

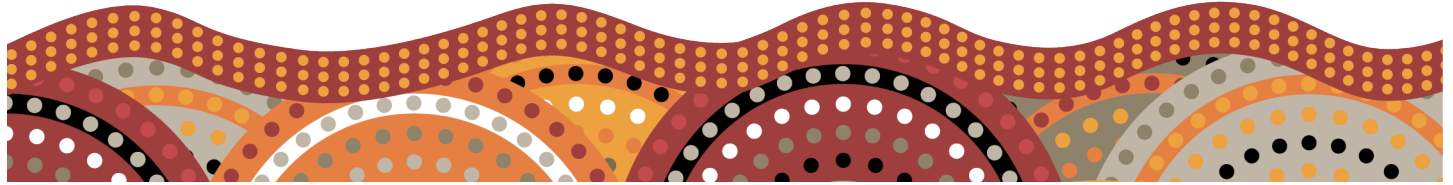
MONTHLY UPDATE

June 2024



Share Price	Warrant Price	BRM NAV	DISCOUNT ¹
\$0.73	\$0.05	\$0.76	2.4%

as at 31 May 2024



A WORD FROM THE MANAGER

Barramundi's gross performance return for May was down -0.7% and the adjusted NAV return was down -0.9%. This compares to the S&P/ASX200 Index (70% hedged into NZ\$) which was up +0.5% over the month.

May registered a mixed month of performance across and within sectors. Earnings results from a range of companies strongly influenced sector returns. Information Technology (+5.4%) was the best performing sector. With interest rates stable, Utilities (+3.4%) and Real Estate (+1.8%) similarly supported the ASX200 Index's return. Communication Services (-2.6%) was the worst performing sector, weighed down by a disappointing result from Spark (-12.2%). The Consumer Staples (-1%) and Consumer Discretionary (-0.7%) sectors also lagged following signs of softening consumer expenditure.

Portfolio News

Xero (+10.6% in A\$) delivered a strong financial result in May with the first signs that the strategic focus of the company highlighted at the recent investor day is bearing fruit. Revenue increased 22% helped by higher prices and an 11% increase in total subscriber growth. Pleasingly, strong subscriber growth was registered in important large markets for Xero including Australia (+13%) and the UK (11%). Disciplined cost control resulted in operating expenses as a percent of revenue falling sharply from 81% in FY23 to 73% in FY24. This contributed to free cash flow more than tripling to over \$340m in FY24. Xero was at pains to point out that the company continues to invest in talent (people) and in product development meaning costs likely increase as a proportion of revenue in FY25. On the evidence of the significant progress achieved in FY24, this cost guidance was taken in the market's stride.

AUB (+4.5%) acquired 70% of Pacific Indemnity, an underwriting agency in Australia focussed on specialty financial lines underwriting capability and adding to AUB's scale in 'specialty agencies'. AUB paid A\$105m for the shareholding with a deferred payment due in 18 months post settlement based on a sliding scale, contingent on performance. Although the price looked relatively full, this acquisition aligns with AUB's stated intention to add scale in specialty agencies, adding to the strength of the overall business. To fund this acquisition and provide AUB with capacity to undertake further acquisitions, the company raised A\$200m of equity in the month. This was well received by the market. We participated in and supported the equity raising.

Macquarie's (MQG) (+3.9%) financial results delivered in May were below the record earnings of the prior year which had been bolstered by significant volatility in energy and commodity markets. However, MQG's divisions delivered a credible result in what has been a difficult environment for capital markets activity. The market became more comfortable that its earnings will grow once again in FY25, as capital markets activity improves.

In early May **REA** (+3.9%) announced its March quarter result. Revenues in its core Australian Residential business grew +27%, led by price increases of +13%, further upsell of customers to its Premier+ product, positive mix benefits as Sydney and Melbourne volumes remained ahead of the rest of the market, and +6% growth in national listings. It also announced that the average price increase for the year beginning 1 July would be +10%. This price increase will provide the base for double-digit revenue growth (excluding the impact of listing volumes) in FY25.

SEEK fell -7.5% during May as job ads continued to fall from the highs experienced in 2023. April job ad volumes fell -18.6% year-on-year as the labour market continues to ease, with the seasonally adjusted unemployment rate rising to 4.1% from 3.9% in March. Despite this, SEEK are doing a good job in controlling the controllables and surveys suggest it has been able to increase the average price it charges for a job listing. In May it also started trialling two new product tiers in Australia. These products sit in between its current standout and premium products in terms of function and price. They are examples of SEEK looking at ways to increase the monetisation of its platform.

James Hardies (JHX) (-13.7%) delivered a respectable FY24 earnings result in May. In its important US market, JHX delivered revenue growth of 13%, helped by both volume (+9%) and price (+4%) increases. Cost and working capital discipline led to operating cash flow which was 50% higher than in FY23. JHX continues to take market share in key markets, which we like.

The poor share price performance was a consequence of the company delivering maiden earnings guidance for FY25 which underwhelmed market expectations. The majority of JHX's revenue in the US stems from repair and remodelling ("R&R") building work rather than new build construction. Given interest rates don't look as if they'll be cut as fast as the market thought a few months ago, expectations around R&R activity over FY25 in the US have fallen. JHX has also been investing strongly in sales and marketing expenditure and in addition management noted that input costs also seem to be rising – both facets tempering their view for FY25 earnings guidance. It's never easy to pick when the 'cycle' will turn in one's favour. However, given JHX is taking market share in its category and is investing for the future, we think it remains in a strong position to do well when the R&R cycle does pick up.

Audinate (-16.6%) held an investor day in Sydney which we attended. The company did a great job illustrating its expansion into networked audio products through showcasing its 'Dante Connect' and 'Dante Director' software products. As the pro-AV industry moves to the cloud, more AV devices will connect on networks. This increases the importance of controlling and securing the AV endpoints through the platforms Audinate is developing. In a networked office environment for example, it's important that when Boards of directors or others meet in confidential settings that the audio signals and speakers in the room are secure and

¹ Share Price Discount 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).

locked down. Dante's product suite provides this capability. The company continues to invest strongly in research and development and is pleasingly broadening its reach into the networked AV industry.

Unrelated to the investor day, the share price fell sharply following the resignation of longstanding CFO, Rob Goss, later in the month for personal reasons. Rob is staying on for a few months (and preparing the year end accounts) while Audinate look for a replacement. We wish Rob well for the future.

Portfolio Changes

During the month we increased our target weighting in SEEK as it is looking attractively valued. We also lifted our target weighting in Audinate. This was partially based on valuation grounds and also because

of the progress it has made in developing its networked software products which management highlighted at its investor day.

We reduced our target weight in Woolworths given an underwhelming performance from management, and noting that they are transitioning to a new CEO during 2024.



Robbie Urquhart
Senior Portfolio Manager
Fisher Funds Management Limited



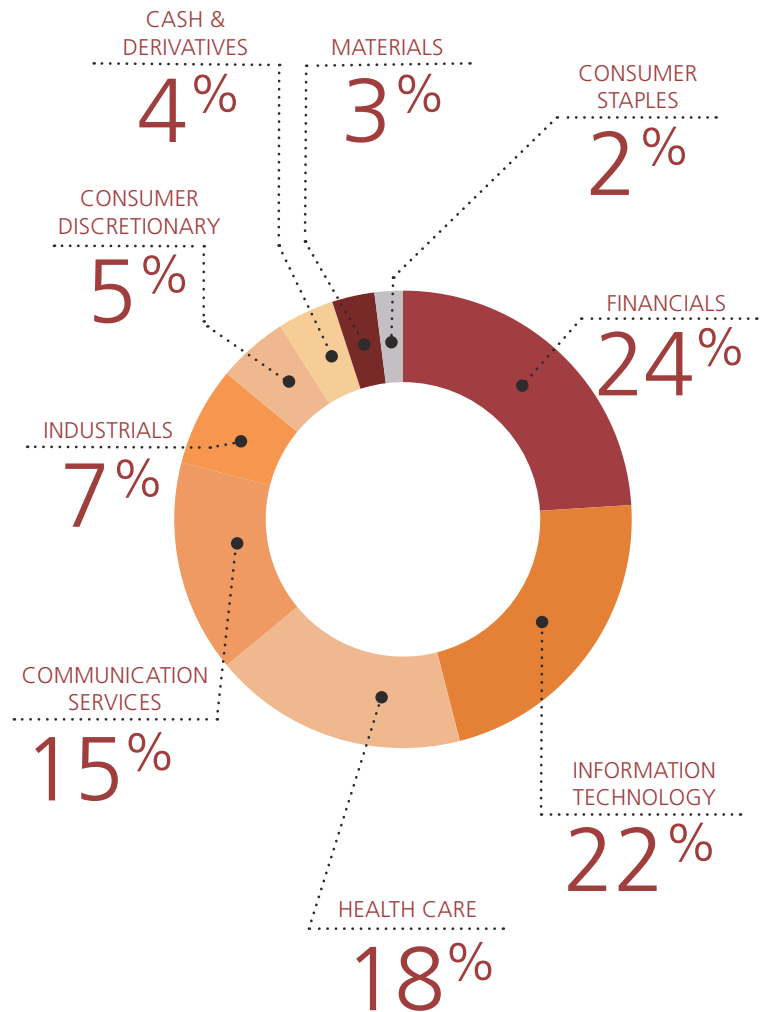
KEY DETAILS

as at 31 May 2024

FUND TYPE	Listed Investment Company
INVESTS IN	Growing Australian companies
LISTING DATE	26 October 2006
FINANCIAL YEAR END	30 June
TYPICAL PORTFOLIO SIZE	20-35 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	\$0.68
PERFORMANCE FEE CAP	1.25%
SHARES ON ISSUE	281m
MARKET CAPITALISATION	\$205m
GEARING	None (maximum permitted 20% of gross asset value)

SECTOR SPLIT

as at 31 May 2024



MAY'S SIGNIFICANT RETURNS IMPACTING THE PORTFOLIO

during the month in Australian dollar terms

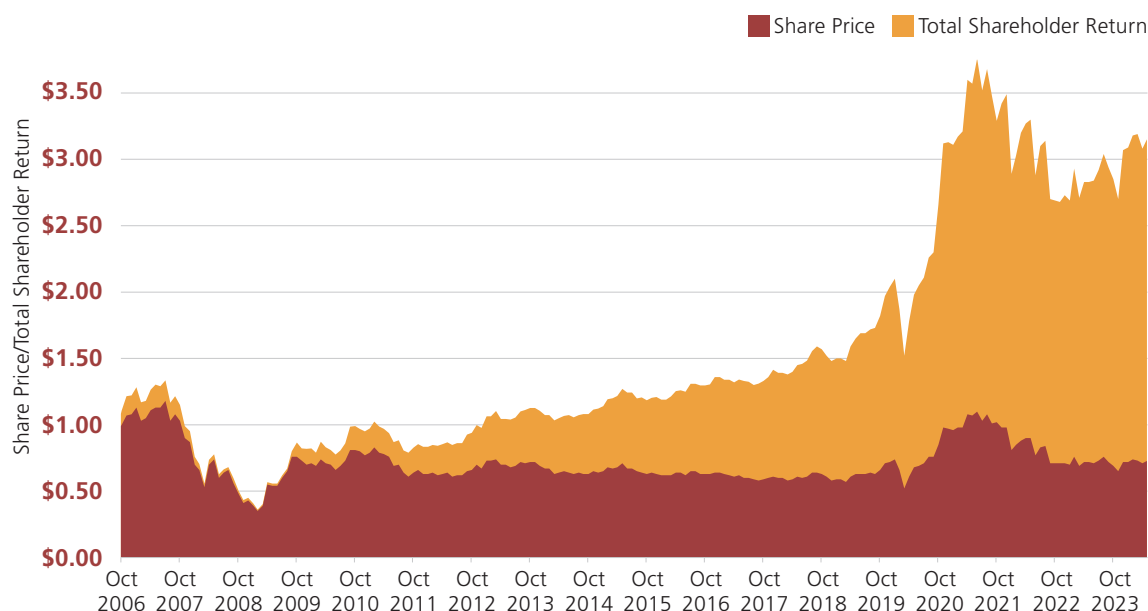
XERO	FINEOS CORP	JAMES HARDIE	oOH!MEDIA	AUDINATE GROUP
+11%	-11%	-14%	-15%	-17%

5 LARGEST PORTFOLIO POSITIONS as at 31 May 2024

CSL LIMITED	WISETECH	XERO	AUB GROUP	SEEK
10%	8%	5%	5%	5%

The remaining portfolio is made up of another 20 stocks and cash.

TOTAL SHAREHOLDER RETURN to 31 May 2024



PERFORMANCE to 31 May 2024

	1 Month	3 Months	1 Year	3 Years (annualised)	5 Years (annualised)
Company Performance					
Total Shareholder Return	+2.6%	(0.6%)	+11.9%	(3.9%)	+13.9%
Adjusted NAV Return	(0.9%)	(3.2%)	+14.6%	+6.7%	+12.0%
Portfolio Performance					
Gross Performance Return	(0.7%)	(3.0%)	+17.6%	+8.9%	+14.7%
Benchmark Index [^]	+0.5%	+1.8%	+14.0%	+7.6%	+8.4%

[^]Benchmark Index: S&P/ASX 200 Index (hedged 70% to NZD)

Non-GAAP Financial Information

Barramundi 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 and currency hedging 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 Barramundi Non-GAAP Financial Information Policy. A copy of the policy is available at barramundi.co.nz/about-barramundi/barramundi-policies.

ABOUT BARRAMUNDI

Barramundi 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 20 and 35 quality growing Australian companies through a single, professionally managed investment. The aim of Barramundi 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. Barramundi's portfolio is managed by Fisher Funds Management Limited. Robbie Urquhart (Senior Portfolio Manager), Terry Tolich and Delano Gallagher (Senior Investment Analysts) have prime responsibility for managing the Barramundi portfolio. Together they have significant combined experience and are very capable of researching and investing in the quality Australian companies that Barramundi targets. Fisher Funds is based in Takapuna, Auckland.

BOARD

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

CAPITAL MANAGEMENT STRATEGIES

Regular Dividends

- » Quarterly distribution policy introduced in August 2009
- » Under this policy, 2% of average NAV is targeted to be paid to shareholders quarterly
- » Dividends paid by Barramundi 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
- » Barramundi 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

Warrants

- » Barramundi announced an issue of warrants (BRMWH) on 9 October 2023
- » Information pertaining to the warrants was mailed/ emailed to all shareholders on Tuesday 17 October 2023
- » The warrants were issued at no cost to eligible shareholders in the ratio of one warrant for every four Barramundi shares held, based on the record date of 25 October 2023
- » The warrants were allotted to shareholders on 26 October 2023 and listed on the NZX Main Board from 27 October 2023
- » The Exercise Price of each warrant is \$0.69, 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 Barramundi
- » The Exercise Date for the warrants is 25 October 2024

Share Buyback Programme

- » Barramundi 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

Disclaimer: The information in this update has been prepared as at the date noted on the front page. The information has been prepared as a general summary of the matters covered only, and it is by necessity brief. The information and opinions are based upon sources which are believed to be reliable, but Barramundi Limited and its officers and directors make no representation as to its accuracy or completeness. The update is not intended to constitute professional or investment advice and should not be relied upon in making any investment decisions. Professional financial advice from a financial adviser should be taken before making an investment. To the extent that the update contains data relating to the historical performance of Barramundi Limited or its portfolio companies, please note that fund performance can and will vary and that future results may have no correlation with results historically achieved.



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