Monthly Fund Fact Sheet

mint ASSET MANAGEMENT

As of 31 August 2022

Market overview

August news flow was dominated by the Australasian reporting season, but once again macro events had the major impact on the Australasian stock market performance. Reporting season in Australia and New Zealand was positive with beats outnumbering misses by 3:2, then on 26 August Fed Chair Jerome Powell stated that his "overarching focus right now is to bring inflation back down to our 2% goal". He went on to say that "Reducing inflation is likely to require a sustained period of below trend growth…. some softening of the labor market conditions…(and) some pain to households and businesses". So the US is unlikely to cut interest rates any time soon. This announcement caused US yields to sell off 52 bps to 3.19% (a little higher than they were in July) causing stock markets and commodity prices across the world to fall, with the S&P500 finishing August down 4.1%.

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The good news was that the NZX50 and ASX200 managed to end the month in positive territory +0.9% and +1.2% respectively and held onto gains made in July when the US 10-year bond yield fell from 2.98% to 2.64%. Once again, the energy sector was the strongest performer on the ASX (now +53% year to date), the healthcare and industrial sectors also ended the month in positive territory. Market volatility remains high with inflation the key focus and the next US Consumer Price Index (ie inflation) statistics out on 13th September, but falling commodity prices should start to weigh on inflation, even if rising wages and rents remain something to keep an eye on.

Outside of the US and Australasia, European woes continue with Gazprom once again closing the Nord Stream 1 pipeline to Germany for "maintenance" weighing on Germany's ability to rebuild gas stocks ahead of winter. Droughts are restricting freight on European and Chinese waterways and new Covid lockdowns in Chengdu and Shenzhen mean supply chains remain disrupted even if freight rates are falling and port congestion easing.

Overall, it feels like progress of a sort was made in August. The Fed's view on interest rates and inflation is now clear and largely reflected in equity markets and there is evidence that some of the structural drivers of inflation are starting to slow. Yes, markets remain volatile, and uncertainties remain, but we believe a more realistic outlook is being reflected in market valuations.

Funds at a glance

	1 Month	3 Months	1 Year	5 Years	Since inception
Mint Australasian Equity Fund	0.81%	1.87%	-14.47%	7.34%	8.75%
S&P/NZX 50 Gross	0.94%	2.59%	-12.24%	8.22%	7.05%
Mint NZ SRI Equity Fund	0.58%	2.04%	-14.15%	-	7.89%
S&P/NZX 50 Gross	0.94%	2.59%	-12.24%	8.22%	7.67%
Mint Australasian Property Fund	-1.13%	0.99%	-16.02%	6.14%	6.03%
S&P/NZX All Real Estate (Industry Group) Gross	-0.74%	1.70%	-15.38%	7.34%	7.28%

Performance returns greater than 3 months are per annum. Returns are after fees and before investor tax. Net after tax performance can be found in the latest Quarterly Fund Update, available on our website.

Investment team

Portfolio Manager
John Middleton

Portfolio Manager
David Fyfe

Portfolio Manager
Michael Kenealy

As of 31 August 2022

SINGLE SECTOR FUND

Mint Australasian Equity Fund

Unit price		Fund size	
$3.6714		$214M	
1 month	3 months	1 year	5 years
0.81%	1.87%	-14.47%	7.34%

Net returns and prices.

Last Month Review

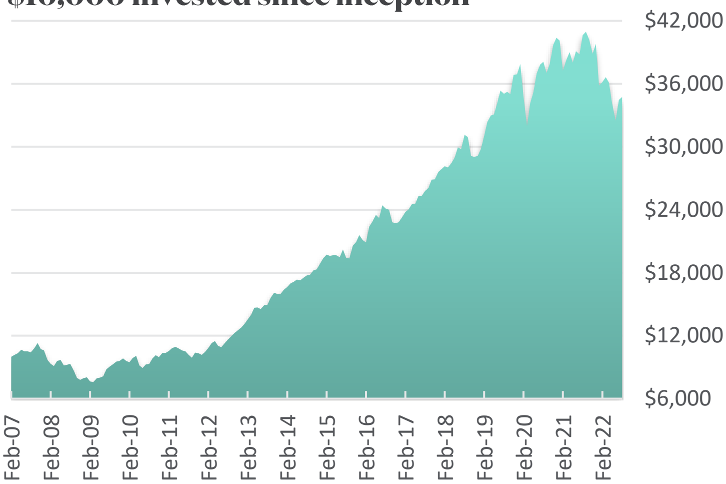
August news flow was dominated by reporting season, which was broadly in line with expectations, but Fed Chairman Powell's hawkish comments at Jackson Hole meant that global markets gave back some of their rally from earlier in the month as the US 10-year yield returned to 3.19% having fallen from around 3.00% to 2.65% in July.

The main positive contributor to performance was Infratil, which did not report results, but continued to rise on the wave of its recent two big announcements around the mobile tower sale from Vodafone and the new capital partner (and hence supportive valuation) in its US renewable developer Longroad, with the prospect that its index weight will also increase at the next review. Better than expected results from a2 Milk Company, Air New Zealand and Fletcher Building weighed on performance, but we remain concerned about the outlook for consumer spending and the NZ housing market going forward.

AUB was our best performing Australian position with most Australian holdings making a positive contribution for the month. The main market movers were a2 Milk Company +25% after better than expected results and short covering, Pacific Edge -42% after a proposed change to reimbursement in the US created uncertainty about product sales and Fisher Paykel Healthcare -7% after H1 guidance confirmed covid tailwinds are abating. The Australasian reporting season was positive with earnings beats outnumbering misses 3:2 even with cautious guidance and rising costs (labour, freight and interest) led to a lowering of FY23 and FY24 earnings expectations.

During the month we exited several positions where price targets had been reached or where results drove changes in our investment view (ANZ, Brambles, CBA, Oz Minerals), we added Cleanaway back into the fund and continued to grow our positions in EBOS, REA and IDP Education.

$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax. Fund inception: 15 February 2007.

Key Fund Facts

Key features:	New Zealand and Australian listed equities
Minimum suggested time frame:	5 years plus
Return objective:	S&P/NZX50 Gross Index + 3.0%
Date of inception:	15 February 2007
Latest FX hedging:	96%
Total fund fee:	1.17%

Risk Indicator

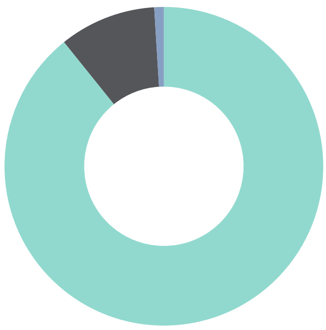
Potentially lower returns						Potentially higher returns
1	2	3	4	5	6	7
Lower risk						Higher risk

Outlook

- Central Banks continue to tighten to constrain inflation, with greater focus on unemployment data going forward.
- Given inflation is likely to trend lower over the course of the year and higher rates increasingly priced in, we expect the narrative to shift towards corporate margins and earnings as the most important driver of share prices.
- We will maintain a growth bias to our investing and focus on high quality defensive growth names with strong balance sheets, pricing power and above average liquidity.

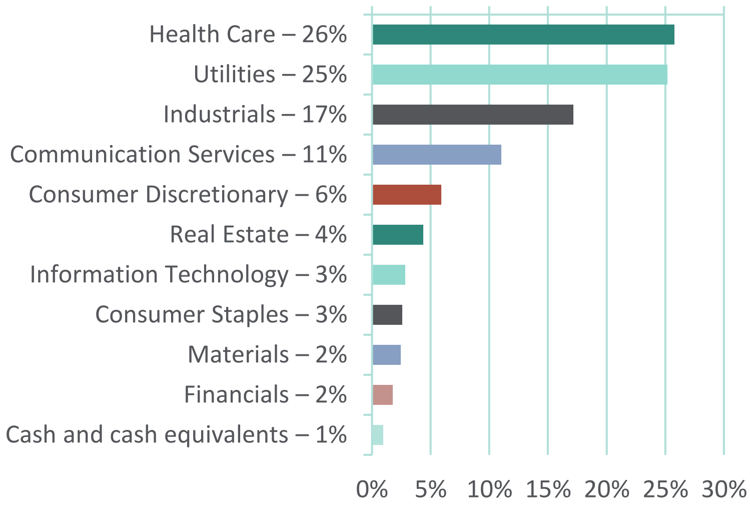
As of 31 August 2022

Asset Exposures



- New Zealand Equities – 89%
- Australian Equities – 10%
- Cash and Cash Equivalents – 1%

Sector Allocation



Largest Active Weights

Top 5 Overweight	Top 5 Underweight
CSL Limited	a2 Milk Company Limited
Meridian Energy Limited	Chorus Limited
Infratil Limited	Ryman Healthcare Limited
Summerset Group Holdings Limited	Mercury NZ Limited
Contact Energy Limited	Port of Tauranga Limited

As of 31 August 2022

mint ASSET MANAGEMENT

SINGLE SECTOR FUND

Mint New Zealand SRI Equity Fund

Unit price		Fund size	
$1.4528		$97M	
1 month	3 months	1 year	5 years
0.58%	2.04%	-14.15%	n/a

Net returns and prices

Last Month Review

The reporting season during August saw a modest performance for the S&P/NZX50, up only 0.9%. The funds top performers were Infratil and Spark. Infratil's share price rode the wave of its recent two big announcements around the mobile tower sale from Vodafone and the new capital partner (and hence supportive valuation) in its US renewable developer Longroad.

Spark had a solid FY22 result with continued strength in its mobile business (post its tower sale announcement) and maintained a positive outlook, while its cloud and voice earnings offset some of these wins. The focus of the result was all around capital management, and the company did this with both a $350m on market buy-back as well as delivering an 8% increase in its dividend after many years of no movement.

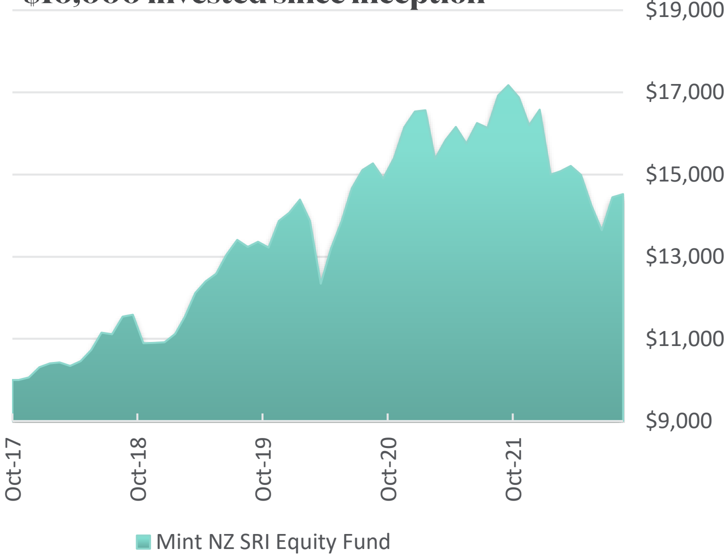
The key detractors of the month were Pacific Edge and our underweight in a2 Milk Company. Pacific Edge tumbled after a proposed change to reimbursement in the US for its key product caused uncertainty. a2 Milk's result came in ahead at the revenue line and its earnings outlook for FY23 was in line with consensus. After a period of underperformance, the stock rerated with worst case scenarios now largely behind them.

Over the month, we reduced our positions in Vista Group and Fletcher Building while increasing our EBOS Group holding.

Outlook

- Our cash levels remain modest having invested during August.
- With the current NZ reporting season over we believe focus will return to the macro-outlook with the NZ Government 10 year back at 4% (having been 3.3% the month prior). Focus on costs and margins will continue to be front of mind.
- We maintain a growth bias to our positioning and holding high quality defensive growth names with strong balance sheets, pricing power and above average liquidity.
- Our funds tilt towards positive ESG companies has it sitting with a lower carbon intensity level than the market index, driven by its exposure to renewable energy.

$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax.
Fund inception: 12 October 2017

Key Fund Facts

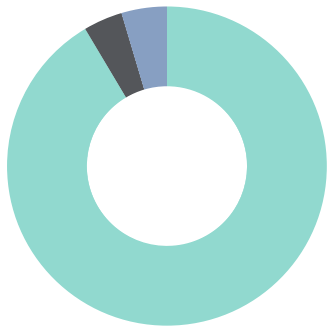
Key features:	New Zealand listed equities
Minimum suggested time frame:	5 years plus
Return objective:	S&P/NZX50 Gross Index + 2.0%
Date of inception:	12 October 2017
Total fund fee:	0.93%

Risk Indicator

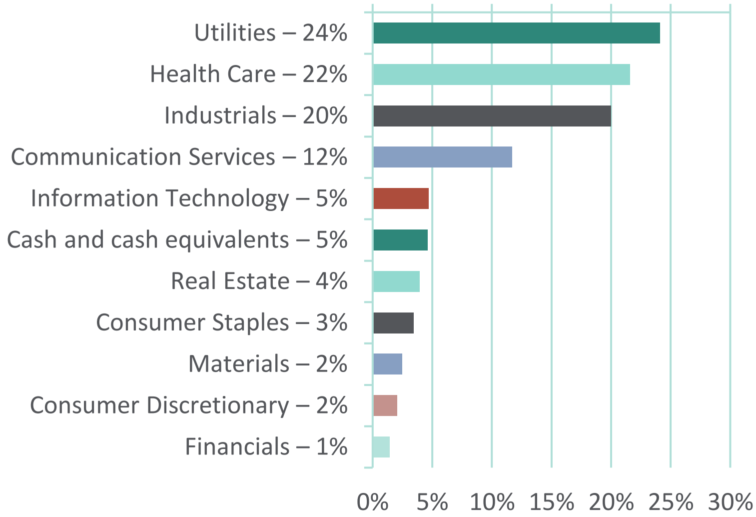
Potentially lower returns						Potentially higher returns
1	2	3	4	5	6	7
Lower risk						Higher risk

As of 31 August 2022

Asset Exposures



Sector Allocation



Largest Active Weights

Top 5 Overweight	Top 5 Underweight
Infratil Limited	Mercury NZ Limited
Contact Energy Limited	Goodman Property Trust
Summerset Group Holdings Limited	SKYCITY Entertainment Group Limited
Meridian Energy Limited	a2 Milk Company Limited
Pushpay Holdings Limited	Ryman Healthcare Limited

mint
ASSET MANAGEMENT

As of 31 August 2022

SINGLE SECTOR FUND

Mint Australasian Property Fund

Unit price		Fund size	
$2.3615		$46M	
1 month	3 months	1 year	5 years
-1.13%	0.99%	-16.02%	6.14%

Net returns and prices.

Last Month Review

The NZ REITs gave back -0.74%, retracing some of the strong gains from the month before, and underperforming the NZX50 by some margin. The primary driver was Powell denying market optimists a “pivot” forcing the yield curve higher and US 10-year rates to surge from 2.65% to 3.19%, pushing the NZ equivalent up 58bps to 3.98%.

In NZ the biggest detractor to performance was Precinct, which despite posting a robust result, flagged the risk that one asset unconditionally sold into the GIC JV might no longer be able to proceed owing to the ability of the tenant to veto the change in ownership. Management will have a tad more debt on balance sheet than ideal. The second was not owning NZ Rural Land Co which, after a dilutive capital raise, bought more land and revalued up its assets. Whilst their lease agreements are largely uncapped to CPI, we are wary the level of increase their tenants can sustain as Global Dairy Trade weakens as well as higher than sector levels of gearing so we remain on the sidelines for now.

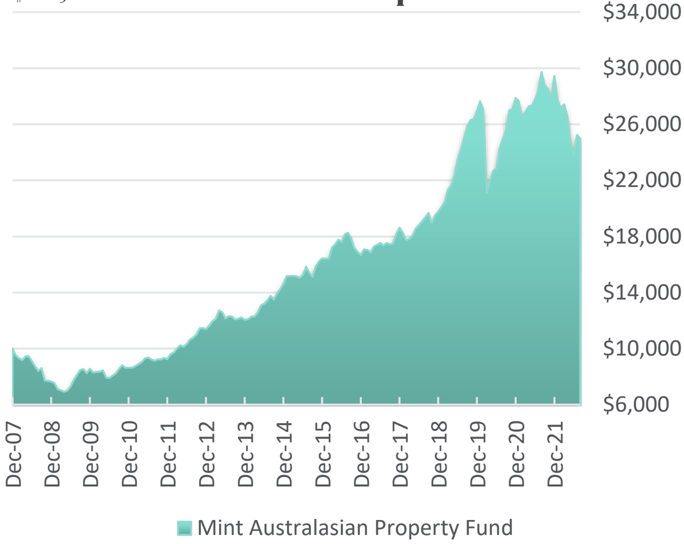
The largest contributor was Charter Hall Group, which on a robust H1 result allayed concerns about not only the full year but their growth strategy in a tough market leading to modest consensus upgrades. Another key contributor was the underweight in Vital Healthcare Property Trust on a weaker than expected outlook, specifically their ability to pay bigger dividends will be challenged with a debt load approaching $1.4bn with relatively low interest rate hedging for the sector.

With the surge in short-term rates the sector was overdue an update from market consensus on interest cost expense, which is now more appropriately factored in across the board.

Outlook

- Commercial real estate markets are in a transactional drought, leaving valuers with few datapoints to re-value assets, which we expect will prove to be a reversal of recent trends.
- The fund remains tilted towards stronger rental growth as well as lower gearing levels and greater hedging levels as the sector faces sharp increases in borrow costs and potential macro headwinds.

$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax. Fund inception: 31 December 2007.

Key Fund Facts

Key features:	New Zealand and Australian listed property securities
Minimum suggested time frame:	5 years plus
Return objective:	S&P/NZX All Real Estate (Industry Group) Gross Index + 1.0%
Date of inception:	31 December 2007
Latest FX hedging:	98%
Total fund fee:	0.93%

Risk Indicator

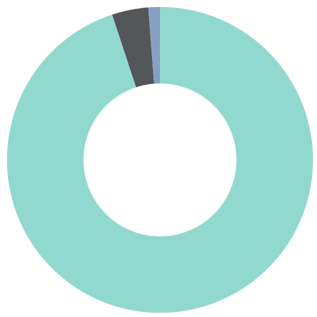
Potentially lower returns — Potentially higher returns

1	2	3	4	5	6	7

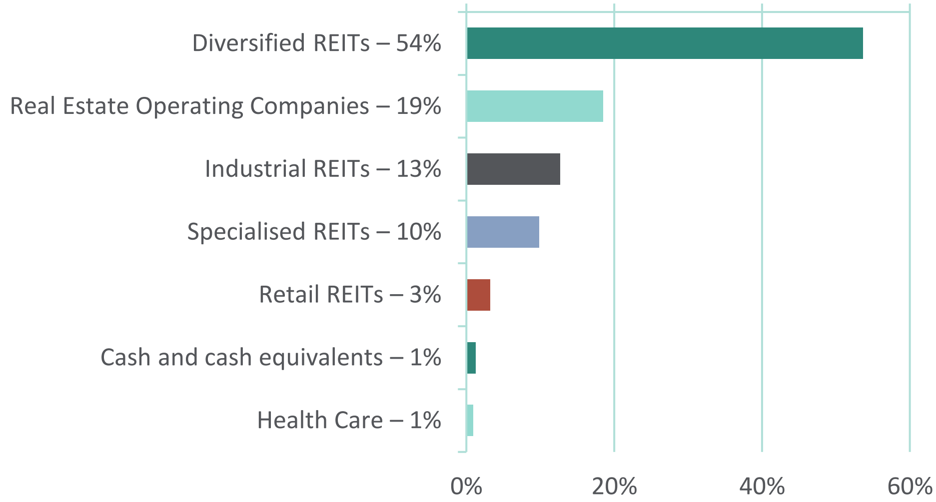
Lower risk — Higher risk

As of 31 August 2022

Asset Exposures



Sub-Sector Allocation



Largest Active Weights

Top 5 Overweight	Top 5 Underweight
Precinct Properties New Zealand Limited	Argosy Property Limited
Goodman Group	Vital Healthcare Property Trust
Stride Property Limited	Property For Industry Limited
Charter Hall Group	Investore Property Limited
Summerset Group Holdings Limited	New Zealand Rural Land Co Limited

Achieved our Toitū net carbonzero certification in June 2022

Nominated for Best New Ethical Fund, the Mint New Zealand SRI Equity Fund, at the 2021 Mindful Money Awards.

Mint Australasian Equity Fund finalist for New Zealand Fund Manager of the Year, Domestic Equities, New Zealand. Morningstar Awards 2021(c). Morningstar, Inc. All rights reserved.

The Principles for Responsible Investment (PRI) is the world's leading proponent of responsible investment.