

FEBRUARY 2026

Net return for
February 2026

-5.42%

After fees, pre-tax

Net return for FY2026
to date

2.33%

After fees, pre-tax, March y/e

Net return for FY2026
to date for the MSCI ACWI

22.03%

March y/e

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

\$16,574

At 0% PIR tax

Net Returns As At 28 February 2026	1 month	6 months	1 year	2 years (pa)	5 years (pa)	Inception (pa)
Lighthouse Global Equity Fund	-5.4%	-13.6%	-10.2%	7.1%		
Lighthouse Funds' investment strategy	-5.4%	-13.6%	-10.2%	7.1%	10.6%	17.2%
MSCI ACWI net in NZD	2.1%	9.8%	16.0%	20.4%	16.1%	13.9%

COMMENTARY FOR THIS MONTH

The Fund was down 5.4% pa in February, as markets sold expensive tech stocks with P/E ratios in the 20s to buy cheap value stocks like Costco and Walmart with P/Es in the 50s.

We are calm, logical and patient investors. So, by nature, we try to arrive at rational, logical explanations for market movements. Right now we can't.

The companies the Fund is invested in have averaged almost 50% earnings growth over the last 12 months. They're forecast to continue to grow at that rate. They are in good health. The corporate sky is not falling. All else being equal we'd expect their share prices, and the value of this Fund, to be up about 30-35% through this year - and if you go back to October 2025 that's where this Fund was at (+33.6% from April to October).

But since the end of October markets have been having a panic attack, largely about the impact AI might have. We're not surprised that a disruptive technology will cause disruptions. But it is way too early to know yet just where the disruptions will be, who will benefit, and who will lose out. The level of uncertainty is so high, and the quality and amount of real-world data about AI's economic impact so thin, that the conversations about AI are literary rather than analytical. It's a battle of competing science fiction narratives that seems to have speed-run through illogical on its way to hysterical.

On the one hand AI is a bubble that is about to burst, and on the other it's so powerful that it's going to replace us all,

devastate the labour market and crater our economies. Meanwhile there's so little profit to be made that Nvidia et al won't see the revenue they're forecasting, but yet you'll be able to "vibe code" your own replacement of S&P500 company software over the weekend. Trying to find a rational through-line in these conflicting themes leaves us wondering whether the market sees AI as ushering in a future that looks like the Blade Runner movies. (For the record, we don't think it will).

We're firm believers in Amara's Law, which says "We over-estimate the impact of a technology in the short run and under-estimate the impact in the long run". The telephone was invented to be like how we use radio. Radio was invented to be like how we use telephones. The computer would lead to paperless offices. On the internet everything will be free. In that vein we suspect markets are over-estimating the effect AI will have in the next few years.

Meanwhile, the rotation into value stocks is over-extended. It's not supported by revenue or earnings growth (the best performing sector year-to-date has the worst earnings growth!). At current valuation metrics value investors should question what they're buying and just where the bubble is.

Reality is that in the long-term markets are driven by earnings growth. Given the financial performance of the companies the Fund is invested in we do believe they are materially over-sold and will revert to fair pricing in the future.

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

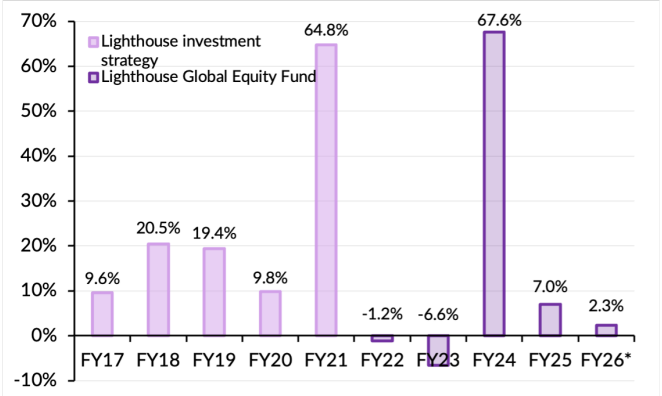
Holding	% of Fund NAV
Celestica	10.8%
Comfort Systems	10.5%
Invesco QQQ Trust	9.0%
Carvana	8.8%
KLA Corporation	8.4%
First Solar	8.1%
NRG Energy	7.8%
AppLovin	7.6%
Robinhood	7.2%
Echostar	7.2%

IMPORTANT NOTICE

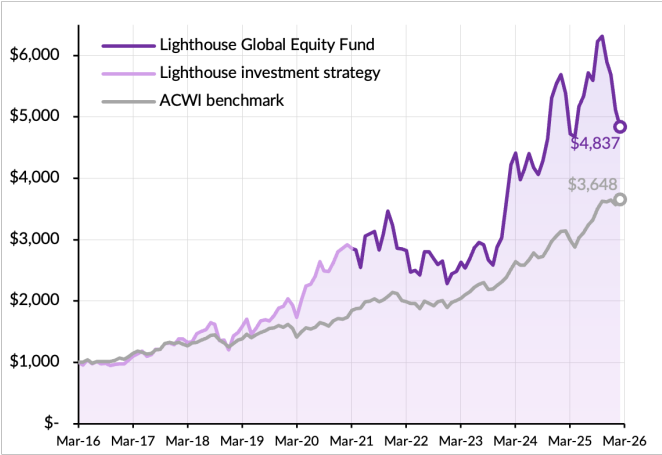
This factsheet is produced by Lighthouse Funds Limited (Lighthouse) and provides key information about the Lighthouse Global Equity Fund. It tells you how the fund has performed and it will help you to compare it with other investments. It is based on information that we believe to be accurate and reliable 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.