

QUARTERLY NEWSLETTER

1 October 2025 – 31 December 2025

Share Price	MLN NAV	DISCOUNT ¹
\$0.94	\$0.94	0.3%

as at 31 December 2025

A tough year, well positioned for the future.

Marlin ended the December quarter with gross performance up +2.6% and the adjusted NAV return was +1.9%. This compared with our global benchmark S&P Large Mid Cap/S&P Small Cap Index (50% hedged to NZD), which was up +3.5%.

Global stock markets finished with a solid but more muted December quarter (+3%) compared to the previous nine months (+19%). The US market underperformed non-US markets for both the quarter and the year. We have lowered our weighting to US stocks and continue to drive high quality diversification across Marlin's now 29 holdings.

2025 was a tough year for the portfolio, notwithstanding the better performance in the latter part of the quarter. A key drag for the year was the most extreme underperformance of quality or blue-chip companies (our style) vs riskier and in some cases unprofitable companies in 30 years. We have not invested your capital in these higher risk companies. We don't think it's prudent.

STEEP has worked well over Marlin's 18-year history. After the worst relative stretch in 30 years, blue-chip or quality companies now look attractive versus the broader market, so we are excited about the opportunities ahead.

Portfolio update

Alphabet (+29%) continued its recent performance as it is increasingly seen as a leader in the AI race, with dominant positions across the whole AI value chain. During the quarter, Google launched Gemini 3, its latest artificial intelligence model, to high acclaim – with Salesforce CEO Marc Benioff singing its praises. This model was trained using Google's internal semiconductor chips (or TPUs), creating a possible alternative to Nvidia GPUs in some use cases. And with companies including Meta and Anthropic both signing deals to use Google's TPUs this creates a further revenue tailwind for the business. That said, we appreciate that the AI market is a dynamic and fast-moving space and have reduced our position size given the outperformance.

Intuitive Surgical (+27%) and **Danaher** (+16%) reminded us how quickly sentiment on stocks can change, even if the underlying earnings power of the business has not. They had been among our bigger drags on performance earlier in the year. And both companies have done nothing other than continue to execute well against poor sentiment and/or a tough macro backdrop. ISRG had been weak due to concerns over hospital spending and procedure growth, but strong earnings results put those concerns to rest. Procedure volumes are still growing 17% per annum, twenty-six years after the first Intuitive surgical robot was sold in 1999, highlighting the large growth runway for surgical robotics. DHR had been weak because its big pharma customers had been under pressure to cut costs. In short, nothing had structurally changed around the key pillars of the moat, the growth runway or the people so we used the weakness earlier in the year to add to the positions.

Old Dominion Freight Line (+12%) was driven by a tightening trucking market. The combination of fewer drivers (due to new limits on foreign drivers), lower supply of new trucks, and increased bankruptcies after an exceptionally long trucking recession is constraining supply. We haven't yet seen a rebound in demand, but the sharp move in the stock on only a slight tightening in supply highlights how poor the sentiment in the trucking sector has been.

Zoetis (-14%) faced a combination of new product concerns, competitive headwinds and slower than expected vet visits for the industry. While two competitor product launches in the last twelve months have been a headwind, actual market share losses have been limited. Zoetis's new flagship pain drug Librela is facing slower-than-expected growth given social media concerns around safety (despite positive data from real-world outcomes). While we reduced our position size slightly given the worse than expected headwinds, the steady pipeline of Zoetis own new drug launches gives us confidence growth will accelerate in the medium term.

Floor & Décor (-17%) fell as its long running CEO Tom Taylor stepped down. We have cut our position size as the incoming CEO Brad Paulsen is a relatively unknown entity. The flooring market has been in a 2–3-year severe recession and through that period FND has continued to take market share from its competitors and will emerge stronger when the cycle turns. Like ODFL, ISRG, DHR and GOOGL, when sentiment is this bearish, it doesn't take much improvement for these stocks to move — FND is already up 20% in the first few days of 2026 as mortgage rates continue to fall and the market is becoming less bearish about the US flooring market.

Netflix (-22%) was our worst performing position in the quarter. The market is concerned Netflix will overpay for Warner Bros Discovery (WBD) as it goes head-to-head with Paramount Skydance to buy the assets. The combination of NFLX's strong balance sheet, unparalleled distribution reach for WBD's quality content and ability to remove costs from the combined entity is attractive. This, along with the fact we had cut the position size to a minimum at higher prices earlier in the year, gave us the opportunity to begin rebuilding the NFLX position in December.

New portfolio additions in the quarter

Equifax is one of the three leading credit bureaus in the US and globally. It collects data from multiple sources to form a database of individual consumers that businesses like banks use to make better lending decisions; or Governments and employers use to run automated background and income verification checks. Equifax continues to see increased penetration of these data services from customers. Several of Equifax's key end markets including mortgages and employee verifications are currently depressed, which we anticipate will improve over the next few years.

MercadoLibre is the largest e-commerce player in Latin America, while also offering payments solutions for retailers and credit for consumers and business via its fast-growing fintech business. It is taking market share off incumbents in e-commerce given its faster

¹ Share price discount to NAV (using the net asset value per share, after expenses, fees and tax, to four decimal places).

shipping and lower product prices, underpinned by the largest distribution centre network. It leverages its moat in the e-commerce business to acquire under-served customers efficiently in the fintech business. This strong competitive position, combined with a long growth runway (given ecommerce and banking penetration in Latin America lag other developed markets) makes MercadoLibre an attractive investment.

Uber is the dominant ride-share player globally, operating in over 70 countries with 189 million customers. Its scale and self-reinforcing network effects (more riders -> more drivers -> more riders) underpin its moat. Autonomous vehicles (AVs) pose both a risk and

an opportunity for Uber. We initiated a position in late December after a 20% fall from highs due to concerns that AV companies like Tesla and Waymo will reduce reliance on Uber's demand aggregation platform. We think AVs will be a fragmented market and AV fleet owners and AV car manufacturers will require Uber's dominant platform to drive volume.

Sam Dickie

Senior Portfolio Manager
Fisher Funds Management Ltd
15 January 2026



SIGNIFICANT RETURNS IMPACTING THE PORTFOLIO DURING THE QUARTER IN LOCAL CURRENCY

ALPHABET	INTUITIVE SURGICAL	DANAHER CORP	FLOOR & DÉCOR	NETFLIX
+29%	+27%	+16%	-17%	-22%

PERFORMANCE

as at 31 December 2025

	3 Months	3 Years (annualised)	5 Years (annualised)
Company Performance			
Total Shareholder Return	+1.1%	+9.9%	+1.3%
Adjusted NAV Return	+1.9%	+14.5%	+4.8%
Portfolio Performance			
Gross Performance Return	+2.6%	+17.6%	+7.2%
Benchmark Index ¹	+3.5%	+19.4%	+12.0%

¹ Benchmark index : S&P Large Mid Cap/S&P Small Cap Index (hedged 50% to NZD)

Non-GAAP Financial Information

Marlin uses non-GAAP measures, including adjusted net asset value, adjusted NAV return, gross performance return and total shareholder return. The rationale for using such non-GAAP measures is as follows:

- » adjusted net asset value – the underlying value of the investment portfolio adjusted for capital allocation decisions after expenses, fees and tax,
- » adjusted NAV return – the percentage change in the adjusted NAV value,
- » gross performance return – the Manager's portfolio performance in terms of stock selection and currency hedging before expenses, fees and tax, and
- » total shareholder return – the return combines the share price performance, the warrant price performance, the net value of converting any warrants into shares, and the dividends paid to shareholders. It assumes all dividends are reinvested in the company's dividend reinvestment plan, and that shareholders exercise their warrants, (if they were in the money), at warrant expiry date.

All references to adjusted net asset value, adjusted NAV return, gross performance return and total shareholder return in this newsletter are to such non-GAAP measures. The calculations applied to non-GAAP measures are described in the Marlin Non-GAAP Financial Information Policy. A copy of the policy is available at marlin.co.nz/about-marlin/marlin-policies.

COMPANY NEWS

Dividend Paid 19 December 2025

A dividend of 1.89 cents per share was paid to Marlin shareholders on 19 December 2025, under the quarterly distribution policy. Interest in Marlin's dividend reinvestment plan (DRP) remains high with 38% of shareholders participating in the plan. Shares issued to DRP participants are at a 3% discount to market price. If you would like to participate in the DRP, please contact our share registrar, Computershare on 09 488 8777.

PORTFOLIO HOLDINGS SUMMARY

as at 31 December 2025

Headquarters	Company	% Holding
China	Tencent Holdings	3.8%
France	Hermes International	3.4%
Ireland	Icon	4.0%
United Kingdom	Greggs Plc	1.9%
United States	Alphabet	3.9%
	Amazon.Com	7.0%
	ASML Holding NV	2.1%
	Boston Scientific	1.9%
	Costco Wholesale Corp	1.5%
	Danaher Corporation	5.0%
	Dexcom Inc	4.4%
	Edwards Lifesciences Corp.	3.5%
	Equifax Inc	1.5%
	Floor & Décor Holdings	2.9%
	Gartner Inc	2.1%
	Intuitive Surgical Inc	3.4%
	KKR & Co Inc	1.1%
	Mastercard	5.5%
	MercadoLibre Inc	0.5%
	Meta Platforms Inc	5.7%
	Microsoft	6.9%
	MSCI Inc	3.5%
	Netflix	2.9%
	Nvidia Corp	4.1%
	Old Dominion Freight Line Inc	4.6%
	salesforce.com	4.0%
	Tradeweb Markets Inc	2.0%
	Uber Technologies Inc	0.5%
	Zoetis Inc	3.9%
Equity Total		97.5%
New Zealand dollar cash		0.4%
Total foreign cash		2.0%
Cash Total		2.4%
Forward Foreign Exchange		0.1%
TOTAL		100.0%

Disclaimer: The information in this newsletter has been prepared as at the date noted on the front page. The information has been prepared as a general summary of the matters covered only, and it is by necessity brief. The information and opinions are based upon sources which are believed to be reliable, but Marlin Global Limited and its officers and directors make no representation as to its accuracy or completeness. The newsletter is not intended to constitute professional or investment advice and should not be relied upon in making any investment decisions. Professional financial advice from a financial adviser should be taken before making an investment. To the extent that the newsletter contains data relating to the historical performance of Marlin Global Limited or its portfolio companies, please note that fund performance can and will vary and that future results may have no correlation with results historically achieved.