



Kingfish Limited
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29 April 2019

Kingfish pays performance fee

Kingfish Limited (Kingfish) has paid a performance fee to the Manager, Fisher Funds Management Limited (Fisher Funds) for the year ended 31 March 2019. The performance fee is paid in accordance with the terms of the Management Agreement between Kingfish and Fisher Funds. The performance fee paid to Fisher Funds was \$4,423,884 plus GST.

Kingfish's Manager, Fisher Funds, is eligible for a performance fee because the Kingfish portfolio achieved a return for the year to 31 March 2019 in excess of the Bank Bill Index rate plus 7% (the performance fee hurdle) and the High Water Mark (the highest net asset value at the end of the previous financial year in which a performance fee was paid, adjusted for changes in capital).

The performance fee is formula-driven with half of the performance fee (exclusive of GST) applied by the Manager to subscribe for shares in Kingfish at an issue price per share equal to the net asset value per share as at 31 March 2019, with the balance of the performance fee paid in cash.

The performance fee has been accrued in Kingfish's net asset value per share which is announced to NZX each week and at month end.

A new High Water Mark has now been set and in order for the Manager to achieve a performance fee for the 2020 financial year, Kingfish's performance will need to surpass the new High Water Mark as well as the performance fee hurdle.

The Kingfish board, as part of the Management Agreement renewal and renegotiation with Fisher Funds Management Limited recently negotiated a 33% reduction to the performance fee earn rate (above the performance hurdle) from 15% to 10% together with the introduction of a cap (1.25%) on the total performance fee amount in conjunction with moving to payment of any performance fee 100% in cash rather than 50% cash and 50% shares. The changes take effect from 1 April 2019 for the 2020 financial year.

Alistair Ryan
Chair
Kingfish Limited