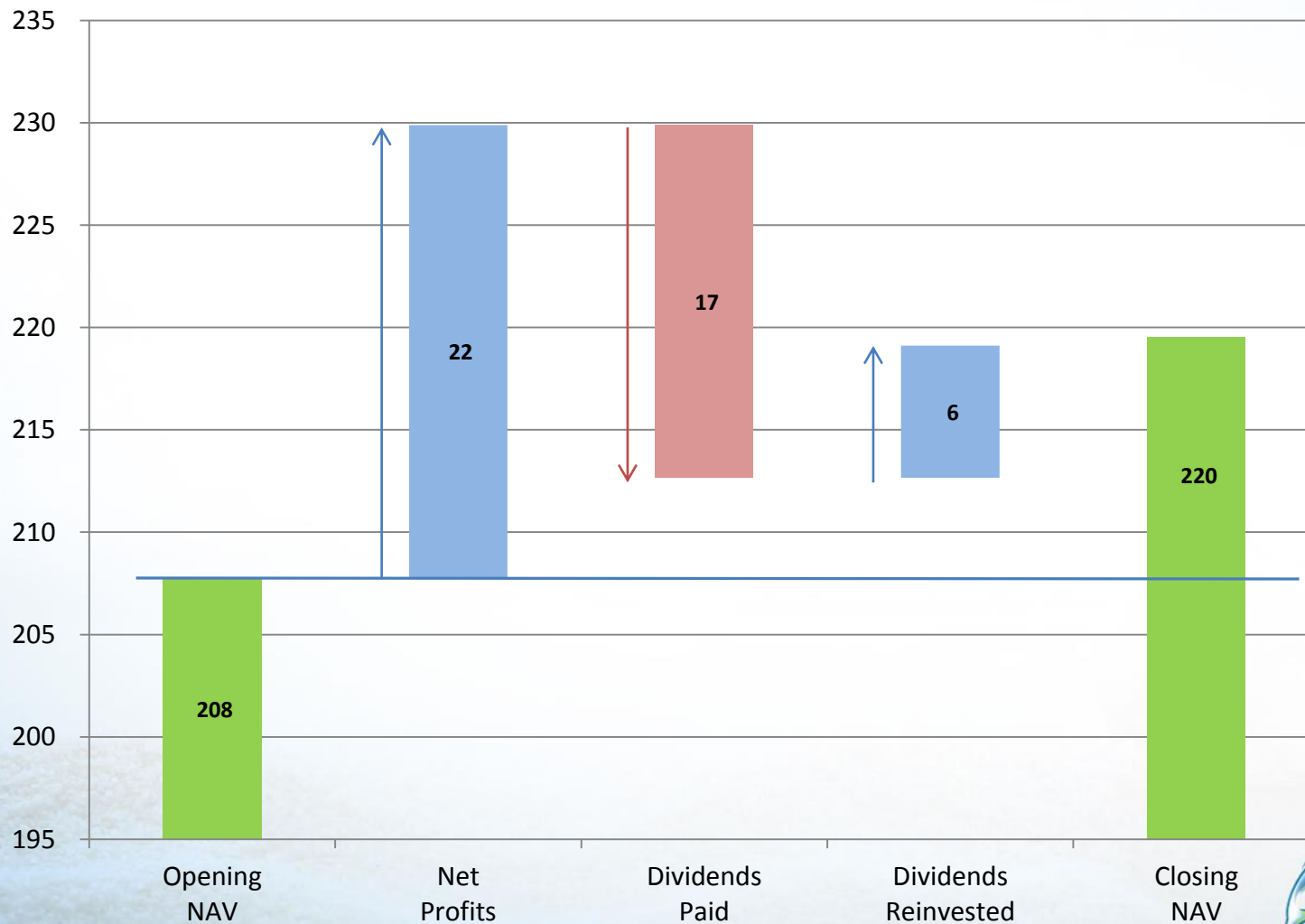
- Net profit \$22.4m (2016: \$22.5m)





# Use of Shareholders' Funds

Year ended 31 March 2017 (\$m)



# Highlights of 2017

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- Net profit \$22.4m (2016: \$22.5m)
- Total Shareholder Return\* +8.1% (2016: +3.3%)

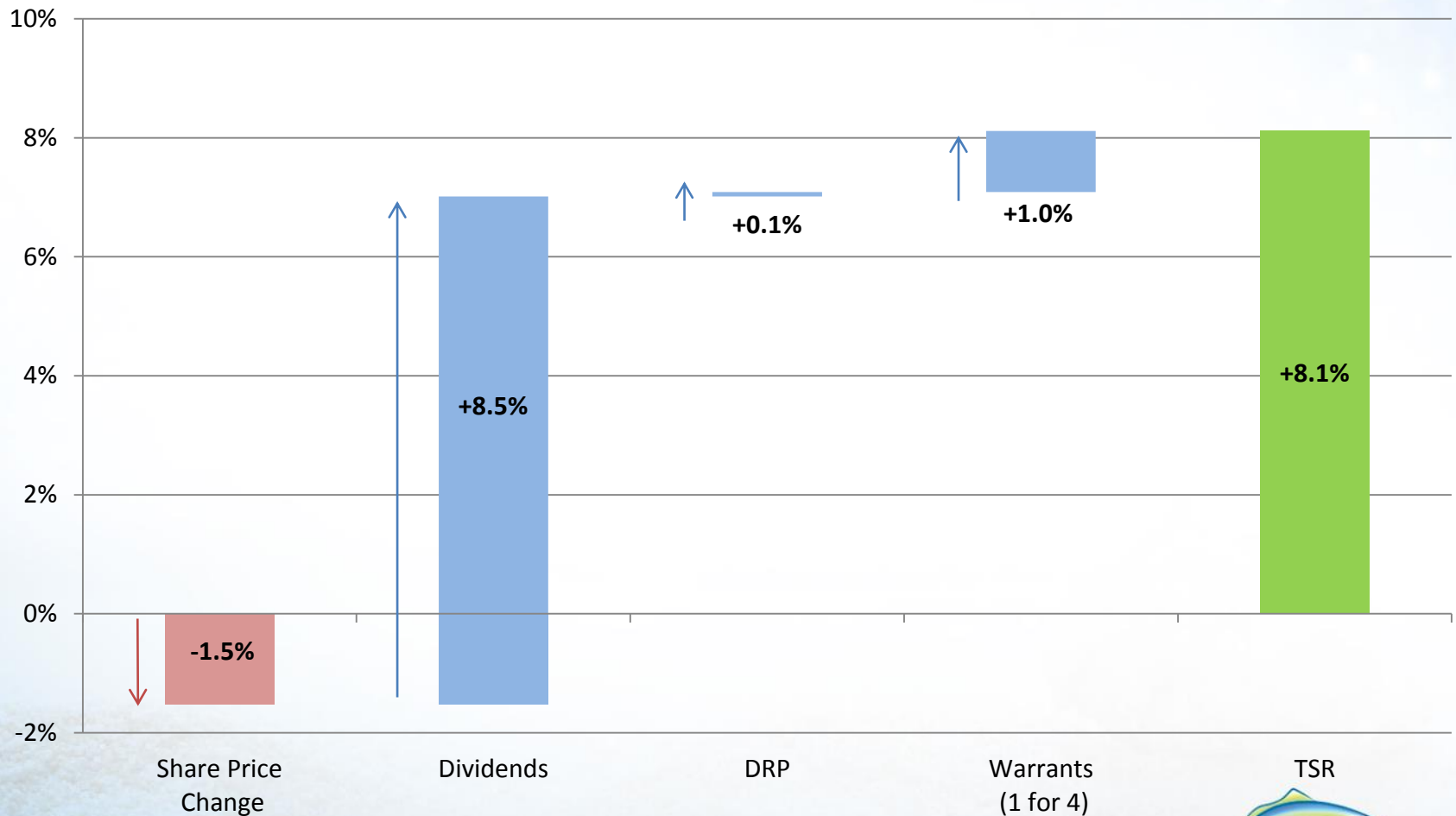
*\*Assumes all dividends are reinvested and all warrants are exercised, but excludes imputation credits*





# Total Shareholder Return

1 year to 31 March 2017



# Highlights of 2017

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- 11.16 cents per share paid in dividends (2016: 10.60 cents per share)

*\*Assumes all dividends are reinvested and all warrants are exercised, but excludes imputation credits*



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- NAV per share \$1.40 (2016: \$1.37)

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# Highlights of 2017

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- Dividend Return 8.5% (2016: 7.7%)
- NAV per share \$1.40 (2016: \$1.37)
- Adjusted NAV return 10.6% (2016: 13.0%)

*\*Assumes all dividends are reinvested and all warrants are exercised, but excludes imputation credits*



# Manager's Performance

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- Outperformance by the Manager

	For the year to 31 March 2017	5 years (annualised)
Gross Performance*	13.3%	18.1%
S&P/NZX50G	6.6%	15.4%

*\*Gross of fees and tax and adjusting for capital management initiatives*





# Warrants

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- Successful warrant issue
- Exercise date: 5 May 2017
- Exercise price: \$1.21 per warrant
- 76% of warrants converted into shares
- \$35.2m to invest in the Kingfish portfolio



# Manager's Review

Sam Dickie



# Its great to be home!

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- NZ investment landscape in 2017 has changed for the better
- Very different equity markets
- High quality NZ companies
- Successfully expanding abroad



**trademe**  
Where Kiwis Buy and Sell



**VISTA**  
GROUP

**MAINFREIGHT**

**Fisher & Paykel**  
HEALTHCARE

— EST 1947 —  
**DELEGAT**

**KINGFISH**  
LANDING TOMORROW'S TROPHIES

# A portfolio built on solid foundations

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- Over 100 company meetings in 4 months
- Quality businesses with strong management teams
- Generally the portfolio was in great shape – credit to Carmel, Murray and the team

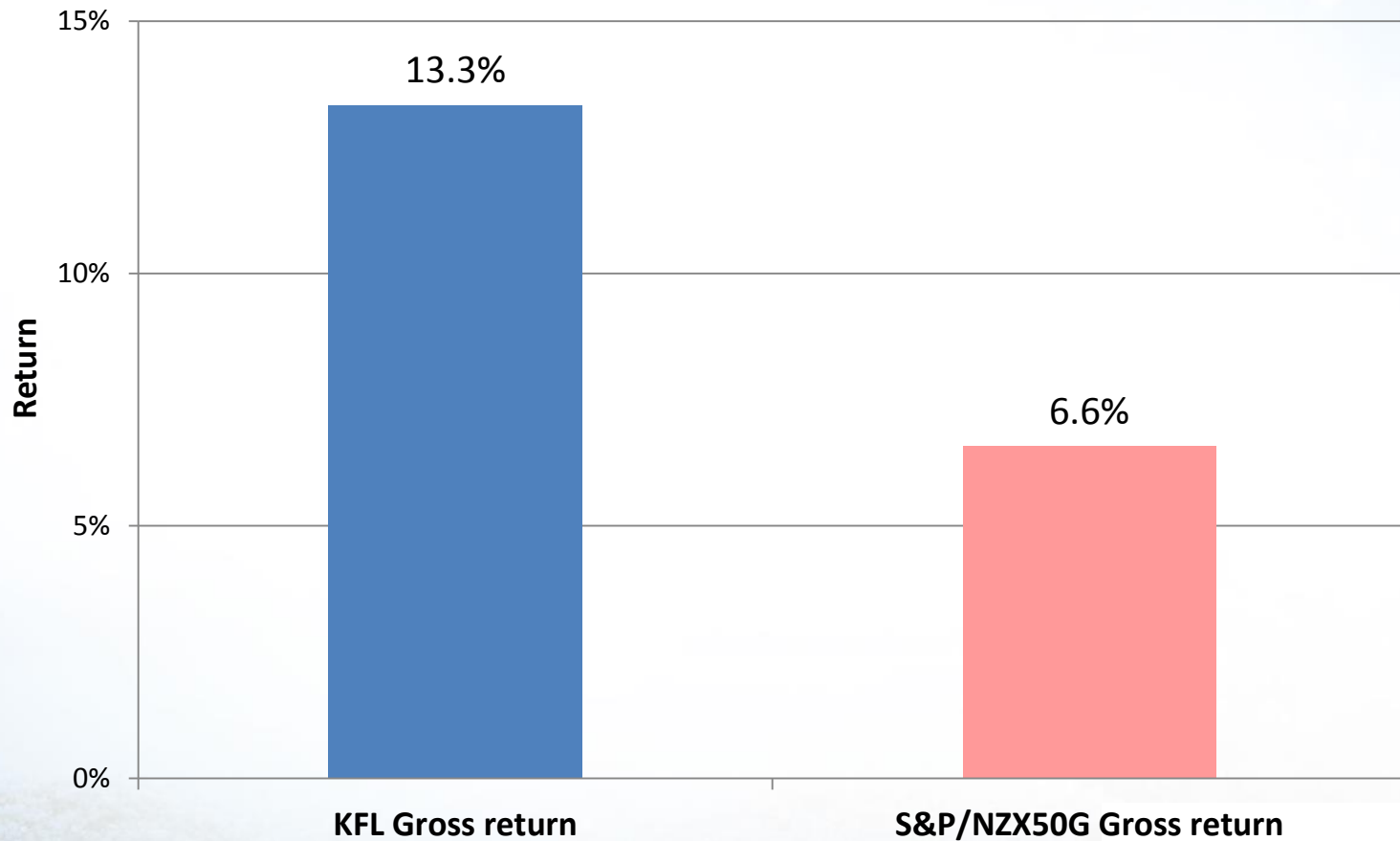


michael hill



# Strong performance in FY2017

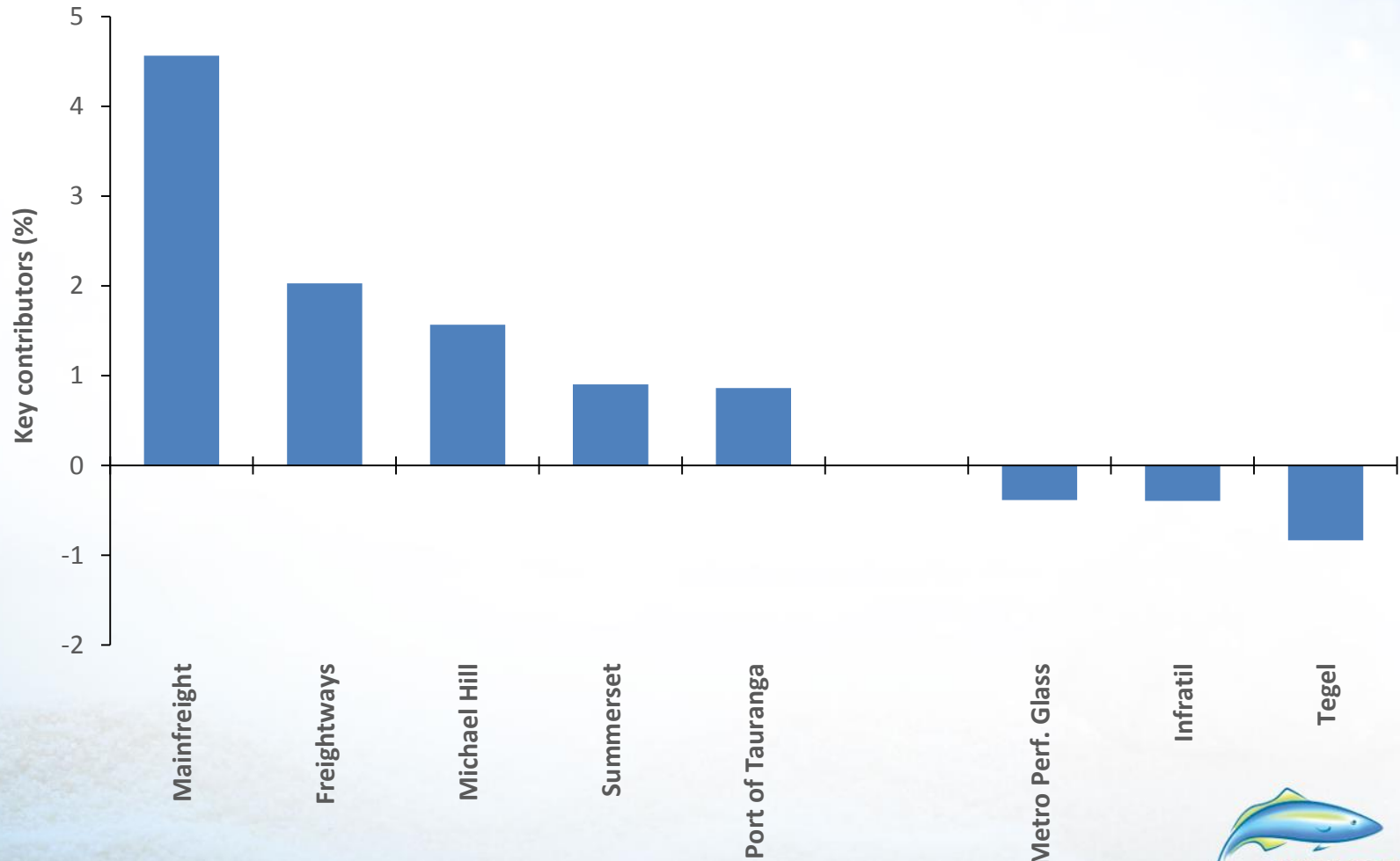
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**Strong gross performance, comfortably outperforming the S&P/NZX50G**




# Key contributors to our performance

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# What worked in FY2017

	TSR
	47%
	25%
michael hill	63%
	18%

# What didn't work in FY2017

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TSR



-16%



-5%



-18%

# Restaurant Brands – upweighting

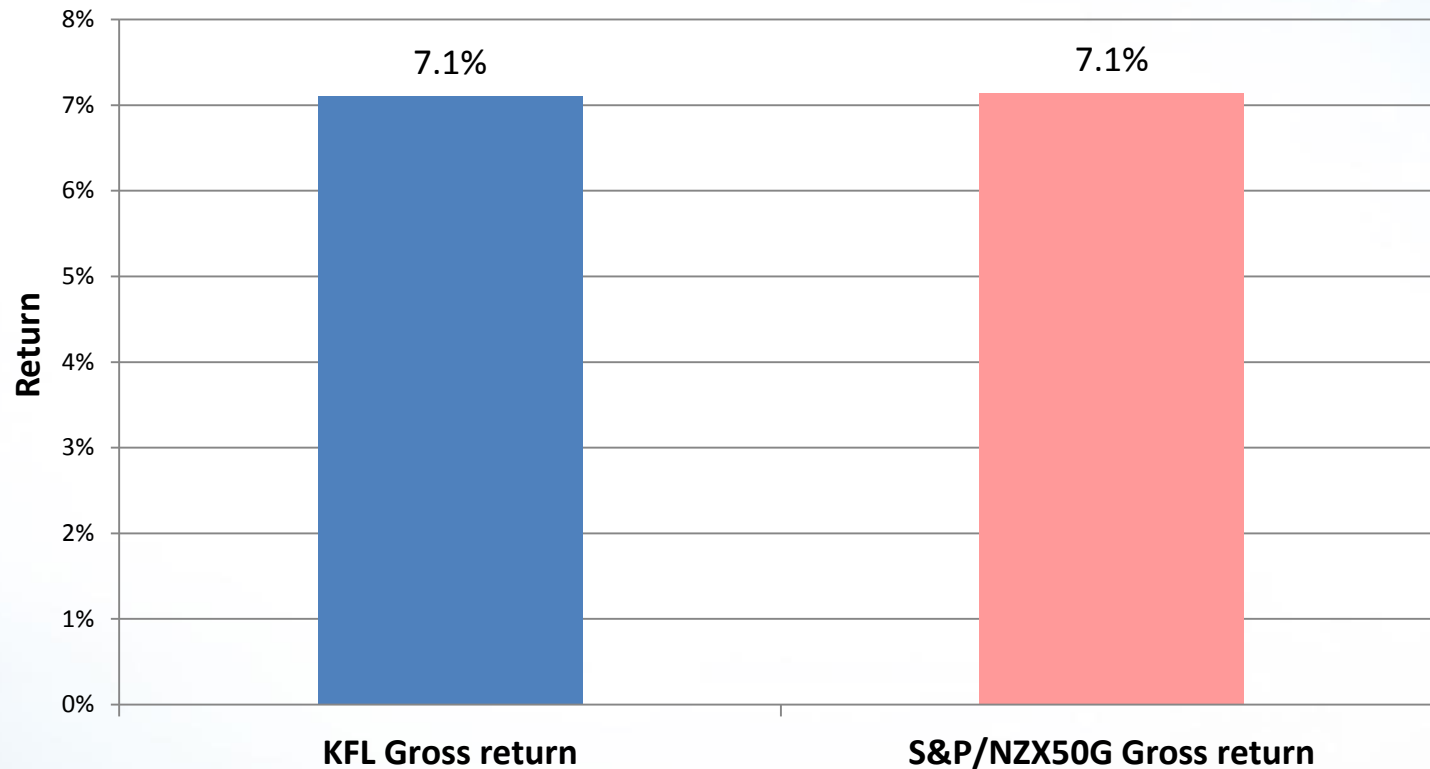
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- Excellent performance in New Zealand operations (especially KFC)
- Best in class franchisee globally
- Taking that expertise outside NZ
- Offshore acquisitions provide new growth opportunities



# FY2018 performance to date

1 April to 26 July 2017



**Strong returns in FY18 YTD**



# Outlook

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- Opportunities
  - Quality growth companies with quality management
  - Key portfolio holdings are well prepared for the future
  - Supported by solid growth outlook
  - While valuations remain 'full' in absolute terms, they look very reasonable relative to global markets
- Risks
  - Uncertainty from New Zealand election in September
  - Slowly increasing interest rate environment



# Manager's summary

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- Solid absolute and relative performance
- 8 consecutive years of positive performance
- Positive about our investments
- Constantly looking for new opportunities
- Active management of existing positions also drives performance





# General Questions from Shareholders

(not relating to resolutions)



# Annual Meeting

2017 resolutions



# 2017 Annual Meeting Resolutions

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- Introduce and propose
- Discussion, questions
- Enter your vote on voting paper and lodge your voting paper at end of resolutions



# Matters of Business

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- Annual Report
- Resolutions:
  - Re-elect Andy Coupe
  - Auditor remuneration
  - Directors' remuneration

# Proxy Count

Resolution	For	Against	Discretionary	Total	Abstain
Re-elect Andy Coupe	16,264,134	62,852	1,961,250	18,288,236	118,858
Auditor Remuneration	16,412,668	20,586	1,919,465	18,352,719	54,375
Directors' Remuneration	6,132,508	2,532,133	2,038,127	10,702,768	7,704,326

Proxy votes to date: 18.3 million



# Resolution 1

## Re-election of Andy Coupe

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*To re-elect Andy Coupe as a director of the company*



## Resolution 2

# Auditor's Remuneration

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*To authorise the Board of Directors to fix the remuneration of the auditor for the ensuing year*



# Resolution 3

## Directors' Remuneration

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*To authorise that the maximum aggregate remuneration able to be paid to all directors (in their capacity as directors) of the company be increased by \$20,000 per annum from \$105,000 to \$125,000 (plus GST if any)*



# Conclusion

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- Complete and sign voting paper
- Voting papers in the voting boxes
- If you need a voting paper please see Computershare
- Results to NZX



**Thank you**

