

Fund name
Registered scheme
First made available

Norfolk Mortgage Trust
Norfolk Unit Trusts
22 January 2024

Quarterly Fund Update as at 31 December 2023

What is the purpose of this update?

This document tells you how the Norfolk Mortgage Trust has performed and what fees were charged. The document will help you to compare the fund with other funds. Norfolk Mortgage Management Limited (Manager) 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 Norfolk Mortgage Trust invests in a portfolio of loans secured by registered first and second mortgages over land and buildings in New Zealand and bank deposits. The Investment Objective is to provide investors with an income return at a level higher than bank deposits and competitive with similar investment products. The Manager's objective is to provide investors with a return which exceeds the (after fees) 6-month term deposit rate (published by the Reserve Bank of New Zealand on the last business day of each month of the 6 months of relevant distribution period) by 1.4% per annum after deduction of fees, and any taxes within the Trust and expenses.

| | |
|----------------------------------|------------------|
| Total value of the fund | \$44,332,403.19 |
| The date the fund started | 15 December 2006 |

What are the risks of investing?

Risk Indicator for Norfolk Mortgage Trust

Potentially lower returns

Potentially higher returns

←

→

| | | | | | | | |
|-----------------------|----------|----------|----------|----------|----------|----------|----------|
| Risk Indicator | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|-----------------------|----------|----------|----------|----------|----------|----------|----------|

←

→

Lower risk

Higher risk

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 <https://sorted.org.nz/tools/investor-profiler/>

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 annualised returns data for the 5-year period ending 31 December 2023. Whilst 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.

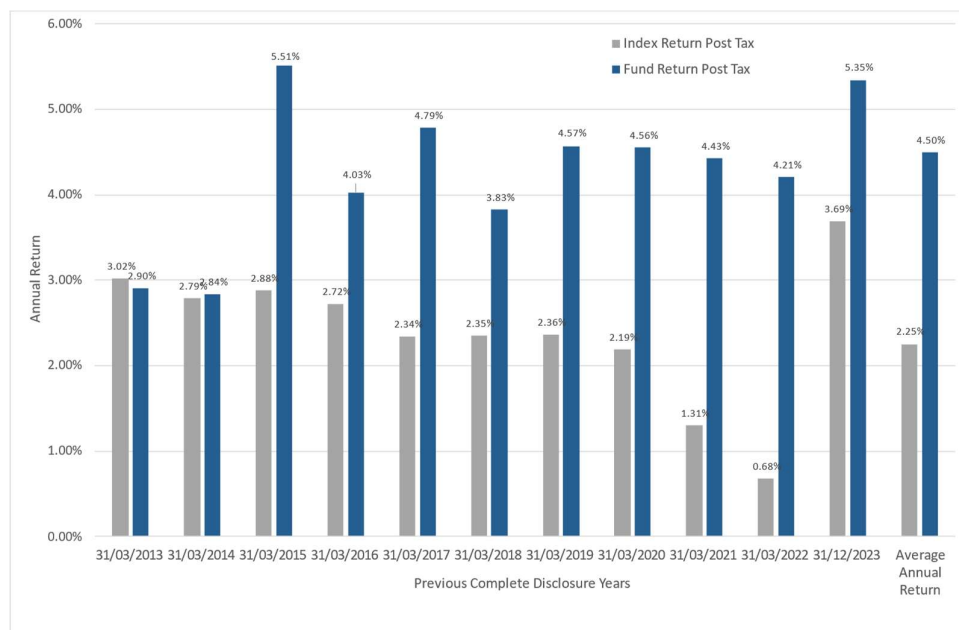
How has the fund performed?

| | Average over past 5 years | Past year |
|--|---------------------------|--------------|
| Annual return (after deductions for charges and tax) | 4.64% | 5.35% |
| Annual return (after deductions for charges but before tax) | 6.50% | 7.50% |
| Market index annual return (reflects no deduction for charges and tax) | 2.70% | 5.15% |

The Market Index Annual Return is based on the 6-month term deposit rate published by the Reserve Bank of New Zealand on the last business day of each month (see <https://www.rbnz.govt.nz/statistics/series/exchange-and-interest-rates/retail-interest-rates-on-lending-and-deposits>). This rate is the advertised interest rate paid for a new 6-month term deposit of \$10,000.00. It is weighted by each of the surveyed registered banks' share of household deposits from the aggregate registered bank statistical returns supplied to the Reserve Bank of New Zealand. More information on the Market Index is available on the offer register.

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

This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return for the last 10 years, up to 31 December 2023.



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 Norfolk Mortgage Trust are charged fund charges. In the year to 31 March 2023, these were:

| | % of net asset value |
|--|-----------------------------|
| Total fund charges which are made up of: | 2.65% |
| Total management and administration charges including: | 2.65% |
| Manager's basic fee | 2.50% |
| Other management and administration charges | 0.15% |
| Total performance-based fees | 0.00% |
| Other charges | Nil |

All charges are GST inclusive.

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 more information about those fees.

Example of how this applies to an investor

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

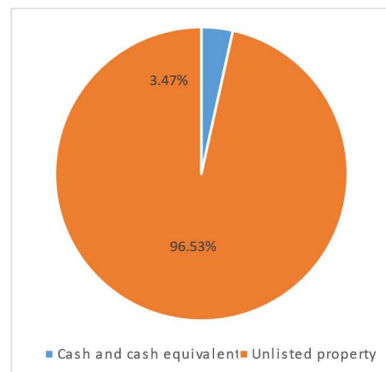
Alex had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Alex received a return after fund charges and tax were deducted of \$535 (that is 5.35% of their initial \$10,000). Alex also paid \$0 in other charges. This gives Alex a total return after tax of \$535.00 for the year.

What does the fund invest in?

This shows the type of assets that the fund invests in:

Actual Investment Mix

| | |
|---------------------------|--------|
| Cash and cash equivalents | 3.47% |
| Unlisted property | 96.53% |



Top 10 Investments

| Asset Name | % of fund net assets | Type | Country | Credit rating (if applicable) |
|---|----------------------|-------------------|-------------|-------------------------------|
| 1 st registered mortgage residential Auckland | 5.93% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage commercial Waikato | 5.64% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage residential Hawkes Bay | 4.36% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage rural Canterbury | 4.15% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage residential Auckland | 3.92% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage residential Taranaki | 3.81% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage residential Waikato | 3.81% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage residential Auckland | 3.80% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage residential Waikato | 3.68% | Unlisted property | New Zealand | N/A |
| 1 st registered mortgage rural Taranaki | 3.61% | Unlisted property | New Zealand | N/A |
| Total value of the top 10 assets makes up 42.70% of the fund. | | | | |

Key personnel

| Name | Current Position | Time in current position | Previous or other current position | Time in previous or other current position |
|---------------|--------------------|--------------------------|--|--|
| Jack Porus | Chair | 7 years, 6 months | Chair, Norfolk Financial Management Ltd | 9 years, 10 months |
| Stuart Smith | Executive Director | 7 years, 6 months | Director, Norfolk Financial Management Ltd | 9 years, 10 months |
| Glenys Holden | Chief Executive | 5 years, 6 months | Manager, Norfolk Mortgage Management Ltd | 1 year, 6 months |

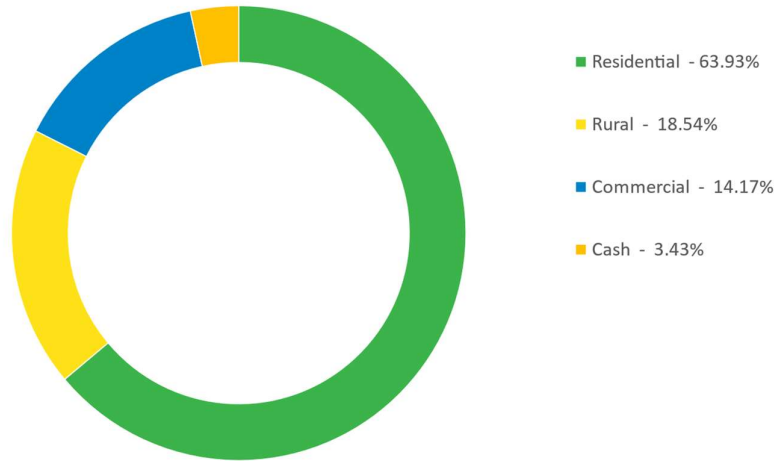
Additional Information

The Manager has prepared this additional information in accordance with the Financial Markets Conduct (Managed Funds – Loan Disclosure Requirements) Exemption Notice 2019.

This shows the types of assets that the fund invests in, where secured loan asset types (residential, commercial, and rural) are shown as a percentage of total assets.

Asset types:

- Residential – secured loans for which the principal secured property is residential property.
- Commercial – secured loans for which the principal secured property is commercial property.
- Rural – secured loans for which the principal secured property is rural property.
- Cash – cash held on call or term deposits with a remaining term to maturity of three months or less.



Loan Risk by Region

| Regions | % by geographic region | % by asset type Residential | % by asset type Commercial | % by asset type Rural |
|-------------|------------------------|-----------------------------|----------------------------|-----------------------|
| Auckland | 32.02% | 25.45% | 6.57% | |
| Waikato | 22.32% | 12.49% | 8.08% | 1.75% |
| Northland | 15.39% | 6.25% | | 9.14% |
| Taranaki | 11.94% | 7.89% | | 4.06% |
| Hawke's Bay | 7.22% | 7.22% | | |
| Canterbury | 6.74% | 2.49% | | 4.24% |
| Wellington | 2.32% | 2.32% | | |
| Manawatu | 1.58% | 1.58% | | |
| Nelson | 0.47% | 0.47% | | |

This table shows the composition of the secured loans expressed as a percentage of the total loans according to each geographical region and, within each geographical region, shows the proportion of secured loans to asset types.

Lending Limits

For first mortgages, at the time of approval, the loan must be within 75% of the value of the mortgaged property. For second mortgages, at the time of approval, the loan together with the prior first mortgage must be within 75% of the value of the mortgaged property.

Further information

You can also obtain this information, the PDS for the Norfolk Mortgage Trust, and some additional information from the offer register at <https://disclose-register.companiesoffice.govt.nz/>

Notes

Returns calculated for the fund in this update are on the basis that all distributions are reinvested in the fund. Current investors receive distributions on a monthly basis with some investors reinvesting their distributions.