Monthly Fund Fact Sheet
August 2026

Te Ahumairangi
GLOBAL EQUITY SPECIALISTS

About the Fund

Te Ahumairangi Global Equity Fund is a portfolio of investments in 150-180 listed companies around the world. The fund invests primarily in companies that are based in developed economies, in North America, Asia, and Europe.

We aim to invest mainly in companies where we believe we have good visibility about how the company will generate sufficient cashflows to deliver good long-run returns to shareholders. We favour investing in lower-risk companies that produce stable profits, are not too sensitive to the economic cycle, and whose share prices are not excessively volatile or overly sensitive to investor sentiment. We believe this means that our fund is likely to withstand market downturns better than the average global equity fund.

Unit Price (NZD)	**2.2215** 31 August 2026
Monthly Return	**+1.97%** After fees, before tax. August 2026.
Return since inception	**+18.38%** per annum After fees, before taxes. Since fund inception, 5 November 2021.
Fund Size	**$1,140 million*** * *Includes fund flows effective 31 August*
Fund Type	**Portfolio Investment Entity**
Minimum Investment	**$50,000 direct or $250 through InvestNow**
Investment Manager	**Te Ahumairangi Investment Management Ltd**
Issuer and Fund Manager	**FundRock NZ Ltd**
Supervisor	**Public Trust**
Custodian	**BNP Paribas**
Registry	**Apex Investment Administration (NZ) Ltd**
Management Fees	**0.60% per annum plus GST (approx 0.61% including GST)**
Performance Fees	**None**

Global Equities as an Investment

Over 95% of the fund will typically be invested in global equities. Although we aim to build a portfolio that is less sensitive to market conditions than the average global equity fund, investors should appreciate that our fund is nonetheless likely to fall in value if global equity markets decline. It could also fall in value if the New Zealand dollar rises. Global equities may not therefore be a suitable investment for people who expect that they may need to sell their investment portfolio within the next few years.

For long-term investors, it will often make sense to hold global equities as part of a diversified portfolio that also includes fixed interest investments and possibly other investments such as New Zealand equities. Global equities provide a level of diversification that is difficult to achieve from New Zealand equities alone.

A relatively high allocation to global equities will generally be more appropriate for investors who expect to continue saving money and contributing to their investment portfolio for the next few years. Higher allocations to global equities would also be more appropriate for investors who are psychologically prepared for the possibility of incurring investment losses in any given year.

Lower allocations to equities would generally be appropriate for investors who would find it psychologically difficult to deal with investment losses in any year or expect to be relying on their investment portfolio to fund their living expenses over the next few years.

Investors who are unsure about what place global equities should have in their investment portfolios should consult a financial advisor.

Risk Indicator:

Lower risk/ potentially lower returns — Higher risk/ potentially higher returns

1	2	3	4	5	6	7

For more information on the risks associated with this fund, please see the Product Disclosure Statement (PDS).

Please see the Important Notice and Disclaimer at the bottom of page 4.

Performance Update

Global equity markets were strong in August. Developed country equity markets (as represented by the MSCI World index) returned +2.42% (including gross dividends) in local currency terms. However, strength in the New Zealand dollar reduced returns for New Zealand based investors, such that the unhedged return from global developed equity markets was +1.93% when measured in NZ dollar terms.

Lower-risk equities outperformed the broader market in August. The fund's benchmark (which includes a lower-risk component) returned +2.20% in NZ dollar terms.

Share market returns were strongest in the Materials and Information Technology sectors, but weaker in Utilities, Real Estate, and Consumer Staples. Geographically, share markets were strongest in the Asia-Pacific, and also strong in North America, but weaker in Europe.

Benchmark Index

We compare the fund's performance to a composite benchmark index calculated by MSCI. The benchmark is a 50:50 combination of the MSCI World Index and the MSCI World Minimum Volatility (NZD) Index. The composition of the MSCI World Minimum Volatility (NZD) Index is calculated by MSCI to minimise volatility for NZ-dollar-based investors (subject to various constraints).

When benchmarking the fund's performance, we compare it to the <u>gross</u> return version of the benchmark, which makes no deduction for withholding taxes. This differs from the common practice of many other NZ-based funds, which compare their funds' pre-tax returns to the <u>net</u> return versions of their benchmark indices. This presents a lower hurdle for those funds' investment managers, as the net return indices assume high levels of withholding tax on dividend income.

Te Ahumairangi Investment Management considers the practice of these other funds to be misleading, as it does not provide investors with a like-for-like comparison for their funds' returns.

The fund returned +1.97% in August (after fees, but before taxes), under-performing the benchmark index, which returned +2.20%. The following factors affected relative performance in August:

- The fund's largest holding, Microsoft, was again the largest individual positive contributor to relative performance. Microsoft returned +8.7%, contributing +0.16% to the fund's relative performance.
- Other positive contributors included LG Electronics preference shares (+32.8%, contributing +0.10% to relative performance) and Mixi (+24.5%, contributing +0.10%).
- Relative performance was adversely affected by the fund's holdings in DaVita (fell -27.2%, detracting -0.24% from relative performance) and WH Group (-12.8%, detracting -0.13% from relative performance). Shares in both of these companies were adversely affected by a negative reaction to the release of their June quarter financial results, although in both cases we thought that the result was not nearly as bad as implied by the market reaction.
- The *relative* performance of the fund was also adversely affected by a strong performance from Nvidia, in which the fund holds a lower percentage weight than the benchmark. This meant that Nvidia boosted the benchmark return more than it boosted the fund's return. Nvidia rose +9.3%, detracting -0.12% from relative performance.
- The fund also missed out by not owning Palantir (rose +50.5%, detracting -0.11% from relative performance) and Salesforce (rose +39.0%, detracting -0.10%).
- The fund's allocation between sectors detracted -0.51% from relative performance. The fund suffered from a lower than benchmark weight in Information Technology and Materials, and from a higher than benchmark weight in Utilities.
- Holdings of cash were also a -0.10% drag on the fund's relative performance.
- Fees detracted -0.05% from the fund's return.

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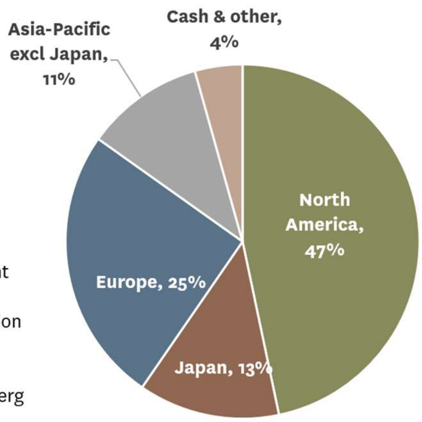
Portfolio Composition

The table below shows the fund's top 10 equity investments at the end of August.

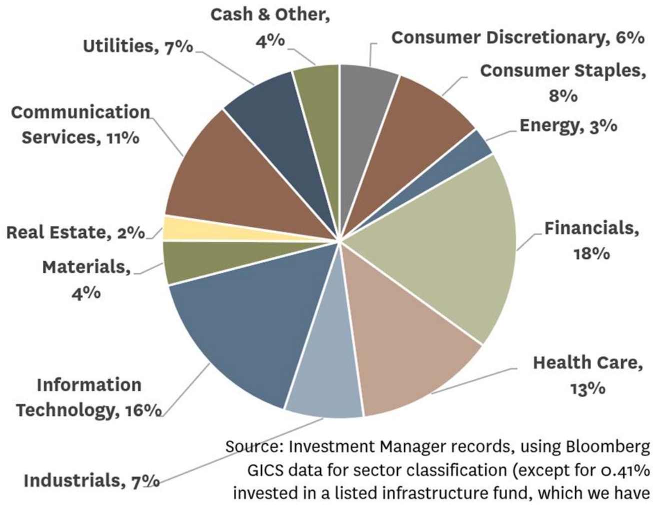
Company	Percentage of fund	*Company's weight in benchmark index*
Microsoft	4.45%	2.49%
Alphabet (includes 2 classes of security)	2.67%	2.05%
Verizon Communications	2.67%	0.46%
Apple	2.13%	2.82%
Everest Group	1.51%	0.01%
NVIDIA	1.31%	3.14%
Unilever (includes shares listed on 2 exchanges)	1.27%	0.11%
National Grid	1.23%	0.04%
CK Hutchison Holdings	1.22%	0.01%
Cisco Systems	1.15%	0.65%

The pie chart below shows how the fund is allocated between geographical regions:



Source: Investment Manager records, using MSCI definition of country of domicile where available, Bloomberg definition if not.

The pie chart below shows how the fund is allocated between industrial sectors:



Source: Investment Manager records, using Bloomberg GICS data for sector classification (except for 0.41% invested in a listed infrastructure fund, which we have treated as a Financial in this chart).

For a copy of our product disclosure statement, visit our website teahumairangi.co.nz

Fund Returns

	August 2026	One year to August 2026	3 years to August 2026 annualised return	Since Inception (5 Nov 2021 to 31 August 2026) annualised return
Return after fees but before tax	+1.97%	+24.67%	+21.68%	+18.38%
Benchmark Return*	+2.20%	+17.42%	+17.92%	+14.02%

* See page 2 for a description of the benchmark index.

Portfolio Spotlight: Nvidia

1.31% of the fund is invested in Nvidia. Although this is a significant holding, it is an "underweight position" in comparison to Nvidia's 3.14% weight in the benchmark index. Nvidia represents an even bigger proportion of the MSCI World index (5.56% at the end of August), as it is the most highly-valued company in the world.

Nvidia produces GPUs that can perform quadrillions of calculations per second and are used for both training and running AI models, and other tasks requiring high-performance computing. It also sells high-speed networking equipment and systems which combine its GPUs with memory chips and CPUs. More than any other company, Nvidia's revenues and profits have benefitted from the boom in spending on AI data centres.

Until this month, Nvidia had never appeared on our list of top-ten holdings, as less than 1% of the fund was invested in the company. Nvidia's shares have returned +796% since the inception of the fund, and having a lower-than-benchmark weight in Nvidia has been the single largest detractor from the fund's relative performance since the fund was launched. Investors may therefore wonder why we have increased the fund's holding in Nvidia after its share price has risen so much.

Part of the answer is that Nvidia's profits have grown far faster than we anticipated when we first looked at the company. Nvidia's operating profits have risen 23-fold since October 2021, due to a massive increase in demand from the boom in AI data centre spending. Its profits are expected to continue growing over the next 2 years, such that its share market valuation is just 15 times its expected profits over the year to January 2028.

The big unknown is when the AI spending boom ends, and what happens to Nvidia's profits when spending on AI data centres ultimately declines. History shows that companies exposed to capital spending cycles generally experience significant declines in profits at the end of a capital spending cycle. Whether Nvidia proves to be a good investment will depend on when this spending cycle turns down and how hard it hits Nvidia's profits. We believe that Nvidia's shares (unlike the shares of many other companies benefiting from the AI data-centre building boom) are pricing in an expectation of at least some decline in profits at the end of the cycle.

At the margin, each incremental dollar invested in Nvidia adds more downside risk to the fund than an incremental dollar invested in almost any other company held in the fund, and for this reason the fund's holding in Nvidia is likely to remain well below the benchmark weight.

Important Notice and Disclaimer

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