KINGFISH
LANDING TOMORROW'S TROPHIES

QUARTERLY NEWSLETTER

1 April 2026 – 30 June 2026

SHARE PRICE	KFL NAV	DISCOUNT[1]
$1.20	$1.28	5.8%

as at 30 June 2026

The June quarter saw Kingfish deliver a gross performance return of +8.7% and an adjusted NAV return of +8.2%, compared to the +5.5% return of the S&P/NZX50G benchmark index.

After uncertainty around the closure of the Strait of Hormuz and conflict in the Middle East pushed the Brent Crude oil price to US$118 per barrel at 31 March from just US$61 at 31 December, the quarter saw protracted 'negotiations' to resolve the situation which eased the price to US$73 at 30 June. The US$118 price ended up being close to the peak, which provided a powerful backdrop for global share markets to rally during the quarter, as the situation is now less likely to result in markedly lower economic growth and higher inflation over the rest of 2026.

With some of the geopolitical fears subsiding, May 'reporting season' saw the focus return to the operating performance of Kingfish's portfolio companies. The larger positions that provided updates during the quarter generally delivered positive news.

What companies drove performance during the quarter?

Vista (+39% total shareholder return in the quarter) has announced four separate contracts with major global cinema companies. Three of these were existing customers signing up for its new generation software. Notably, former customer Cinemex had attempted to switch from Vista to a lower cost provider, but has now returned to Vista's legacy solution, and will evaluate a future move to the next generation products. Overall, this provides strong validation for Vista's strategy and firms up the near-term growth outlook (along with favourable box office performance and a weak New Zealand dollar).

Infratil (+34%) performed strongly again after announcing its CDC Data Centres business had signed a massive 555-megawatt contract with a US based hyperscaler customer, one of the largest ever data centre contracts in the region. This agreement accelerated CDC's path to over 1 gigawatt of contracted capacity and underpinned new guidance for core operating earnings ('EBITDAF') in its 2028 financial year to exceed A$1 billion. This reflects the strong customer demand environment and endorses CDC's position as the premier provider in Australia. It is further validation of CDC's strategy which has seen it build a large pipeline of campus-style data centres well suited to modern AI applications.

Mainfreight (+7%) released its recent financial year's result with profit before tax of $351 million, although the allowance for higher staff bonuses and some unexpected one-off costs meant the underlying quality of the result was stronger than expected. The company noted that despite higher fuel costs in recent months, it has seen April and May trading well ahead of last year in its key New Zealand and Australia businesses.

F&P Healthcare (+5%) delivered a strong result for its year ended March, with revenue increasing +14% and net profit rising +24%. Performance was led by the Hospital division, where revenue grew +15% in 'constant currency' terms, supported by solid consumables growth and particularly strong hardware demand, reflecting increasing use of its products as clinical practice evolves in line with the longer-term outlook.

Improving prospects for a lower fuel price which may support better-than-feared economic activity saw a rebound in **Freightways** (+16%), **Port of Tauranga** (+14%), and **Auckland Airport** (+5%), whose businesses are all influenced by consumer demand and the fuel price.

Which companies' share prices have lagged and why?

a2 Milk (-21%) shares were down as the company indicated it is experiencing some stock-outs in China as a result of increased regulatory testing requirements and a production backlog, resulting in lower sales. It is also incurring increased costs from air-freighting product into market to meet customer needs. The company also announced a small voluntary recall of a small number of US a2 Platinum infant formula due to the presence of cereulide, a vomiting-inducing toxin that has been found in several infant formula brands lately linked to a global oil ingredient supplier. There has been no contamination of its products sold into the China market. On a more positive note, a2 Milk announced it has received approval from the State Administration for Market Regulation (SAMR) to transition the two China infant formula product registrations associated with its Pokeno facility to a2 branded products. With this key step in its supply chain transformation, it also declared a $300 million special dividend which will see around 41 cents per share paid to shareholders in July.

EBOS (-6%) provided an update indicating that higher fuel and packaging costs were likely to reduce its core operating earnings ('EBITDA') for its financial year ending June 2026 to $610-620 million (from $615-635 million). The company also hosted an investor day which outlined its confidence in earnings growing at mid-single-digit rates moving forwards and a return to its target for 15% returns on capital invested over time, both in line with expectations.

Summerset (-2%) hosted an Investor Day in Australia, showcasing it's Cranbourne North village which officially opened its main building (its first in Australia) the day prior, as well as providing a tour of two other villages in development. The company has indicated that sales have continued to be robust, however the company's share price continues to fluctuate based on sentiment towards the New Zealand housing market. This is despite the fact that the company has been able to develop and sell villages profitably and modestly raise unit prices despite the challenging market backdrop of recent years.

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

Vulcan Steel (-1%) continues to experience weak cyclical conditions in construction activity, with activity stable at low levels and limited signs activity is set to improve. The hit to consumer and business confidence from the Middle East situation unlikely to help a recovery in sales volumes in the near term.

Delegat (+1%) increased its full-year operating net profit guidance for its financial year to June from $50-55 million to $60-62 million. The company confirmed after a strong quarter it is on track to achieve global case sales of 3.3 million cases, plus has benefited from lower tariff levels from February and the weak New Zealand dollar. Consumers continue to moderate their wine consumption, however the trend towards premiumisation and New Zealand wines in the US in particular means the company's Oyster Bay brand is well placed to continue to grow.

Matt Peek
Senior Portfolio Manager
Fisher Funds Management Limited
15 July 2026

SIGNIFICANT RETURNS IMPACTING THE PORTFOLIO DURING THE QUARTER

VISTA GROUP	INFRATIL	FREIGHTWAYS GROUP	PORT OF TAURANGA	a2 MILK COMPANY
+39%	+34%	+16%	+14%	-21%

PERFORMANCE
as at 30 June 2026

	3 Months	3 Years (annualised)	5 Years (annualised)
Company Performance			
Total Shareholder Return	+3.0%	+5.5%	(1.8%)
Adjusted NAV Return	+8.2%	+5.4%	+1.7%
Portfolio Performance			
Gross Performance Return	+8.7%	+7.0%	+3.1%
S&P/NZX50G Index	+5.5%	+4.6%	+1.5%

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 capital allocation decisions after expenses, fees and tax,

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

» 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 newsletter 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 kingfish.co.nz/about-kingfish/kingfish-policies.

PORTFOLIO HOLDINGS SUMMARY
as at 30 June 2026

LISTED COMPANIES	% Holding
Auckland Int Airport	7.8%
Contact Energy	5.2%
Delegat Group	1.1%
EBOS Group	5.0%
Fisher & Paykel Healthcare	17.9%
Freightways	4.3%
Infratil	16.9%
Mainfreight	8.1%
Mercury NZ Limited	4.5%
Meridian Energy	5.4%
Port of Tauranga	4.6%
Summerset	7.2%
The A2 Milk Company	4.9%
Vista Group International	4.7%
Vulcan Steel	1.3%
Equity Total	**98.9%**
New Zealand dollar cash	1.1%
TOTAL	**100.0%**

COMPANY NEWS
Dividend Paid 26 June 2026

A dividend of 2.49 cents per share was paid to Kingfish shareholders on 26 June 2026 under the quarterly distribution policy. Interest in Kingfish's dividend reinvestment plan (DRP) remains high with 38% of shareholders participating in the plan. Shares issued to DRP participants are at a 3% discount to market price. If you would like to participate in the DRP, please contact our share registrar, Computershare on (09) 488 8777.

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