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**KINGFISH LIMITED**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**  
**CONTENTS**

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	<b>Page</b>
Statement of Comprehensive Income	1
Statement of Changes in Equity	2
Statement of Financial Position	3
Statement of Cash Flows	4
Notes to the Interim Financial Statements	5

**KINGFISH LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

	Notes	6 months ended 30-Sep-23 unaudited \$000	6 months ended 30-Sep-22 unaudited \$000
Interest income		452	146
Dividend income		5,217	4,849
Net change in fair value of investments	2	(17,966)	(50,925)
<b>Total (loss)</b>		<b>(12,297)</b>	<b>(45,930)</b>
Operating expenses	3	2,391	2,458
<b>Net (loss) before tax</b>		<b>(14,688)</b>	<b>(48,388)</b>
Total tax expense		12	12
<b>Net (loss) after tax attributable to shareholders</b>		<b>(14,700)</b>	<b>(48,400)</b>
<b>Total comprehensive (loss) after tax attributable to shareholders</b>		<b>(14,700)</b>	<b>(48,400)</b>
<b>Basic (losses) per share</b>	5	<b>(4.44c)</b>	<b>(15.02c)</b>
<b>Diluted (losses) per share</b>	5	<b>(4.44c)</b>	<b>(15.02c)</b>

The accompanying notes form an integral part of these financial statements.

**KINGFISH LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

<i>Attributable to shareholders of the Company</i>			
Notes	Share Capital \$000	Retained Earnings \$000	Total Equity \$000
<b>Balance at 1 April 2022 (audited)</b>	<b>392,554</b>	<b>112,855</b>	<b>505,409</b>
<b>Comprehensive (loss)</b>			
Net (loss) after tax	-	(48,400)	(48,400)
<b>Total comprehensive loss for the period ended 30 September 2022</b>	<b>-</b>	<b>(48,400)</b>	<b>(48,400)</b>
<b>Transactions with shareholders</b>			
Dividends paid	4 (d)	-	(19,283)
New shares issued under dividend reinvestment plan	4 (e)	6,643	-
Costs relating to warrants issued		(3)	-
<b>Total transactions with shareholders for the period ended 30 September 2022</b>		<b>6,640</b>	<b>(19,283)</b>
<b>Balance at 30 September 2022 (unaudited)</b>	<b>399,194</b>	<b>45,172</b>	<b>444,366</b>
<b>Balance at 1 April 2023 (audited)</b>	<b>405,928</b>	<b>55,656</b>	<b>461,584</b>
<b>Comprehensive (loss)</b>			
Net (loss) after tax	-	(14,700)	(14,700)
<b>Total comprehensive (loss) for the period ended 30 September 2023</b>	<b>-</b>	<b>(14,700)</b>	<b>(14,700)</b>
<b>Transactions with shareholders</b>			
Dividends paid	4 (d)	-	(18,576)
Shares utilised from treasury stock under dividend reinvestment plan	4 (e)	482	-
New shares issued under dividend reinvestment plan	4 (e)	6,152	-
Costs relating to warrants issued	4 (c)	(13)	-
Share buybacks	4 (b)	(492)	-
<b>Total transactions with shareholders for the period ended 30 September 2023</b>		<b>6,129</b>	<b>(18,576)</b>
<b>Balance at 30 September 2023 (unaudited)</b>	<b>412,057</b>	<b>22,380</b>	<b>434,437</b>

The accompanying notes form an integral part of these financial statements.

**KINGFISH LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2023**

	Notes	30-Sep-23 unaudited \$000	31-Mar-23 audited \$000
<b>SHAREHOLDERS' EQUITY</b>		<b>434,437</b>	<b>461,584</b>
Represented by:			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		8,999	6,396
Trade and other receivables		2,312	2,652
Investments at fair value through profit or loss	2	423,895	453,179
<b>Total Current Assets</b>		<b>435,206</b>	<b>462,227</b>
<b>TOTAL ASSETS</b>		<b>435,206</b>	<b>462,227</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		769	643
<b>Total Current Liabilities</b>		<b>769</b>	<b>643</b>
<b>TOTAL LIABILITIES</b>		<b>769</b>	<b>643</b>
<b>NET ASSETS</b>		<b>434,437</b>	<b>461,584</b>

These interim financial statements have been authorised for issue for and on behalf of the Board by:



R A Coupe  
Chairman  
20 November 2023



C A Campbell  
Chair of the Audit and Risk Committee  
20 November 2023

The accompanying notes form an integral part of these financial statements.

**KINGFISH LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

	Notes	6 months ended 30-Sep-23 unaudited \$000	6 months ended 30-Sep-22 unaudited \$000
<b>Operating Activities</b>			
Sale of investments		53,489	49,525
Interest received		451	144
Dividends received		3,175	4,542
Purchase of investments		(40,791)	(38,621)
Operating expenses		(1,262)	(2,007)
Taxes paid		(12)	(12)
<b>Net cash inflows from operating activities</b>	<b>6</b>	<b>15,050</b>	<b>13,571</b>
<b>Financing Activities</b>			
Warrant issue costs		(13)	(3)
Share buybacks		(492)	-
Dividends paid (net of dividends reinvested)		(11,942)	(12,640)
<b>Net cash (outflows) from financing activities</b>		<b>(12,447)</b>	<b>(12,643)</b>
<b>Net increase in cash and cash equivalents held</b>		<b>2,603</b>	<b>928</b>
Cash and cash equivalents at beginning of the period		6,396	8,006
<b>Cash and cash equivalents at the end of the period</b>		<b>8,999</b>	<b>8,934</b>

The accompanying notes form an integral part of these financial statements.

**Note 1 Basis of Accounting**

**Reporting Entity**

Kingfish Limited ("Kingfish" or "the Company") is listed on the NZX Main Board, is registered in New Zealand under the Companies Act 1993 and is an FMC Reporting Entity under the Financial Markets Conduct Act 2013.

The Company's registered office is Level 1, 67-73 Hurstmere Road, Takapuna, Auckland.


**Basis of Preparation**

The interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with the International Accounting Standard 34 *Interim Financial Reporting* and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting*.


The interim financial statements do not include all of the information required for full year financial statements and should be read in conjunction with the Company's annual financial report for the year ended 31 March 2023.

These interim financial statements cover the unaudited results from operations for the six months ended 30 September 2023.

**Accounting Policies**

The Company has applied consistent accounting policies in the preparation of these interim financial statements as for the 2023 full year financial statements. Accounting policies that are relevant to an understanding of the financial statements are designated by a  symbol.

**Critical Judgements, Estimates and Assumptions**

The preparation of interim financial statements requires the directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Judgements are designated by a  symbol in the notes to the interim financial statements. There were no material estimates or assumptions required in the preparation of these interim financial statements.

**Authorisation of Interim Financial Statements**

The Kingfish Board of Directors authorised these interim financial statements for issue on 20 November 2023.

No party may change these interim financial statements after their issue.

**Note 2 Investments**

**j**

Given that the investment portfolio is managed, and performance is evaluated, on a fair value basis in accordance with a documented investment strategy, Kingfish has classified all of its investments at fair value through profit or loss.

The fair value of investments traded in active markets are based on last sale prices at balance date, except where the last sale price falls outside the bid-ask spread for a particular investment, in which case the bid price will be used to value the investment. All investments were valued at last sale price (31 March 2023: All investments were valued at last sale price).

**KINGFISH LIMITED**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

**Note 2 Investments (continued)**

	30-Sep-23	31-Mar-23
	unaudited	audited
	\$000	\$000
Investments at Fair Value through Profit or Loss		
New Zealand investments	423,895	453,179
<b>Total investments at fair value through profit or loss</b>	<b>423,895</b>	<b>453,179</b>

**j** All investments held by Kingfish are categorised as Level 1 in the fair value hierarchy. There have been no transfers between levels of the fair value hierarchy during the period (30 September 2022: none).

	6 months ended	6 months ended
	30-Sep-23	30-Sep-22
	unaudited	unaudited
	\$000	\$000
Net Change in Fair Value of Investments		
New Zealand investments	(17,966)	(50,925)
<b>Net change in fair value of investments</b>	<b>(17,966)</b>	<b>(50,925)</b>

	6 months ended	6 months ended
	30-Sep-23	30-Sep-22
	unaudited	unaudited
	\$000	\$000
<b>Note 3 Operating Expenses</b>		
Management fees (note 7(a)(i))	1,736	1,772
Administration services (note 7(a)(i))	79	79
Directors' fees (note 7(b))	93	92
Custody, accounting and brokerage	222	239
Investor relations and communications	124	113
NZX fees	31	50
Professional fees	21	22
Fees paid to the auditor:		
Statutory audit and review of financial statements	26	26
Regulatory expenses	23	29
Other operating expenses	36	36
<b>Total operating expenses</b>	<b>2,391</b>	<b>2,458</b>

**Note 4 Shareholders' Equity**

**a. Share Capital**

Kingfish has 335,189,705 fully paid ordinary shares on issue (31 March 2023: 330,213,075). All ordinary shares rank equally and have no par value. All shares carry an entitlement to dividends and one vote is attached to each fully paid ordinary share.

**b. Buybacks**

Kingfish maintains an ongoing share buyback programme. In the six-month period to 30 September 2023, Kingfish acquired 379,378 shares valued at \$491,624 (30 September 2022: nil) under the programme which allows up to 5% of the ordinary shares on issue (as at the date 12 months prior to the acquisition) to be acquired. Shares acquired under the buyback programme are held as treasury stock and subsequently utilised under the dividend reinvestment plan. There were no shares held as treasury stock at balance date (31 March 2023: nil).

**c. Warrants**

On 6 July 2023, 83,105,144 new Kingfish warrants were allotted and quoted on the NZX Main Board. One new warrant was issued to all eligible shareholders for every four shares held on record date (5 July 2023).

Warrant issue costs of \$13,413 were incurred in August relating to the July 2023 warrant issue.

**Note 4 Shareholders' Equity (continued)**

**d. Dividends**

Kingfish has a distribution policy whereby 2% of average NAV is distributed each quarter. Dividends paid during the period comprised:

	2023 \$000	Cents per share		2022 \$000	Cents per share
23 Jun 2023	9,301	2.82	23 Jun 2022	10,140	3.16
22 Sep 2023	9,275	2.79	23 Sep 2022	9,143	2.83
	<b>18,576</b>	<b>5.61</b>		<b>19,283</b>	<b>5.99</b>

**e. Dividend Reinvestment Plan**

Kingfish has a dividend reinvestment plan which provides ordinary shareholders with the option to reinvest all or part of any cash dividends in fully paid ordinary shares at a 3% discount to the five-day volume weighted average share price from the date the shares trade ex-entitlement. During the period ended 30 September 2023, 5,356,008 ordinary shares totalling \$6,634,498 (30 September 2022: 4,294,453 ordinary shares totalling \$6,642,697) were issued in relation to the plan for the quarterly dividends paid which comprised:

- (i) \$6,152,271 of new shares issued under dividend reinvestment plan (30 September 2022: \$6,642,697); and
- (ii) \$482,227 of shares utilised from treasury stock under dividend reinvestment plan (30 September 2022: Nil)

To participate in the dividend reinvestment plan, a completed participation notice must be received by Kingfish before the next record date.

**Note 5 Earnings per Share**

	6 months ended 30-Sep-23 unaudited	6 months ended 30-Sep-22 unaudited
<b>Basic (losses) per Share</b>		
Net (loss) attributable to shareholders of the Company (\$'000)	(14,700)	(48,400)
Weighted average number of ordinary shares on issue net of treasury stock ('000)	331,418	322,150
<b>Basic losses per share</b>	<b>(4.44c)</b>	<b>(15.02c)</b>
<b>Diluted (losses) per Share</b>		
Net (loss) attributable to shareholders of the Company (\$'000)	(14,700)	(48,400)
Weighted average number of ordinary shares on issue net of treasury stock ('000)	331,418	322,150
Diluted effect of warrants on issue (\$'000) <sup>1</sup>	-	-
	331,418	322,150
<b>Diluted (losses) per share</b>	<b>(4.44c)</b>	<b>(15.02c)</b>

<sup>1</sup> Warrants on issue at the end of the period were not assumed to be exercised because they were antidilutive in the period as the warrant exercise price (less dividends paid) of \$1.34 was greater than the average share price of \$1.31 between the date of issue and 30 September 2023.



**KINGFISH LIMITED**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

Note 6 Reconciliation of Net (Loss) after Tax to Net Cash Flows	6 months ended 30-Sep-23 unaudited \$000	6 months ended 30-Sep-22 unaudited \$000
<b>Net (loss) after tax</b>	<b>(14,700)</b>	<b>(48,400)</b>
<b>Items not involving cash flows</b>		
Unrealised losses on revaluation of investments	36,041	66,951
	<b>36,041</b>	<b>66,951</b>
<b>Impact of changes in working capital items</b>		
Increase/(decrease) in trade and other payables	126	(217)
Decrease in trade and other receivables	340	1,618
	<b>466</b>	<b>1,401</b>
<b>Items relating to investments</b>		
Amount paid for purchases of investments	(42,048)	(38,621)
Amount received from sales of investments net of realised gains/(losses)	35,414	33,499
Movement in unsettled purchases of investments	(123)	173
Movement in unsettled sales of investments	-	(1,432)
	<b>(6,757)</b>	<b>(6,381)</b>
<b>Net cash inflows from operating activities</b>	<b>15,050</b>	<b>13,571</b>

**Note 7 Related Party Information**



Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions.

**a. Fisher Funds Management Limited**

Fisher Funds Management Limited ("Fisher Funds" or "the Manager") is an entity that provides key management personnel services to Kingfish by virtue of its management agreement and administration agreement.

In return for the performance of its duties as Manager, Fisher Funds is paid the following fees:

**Management fee:** 1.25% (plus GST) per annum of the gross asset value, calculated weekly and payable monthly in arrears. The fee reduces if the Manager underperforms, thereby aligning the Manager's interests with those of the Kingfish shareholders. For every 1% underperformance (relative to the change in the NZ 90 Day Bank Bill Index) the management fee percentage is reduced by 0.1%, subject to a minimum 0.75% per annum management fee.

**Performance fee:** Fisher Funds may earn an annual performance fee of 10% plus GST of excess returns over and above the performance fee hurdle return (being the change in the NZ 90 Day Bank Bill Index plus 7%) subject to achieving the High Water Mark ("HWM"). The total performance fee amount is subject to a cap of 1.25% of the adjusted net asset value (prior to performance fees) and is settled fully in cash.

The HWM is the dollar amount by which the net asset value per share exceeds the highest net asset value per share (after adjustment for capital changes and distributions) at the end of any previous calculation period in which a performance fee was payable, multiplied by the number of shares at the end of the period.

In accordance with the terms of the Management Agreement, when a performance fee is earned, it is paid within 60 days of the balance date.

**Administration fee:** Fisher Funds provides corporate administration services and a fee is payable monthly in arrears.

**Note 7 Related Party Information (continued)**

**a. Fisher Funds Management Limited (continued)**

<b>(i) Fees Earned, Accrued and Payable</b>	<b>6 months ended 30-Sep-23 unaudited \$000</b>	<b>6 months ended 30-Sep-22 unaudited \$000</b>
<b>Fees earned by and accrued to the Manager for the period ended 30 September</b>		
Management fees (net of rebate (7(a)(ii)))	1,736	1,772
Administration services	79	79
<b>Operating expenses</b>	<b>1,815</b>	<b>1,851</b>

For the six months ended 30 September 2023, the Manager did not achieve a return in excess of the performance fee hurdle return and the HWM (30 September 2022: No excess returns were generated). Accordingly, the Company has not expensed a performance fee for the six months ended 30 September 2023 (2022: Nil).

	<b>30-Sep-23 unaudited \$000</b>	<b>31-Mar-23 audited \$000</b>
<b>Fees accrued and payable to the Manager</b>		
Management fees	453	486
Administration services	13	13
<b>Related party payables</b>	<b>466</b>	<b>499</b>

**(ii) Related Party Receivables**

	<b>30-Sep-23 unaudited \$000</b>	<b>31-Mar-23 audited \$000</b>
<b>Management fee credit note</b>		
Management fee credit note receivable	-	2,333
Management fee credit note accrued	1,157	-
<b>Related party receivable</b>	<b>1,157</b>	<b>2,333</b>

Fisher Fund's management fee was calculated and invoiced at 1.25% of gross asset value, with a balance date adjustment to reduce the management fee to 0.75% of gross asset value as the gross return underperformed the NZ 90 Day Bank Bill Index by 5.8 percentage points (31 March 2023: 6.1 percentage points). The Company has accrued a credit note totalling \$1,157,027 as a result of underperformance up to 30 September 2023 (30 September 2022: Nil). The credit note will become effective on 31 March 2024 and then be offset against future management fees. The ultimate value of the credit note will be dependent upon the Company's performance up to 31 March 2024.

**(iii) Investment Transactions With Related Parties**

Off-market transactions between Kingfish and other funds managed by Fisher Funds take place for the purposes of rebalancing portfolios without incurring brokerage costs. These transactions are conducted after the market has closed at last sale price (on an arm's length basis). There were no purchases for the period ended 30 September 2023 (30 September 2022: Nil) and sales totalled \$2,741,515 (30 September 2022: \$3,398,118).

**Note 7 Related Party Information (continued)**

**b. Directors**

Kingfish considers its Board of Directors ("Directors") key management personnel. Kingfish does not have any employees.

During the period the Directors earned fees for their services of \$92,954 including GST (September 2022: \$92,417). The Directors' fee pool was \$157,500 (plus GST, if any) for the 4-month period to 31 July 2023. The pool was increased to \$185,500 (plus GST, if any) from 1 August 2023. The total pool for the year ended 31 March 2024 is \$176,167 plus GST, if any (31 March 2023: \$157,500 plus GST). There were no Director fees payable at the end of the period (31 March 2023: Nil).

The Directors held shares in the Company as at 30 September 2023 which total 0.04% of total shares on issue (31 March 2023: 0.04%). The Directors held warrants in the Company as at 30 September 2023 which total 0.04% of total warrants on issue (31 March 2023: Nil, as there were no warrants on issue).

Dividends of \$7,827 (30 September 2022: \$7,042) were also received by Directors as a result of their shareholding during the period.

**Note 8 Net Asset Value**

The unaudited net asset value per share of Kingfish as at 30 September 2023 was \$1.30 (31 March 2023: audited net asset value of \$1.40) calculated as the net assets of \$434,437,351 divided by the number of shares on issue of 335,189,705 (31 March 2023: net assets of \$461,584,438 and shares on issue of 330,213,075).

**Note 9 Subsequent Events**

On 20 November 2023, the Board declared a dividend of 2.64 cents per share. The record date for this dividend is 1 December 2023 with a payment date of 15 December 2023.

There were no other events which require adjustment to or disclosure in these interim financial statements.



## Independent auditor's review report

To the shareholders of Kingfish Limited

### Report on the interim financial statements

#### Our conclusion

We have reviewed the interim financial statements of Kingfish Limited (the Company), which comprise the statement of financial position as at 30 September 2023, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the six months ended on that date, and significant accounting policies and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that these accompanying interim financial statements of the Company do not present fairly, in all material respects, the financial position of the Company as at 30 September 2023, and its financial performance and cash flows for the six months then ended, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).

#### Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim financial statements* section of our report.

We are independent of the Company in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. Other than in our capacity as auditor, we have no relationship with, or interests in, the Company.

#### Responsibilities of the Directors for the interim financial statements

The Directors of the Company are responsible, on behalf of the Company, for the preparation and fair presentation of these interim financial statements in accordance with IAS 34 and NZ IAS 34 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.

A review of interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.



**Who we report to**

This report is made solely to the Company's shareholders, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders, as a body, for our review procedures, for this report, or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Philip Taylor.

For and on behalf of:

*PricewaterhouseCoopers*

Chartered Accountants  
20 November 2023

Auckland