

CLARITY TRANS-TASMAN VALUE FUND

The Fund enjoyed a good finish to the year, returning +1.4% in December, albeit this was modestly behind benchmark for the month. For the year, the Fund returned 16% after fees, outperforming its benchmark by 4%.

Key contributors to fund performance in 2025 in New Zealand were our holdings in Tower Insurance and Sky TV, while in Australia overweight positions in ANZ, BHP and Challenger were beneficial. We continue to hold all five companies but have trimmed our holdings during the year as their share prices rose. Dragging on returns last year was Ryman Healthcare who surprised the market with another capital raise. The new management team are now making progress turning the business around, and the Fund remains invested. In Australia we lost money in high growth biotech companies Telix Pharmaceutical and Aroa Biosurgery. We have exited both positions and intend to steer clear of this sector in future given our lack of specific expertise in this area.

In December the Fund's mining holdings were significant contributors to returns with diversified miner BHP (the largest position in the Fund) up +9%, uranium miner Paladin Energy +18% and Capstone Copper +15%. Commodity prices have been strong in recent months leading some market commentators to suggest we may be entering another "commodity supercycle", driven by the energy transition, Artificial Intelligence infrastructure demand and a generally higher inflation environment, combined with a relatively constrained supply outlook in many key commodities.

Performance

| As at 31 December 2025 | 1 Mth | 3 Mth | 1 Yr | 3 Yrs p.a. | 5 Yrs p.a. | Since Inception p.a. |
|----------------------------------|-------|-------|-------|------------|------------|----------------------|
| Clarity Trans-Tasman Value Fund* | 1.4% | 2.8% | 16.0% | 10.1% | 8.2% | 8.6% |
| Benchmark Index** | 1.7% | 1.6% | 12.0% | 10.4% | 6.7% | 6.0% |

CLARITY DIVIDEND YIELD FUND

The Fund returned +1.4% in December to bring calendar year return to a particularly strong +20.8%. As we've noted previously, shares with solid and sustainable dividend yields were generally in hot demand in 2025 as interest rates fell and investors looked for other sources of income.

Key contributors to the Fund return during the year included Fonterra (+73%), Tower Insurance (+84%) and Freightways (+42%) in New Zealand, and ANZ (36%), Westpac (27%) and BHP (+22%) in Australia.

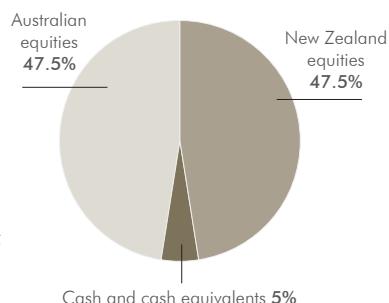
Spark (-11%) was the only notable detractor from performance with the company downgrading earnings guidance and eventually its dividend during the year, largely due to weak demand from its corporate and government customers.

Despite the share price appreciation during the year, the average forecast gross dividend yield (pre fees and tax) on the shares held in the Fund still sits at a healthy 6.6%. Moreover, with the New Zealand economy finally showing signs of life, we think there is less downside risk to this yield forecast than a year ago (albeit many of the companies held in the Fund are defensive businesses with little exposure to the economic cycle).

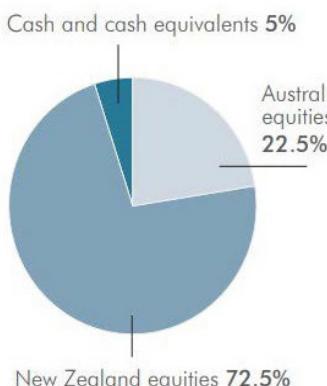
Performance

| As at 31 December 2025 | 1 Mth | 3 Mth | 1 Yr | 3 Yrs p.a. | 5 Yrs p.a. | Since Inception p.a. |
|------------------------------|-------|-------|-------|------------|------------|----------------------|
| Clarity Dividend Yield Fund* | 1.4% | 2.5% | 20.8% | 10.5% | 6.5% | 10.1% |
| Benchmark Index** | 0.8% | 1.1% | 17.5% | 9.7% | 5.9% | 7.0% |

Target investment mix¹



Target investment mix¹



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

* These returns are after deductions for fees and before tax.

** Benchmark returns reflects no deduction for fees and tax. Details of these are included in the Quarterly Fund Update which is available at <https://clarityfunds.co.nz/investor-documents>.

CLARITY NEW ZEALAND EQUITY FUND

The Fund returned +0.4% in December and +8.1% over the year, outpacing a lacklustre return from the New Zealand share market (NZX/S&P 50 Index) of +4.1%.

The market was held back by weak outcomes from its largest constituents. The ten largest companies currently comprise 65% of the index. Only three of these top ten companies generated positive returns for shareholders in 2025. For some, this was due to poor company performance – Spark (-11%) and EBOS (-23%) were good examples. For others, we'd suggest it was just a result of previously strong share price performance which left share valuations at relatively high levels and made further gains difficult. Fisher & Paykel Healthcare (slightly down) and Infratil (-10%) were good examples.

Looking ahead to 2026, the earnings outlook for the top ten is positive, and after a year of share price consolidation we think as a group they can start to appreciate again, providing a solid foundation for the overall market.

The standout performer from the group in 2025 was A2 Milk (+76%). Despite continued declines in the key Chinese infant formula market (as their birth rate dwindles), A2 is growing strongly as management deliver a masterclass in product development and marketing and channel management. Although A2's prospects remain positive, we have trimmed our position as the valuation begins to look a little stretched.

Target investment mix¹



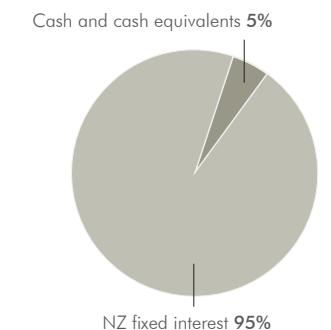
Performance

| As at 31 December 2025 | 1 Mth | 3 Mth | 1 Yr | 3 Yrs p.a. | 5 Yrs p.a. | Since Inception p.a. |
|----------------------------------|-------|-------|------|------------|------------|----------------------|
| Clarity New Zealand Equity Fund* | 0.4% | 2.7% | 8.1% | 7.9% | 2.8% | 5.4% |
| Benchmark Index** | 0.5% | 2.0% | 4.1% | 6.5% | 1.5% | 4.4% |

CLARITY FIXED INCOME FUND

The Clarity Fixed Income Fund returned +0.2% in December, in line with its benchmark.

Target investment mix¹



New Zealand market interest rates experienced a volatile month. Rates initially increased sharply as investors began pricing in the possibility of the Official Cash Rate (OCR) rising toward the end of 2026, earlier than previously expected. This shift was largely a reaction to the Reserve Bank of New Zealand's (RBNZ) November policy statement. Although the RBNZ cut the OCR to 2.25% at that meeting, their guidance suggested that interest rates had likely reached their "floor" for this cycle.

In part, this was due to the relatively hawkish tone of the Reserve Bank of New Zealand's (RBNZ) Monetary Policy Statement in late November. Despite the 25 basis-point cut in November, reducing the OCR to 2.25%, the accompanying statement and guidance indicated the OCR's floor had been already reached.

However, this upward trend in market rates reversed in mid-December following the first major media interviews from the new RBNZ Governor, Dr. Anna Breman. Governor Breman signalled that financial market conditions had tightened "beyond" what the Bank had intended. Her comments cooled the market, leading to a modest fall in wholesale interest rates toward the end of the year. These movements highlight a shift in focus from how low will rates go to a wait and see approach as the economy adjusts to previous cuts.

At month-end, the portfolio's yield stood at 3.9%, with a duration (average maturity) of 2.7 years.

Performance

| As at 31 December 2025 | 1 Mth | 3 Mth | 1 Yr | 3 Yrs p.a. | 5 Yrs p.a. | Since Inception p.a. |
|----------------------------|-------|-------|------|------------|------------|----------------------|
| Clarity Fixed Income Fund* | 0.2% | 0.1% | 4.6% | 6.2% | 2.4% | 3.8% |
| Benchmark Index** | 0.2% | 0.2% | 4.8% | 6.4% | 4.4% | 3.1% |

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CLARITY GLOBAL SHARES FUND

The Clarity Global Shares Fund returned +1.5% in December, ahead of the benchmark return of +0.8%.

Tapestry (+17%) was a standout contributor, driven by a combination of strong operational performance and positive momentum in its luxury brand portfolio; the company is a New-York-based global fashion house behind iconic brands such as Coach and Kate Spade. Investor confidence was bolstered in December by a series of analyst price-target upgrades and bullish research notes, reflecting expectations of resilient revenue and earnings growth and stronger consumer demand into 2026, which helped propel the shares toward new 52-week and multi-year highs. Sentiment was further supported by the company's 14% December dividend increase.

Dollar General (+21%) was a strong contributor in December, driven by an earnings beat and improved outlook. The company is a leading U.S. discount retailer focused on value-oriented shopper and is benefitting from consumers trading down as they come under cost of living pressure. In December, quarterly earnings were released, sales rose 5% year-on-year with, while earnings climbed 44%, beating expectations and signalling stronger profitability. Management also raised full-year guidance for sales and earnings, underscoring confidence in ongoing demand and operational execution, which helped push the shares higher.

The Fund's three largest holdings had mixed results. Nvidia (+5%) rose modestly despite tech-sector volatility and scrutiny of AI valuations. Microsoft (-2%) fell amid sector weakness and caution around capital spending. Apple (-3%) held up better than many peers, supported by steady iPhone sales and stable services revenue.

Performance

| As at 31 December 2025 | 1 Mth | 3 Mth | 1 Yr | 3 Yrs p.a. | 5 Yrs p.a. | Since Inception p.a. |
|-----------------------------|-------|-------|-------|------------|------------|----------------------|
| Clarity Global Shares Fund* | 1.5% | 4.0% | 20.6% | 23.9% | 16.7% | 13.2% |
| Benchmark Index** | 0.8% | 3.9% | 19.3% | 22.6% | 14.1% | 12.8% |

CLARITY - CAPITAL GROUP NEW PERSPECTIVE FUND²

The Clarity-Capital Group New Perspective Fund delivered a return of +0.4% in December.

Taiwan Semiconductor Manufacturing Company (+8%) contributed positively in December as the company continued to benefit from strong global chip demand, particularly for artificial intelligence-related products. TSMC reported November revenue up 25% year-on-year, underpinned by sustained demand for advanced semiconductors used in AI and high-performance computing. Market sentiment was further supported by analyst price-target increases and reiterated buy ratings on the stock in December, reflecting confidence in continued revenue growth into 2026.

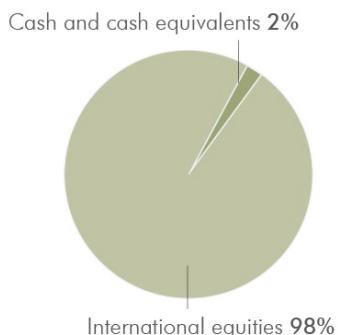
UniCredit Spa (+11%) was a positive contributor in December as investor sentiment improved on signs of renewed confidence in European banking. UniCredit is one of Italy's largest banking groups with a strong presence across Europe. Its share price rose to a new 52-week high, reflecting renewed market interest and confidence in its financial positioning.

Elsewhere, the Fund benefited from strong gains in specialist firms. SK Hynix (+23%) rose in December as memory chip prices increased and demand for semiconductors remained strong, boosting investor confidence. Bayer AG (+22%), the German pharmaceuticals and crop science company, advanced after U.S. legal developments reduced uncertainty around ongoing litigation, lifting shares at year-end. Micron Technology (+21%) climbed after analyst price-target upgrades in early December, reflecting optimism about continued demand for memory products.

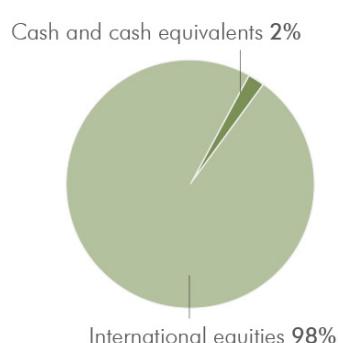
Performance

| As at 31 December 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* | 0.4% | 2.6% | 15.9% | 21.1% | 10.4% | 12.8% |
| Benchmark Index** | 0.8% | 3.9% | 19.3% | 22.6% | 14.1% | 13.4% |

Target investment mix¹



Target investment mix¹



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

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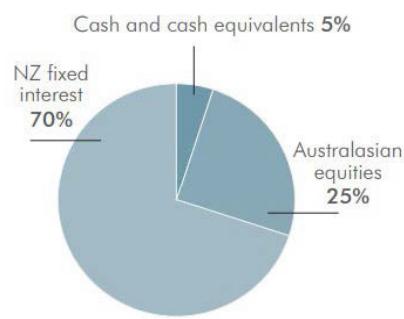
CLARITY DIVERSIFIED INCOME FUND

The Diversified Income Fund returned +0.4% in December, a touch ahead of the benchmark.

Within the Fund, performance was driven by the Clarity Dividend Yield Fund returning +1.4% over the month, ahead of the benchmark. The Smart Global Aggregate Bond ETF posted a return of -0.4%, in line with its benchmark. The Clarity Fixed Income Fund returned +0.2%, in line with its benchmark.

The Diversified Income Fund is currently invested across three underlying strategies: the Clarity Fixed Income Fund (66%), the Clarity Dividend Yield Fund (25%), and the Smart Global Aggregate Bond ETF (3%).

Target investment mix¹



Performance

| As at 31 December 2025 | 1 Mth | 3 Mth | 1 Yr | 3 Yrs p.a. | 5 Yrs p.a. | Since Inception p.a. |
|----------------------------------|-------|-------|------|------------|------------|----------------------|
| Clarity Diversified Income Fund* | 0.4% | 0.8% | 9.4% | 7.3% | 3.7% | 4.6% |
| Benchmark Index** | 0.3% | 0.6% | 8.5% | 7.8% | 5.8% | 4.7% |

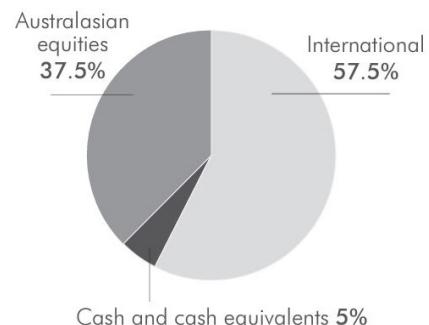
CLARITY DIVERSIFIED GROWTH FUND

The Diversified Growth Fund returned 0.7% in December.

Returns were driven by the Clarity Global Shares Fund, which rose +1.5% over the month. The Clarity Trans-Tasman Value Fund contributed +1.4%, the Clarity – Capital Group New Perspective Fund returned +0.4%, while the TAHITO Te Tai o Rehua Fund returned -1.8%.

The Fund maintains growth exposure across four underlying strategies: the Clarity Global Shares Fund (27%), the Clarity-Capital Group New Perspective Fund (26%), the Clarity Trans-Tasman Value Fund (28%), and the TAHITO Te Tai o Rehua Fund (12%).

Target investment mix¹



Performance

| As at 31 December 2025 | 1 Mth | 3 Mth | 1 Yr | 3 Yrs p.a. | 5 Yrs p.a. | Since Inception p.a. |
|----------------------------------|-------|-------|-------|------------|------------|----------------------|
| Clarity Diversified Growth Fund* | 0.7% | 2.1% | 14.1% | 16.4% | 10.5% | 9.3% |
| Benchmark Index** | 1.2% | 2.9% | 16.4% | 17.6% | 11.1% | 11.3% |

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