

For immediate release:

23 November 2020



Strong result for Kingfish in recovering market environment

- Interim 2020 net profit \$87.0m
- Total shareholder return +34.2%¹
- Adjusted NAV return 19.5%² (after expenses, fees and tax)
- 6.31 cents per share in dividends paid during the period

NZX listed investment company Kingfish Limited (NZX: KFL) today announced a net operating profit for the six months ended 30 September 2020 of \$87.0m, well ahead of the interim September 2019 profit of \$17.8m. A significant part of the strong first half result is the recovery from the disruption to equities markets during February and March, when the Covid-19 pandemic and its implications delivered high levels of uncertainty and anxiety to equities markets around the world. However, the six month result has pushed well beyond just a recovery and is delivering strong investment gains, as investors look towards equity markets for returns in a low interest rate environment.

Key elements of the half year result include gains on investments of \$92.6m, dividend and interest income of \$3.0m, offset by operating expenses and tax of \$8.6m.

Total shareholder return for the six months was +34.2%¹, while the gross performance return for the six months was +23.1%³, +15.6% ahead of the S&P/NZX50G which was up 7.5% over the same period.

Kingfish investors enjoyed the benefits of a strong, consistent (2% of average NAV per quarter) distribution policy with 6.31 cents per share paid to shareholders during the six months ended 30 September 2020. On 23 November 2020, the Board declared a dividend of 3.46 cents per share to be paid to shareholders on 18 December 2020 with a record date of 3 December 2020.

Kingfish has 61,578,083 warrants (KFLWF) on issue that may be exercised on 12 March 2021. The exercise price of each warrant is \$1.64 less the dividends per share declared by the company between 9 March 2020 and the announcement of the 12 March 2021 exercise price. Dividends totalling 13.01 cents per share have now been declared and there are no more dividends to be declared in the remaining period up to the announcement of the 12 March 2021 exercise price.

Chair of Kingfish, Alistair Ryan said: “During the first half of the financial year the Kingfish portfolio delivered significant returns for shareholders with a strong share price, regular dividends and warrants. While part of the standout result for the six months is the equity market recovery, post the

As at 30 September 2020

¹Total shareholder return – the return combines the share price performance, the warrant price performance, the net value of converting any warrants into shares, and the dividends paid to shareholders. It assumes all dividends are reinvested in the company’s dividend reinvestment plan, and that shareholders exercise their warrants, (if they were in the money), at warrant expiry date.

²Adjusted net asset value return – the net return to an investor after expenses, fees and tax.

³Gross performance return – The Manager’s portfolio performance in terms of stock selection, before expenses, fees and tax.

initial COVID-19 market disruption, we are also seeing significant gains due to the rigorous and robust investment approach in the construction of the Kingfish portfolio.”

During the six months all of the portfolio companies gained in value, with the exception of a2 Milk. Senior Portfolio Manager, Sam Dickie said: “The combination of our tried and true investment process, plus the portfolio enhancements during the crises allowed us to outperform the broad market.”

Sam Dickie added: “While the COVID-19 crisis remains unpredictable, the New Zealand sharemarket and global markets will likely continue to experience periods of volatility, we continue to actively manage our portfolio of high-quality companies.”

For further information, please contact:

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About Kingfish

Kingfish is a listed investment company that invests in growing New Zealand companies. The Kingfish portfolio is managed by Fisher Funds, a specialist investment manager with a track record of successfully investing in growth company shares. Fisher Funds and its related entities currently have over \$11 billion of funds under management. The aim of Kingfish is to offer investors competitive returns through capital growth and dividends, and access to a diversified portfolio of investments through a single tax-efficient investment vehicle. Kingfish listed on the NZX Main Board on 31 March 2004. **/ends**

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The total shareholder return, adjusted net asset value and gross performance return methodologies are described in the Kingfish Non-GAAP Financial Information Policy. A copy of the policy is available at <http://www.kingfish.co.nz/about-kingfish/kingfish-policies/>