



# Balanced Fund

## Octagon Investment Funds

### Fund Update as at 31 December 2024

This fund update was first made publicly available on 13 February 2025.

#### What is the purpose of this update?

This document tells you how the Balanced Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Forsyth Barr Investment Management 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 Balanced Fund invests across multiple asset classes. Investors can expect moderate to high levels of movement up and down in value. It aims to achieve long-term returns (before fees, taxes and other expenses) greater than a composite benchmark.<sup>1</sup>

Total value of the fund	\$47,735,087
The date the fund started	11 December 2020

#### What are the risks of investing?

Risk indicator<sup>2</sup> for the Balanced 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/tools/investor-profiler](http://www.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 returns data for the five years to 31 December 2024. 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.

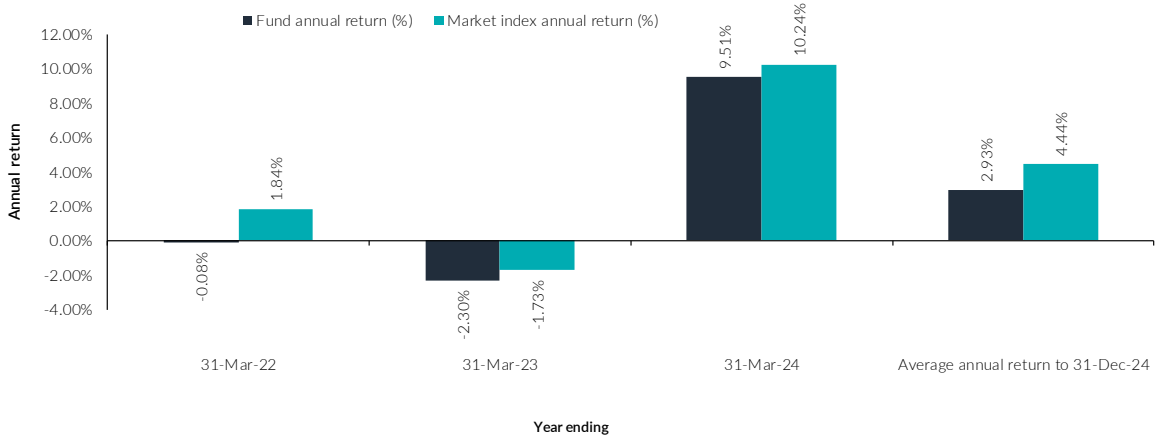
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

#### How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	8.40%
Annual return (after deductions for charges but before tax)	9.11%
Market index annual return (reflects no deduction for charges and tax)	11.24%

The market index return is based on a composite index made up of the indices used to measure the performance of each asset class invested in as displayed under the target investment mix. Additional information about the market index is available on the Octagon Investment Funds' entry on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

### Annual return graph



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 since the fund started, up to 31 December 2024.

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 Balanced Fund are charged fund charges. In the year to 31 March 2024 these were:

	% of net asset value <sup>3</sup>
Total fund charges	1.17%
<i>Which are made up of:</i>	
<b>Total management and administration charges including</b>	<b>1.17%</b>
Manager’s basic fee	1.12%
Other management and administration charges	0.05%
<b>Total performance-based fees</b>	<b>0.00%</b>
	<b>Dollar amount per investor</b>
<b>Other charges</b>	<b>\$0.00</b>

Investors may also be charged individual action fees for specific actions or decisions (for example for withdrawing from or switching funds), although these are not currently charged. See the “Other Material Information” document at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about those fees.

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

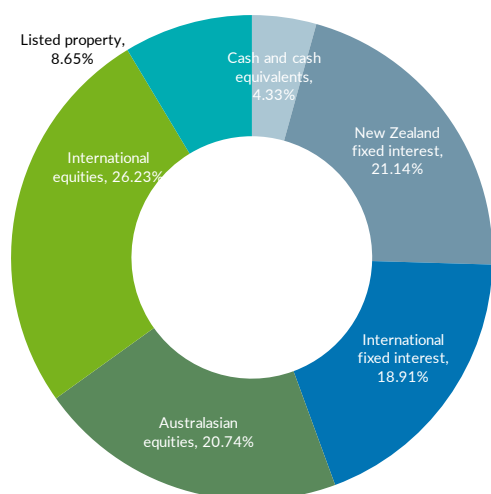
#### Example of how this applies to an investor

Jane 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, Jane received a return after fund charges were deducted but before tax of \$911 (that is 9.11% of her initial \$10,000). This gives Jane a total return after tax of \$840 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

Cash and cash equivalents	7.00%
New Zealand fixed interest	19.00%
International fixed interest	19.00%
Australasian equities	20.00%
International equities	30.00%
Listed property	5.00%
Unlisted property	0.00%
Commodities	0.00%
Other	0.00%

### Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	Hunter Global Fixed interest Fund	18.91%	International fixed interest	New Zealand	
2	Intermede Global Equity Fund	9.15%	International equities	Ireland	
3	ANZ transactional bank account	1.85%	Cash and cash equivalents	New Zealand	A+
4	Fisher & Paykel Healthcare Corporation Limited	1.72%	Australasian equities	New Zealand	
5	New Zealand Government 4.50% 15/05/2030	1.58%	New Zealand fixed interest	New Zealand	AA+
6	Precinct Properties New Zealand Limited	1.52%	Listed property	New Zealand	
7	Goodman Property Trust	1.49%	Listed property	New Zealand	
8	New Zealand Government 1.5% 15/05/2031	1.27%	New Zealand fixed interest	New Zealand	AA+
9	New Zealand Government 14/04/2033 3.5%	1.12%	New Zealand fixed interest	New Zealand	AA+
10	Auckland International Airport Limited	1.11%	Australasian equities	New Zealand	

The top 10 investments make up 39.72% of the fund.

Foreign currency exposures associated with international fixed interest are hedged to the New Zealand dollar. We actively manage the fund's foreign currency exposures associated with international and Australian equities, and listed property. As at 31 December 2024, these exposures represented 35.19% of the value of the fund. After allowing for foreign currency hedges in place, 14.42% of the value of the fund was unhedged and exposed to foreign currency risk.

## Key personnel

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
Christine Smith-Han	Equity and Strategy Analyst Octagon Asset Management Limited <sup>4</sup>	3 years and 1 month	Portfolio Analyst Forsyth Barr Limited	4 years and 10 months
Paul Robertshawe	Chief Investment Officer Octagon Asset Management Limited <sup>4</sup>	3 years and 1 month	Portfolio Manager, Forsyth Barr Limited	0 years and 8 months
Craig Alexander	Head of Fixed Interest and ESG Octagon Asset Management Limited <sup>4</sup>	3 years and 1 month	Co-Head of Funds Management, Forsyth Barr Limited	8 years and 5 months
Jason Lindsay	Head of Equities Octagon Asset Management Limited <sup>4</sup>	3 years and 1 month	Co-Head of Funds Management, Forsyth Barr Limited	2 years and 2 months
Neil Paviour-Smith	Director Forsyth Barr Investment Management Limited	16 years and 10 months	Managing Director, Forsyth Barr Limited (current)	24 years and 0 months

## Further information

You can also obtain this information, the PDS for the Octagon Investment Funds, and some additional information from the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## Notes

<sup>1</sup> The composite benchmark for the Balanced Fund is made up of the single asset class benchmarks weighted by the target asset allocation for the asset class. The single asset class benchmarks are the same as the benchmarks for the single asset class funds, and the benchmark for international fixed interest is the Bloomberg Global Aggregate Total Return Index 100% hedged to the New Zealand Dollar. The current weightings are as per the target investment mix referenced in this update under “what does this fund invest in?”.

<sup>2</sup> This fund came into existence on 11 December 2020. We've calculated the risk indicator using market index returns data for periods before that date, and actual fund returns data afterwards. Using market index returns data may make the risk indicator a less reliable indicator of how much fund values might go up and down in future.

<sup>3</sup> Including GST.

<sup>4</sup> Octagon Asset Management Limited is responsible for the day-to-day investment decisions for the fund.