

30 October 2024

## **Barramundi Limited Annual Meeting**

### **Chair's Address from Andy Coupe**

[Slide: Barramundi Limited Annual Meeting of Shareholders]

Welcome to the 18th Barramundi annual meeting of shareholders, I'm Andy Coupe, Chair of Barramundi.

We have put in place the virtual meeting option for those who are unable to attend in-person, and we welcome those who have joined the meeting via the Computershare virtual meeting platform.

We are duly convened as a Notice of Meeting has been circulated to shareholders and I can confirm that a quorum is present so I declare the meeting open.

Please note that the exits are at the back and front of the room. Please ensure you turn your cell phones off or put them on mute.

For those here in-person there will be a light lunch at the conclusion of the meeting. We look forward to meeting many of you after the meeting.

[Slide: Introductions]

Let me introduce the front table. Firstly the directors. To my right is Carol Campbell (Chair of the Audit & Risk Committee), next to her is David McClatchy (Chair of the Investment Committee) and next to him is Fiona Oliver.

Next to Fiona is Robbie Urquhart the Barramundi Portfolio Manager, and next to Robbie is Wayne Burns the Corporate Manager.

Also here today, in the audience, are Senior Investment Analysts Terry Tolich and Delano Gallagher.

We are also pleased to have in the audience today representatives from our share registrar, Computershare, auditor, PricewaterhouseCoopers, our tax advisors, Deloitte and our legal advisors, Bell Gully.

[Slide: Agenda]

The Agenda for today.

Firstly preliminary matters.

- The minutes of the 2023 annual shareholders' meeting held on 13 October 2023 are available at the registration desk and are also available on the Barramundi website.

- The 2024 annual report has been circulated to shareholders – additional copies are available at the registration desk and can also be found on the Barramundi website.

Today I'll give a brief summary of the 2024 financial year and an update of the year to date, and then Robbie Urquhart will review the Barramundi portfolio.

After the Manager's Review, we will have a Q&A session, and we'll then move to the formal business of the meeting.

There are **three resolutions** for you to consider and vote on today, which are as set out in the Notice of Meeting.

If you're attending the meeting online there's a Q&A icon at the top right of your screen. To send in a question, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press send. Your question will be immediately submitted.

We've set aside a time at the end of Robbie's presentation for general questions relating to the operations and management of the business.

Questions relating to the three resolutions will be dealt with in conjunction with each of the resolutions. Should you require any assistance, you can type your query and one of the Computershare team will assist with the chat function and reply to your query.

[Slide: Chair's Overview]

It is now my pleasure to present the Chair's Overview.

[Slide: Barramundi's Investment Objective]

We typically start our annual meetings with a quick reminder of what we are here to achieve, being

- to achieve a high real rate of return, comprising both income and capital growth, within risk parameters acceptable to the directors; and
- to provide access to a diversified portfolio of Australian quality, growth stocks through a single tax-efficient investment vehicle.

Robbie will speak to the growth characteristics of the stocks that form the portfolio in his manager review.

[Slide: Corporate Governance]

Turning now to corporate governance.

Barramundi does not have a formal environmental, social, and governance (ESG) framework. However, the Manager does have a formal ESG framework which governs stock selection, to which the Barramundi board is fully supportive and committed.

The Financial Sector (Climate-related Disclosure and Other Matters) Amendment Act 2021 introduced the new financial reporting requirement for Climate Reporting Entities or CRE and Barramundi is designated as a CRE and is therefore required to produce an annual CRD report.

The purpose of the CRD is to provide transparency regarding, a company's contribution to climate change, the impact of climate change on its operations and how it is managing these risks. In the case of an investment company like Barramundi, this means that we're talking about the underlying portfolio companies that Barramundi invests in.

The evaluation of climate risks and opportunities has always been part of the Manager's STEEPP analysis, ESG framework and responsible investing policy. However, the Manager has developed a new and more detailed lens on climate risks and opportunities, evaluating all of the investments in the portfolio in terms of their disclosed exposure to climate change and the potential impact of that change on portfolio company performance.

Barramundi lodged its first Climate Statement on 16 October. It's available on the Barramundi website. Unless current initiatives to extend the timeline by a further year are successful, next year we will be required to include Scope 3 emissions in addition to the Scope 1 and 2 requirements this year. This will make an already complex Climate Statement even more complex.

[Slide: 2024 Overview]

Those of you who have had a chance to review the annual report will be aware of many of the following performance numbers.

- Barramundi recorded a NPAT of \$28.1m.
- The total shareholder return or TSR, being the performance of the share price and warrant price plus dividends paid to shareholders, was 7.1%, the return being negatively impacted by share price weakness. The share price to NAV discount increased from 1.4% at the end of the previous year to 7.9% as at 30 June 2024.
- Barramundi's regular dividends continued to contribute to the Total Shareholder Return with 5.88 cents per share paid in dividends during the year, which is equivalent to a dividend yield of +8.2%. These returns are calculated based on the average share price for the year.
- The overall net asset value (NAV) per share rose from \$0.72 (as at 30 June 2023) to \$0.76 (as at 30 June 2024).
- The adjusted NAV return was 14.5% for the year, which represents the net return to an investor after capital allocation decisions and after expenses, fees and tax.

[Slide: 2024 Overview - Continued]

This chart compares the Adjusted NAV return and the gross performance return (the return before expenses, fees and tax),

to the benchmark index return over the periods of 1, 3 and 5 years.

The Barramundi portfolio has out-performed the benchmark index over the 1 and 5 year periods. So, while returns have been volatile over the last 3 years, we are pleased that the portfolio has achieved its objectives over the longer term, and we believe it represents a very reasonable outcome for most shareholders.

Robbie will discuss the Australian share market dynamics and a more detailed description of how the portfolio performed and how it is positioned shortly in the Manager's Review.

[Slide: Earnings Per Share]

This chart shows the earnings per share.

It's a potent reminder of the degrees of volatility that equity markets can experience from time to time and the impact on shareholder returns.

[Slide: Movements in Shareholders' Funds]

Turning now to Shareholders' Funds

This chart shows the Barramundi NAV of \$199m (as at 30 June 2023) increased by a net \$17m to \$216m (as at 30 June 2024).

The movements during the year as represented by the orange, yellow and green columns were:

- the \$28.1m net profit,
- less \$16m dividends paid and \$1m of share buybacks,
- but adding back \$6m for dividends reinvested by shareholders via the DRP.

[Slide: Quarter 1, 2025]

The first quarter of Barramundi's 2025 financial year has seen continued volatility.

This slide provides a snapshot of the first three months of the current financial year to 30 September 2024:

- Barramundi's net profit for the three months to 30 September 2024 was \$13.6m.
- As at 30 September, the NAV per share of \$0.79 was up 3 cents per share from the NAV at 30 June of \$0.76 – but that was after the dividend payment of 1.53 cents per share (paid on 27 September).
- The share price discount to NAV was 15.6% as at 30 September 2024.
- Barramundi's adjusted NAV return for the first three months of the 2025 financial year was 6.3%, while the benchmark index return was up +8.0% for the three months.
- Total shareholder return for the quarter was -1.0% - driven by the decrease in share price from \$0.69 to \$0.67 and adding on the dividend paid in September.

[Slide: Warrants]

As part of Barramundi's overall capital management programme Barramundi made a pro rata issue of warrants in October last year.

The final exercise price was \$0.63 and the exercise date was last Friday the 25 October.

As at last Friday over 60% had exercised their warrants, and the new shares will be issued tomorrow, 31 October.

### **Closing remarks**

In closing my annual meeting address, and on behalf of the board, I'd like to thank you for your continued support of Barramundi.

I will now hand over to Robbie Urquhart, Senior Portfolio Manager of Barramundi.

ENDS