

DECEMBER 2025

Net return for
December 2025

-3.61%

After fees, pre-tax

Net return for FY2026
to date

20.28%

After fees, pre-tax, March y/e

Net return for FY2026
to date for the MSCI ACWI

22.10%

March y/e

If you'd invested \$10,000 five
years ago it'd now be worth

\$20,313

At 0% PIR tax

Net Returns As At 31 December 2025	1 month	6 months	1 year	2 years (pa)	5 years (pa)	Inception (pa)
Lighthouse Global Equity Fund	-3.6%	6.4%	2.6%	36.9%		
Lighthouse Funds' investment strategy	-3.6%	6.4%	2.6%	36.9%	15.2%	19.5%
MSCI ACWI net in NZD	0.9%	17.4%	19.2%	25.8%	16.3%	14.2%

COMMENTARY FOR THIS MONTH

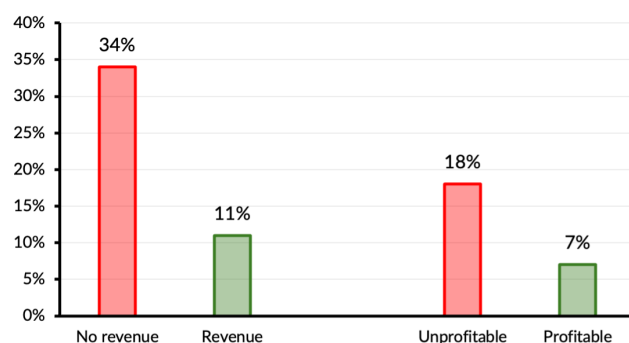
The Fund was down 3.6% in December, amid ongoing weakness in the large market-cap growth stocks this Fund favours.

The disappointing, and puzzling, result is the Fund only returned 2.6% through the 2025 calendar year. We often say that fund managers pick stocks, but that's not quite correct. Fund managers pick companies, not stocks. We're looking for companies with characteristics or features that we think mean the company will grow in value. Then we trust that the share market will reflect that growth in value in the company's share price. For example, this Fund tries to find companies that are growing their profits by at least 20% pa and that have conservative financials (large size, little or no debt, low asset intensity etc).

But the link from company performance to share price movement isn't direct. It's pretty good in the long-term (2 or 3 years or longer), where share prices do move with the facts of company performance. But in the short-term (up to 12 or 18 months say) share prices move at least as much with emotion as they do with the underlying company performance.

Through 2025 the companies this Fund invested in averaged profit growth of 70% pa (in USD) – on average their profits in 2025 were 70% higher than in 2024. As always there were a few bad picks, but overall the Fund was invested in the style of companies that we want it to. That bit worked.

But in 2025 the share prices of those large growth companies haven't moved the way you might expect. It's fair to say they were a bit over-valued at the start of the year. But the metrics we watch suggest they're under-valued now. Here's this story in a simple chart – these are the 2025 returns (in USD) for four different classes of stock listed on the Nasdaq:



We suspect the market's fear of a bubble in sectors like tech have been over-played, and so those share prices aren't currently reflecting the underlying value. Growth stocks are on sale. It doesn't seem right that Nvidia is cheaper than Costco.

Share prices lagging profit growth isn't novel, it's not the first time we've seen this, and we're not complaining. This is just how markets work sometimes. But in the long-run share prices will move to (re-)align with profit growth. We suspect there will be a catch-up ahead.

KEY INFORMATION

FUND FEATURES

The Lighthouse Global Equity Fund is a portfolio of very large market capitalisation “blue chip” stocks, listed on the major United States exchanges, that have growth characteristics. The Fund intentionally seeks companies with high liquidity, very conservative levels of debt, and strong histories of revenue and profit growth. This is a high conviction portfolio of 15 to 20 positions.

The Fund’s objective is to deliver long-run net returns that are at least 2% pa higher than those of the MSCI All Country World Index. That index has averaged 13% pa over the last 5 years, so the Fund targets long-run net returns of at least 15% pa.

FUND FACTS

Fund name	Lighthouse Global Equity Fund
Fund type	PIE unit trust
Benchmark	MSCI ACWI, net, in NZD
Management fee	1% pa + GST (approx. 1.05% pa)
Performance fee	30% of returns in excess of the MSCI ACWI + 2% pa (we expect this hurdle to average 14-15% pa over time), with a perpetual high tide mark
Buy/sell spread	0.10%/0.10%
Manager	FundRock NZ
Investment manager	Lighthouse Funds
Supervisor	Public Trust
Custodian	Adminis
Auditor	KPMG

TOP 10 HOLDINGS

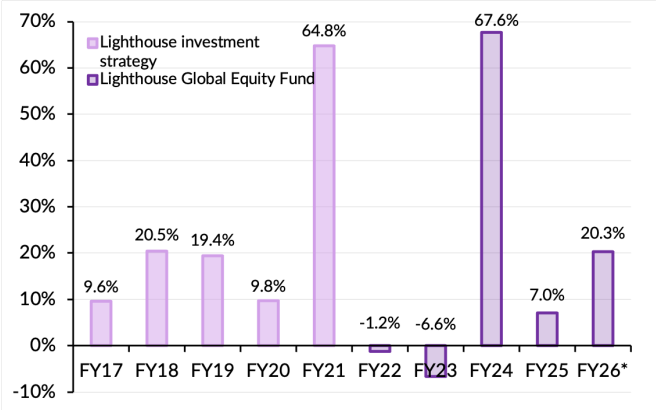
Holding	% of Fund NAV
Cash	32.3%
Carvana	9.8%
AppLovin	9.7%
RobinHood	9.4%
Invesco QQQ Trust	7.8%
MercadoLibre	6.3%
Nvidia	6.3%
NRG Energy	6.2%
Comfort Systems	6.2%
KLA Corporation	6.0%

IMPORTANT NOTICE

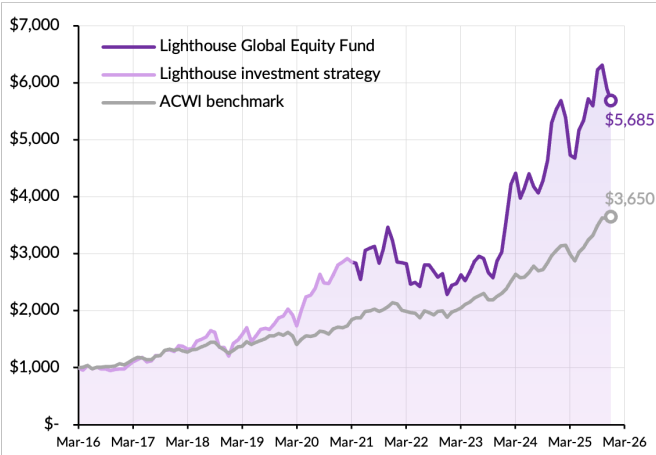
This factsheet is produced by Lighthouse Funds Limited (Lighthouse) and provides key information about the Lighthouse Global Equity Fund. It tells you how the fund has performed and it will help you to compare it with other investments. It is based on information that we believe to be accurate and reliable but we can't guarantee that is the case. The returns information shows the net returns for this retail unit trust, since it began operations in March 2021, and also the net returns from the investment strategy Lighthouse Funds' uses in both this retail unit trust and in a wholesale fund that has been operating since March 2016. The returns for the wholesale fund have been provided by Lighthouse Funds from the audited financial statements for that fund. Past performance does not guarantee future returns. The information in this factsheet is not intended to be financial advice for the purposes of the Financial Market Conduct Act 2013, as amended by the Financial Services Legislation Amendment Act 2019. For more details please refer to the Product Disclosure Statement (PDS) and the latest quarterly fund update. You can find these documents at <https://lighthousefunds.nz/library> or contact us at enquiries@lighthousefunds.nz

PERFORMANCE

Returns by financial year (March year ends)



Cumulative returns



RISK

1	2	3	4	5	6	7
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The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the Fund’s assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way.