

FUND UPDATE

FOR THE QUARTER ENDED 30 SEPTEMBER 2022



MACQUARIE

Macquarie Investment Funds

Macquarie NZ Shares Fund¹

This fund update was first made publicly available on: 31 October 2022

What is the purpose of this update?

This document tells you how the Macquarie NZ Shares Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Macquarie Asset Management Public Investments (NZ) Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this fund

The fund is a diversified portfolio of New Zealand shares with the scope to hold Australian shares. The investment approach is research driven and involves determining financial forecasts of companies. The results of these forecasts are then compared against each company's current share price. The investment manager looks for companies which have a sustainable competitive advantage, good growth outlook and the ability to grow earnings.

Environmental, Social and Governance characteristics are integrated into the underlying investment manager's investment process.

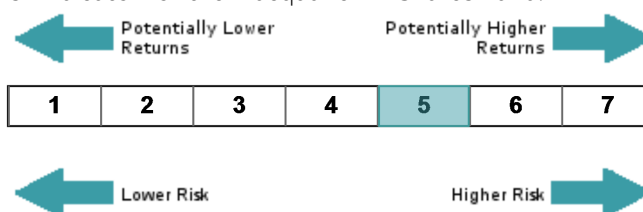
The base position is for the Australian dollar exposure to be unhedged.

The performance objective of the fund is to provide a Gross Return (see note 2 below) above the return of the S&P/NZX 50 Index (on a gross basis and including imputation credits) over a rolling three year period.

| | |
|----------------------------------|-----------------|
| Total value of the fund | NZ\$256,891,368 |
| The date the fund started | 05 June 1995 |

What are the risks of investing?

Risk indicator for the Macquarie NZ Shares Fund:



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. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the 5 year period to 30 September 2022. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

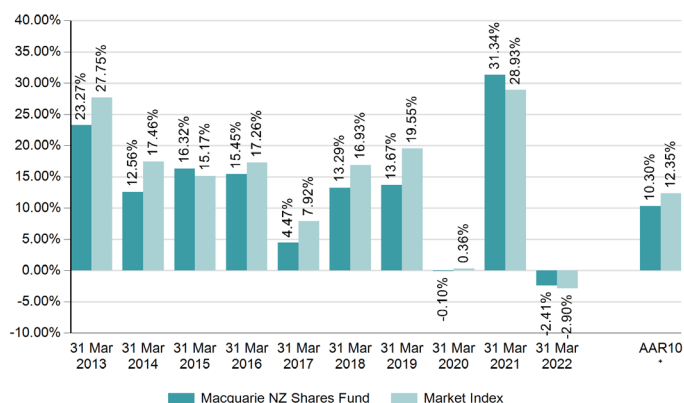
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

How has the fund performed?

| | Average over past 5 years | Past year |
|---|---------------------------|-----------|
| Annual return³ (after deductions for charges and tax) | 6.80% | -17.49% |
| Annual return³ (after deductions for charges but before tax) | 7.67% | -16.87% |
| Market index annual return³ (reflects no deduction for charges and tax) | 7.77% | -15.97% |

The market index annual return is based on the S&P/NZX 50 Gross Index (including imputation credits). Additional information about the market index is available on the offer register at www.companiesoffice.govt.nz/disclose.

Annual Return Graph⁴



* Average Annual Return for the last 10 years to 30 September 2022

This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 30 September 2022.

Important: This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in the Macquarie NZ Shares Fund are charged fund charges. In the year to 31 March 2022 these were:

| | % of net asset value |
|---|----------------------|
| Total fund charges | 0.78% |
| Which are made up of: | |
| Total management and administration charges | 0.78% |
| Including: | |
| Manager's basic fee (excluding GST) | 0.75% |
| Other management and administration charges (including GST) | 0.03% |

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for the Macquarie Investment Funds New Zealand and Australian Shares Funds on the offer register at www.companiesoffice.govt.nz/disclose for more information about those fees.

Example of how this applies to an investor⁵

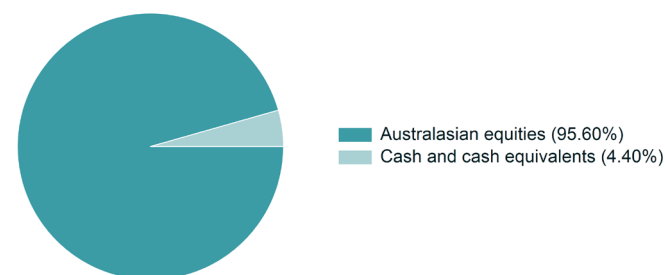
Small differences in fees and charges can have a big impact on your investment over the long term.

Jeff had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Jeff incurred a loss after fund charges were deducted of -\$179 (that is -1.79% of his initial \$10,000). This gives Jeff a total loss after tax of -\$241 for the year.

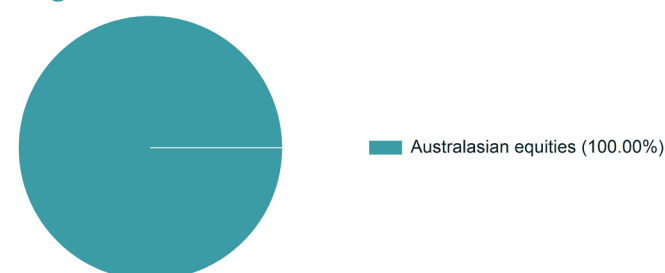
What does the fund invest in?

This shows the types of assets that the fund invests in.

Actual investment mix



Target investment mix



Top 10 investments

| Name | % of Fund net assets | Type | Country | Credit Rating (if applicable) |
|---------------------------------------|----------------------|-----------------------|-------------|-------------------------------|
| 1 Fisher & Paykel Healthcare Corp Ltd | 10.40% | Australasian equities | New Zealand | N/A |
| 2 Spark New Zealand Ltd | 9.92% | Australasian equities | New Zealand | N/A |
| 3 Infratil Ltd | 7.35% | Australasian equities | New Zealand | N/A |
| 4 Mainfreight Ltd | 6.96% | Australasian equities | New Zealand | N/A |
| 5 Auckland International Airport Ltd | 6.51% | Australasian equities | New Zealand | N/A |
| 6 EBOS Group Ltd | 6.21% | Australasian equities | New Zealand | N/A |
| 7 Meridian Energy Ltd | 5.92% | Australasian equities | New Zealand | N/A |
| 8 Contact Energy Ltd | 4.69% | Australasian equities | New Zealand | N/A |
| 9 Fletcher Building Ltd | 4.44% | Australasian equities | New Zealand | N/A |
| 10 Summerset Group Holdings Ltd | 3.88% | Australasian equities | New Zealand | N/A |

The top 10 investments make up 66.28% of the fund.

Key personnel

| Name | Current position | Time in current position | Previous or other current position | Time in previous or other current position |
|--------------------|---|--------------------------|--|--|
| 1 Rebekah Swan | Head of New Zealand Public Investments, Macquarie Asset Management (NZ) Limited | 7 months | Managing Director and Head of Client Services, AMP Capital Investors (New Zealand) Limited | 1 year 5 months |
| 2 Vicky Hyde-Smith | Associate Director, Macquarie Asset Management (NZ) Limited | 7 months | Head of Fixed Income, AMP Capital Investors (New Zealand) Limited | 5 years 1 month |
| 3 Grant Hassell | Division Director, Macquarie Asset Management (NZ) Limited | 7 months | Global Head of Fixed Income, AMP Capital Investors Limited | 3 years 4 months |
| 4 Michael Gray | Head of Investment Strategy (NZ), Macquarie Asset Management (NZ) Limited | 7 months | Head of Investments NZ, AMP Capital Investors (New Zealand) Limited | 1 year |
| 5 Supriya Edwards | Investment Specialist, Macquarie Asset Management (NZ) Limited | 7 months | Fixed Income Analyst, AMP Capital Investors (New Zealand) Limited | 1 year 7 months |

Further information

You can also obtain this information, the PDS for the Macquarie Investment Funds New Zealand and Australian Shares Funds, and some additional information from the offer register at www.companiesoffice.govt.nz/disclose.

Notes

1. In March 2022, Macquarie Asset Management Holdings Pty Limited completed the acquisition of the AMP Capital Global Equities and Fixed Income business from AMP Group Holdings Limited. Prior to that acquisition, Macquarie Asset Management Public Investments (NZ) Limited was known as AMP Investment Management (N.Z.) Limited and the Macquarie NZ Shares Fund was known as the AMP Capital NZ Shares Fund.
2. Gross Return is the return before the deduction of tax, expenses and fees and assumes all income is reinvested.
3. These returns are for the periods ending 30 September 2022.
4. The bar graph shows fund returns after the deduction of fees and tax, however, the market index returns are shown before any fees or tax are deducted.
5. The returns and tax calculations used in this example are the actual fund returns and tax charges (or rebates) for the year ended 31 March 2022. Net of tax returns can be more than gross of tax returns where, due to the fund's tax position, it receives a tax rebate rather than paying tax.

CONTACT US

If you have any enquiries about your investment or any of Macquarie's products or services please call us on 0800 400 499.

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