MONTHLY UPDATE

September 2025

SHARE PRICE	WARRANT PRICE	KFL NAV	PREMIUM[1]
$1.33	$0.05	$1.33	0.6%

as at 31 August 2025

A WORD FROM THE MANAGER

The Kingfish portfolio gross performance return and adjusted NAV return in August were -2.0% and -2.1% respectively, versus the New Zealand shares benchmark S&P/NZX 50 return of +0.8%. It was a busy month, with many of the portfolio's June and December year end companies reporting results. The majority of the weaker performance was driven by EBOS and Vista, which provided guidance that included more cost than expected loaded into their businesses in the near term to drive their attractive long term growth trajectories.

a2 Milk (+21%) delivered results in line with expectations, with infant formula revenue growth accelerating from +7% in the first half to +12% in the second with even stronger profit growth. This was off the back of continued market share gains in both a2 Platinum and a2 Zhichu ranges. The more notable news was the company simultaneously announcing a comprehensive supply chain strategy reset, with the sale of its 75% share in loss-making Mataura Valley Milk plant in Southland for $100m and acquisition of 100% of a Pokeno milk plant from Yashili for $282m. The Pokeno plant comes complete with infant formula blending and canning lines, and two brand licenses which will allow the company in time to introduce new products in different segments of the lucrative Chinese infant formula market. The company will be able to migrate its a2 Platinum range there from partner Synlait over the next 5 years, which it expects to internalise a significant amount of profit margin and deliver solid return on investment on the purchase over time as production volumes scale up.

Delegat (+4%) delivered a better than feared result with operating profit after tax of $51m coming in ahead of its $47-50m expectation as sales late in the period picked up following a US tariff induced hiatus. The company expects improved sales in the new financial year plus cost improvements in some areas to deliver a profit target of $50-55m.

EBOS (-20%) delivered a slightly softer result than expected, with core operating profit (EBITDA) of A$585m up +7.5% on the prior year but below the midpoint of its A$575-600m range, versus expectations it would be nearer the top end. This partly reflects a pickup in competitive pressures in wholesale pharmacy, a slowdown in trading in its premium pet food brands and higher than expected costs as it transitions to new warehouses with more capacity for growth. The company guided for core operating profit growth of +7% in the new financial year, but when combined with the additional lease impost of the expanded facilities (which had not been previously flagged) this translates to a year of unexpected flat profits before growth should resume as utilisation of the excess capacity picks up.

Freightways (+9%) defied the softer New Zealand economy to deliver underlying profit growth of +8%. This was off the back of solid performance of its NZ Couriers and Post Haste courier operations in New Zealand and its Allied Express large item delivery business in Australia (which grew volumes by +15% in the second half of the financial year). The New Zealand economy remains tough going but the company has been able to pick up market share and benefited from some price increases including its ongoing "pricing for effort" programme, although same-customer network courier volumes in New Zealand improved in the second half (+0.6% growth) versus the first half (-0.2% decline).

The New Zealand electricity companies **Mercury** (+6%), **Contact** (+2%), and **Meridian** (+0.2%), all reported results which carried the impact of two dry periods. This in particular impacted Meridian as the largest operator exposed most to a lack of water for hydro generation and the high prices which ensued, having to enter hedge contracts and buy power to top-up its generation. Kingfish has benefited from having added Mercury earlier in the year, with the company announcing first-time guidance for the new financial year of core operating earnings (EBITDA) of $1b, ahead of expectations.

Port of Tauranga (+1%) reported earnings ahead of the top end of management guidance. The result marked a return to growth after recent challenges with high rail costs, Port of Auckland taking back market share, and ongoing shipping window challenges. However, its berth extension project is being delayed due to legal technicalities. Without the extension the port is close to full capacity with limited ability to take more cargo volume. Management are hopeful of obtaining the consent by year end, but it could be 2028 before the expansion project is completed. Management have indicated that they nevertheless plan to improve returns towards their target levels via efficiency and pricing initiatives.

Summerset (-4%) delivered a half year result which demonstrated continued signs of recovery in sales volumes and contracted activity, particularly in New Zealand. The company shared medium term debt forecasts for the first time, highlighting how this will reduce going forward as recent investment will moderate and will be better matched with sales. In particular, it is past peak investment at capital intensive sites, St Johns and Boulcott, and Australia is on the cusp of

[1] Share Price Premium to NAV (including warrant price on a pro-rated basis and using the net asset value per share, after expenses, fees and tax, to four decimal places).

delivering units at scale after many years of investment. Summerset also shared forecasts for over $12.30 of net tangible assets per share growth from current developments, versus the 30 June figure of $13.18 and month-end share price of $10.99. This reinforces our thesis that the current share price does not adequately reflect the strong value uplift expected from current development despite Summerset's strong track record.

Vista (-15%) saw its share price decline after its half-yearly result. Its result showed solid year-on-year growth in most metrics including recurring revenue +11% and core operating profit (EBITDA) margin increasing from 10% to 13%. A key surprise was the company announcing it will be increasing costs in the short term to accelerate migration of customers to its new cloud product suite in response to demand, which will constrain cash flow over the next few years just at the point the company was poised to generate strong growth after a prolonged investment phase. The upside of this should be a higher proportion of existing customers on its higher-value products earlier. The company also provided detail of its plans to launch embedded payment functionality, which will be of particular benefit to its smaller customers. It can do this in an efficient way that outsources much of the payment processing to specialist providers and means a low cost but recurring revenues that will likely grow to over $15m at high additional profit margins.

Vulcan Steel (+12%) delivered a result similar to expectations, with daily volumes stabilising towards the end of the financial year and signs of improvement in some sectors. It also announced the acquisition of Roofing Industries for $88m. This is a privately owned business which has grown from nothing 26 years ago to revenue of around $160m and a leading position in the New Zealand steel roofing and cladding market with 15 branches nationally. It has a similar culture and business model to Vulcan, with strong focus on customer service, low-cost base, and strong focus on efficiency enabled by technology. The acquisition price is attractive relative to its earnings, and the fit of the business means Vulcan should be able to derive some benefits from procurement in greater scale and in some instances bundling the product offerings to joint customers to gain greater share of wallet. Kingfish participated in the $86m share issue to fund the acquisition.

Matt Peek
Portfolio Manager
Fisher Funds Management Limited

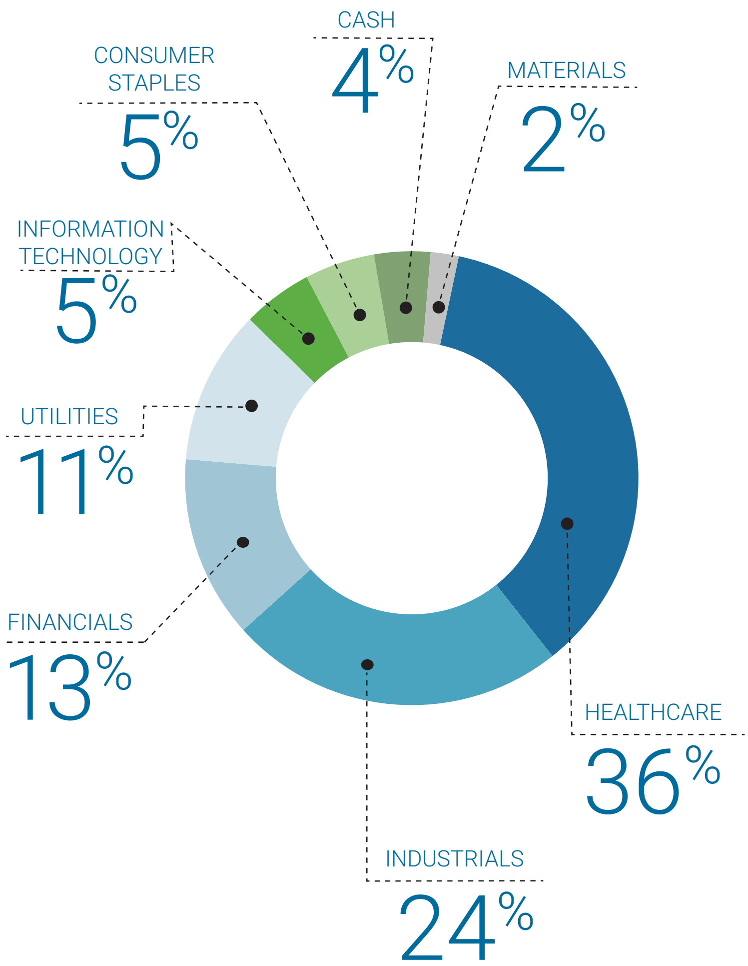
KEY DETAILS

as at 31 August 2025

FUND TYPE	Listed Investment Company
INVESTS IN	Growing New Zealand companies
LISTING DATE	31 March 2004
FINANCIAL YEAR END	31 March
TYPICAL PORTFOLIO SIZE	15-25 stocks
INVESTMENT CRITERIA	Long-term growth
PERFORMANCE OBJECTIVE	Long-term growth of capital and dividends
TAX STATUS	Portfolio Investment Entity (PIE)
MANAGER	Fisher Funds Management Limited
MANAGEMENT FEE RATE	1.25% of gross asset value (reduced by 0.10% for every 1% of underperformance relative to the change in the NZ 90 Day Bank Bill Index with a floor of 0.75%)
PERFORMANCE FEE HURDLE	Changes in the NZ 90 Day Bank Bill Index + 7%
PERFORMANCE FEE	10% of returns in excess of benchmark and high-water mark
HIGH WATER MARK	$1.21
PERFORMANCE FEE CAP	1.25%
SHARES ON ISSUE	350m
MARKET CAPITALISATION	$466m
GEARING	None (maximum permitted 20% of gross asset value)

SECTOR SPLIT

as at 31 August 2025



AUGUST'S SIGNIFICANT RETURNS IMPACTING THE PORTFOLIO during the month

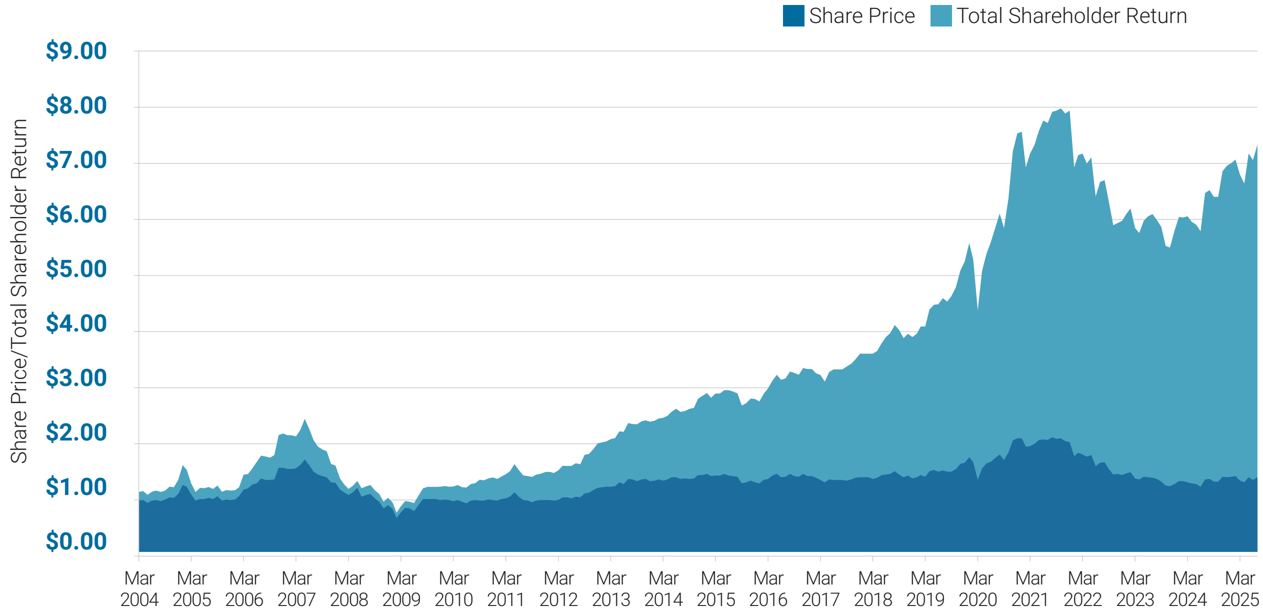
A2 MILK COMPANY	VULCAN STEEL	FREIGHTWAYS	VISTA GROUP	EBOS GROUP
+21%	+12%	+9%	-15%	-20%

5 LARGEST PORTFOLIO POSITIONS as at 31 August 2025

FISHER & PAYKEL HEALTHCARE	INFRATIL	MAINFREIGHT	SUMMERSET	EBOS GROUP
20%	13%	9%	9%	8%

The remaining portfolio is made up of another 10 stocks and cash.

TOTAL SHAREHOLDER RETURN to 31 August 2025



PERFORMANCE as at 31 August 2025

	1 Month	3 Months	1 Year	3 Years (annualised)	5 Years (annualised)
Company Performance					
Total Shareholder Return	(0.8%)	+1.4%	+11.8%	+2.8%	+3.6%
Adjusted NAV Return	(2.1%)	(0.9%)	+1.5%	+5.0%	+3.0%
Portfolio Performance					
Gross Performance Return	(2.0%)	(0.5%)	+3.1%	+6.5%	+4.5%
S&P/NZX50G Index	+0.8%	+4.1%	+3.9%	+3.7%	+1.6%

Non-GAAP Financial Information

Kingfish uses non-GAAP measures, including adjusted net asset value, adjusted NAV return, gross performance return and total shareholder return. The rationale for using such non-GAAP measures is as follows:

» adjusted net asset value – the underlying value of the investment portfolio adjusted for dividends (and other capital management initiatives) and after expenses, fees and tax,

» adjusted NAV return – the percentage change in the adjusted NAV,

» gross performance return – the Manager's portfolio performance in terms of stock selection, before expenses, fees and tax, and

» total 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.

All references to adjusted net asset value, adjusted NAV return, gross performance return and total shareholder return in this monthly update are to such non-GAAP measures. The calculations applied to non-GAAP measures are described in the Kingfish Non-GAAP Financial Information Policy. A copy of the policy is available at kingfish.co.nz/about-kingfish/kingfish-policies.

ABOUT KINGFISH

Kingfish is an investment company listed on the New Zealand Stock Exchange. The company gives shareholders an opportunity to invest in a diversified portfolio of between 15 and 25 quality growing New Zealand companies through a single, professionally managed investment. The aim of Kingfish is to offer investors competitive returns through capital growth and dividends.

MANAGEMENT

The Manager has authority delegated to it from the Board to invest according to the Management Agreement and other written policies. Kingfish's portfolio is managed by Fisher Funds Management Limited. Matt Peek (Portfolio Manager) and Michael Bacon and Zoie Regan (Senior Investment Analysts) have prime responsibility for managing the Kingfish portfolio. Together they have significant combined experience and are very capable of researching and investing in the quality New Zealand companies that Kingfish targets. Fisher Funds is based in Takapuna, Auckland.

BOARD

The Board of Kingfish comprises independent directors Andy Coupe (Chair), Carol Campbell, David McClatchy and Fiona Oliver.

CAPITAL MANAGEMENT STRATEGIES

Regular Dividends

» Quarterly distribution policy introduced in June 2009

» Under this policy, 2% of average NAV is targeted to be paid to shareholders quarterly

» Dividends paid by Kingfish may include dividends received, interest income, investment gains and/or return of capital

» Shareholders who prefer to have increased capital rather than a regular income stream have the opportunity to participate in the company's dividend reinvestment plan (DRP)

» Shares issued to DRP participants are at a 3% discount to market price

» Kingfish became a portfolio investment entity on 1 October 2007. As a result, dividends paid to New Zealand tax resident shareholders have not been subject to further tax

Share Buyback Programme

» Kingfish has a buyback programme in place allowing it (if it elects to do so) to acquire its shares on market

» Shares bought back by the company are held as treasury stock

» Shares held as treasury stock are available to be utilised for the dividend reinvestment plan

Warrants

» Kingfish announced a new issue of warrants on 14 March 2025

» The warrant term offer document was sent to all Kingfish shareholders in late March 2025

» Warrants were allotted to all eligible Kingfish shareholders on 1 May 2025

» The new warrants (KFLWI) commenced trading on the NZX Main Board from 2 May 2025

» The Exercise Price of each warrant is $1.35, adjusted down for the aggregate amount per Share of any cash dividends declared on the shares with a record date during the period commencing on the date of allotment of the warrants and ending on the last Business Day before the final Exercise Price is announced by Kingfish

» The Exercise Date for the Kingfish warrants is 1 May **2026**

KINGFISH
LANDING TOMORROW'S TROPHIES

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