marlin
growing globally

MONTHLY UPDATE

September 2026

SHARE PRICE	WARRANT PRICE	MLN NAV	DISCOUNT[1]
$0.72	$0.01	$0.84	14.8%

as at 31 August 2026

A WORD FROM THE MANAGER

Marlin's gross performance return for August was +3.0%, while the adjusted NAV return was +2.8%. This compared with our global benchmark, S&P Large Mid Cap/S&P Small Cap Index (50% hedged to NZD), which was up +2.5%.

Market Environment

Global share markets increased by around 2% in August, but market averages hid significant divergence beneath the surface. The software sector was the standout, up 14% and providing a strong tailwind for the portfolio. Materials, autos and energy were also strong performing sectors during the month. The weak spots in August included Consumer Discretionary (-4%), Utilities (-3%) and Listed property (-2%), sectors that are either dependent on US consumer spending or sensitive to high interest rates.

The underperformance of rate sensitive sectors was no coincidence, with US 10-year and 30-year Treasury yields both near 20-year highs. The 30-year yield touched 5.3%, last seen in 2007, and has been driven higher by a government issuing enormous volumes of debt to fund persistent deficits, inflation that has proved stubborn due to tariff and energy shocks, and uncertainty over policy under the new US Fed Chair, Kevin Warsh.

Portfolio

Nvidia's (+10% in local currency) quarterly result and outlook commentary was extremely strong. Revenue was almost US$100bn for the quarter, more than double what it was a year ago and ahead of expectations. Customers continue buying its semiconductor hardware at pace to serve the accelerating demand for AI. Unusually, Nvidia guided for the next fiscal year, forecasting around US$700 billion of revenue against a market forecast nearer US$570 billion. Despite this, the stock has fallen from a PE ratio of 40-50x two years ago to 16x today. This reflects the impact of higher financing costs on market valuations. A quarter of next year's revenue will come from customers that Nvidia has helped fund, effectively providing financing to customers purchasing its products. With medium and long-term borrowing costs at two-decade highs, investors are questioning the sustainability of the current pace of the substantial AI infrastructure buildout. This concern has kept a lid on some of our smaller AI exposures like TSMC (+3%).

Software has been under pressure over the past year as investors questioned whether AI models such as Claude and ChatGPT could erode the value of enterprise software. We view the risk as real but likely overestimated, and the recent recovery in software shares was encouraging. **Salesforce** (+40%) was our largest contributor. Its result helped ease concerns that AI could make business software redundant: revenue was in line with expectations, customer losses remained near record lows, seats grew, and bookings accelerated. The launch of Claudeforce with Anthropic also suggests AI labs may work through enterprise software platforms rather than simply displace them. **Tyler** (+20%) also delivered record bookings, up 21%, and has now repurchased 5% of its shares this year. **Microsoft** (+9%) built on its strong July result and benefited from improved sector sentiment.

The recovery in attractively priced quality growth companies continued more broadly. **Netflix** (+13%), **Uber** (+8%) and **Danaher** (+10%) all rose without any major catalysts - good businesses with long runways whose prices had drifted too far from their fundamentals.

Tencent (-5%) was one of the portfolio's larger detractors, despite delivering solid quarterly results. Revenue rose 11%, with domestic gaming up 17% and advertising up 22%. The main concern was spending, with capex up 60% quarter on quarter to an annualised RMB200 billion and investment expected to remain elevated into 2027. Operating profit grew 19% excluding new AI products, but 9% including them, highlighting the market's concern that AI spending may drag on profitability for uncertain payoff. Management argues AI spend is front-loaded and excess capacity could support Tencent Cloud if internal use cases disappoint. With the shares trading near historical valuation lows, the market is reflecting considerable scepticism around Tencent's AI returns, despite its strong long-term execution record.

Regulation came back into focus towards the end of the month, cutting both ways. The Federal Trade Commission (FTC) and 22 US states sued **Amazon** (-4%) at the end of August over artificially inflating prices paid in advertising auctions for its eCommerce business. The plaintiffs are alleging 1.2m sellers were overcharged by more than $20b. Amazon has rejected the claims, but it lands just before the bigger FTC antitrust

[1] Share Price Discount to NAV (including warrant price on a pro-rated basis and using the net asset value per share, after expenses, fees and tax, to four decimal places).

trial on its marketplace in October. **Meta** (+3%) went the other way, settling with 47 states over teen addiction claims for up to US$17.1 billion, plus time limits and new defaults for under-18s. The Meta settlement drew a line under several years of overhang related to this issue.

New portfolio additions/exits

As mentioned last month, we have recently undertaken a detailed review of our portfolio and several companies on our watchlist. The second quarter earnings season also gave us a chance to access how each of our portfolio companies are tracking against our expectations. Following these reviews, we expect to exit a small number of positions from the portfolio - where we believe the outlook has deteriorated or the thesis is less attractive than other opportunities in the market. We will also be adding several new high-quality businesses to the portfolio across the consumer, financial services and industrials sectors. We will provide a fuller update on these additions and exits in the next newsletter.

Ashley Gardyne
Senior Portfolio Manager
Fisher Funds Management Limited

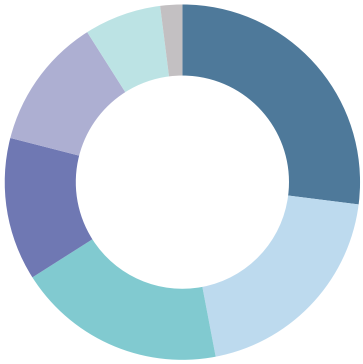
KEY DETAILS

as at 31 August 2026

FUND TYPE	Listed Investment Company
INVESTS IN	Growing international companies
LISTING DATE	1 October 2007
FINANCIAL YEAR END	30 June
TYPICAL PORTFOLIO SIZE	20-35 stocks
INVESTMENT CRITERIA	Long-term growth
PERFORMANCE OBJECTIVE	Long-term growth of capital and dividends
TAX STATUS	Portfolio Investment Entity (PIE)
MANAGER	Fisher Funds Management Limited
MANAGEMENT FEE RATE	1.25% of gross asset value (reduced by 0.10% for every 1% of underperformance relative to the change in the NZ 90 Day Bank Bill Index with a floor of 0.75%)
PERFORMANCE FEE HURDLE	Changes in the NZ 90 Day Bank Bill Index + 5%
PERFORMANCE FEE	10% of returns in excess of benchmark and high-water mark
HIGH WATER MARK	$0.85
PERFORMANCE FEE CAP	1.25%
SHARES ON ISSUE	230m
MARKET CAPITALISATION	$165m
GEARING	None (maximum permitted 20% of gross asset value)

SECTOR SPLIT

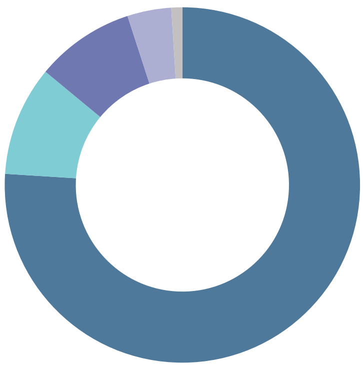
as at 31 August 2026



Information Technology	27%
Consumer Discretionary	20%
Health Care	19%
Financials	13%
Communication Services	12%
Industrials	7%
Cash & Derivatives	2%

GEOGRAPHICAL SPLIT

as at 31 August 2026



North America	76%
Asia Pacific	10%
Western Europe	9%
South & Central America	4%
Central Asia	1%

AUGUST'S SIGNIFICANT RETURNS IMPACTING THE PORTFOLIO during the month in local currency

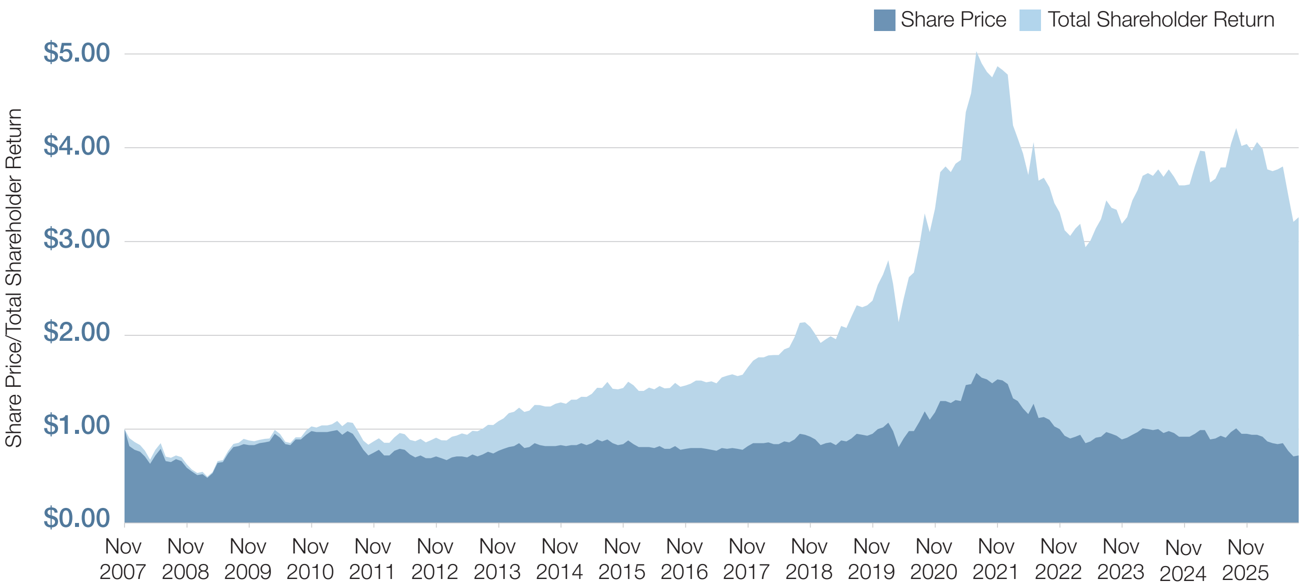
SALESFORCE	TYLER TECHNOLOGIES	NETFLIX	EQUIFAX	FLOOR & DÉCOR
+40%	+20%	+13%	+10%	-13%

5 LARGEST PORTFOLIO POSITIONS as at 31 August 2026

MICROSOFT	AMAZON	MASTERCARD	META PLATFORMS	NVIDIA
9%	7%	6%	5%	5%

The remaining portfolio is made up of another 26 stocks and cash.

TOTAL SHAREHOLDER RETURN to 31 August 2026



PERFORMANCE to 31 August 2026

	1 Month	3 Months	1 Year	3 Years (annualised)	5 Years (annualised)
Company Performance					
Total Shareholder Return	+1.7%	(14.0%)	(22.4%)	(0.9%)	(7.5%)
Adjusted NAV Return	+2.8%	+4.2%	(3.8%)	+4.4%	(0.6%)
Portfolio Performance					
Gross Performance Return	+3.0%	+4.9%	(1.6%)	+7.2%	+1.5%
Benchmark Index^	+2.5%	+2.0%	+21.2%	+18.5%	+11.0%

^Benchmark index: S&P Large Mid Cap/S&P Small Cap Index (50% hedged 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 dividends (and other capital management initiatives) and after expenses, fees, and tax,
» adjusted NAV return – the percentage change in the adjusted NAV,
» 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 monthly update 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.

ABOUT MARLIN GLOBAL

Marlin is an investment company listed on the New Zealand Stock Exchange. The company gives shareholders an opportunity to invest in a diversified portfolio of between 20 and 35 quality growing international companies (excluding New Zealand and Australia) through a single, professionally managed investment. The aim of Marlin is to offer investors competitive returns through capital growth and dividends.

MANAGEMENT

The Manager has authority delegated to it from the Board to invest according to the Management Agreement and other written policies. Marlin's portfolio is managed by Fisher Funds Management Limited. Ashley Gardyne (Senior Portfolio Manager), Chris Waters (Senior Investment Analyst), and Christian McIntyre, Daniel Moser and Ashton Olds (Investment Analysts) have prime responsibility for managing the Marlin portfolio. Together they have significant combined experience and are very capable of researching and investing in the quality global companies that Marlin targets. Fisher Funds is based in Takapuna, Auckland.

BOARD

The Board of Marlin comprises independent directors Fiona Oliver (Chair), David McClatchy, Dan Coman and Simon Flood.

CAPITAL MANAGEMENT STRATEGIES

Regular Dividends

- Quarterly distribution policy introduced in August 2010
- Under this policy, 2% of average NAV is targeted to be paid to shareholders quarterly
- Dividends paid by Marlin may include dividends received, interest income, investment gains and/or return of capital
- Shareholders who prefer to have increased capital rather than a regular income stream have the opportunity to participate in the company's dividend reinvestment plan (DRP)
- Shares issued to DRP participants are at a 3% discount to market price
- Marlin became a portfolio investment entity on 1 October 2007. As a result, dividends paid to New Zealand tax resident shareholders have not been subject to further tax

Share Buyback Programme

- Marlin has a buyback programme in place allowing it (if it elects to do so) to acquire its shares on market
- Shares bought back by the company are held as treasury stock
- Shares held as treasury stock are available to be utilised for the dividend reinvestment plan

Warrants

- Marlin announced a new issue of warrants on 16 February 2026
- The warrant term offer document was sent to all Marlin shareholders in late February 2026
- Warrants were allotted to all eligible Marlin shareholders on 23 April 2026
- The new warrants (MLNWH) commenced trading on the NZX Main Board from 24 April 2026
- The Exercise Price of each warrant is $0.87, adjusted down for the aggregate amount per Share of any cash dividends declared on the shares with a record date during the period commencing on the date of allotment of the warrants and ending on the last Business Day before the final Exercise Price is announced by Marlin
- The Exercise Date for the Marlin warrants is 23 April **2027**

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