

CLARITY TRANS-TASMAN VALUE FUND

The Fund returned a healthy +2.6% in August, although lagged its benchmark. Many New Zealand and Australian companies reported full year financial results during the month. One notable element of this reporting season was some very large moves in share prices, both positive and negative, in response to companies reporting results only modestly different to market expectations. Some commentators have suggested this is a result of more investors following quantitative strategies that react systematically to company news (i.e. without a human or 'common sense' overlay), combined with a big part of the market following passive strategies that just follow the market and won't act as a counterbalance. Clarity are an active investor committed to assessing company fundamentals and valuation on a long-term basis and will look to take advantage of these moves where we think they provide an opportunity.

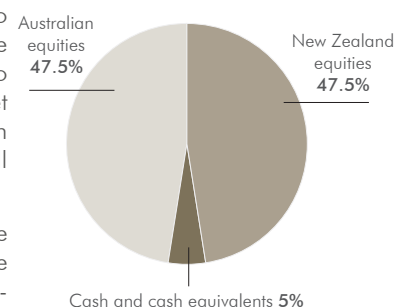
Two big fallers during the month were healthcare companies EBOS (-20%) and CSL (-21%). Each gave earnings outlooks that were lower than analysts expected. This resulted in the average analyst share valuation declining 9% in each case, suggesting the market may have over-reacted to this negative short-term news. Both companies have strong balance sheets, operate in defensive and growing markets and their outlook remains positive. We added to the Fund's holding in each company following the share price falls.

In contrast, we have trimmed our holding in A2 Milk. A2 shares rose +21% during the month following a good financial result and the announcement of a strategically sound acquisition of a milk processing company. The company is performing well but again we feel the share price move was overdone relative to the fundamentals.

Performance

As at 31 August 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity Trans-Tasman Value Fund*	2.6%	8.7%	11.5%	7.0%	9.5%	8.4%
Benchmark Index**	3.3%	7.9%	12.0%	8.1%	8.3%	5.8%

Target investment mix¹



CLARITY DIVIDEND YIELD FUND

Dividend yielding shares continued to outperform the broader New Zealand market in August, with the Dividend Yield Fund returning +4.3%. The Fund did not suffer any of the wilder moves seen in individual shares in the market during the month, which were concentrated in no-or-low dividend stocks. Although a healthy dividend is not a panacea for volatility, the valuation support can moderate downwards moves.

During the month we reviewed the underlying dividend yield on the shares held in the Fund and agreed it was appropriate to increase the quarterly Fund distribution from 1.6 cents per unit to 1.8 cents per unit. At the current unit price this equates to an annualised distribution yield of 4.5% with no further tax to pay.

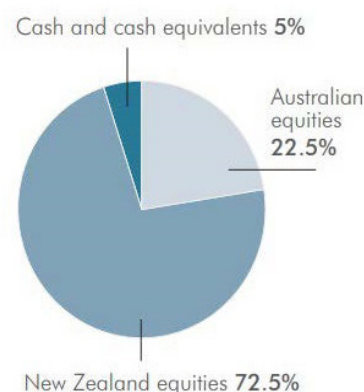
Top performers in the Fund came from the bank sector with Westpac (+14%), Heartland Group (+14%) and ANZ (+10%) all contributing strongly. Infrastructure companies also fared well, with Chorus shares rising +13% after increasing their dividend, and Channel Infrastructure (owner of the Marsden Point fuel import terminal) up +12%. With both the RBNZ and RBA cutting official interest rates during August, we expect to see continued demand for shares that pay sustainable dividend yields, like the ones we aim to hold in this Fund.

The worst performer for the month was global packaging company Amcor (-11%) who gave earnings guidance slightly below expectations reflecting softer volumes in the key US market. Amcor recently completed the \$US8bn acquisition of fellow packaging company Berry Group, and expects to generate substantial cost synergies as it integrates the two businesses, such that earnings are projected to grow 10% per annum over the next three years. With the shares trading at 10x earnings, and offering a 6% dividend yield, we are sticking with the position despite the near-term weakness.

Performance

As at 31 August 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity Dividend Yield Fund*	4.3%	11.3%	16.9%	8.0%	8.6%	9.9%
Benchmark Index**	4.3%	11.2%	15.3%	7.5%	8.8%	6.8%

Target investment mix¹



¹ The current target investment mix is shown, but variations around these targets are likely from time to time.

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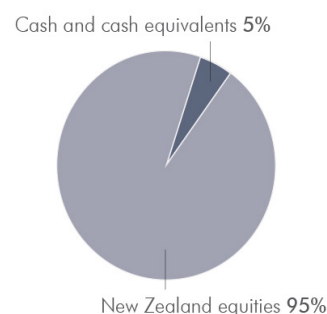
CLARITY NEW ZEALAND EQUITY FUND

The Fund was flat (0% return) in August, underperforming its S&P/NZX 50 Index benchmark for the first month this year. For reporting season in New Zealand, on average, company results came in a little weaker than expected, but outlook statements had a slight positive bias, with looser monetary policy expected to drive a stabilisation and eventual recovery in economic activity in New Zealand over the coming year. Investors generally took heart from this and bid share prices higher, despite the current weak conditions.

Courier company Freightways produced a strong result with profit up 12.9% despite same-customer parcel volumes declining during the year. They are taking market share off their main competitor NZ Post and have also been able to increase pricing to better differentiate between deliveries to different parts of New Zealand ('pricing for effort'). The shares rose +9% during the month and have been a solid contributor this year despite the economic headwinds they face. If or when NZ businesses and consumers begin to increase activity again, Freightways is well placed to benefit.

During the month we added a position in retirement village operator Summerset to the Fund. The company produced a solid half year result that allayed our fears they may be forced to raise capital like peer Ryman Healthcare. At the point we were buying, the share price had fallen nearly 20% this year, and with interest rates falling and New Zealand's residential property market showing signs of improvement, this felt like a good opportunity.

Target investment mix¹



Performance

As at 31 August 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity New Zealand Equity Fund*	0.0%	4.8%	7.1%	5.8%	3.6%	4.8%
Benchmark Index**	0.9%	4.3%	4.6%	4.5%	2.4%	3.7%

CLARITY FIXED INCOME FUND

The Clarity Fixed Income Fund returned +0.9% in August, broadly in line with its benchmark.

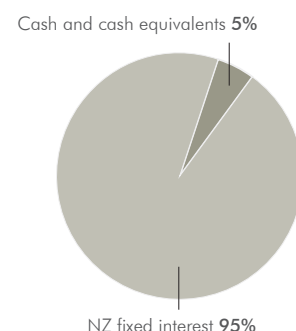
In monetary policy news, the Reserve Bank of New Zealand (RBNZ) reduced the Official Cash Rate (OCR) to 3.00%, a cumulative 250 basis-point decline since August 2024 (from 5.50%). The move followed a brief pause in July, as the RBNZ shifted its focus from inflation risks to concerns over spare capacity and the need to support economic growth. Notably, two members voted for a 50 basis-point cut, signalling expectations for further easing. The New Zealand dollar weakened modestly on the announcement, while bond yields fell as markets priced in potential additional cuts. This drove a strong return for the Fund in August given bond prices rise as interest rates fall.

During the month, the Fund invested in a new ASB Bank bond—a NZ\$1,200 million, 5-year fixed-rate note with a running yield of 4.10%.

Looking overseas, the Bloomberg Global Aggregate Bond Index (NZD-hedged) rose 0.4% in August, driven by declines in US longer-term interest rates following softer US labour market data and comments from Chair Powell at Jackson Hole.

At month-end, the portfolio's yield stood at 4.0%, with an average duration of 2.4 years.

Target investment mix¹



Performance

As at 31 August 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity Fixed Income Fund*	0.9%	2.1%	5.8%	5.5%	2.2%	3.9%
Benchmark Index**	1.0%	2.1%	5.8%	6.5%	4.2%	3.1%

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CLARITY GLOBAL SHARES FUND

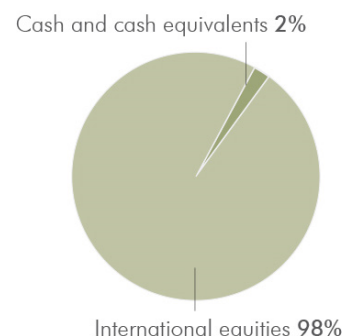
The Clarity Global Shares Fund returned +1.6% in August, lagging global sharemarkets which rose 2.2% over the month. US markets reached record highs, supported by expectations of Federal Reserve rate cuts and a strong finish to the corporate earnings season.

Within the Fund, Humana (+22%) was a standout contributor. The leading U.S. health insurer reported Q2 results at the end of July, beating earnings expectations by 7% and revenue by 2%, while also raising full-year earnings guidance by 5%. The result was driven by stronger membership retention, double-digit revenue growth in its pharmacy segment, and lower operating costs. Management also undertook modest share repurchases and debt redemption, signalling confidence in the business outlook.

Another top contributor was Toyota Tsusho Group (+15%), a diversified Japanese trading company with operations across metals, mobility, logistics, machinery, and chemicals. The stock reached a new 52-week high in August, supported by strong fundamentals, including a 14% return on equity (vs. 8% industry average) and 22% earnings growth over the past five years. Analyst price upgrades further added to positive momentum.

Elsewhere, the Fund's three largest positions—Nvidia (-2%), Microsoft (-5%), and Meta (-4%)—saw minor pullbacks after strong year-to-date performance. Given their valuations remain elevated relative to the market, investors are now looking ahead to the upcoming quarterly earnings season in October and November.

Target investment mix¹



Performance

As at 31 August 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity Global Shares Fund*	1.6%	9.7%	19.6%	19.8%	16.6%	12.7%
Benchmark Index**	2.2%	9.0%	18.8%	18.0%	13.7%	12.2%

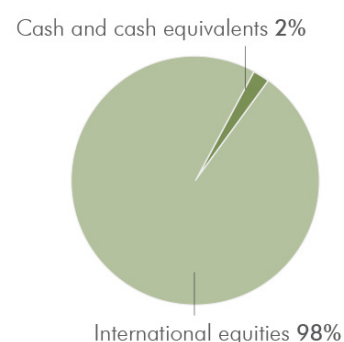
CLARITY - CAPITAL GROUP NEW PERSPECTIVE FUND²

The Clarity-Capital Group New Perspective Fund delivered a return of +1.2% in August. Within the Fund, online travel agency Trip.com (+19%) was a standout contributor. In August, the company reported quarterly financials, with revenue rising 16% year-over-year and earnings surpassing forecasts by 30%. This strong performance was driven by sustained travel demand, strategic investments in AI, and a share repurchase program that signalled management confidence. Revenue growth was particularly notable in corporate travel (+9%) and transportation ticket sales (+11%). Following the earnings release, several analyst upgrades further supported the stock's momentum.

Another top contributor was Novo Nordisk (+16%), a global healthcare company headquartered in Denmark, best known for its leadership in diabetes care and its expanding portfolio in obesity and rare disease treatments, with products such as Ozempic and Wegovy. In August, Novo Nordisk reported strong quarterly financial results, with revenue and earnings up 31% and 30% respectively. Wegovy, the company's flagship product experienced a notable 67% revenue increase. Elsewhere, the U.S. Food and Drug Administration (FDA) approved Wegovy for the treatment of serious liver diseases and the company announced they would sell Ozempic direct to consumers at a 50% discount, aligning its pricing with that of Wegovy as it faces competitive pressures, which have weighed on the share price earlier this year.

The Fund also benefited from strong contributions by e-commerce platform Shopify (+15%), cruise line operator Royal Caribbean Cruises (+14%), and biopharmaceutical company Alnylam Pharmaceuticals (+14%).

Target investment mix¹



Performance

As at 31 August 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity - Capital Group New Perspective Fund*	1.2%	6.9%	16.9%	16.9%	10.8%	12.3%
Benchmark Index**	2.2%	9.0%	18.8%	18.0%	13.7%	12.6%

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² Capital Group and Capital Group New Perspective are trademarks of the Capital Group Companies, Inc.

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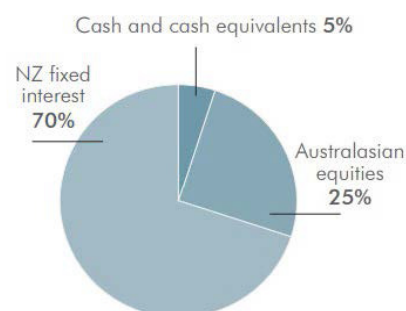
CLARITY DIVERSIFIED INCOME FUND

The Diversified Income Fund returned +2.0% in August, a touch ahead of the benchmark.

Within the Fund, returns were driven by the Clarity Dividend Yield Fund which returned +4.3%. The Clarity Fixed Income Fund posted a return of +0.9%, while the Smart Global Aggregate Bond ETF returned +1.4% over the month.

The Diversified Income Fund is invested across three underlying strategies: the Clarity Fixed Income Fund, the Clarity Dividend Yield Fund, and the Smart Global Aggregate Bond ETF.

Target investment mix¹



Performance

As at 31 August 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity Diversified Income Fund*	2.0%	5.1%	8.7%	6.0%	4.4%	4.5%
Benchmark Index**	1.9%	4.7%	8.2%	7.5%	5.4%	4.5%

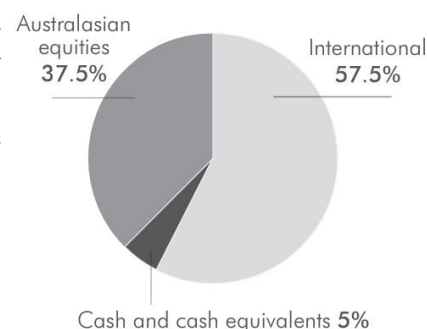
CLARITY DIVERSIFIED GROWTH FUND

The Diversified Growth Fund returned +1.5% in August.

Returns were primarily driven by the Clarity Trans-Tasman Value Fund, which rose +2.6% over the month. The Clarity Global Shares Fund contributed +1.6%, the Clarity-Capital Group New Perspective Fund added +1.2%, while the TAHITO Te Tai o Rehua Fund was broadly flat at +0.1%.

The Fund maintains growth exposure across four underlying strategies: the Clarity Global Shares Fund, the Clarity-Capital Group New Perspective Fund, the Clarity Trans-Tasman Value Fund, and the TAHITO Te Tai o Rehua Fund.

Target investment mix¹



Performance

As at 31 August 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity Diversified Growth Fund*	1.5%	7.2%	13.8%	13.4%	11.5%	9.0%
Benchmark Index**	2.6%	8.5%	16.1%	14.1%	11.7%	10.9%

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