

For immediate release:

16 February 2023

### International sharemarket volatility impacts Marlin interim result

• Net loss for the six months ended 31 December 2022	\$11.6m
• Total shareholder return <sup>1</sup>	-16.1%
• Adjusted NAV return (after expenses, fees & tax) <sup>2</sup>	-6.5%
• Dividends paid during the period (cents per share)	3.70 cps

NZX-listed investment company Marlin Global Limited (NZX:MLN) today announced a net operating loss after tax of \$11.6m for the six month period ended 31 December 2022.

Key elements of the half year result include losses on investments of \$9.7m, dividend and interest income of \$0.3m, and operating expenses and tax of \$2.2m.

Volatility in global markets due to the ongoing impact of the pandemic, the government responses, inflationary concerns, rising interest rates, and extreme political tension on the international front, all contributed to the result.

The portfolio's gross performance return<sup>3</sup> for the six months was down 5.5% and the adjusted net asset value (NAV) return<sup>2</sup> was down 6.5%, compared to the S&P Large Mid Cap/S&P Small Cap Index (hedged 50% to the NZD)<sup>4</sup> which was up 6.3% over the same period.

The lower return delivered by the portfolio meant the management fee for the period was reduced from 1.25%pa to 0.75%pa. The fulcrum fee<sup>4</sup> mechanism is a particular feature of Marlin Global Limited which reduces the management fee when actual returns fall below the change in the S&P/NZX Bank Bill 90-day rate.

Marlin investors continued to receive distributions consistent with the company distribution policy (2% of average NAV per quarter) with 3.70 cents per share paid to shareholders during the six months ended 31 December 2022. On 16 February 2023, the Board declared a dividend of 1.66 cents per share to be paid to shareholders on 24 March 2023 with a record date of 9 March 2023.

<sup>1</sup>Total shareholder return – the return combines the share price performance, the warrant price performance (if any), the net value of converting any warrants into shares (if any), 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.

<sup>2</sup>Adjusted net asset value return – the percentage change in the underlying value of the investment portfolio adjusted for dividends (and other capital management initiatives) and after expenses, fees and tax.

<sup>3</sup>Gross performance return – The portfolio performance in terms of stock selection & currency hedging, before expenses, fees and tax.

<sup>4</sup>Benchmark Index: S&P Large Mid Cap/S&P Small Cap Index (hedged 50% to the NZD).

<sup>5</sup>In accordance with the Management Agreement, the management fee rate has reduced from 1.25%pa to 0.75%pa for the period, (i.e. a 50 basis point reduction), because the six month gross performance of Marlin (as calculated for the fulcrum fee rebate) was 8.4 percentage points below the S&P/NZX Bank Bill 90 day index rate for the six months of positive 1.6%.

Marlin's Chair, Andy Coupe, noted that "the result from global uncertainty and the elevated sharemarket volatility over the period will have disappointed many investors. However, the Marlin team has remained disciplined through the period, focussing on well managed, quality businesses and adhering to a robust investment process."

Senior Portfolio Manager, Sam Dickie, said: "It was a tough period for Marlin investors and Marlin portfolio companies amidst a volatile macroeconomic backdrop. Revenue growth for most companies has been slowing, driven by the combination of the unwind of accelerated demand during COVID and a general macro slowdown. It is encouraging to see that the portfolio companies have reacted to this growth slowdown and are right sizing their cost bases which will set them up for better earnings growth in the future. "

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**About Marlin Global**

Marlin Global is a listed investment company that invests in growing companies based outside of New Zealand and Australia. The Marlin portfolio is managed by Fisher Funds, a specialist investment manager with a track record of successfully investing in growth company shares. Fisher Funds and its related entities currently have over \$22 billion of funds under management. The aim of Marlin is to offer investors competitive returns through capital growth and dividends, and access to a diversified portfolio of investments through a single, tax-efficient investment vehicle. Marlin listed on the NZX Main Board on 1 November 2007 and may invest in companies that are listed on any approved stock exchange (excluding New Zealand or Australia) or unlisted international companies not incorporated in New Zealand or Australia. **/Ends**