

# Amova Concentrated Equity Strategy

Monthly Update 31 March 2026

Assets are held in the Amova Wholesale Concentrated Equity Fund. The Amova Concentrated Equity Fund (retail) invest in units in the wholesale fund, which the commentary refers to.

## Market Overview

- Global equity markets had mixed outcomes over the quarter as company earnings results, economic data, central bank moves and the outbreak of conflict in the Middle East all played a part.
- The United States S&P 500 index declined 4.6%, the UK FTSE 100 index increased 2.5%, the Japanese Nikkei 225 gained 1.4%, the Australian ASX 200 index fell 1.6% and the MSCI World index ended the quarter down 2.6%.
- The S&P/NZX 50 index lost 4.5%.

## Fund Highlights

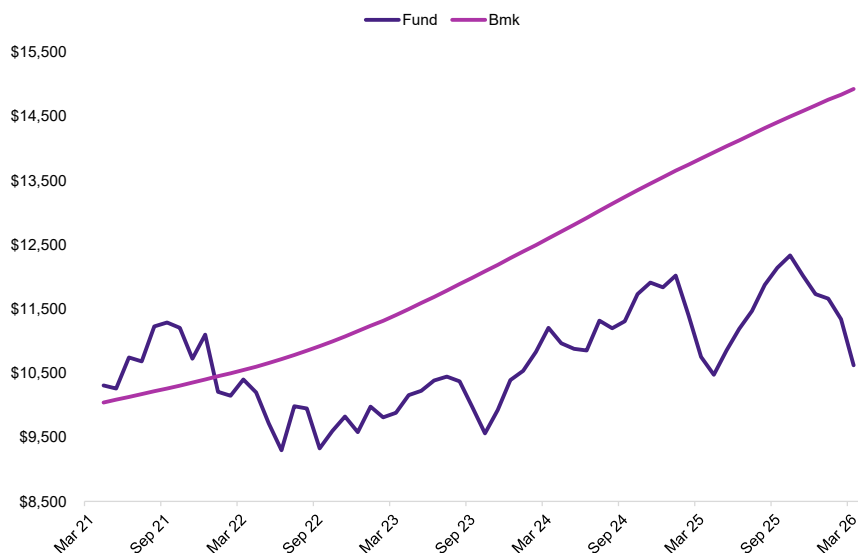
- The fund ended the quarter down 9.5%.
- It was a busy period for news flow as companies reported their earnings results for the period ending December 2025.
- Fisher & Paykel Healthcare announced an earnings guidance upgrade.
- Contact Energy and Genesis Energy both announced equity raisings to fund their pipelines of new electricity generation. Contact raised \$575 million while Genesis raised \$400 million
- The fund's positions in Infratil, Contact Energy and EBOS added value while positions in Summerset, Ryman Healthcare and Aristocrat Leisure detracted from value.

## Performance

	One month	Three months	One year	Three years (p.a.)	Five years (p.a.)	Ten years (p.a.)
<b>Wholesale<sup>1</sup></b>	-6.34%	-9.46%	-1.23%	2.44%	1.22%	7.05%
<b>Benchmark<sup>2</sup></b>	0.60%	1.74%	7.82%	9.39%	8.34%	7.36%
<b>Retail<sup>3</sup></b>	-6.35%	-9.58%	-2.21%	1.32%	-0.10%	5.45%
<b>S&amp;P/NZX50<sup>4</sup></b>	-5.76%	-4.49%	5.95%	3.59%	1.33%	7.63%

- Returns are before tax and before the deduction of fees and including tax credits (if any).
- Benchmark: RBNZ Official Cash Rate plus 5% per annum. No tax or fees.
- Returns are before tax and after the deduction of fees and expenses and including tax credits (if any).
- S&P / NZX 50 Index Gross (with Imputation Credits). No tax or fees.

## Five Year Cumulative Performance, \$10,000 invested<sup>1,2</sup>



## Portfolio Manager

Michael Sherrock,  
Head of Equities



Michael joined Amova AM in 2006 and covers the Energy, Materials, Metals and Mining, and Media sectors. He has over 20 years' experience and previously held roles with Schroders UK and ASB Group Investments. Michael is a CFA charterholder and holds a Bachelor of Commerce degree from the University of Auckland.

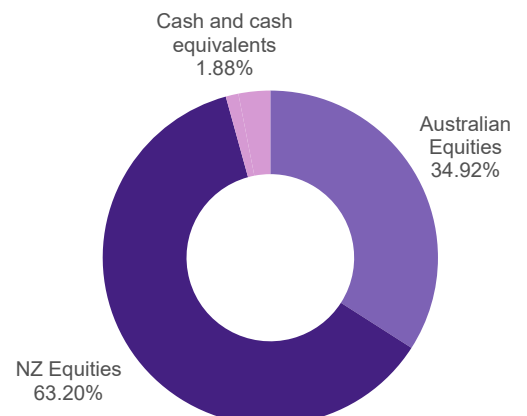
## Overview

The Concentrated Equity Fund is a collection of the portfolio manager's highest conviction investment ideas to achieve capital appreciation. The typical number of stocks in the portfolio is circa 15.

## Objective

The fund aims to outperform the benchmark return before fees, expenses and taxes over a rolling three-year period.

## Asset Allocation



Contribution to Performance*	
<b>What Helped:</b>	<b>What Hurt:</b>
Infratil	Summerset
Contact Energy	Ryman Healthcare
EBOS	Aristocrat Leisure

\*Absolute contribution – not relative to S&P/NZX50 Index

Top 10 Holdings (% of fund)			
Infratil	12.07	NextDC	7.55
Spark New Zealand	8.97	Summerset Group	7.34
Contact Energy	8.25	Resmed	5.53
Meridian Energy	7.82	Aristocrat Leisure	5.38
Worley	7.70	Sky Network Television	5.20
<b>Number of holdings</b>			<b>16</b>

## Market Commentary

It was a mixed quarter for global equity markets as earnings results, economic data, signals from central banks and the outbreak of conflict in the Middle East all played a part in the performance of various equity markets. Contrasting inflation prints in the United States created doubt around the direction of interest rates with the Consumer Price Index coming in lower than expected while the Producer Price Index came in higher than expected. Persistently high inflation in Australia led to the Reserve Bank of Australia raising rates by 25bps - the first hike since 2023 and follows a series of cuts in 2025. At its first meeting since November 2025, the Reserve Bank of New Zealand left rates on hold. Technology stock prices struggled during the month as illustrated by the NASDAQ index falling 3.4%. The majority of companies in New Zealand who provided earnings results and earnings guidance met or exceeded market expectations. At the end of February the US and Israel started a bombing campaign in Iran which sent oil prices higher and uncertainty across investment markets.

## Fund Commentary

The largest positive contributors to the fund's return were positions in **Infratil** (IFT), **Contact Energy** (CEN) and **EBOS** (EBO). IFT rose late in the quarter following an investor day that saw them upgrade financial year 2027 earnings guidance for CDC. IFT ended the quarter up 5.1%. Along with a solid first half result, CEN announced a \$525 million capital raise to fund several new electricity generation developments. Following strong retail support, CEN increased the capital raise to \$575m. The fund participated in the capital raising and over the quarter CEN produced a 2.1% return to the fund. Following a period of weak performance, EBO was added to the fund late in the quarter. For the period that the fund held the position, EBO provided a 3.7% return.

The largest negative contributors to the fund's return were from **Summerset** (SUM), **Ryman Healthcare** (RYM) and **Aristocrat Leisure** (ALL). Both SUM and RYM share prices continue to struggle as investor sentiment remains negative to the sector. Despite announcing a result that showed good sales and solid demand, SUM fell 26.8% while RYM fell 27.2%. ALL's share price has been on a slide since providing slightly disappointing earnings guidance last August. While it's earnings result in November was in line with expectations, the mix disappointed. The share price continued its poor run through this quarter and ended down 22.1% (in AUD).

Key portfolio changes during the quarter included adding to positions in **ALL**, **EBO**, **CEN**, **Ingenia Communities** (INA), **Mainfreight** (MFT), **ResMed** (RMD) and **Sky City Entertainment** (SKC). Positions in **IFT**, **Meridian Energy** (MEL), **NextDC** (NXT), **RYM** and **WPR** were reduced.

(**Bold** denotes stocks held in the portfolio).

## Key Fund Facts

<b>Estimated annual fund charges (incl. GST)</b>	<b>Hedging:</b>	Foreign currency exposures may be hedged to NZD at the Manager's discretion within an operational range of 0% to 105%. Currently the fund's foreign currency exposure is 85.6% hedged.	<b>Strategy Launch:</b>	August 2006
<b>Wholesale:</b> Negotiated outside of the unit price. <b>Retail:</b> 1.15% refer to PDS for more details.	<b>Exclusions:</b>	Controversial weapons (including but not limited to cluster munitions and chemical, biological and nuclear weapons).	<b>Strategy size:</b>	\$42.2m
<b>Distributions</b> <b>Wholesale:</b> Calendar quarter <b>Retail:</b> March and September	<b>Restrictions:</b>	Tobacco stocks, fossil fuels. For more information, please refer to the Statement of Investment Policy and Objectives (SIPO) on our website <a href="https://nz.amova-am.com/retail/funds/reports-and-documents">https://nz.amova-am.com/retail/funds/reports-and-documents</a>	<b>Buy / Sell spread:</b>	0.29%/0.29%

## Compliance

The wholesale fund complied with its investment mandate and trust deed during the quarter.

## Contact Us

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