



For immediate release:

20 November 2023

### Sharemarket volatility Impacts Kingfish Interim Result

- Net loss for the six months ended 30 September 2023 \$14.7m
- Total shareholder return<sup>1</sup> +0.4%
- Adjusted NAV return (after expenses, fees & tax)<sup>2</sup> -3.3%
- Dividends paid during the period (cents per share) 5.61 cps

NZX listed investment company Kingfish Limited (NZX: KFL) has reported a first half loss (for the six months ended 30 September 2023) of \$14.7m.

Key elements of the half year result include losses on investments of \$18.0m, offset by dividend and interest income of \$5.7m, less operating expenses and tax of \$2.4m.

Chair of Kingfish, Andy Coupe said: “Kingfish, consistent with the broader New Zealand sharemarket, has experienced another difficult period with uncertain market conditions continuing to dominate, influenced by inflationary concerns (both in New Zealand and internationally), rising interest rates, and extreme political tension on the international front.”

The portfolio’s gross performance return<sup>3</sup> before fees and expenses (for the six months) was negative 2.8% and the adjusted net asset value (NAV) return<sup>2</sup> was negative 3.3%, compared to the S&P/NZX50G Index which was negative 4.9% over the same period.

The lower return delivered by the portfolio activated the management fee rebate (the fulcrum fee<sup>4</sup>) which reduced the management fee for the period from 1.25% to 0.75%.

Kingfish investors continued to receive distributions consistent with the company distribution policy (2% of average NAV per quarter) with 5.61 cents per share paid to shareholders during the six months ended 30 September 2023. On 20 November 2023, the Board declared a dividend of 2.64 cents per share to be paid to shareholders on 15 December 2023 with a record date of 1 December 2023.

Portfolio Manager, Matt Peek said: “The period saw challenges for Kingfish's companies including a particularly tough economic environment, especially in New Zealand, which resulted in subdued demand. At the same time most companies have been contending with cost pressures from the

<sup>1</sup>Total shareholder return – the return combines the share price performance, the warrant price performance (if any), the net value of converting any warrants into shares (if any), 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.

<sup>2</sup>Adjusted net asset value return – the percentage change in the the underlying value of the investment portfolio adjusted for dividends (and other capital management initiatives) and after expenses, fees and tax,

<sup>3</sup>Gross performance return – The portfolio performance in terms of stock selection, before expenses, fees and tax.

<sup>4</sup>In accordance with the Management Agreement, the management fee rate has reduced from 1.25%pa to 0.75%pa for the period, (i.e. a 50 basis point reduction), because the six month gross performance of Kingfish (as calculated for the fulcrum fee rebate) was 5.8 percentage points below the change in the S&P/NZX Bank Bill 90 day index rate for the six months of positive 2.7%.

inflationary environment. Generally speaking, this short term dynamic weighed on the progress portfolio companies have made through taking market share or other initiatives to improve business performance.”

Matt Peek added: “Kingfish's portfolio outperformed the S&P/NZX50G index during the period. In particular, this was supported by strong performance from infrastructure investment company Infratil (+13%) and a recovery in the retirement village operators, off the back of the residential housing market showing increasing signs of stability (Ryman +20%, Summerset +17%). We continue to target companies with strong long term growth prospects and adjust the portfolio when we see opportunities.”

For further information, please contact:

Corporate Manager  
Kingfish Limited  
Tel: (09) 484 0352

**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 \$22 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**