

FOUNDATION SERIES HIGH GROWTH FUND



Fund Fact Sheet at 30 June 2025

Fund Information	
Description	Diversified fund targeting high long-run returns by investing in a portfolio of predominantly growth assets but with a small amount of income asset exposure. Incorporates certain responsible investment considerations and is exposed to investment strategies that seek to limit exposure to companies involved in particular business practices.
Objective	To perform broadly in line with the return of the weighted average return of the asset class benchmark indices on a before fees and tax basis.
Benchmark	Composite blend of indices that represent the Fund's target investment mix. Please refer to the Foundation Series Funds' SIPO for more details.
Inception	4 March 2025
Fund Type	PIE
Fund Size (NAV)	\$1.0 million
Annual Fund Charges (Estimated, % of NAV)	0.37%
Performance Fee	Nil
Buy/Sell Spread	Nil
Unit Price	\$1.0255

Investment Mix



Commentary

The Foundation Series High Growth Fund slightly outperformed its benchmark in June, returning 3.33% after fees and before tax.

The June 2025 quarter was a rollercoaster for global equities, with the US market leading the charge. The S&P 500 surged 10.9% in local currency, driven by robust corporate earnings, particularly in technology, which rallied 23.7%. Early April saw a sharp -10% drop following President Trump's 'Liberation Day' tariff announcement, imposing tariffs on imports and up to 50% on select countries. A 90-day tariff pause and successful trade talks with the UK, China, and Vietnam sparked a strong recovery, pushing the MSCI All Country World Index up 9.2% over the quarter in local terms. However, a 7.4% NZD/USD exchange rate gain muted returns for New Zealand investors to 4.1%. The proposed One Big Beautiful Bill Act, a US\$3 trillion+ tax package, boosted consumer spending optimism but raised concerns about rising debt.

Developed markets outside the US delivered solid but varied performances. Japan's equity market shone, supported by structural growth and corporate governance reforms, with the Nikkei 225 hitting new highs. Europe saw a 3.3% gain, with Germany's DAX 40 jumping 7.9%, fuelled by increased defence and infrastructure spending. The European Central Bank's two rate cuts bolstered confidence, though export-heavy economies faced trade war risks. Despite volatility, global markets showed resilience, with investor sentiment recovering post-April. Emerging markets like China gained 3.3%, supported by stimulus, though valuations remain attractive compared to the US. Geopolitical risks, including Israel-Iran clashes, briefly spiked oil prices but had little lasting impact, underscoring markets' resilience to headline-driven swings.

The S&P/NZX 50 posted a modest +2.7% return, trailing global peers amid lingering domestic headwinds. High interest rates continued to weigh on consumer demand and corporate earnings, though defensive sectors – like utilities and dividend-paying stocks – provided stability. The RBNZ's OCR cut to 3.25% in May and hints of further easing laid groundwork for recovery, but growth remains sluggish. Across the Tasman, Australia's S&P/ASX 200 surged +9.5%, rebounding from a weak Q1 as the RBA signalled deeper rate cuts and trade tensions eased. The divergence highlights NZ's reliance on a slower-moving domestic cycle, though improving sentiment and falling rates suggest brighter prospects may be ahead for Kiwi investors.

The Fund's strategy is to provide a well-diversified portfolio targeting high long-run returns by reweighting back to the Fund's benchmark/target investment mix within a cost-effective and tax appropriate investment structure.

Performance	1 Mth	3 Mths	6 Mths	1 Year	Inception
Fund (after fees before tax)	3.33%	5.96%	–	–	2.73%
Fund (after fees and 28% PIR)	3.23%	5.71%	–	–	2.33%
Benchmark (no deductions)	3.02%	6.04%	–	–	3.01%

Investors should also refer to the Quarterly Fund Update, which is available at fundrock.com/fundrock-new-zealand and business.govt.nz/disclose.

Mike Heath – 027 285 9178
mike.heath@investnow.co.nz

Jason Choy – 021 0221 7661
jason.choy@investnow.co.nz

This Fact Sheet is provided by InvestNow Saving and Investment Service Limited (InvestNow) in good faith and are based on sources InvestNow believes are reliable and accurate. InvestNow, its directors, officers and employees make no representations or warranties as to the accuracy or completeness of the information contained in this Fact Sheet and disclaim liability for any loss, damage, cost or expense that may arise from any reliance on the information provided. This disclaimer extends to any entity that may distribute this Fact Sheet. The information in this Fact Sheet is not intended to be financial advice and InvestNow did not take into account the investment objectives, and particular needs of any particular person. Professional investment advice from an appropriately qualified adviser should be taken before making any investment. Past performance is not necessarily indicative of future performance, unit prices may go down as well as up and an investor in the Fund may not recover the full amount of the capital that they invest. No part of this document may be reproduced without the permission of InvestNow or FundRock NZ Limited. The manager and issuer of the Fund is FundRock NZ Limited and a Product Disclosure Statement is available at <https://www.fundrock.com/fundrock-new-zealand/frnz-documents-and-reporting/>, and on <https://disclose-register.companiesoffice.govt.nz/>. All investments involve risk.