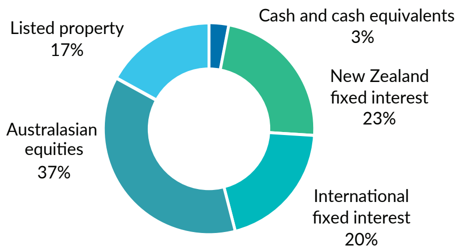
Octagon Multi Asset Class Funds

Investor Factsheet for the quarter ended 31 December 2024

	3 months	1 year	3 year	Since Inception*
Income Fund Gross Return**	**0.33%**	**3.81%**	**1.44%**	**2.63%**
Composite Market Index***	0.76%	6.69%	1.49%	2.04%
Balanced Fund Gross Return**	**1.43%**	**10.36%**	**4.15%**	**4.60%**
Composite Market Index***	2.50%	11.24%	4.10%	4.72%
Growth Fund Gross Return**	**2.02%**	**12.54%**	**4.92%**	**5.83%**
Composite Market Index***	3.81%	14.18%	4.98%	6.26%

Income Fund

Risk Indicator:	1 2 3 **4** 5 6 7
Inception date:	11/12/2020
Fund Size as at 31/12/2024:	NZ$9,456,647



Income fund performance

For the quarter to 31 December the Income Fund delivered a gross return of 0.33%, underperforming the funds' market index return of 0.76%. For the four quarters to 31 December the Fund delivered a gross return of 3.81%, underperforming the funds' market index return of 6.69%.

For the four quarters to 31 December both fixed interest funds and the Listed Property Fund utilised within the portfolio beat their market indices. Directly owned securities in New Zealand and Australia detracted from performance. The fund aims to invest in Australasian equities with high dividend paying credentials, and in strong broader equity markets over the last year these stocks have tended to underperform. The last 12 months have been a growth market, particularly in New Zealand. The fund is under-represented in these growth names which generally trade on low (or no) dividend yields, instead holding stocks more defensive (and income producing) in nature. This has been costly for relative performance. As an example, in the 12 months to 31 December 2024 the NZSE50 Gross with Imputation Index delivered 12.24% return with Fisher & Paykel Healthcare (which the fund does not own) delivering two thirds of this return.

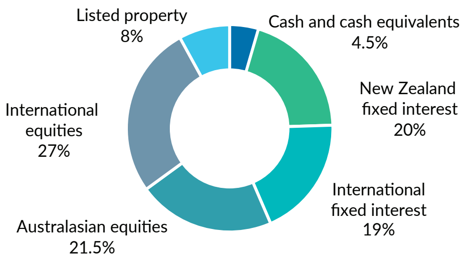
Income fund positioning

The Income fund is exposed to both income and growth asset classes. Within the growth asset class we have a higher tactical allocation to both New Zealand equities and Australasian listed property as we expect the New Zealand economic cycle to rebound over the next year, with the property sector to further benefit from ongoing RBNZ rate-cuts supporting dividend yields and more investment projects.

We calculate the running yield of the securities held within the Income fund as currently 4.65%.

Balanced Fund

Risk Indicator:	1 2 3 **4** 5 6 7
Inception date:	11/12/2020
Fund Size as at 31/12/2024:	NZ$47,735,086



Balanced fund performance

For the quarter to 31 December the Balanced Fund delivered a gross return of 1.43%, underperforming the funds' market index return of 2.50%. For the four quarters to 31 December the Fund delivered a gross return of 10.36%, behind of the funds' market index return of 11.24%.

Whilst our tactical positions change modestly throughout the year, our overweight to New Zealand and Australian equities added value relative to our strategic targets, whereas our underweight to Global equities was a major drag. Overall, our tactical positioning was a slight detractor to fund performance.

* Annualised

** Gross Fund Returns are calculated before deduction of taxes and fund charges but after deduction of trading expenses and including imputation credits where applicable. Market index returns do not have any deductions for fund charges, trading expenses or tax.

*** 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. In July 2023 the index used to measure the performance of the New Zealand fixed interest asset class was changed from the S&P/NZX Investment Grade Corporate Bond Index to the Bloomberg NZBond Composite 0+Yr Index. The Composite Market Index reported here uses the new market index from July 2023 onwards and uses the old market index for prior periods.

Our active hedging strategy detracted value for the quarter and year. Our currency model suggests the US dollar is expensive and it got even more so over the December quarter. As such, the Global Equities portfolio is hedged well above its neutral level of 50%.

Our tactical asset allocation position, which involves a greater than normal exposure to fixed interest relative to equities, has slightly detracted performance over the quarter.

Balanced fund positioning

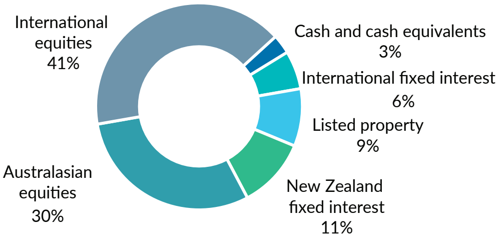
We have a higher tactical allocation to both New Zealand equities and Australasian listed property as we expect the New Zealand economic cycle to rebound over the next year, with the property sector to further benefit from ongoing RBNZ rate-cuts supporting dividend yields and more investment projects.

Our underweight position in global equities reflects our view that the key US equity market, at greater than 60% of the global market, remains expensive. The US economy has remained solid, but earnings growth is highly concentrated in the largest stocks and the gains from falling interest rates are unlikely to persist given policy uncertainty and the solid economic backdrop.

In 2024, our view of a weakening US equity market did not play out as both economic growth and employment levels remained stronger than we expected. Despite that backdrop, 77% of the entire markets earnings growth came from just seven stocks, whilst market valuation grew at more than double the rate of earnings growth. We have maintained our view that this market is expensive;should it stay that way, there will be a risk to Balanced Fund returns (relative to its benchmark).

Growth Fund

Risk Indicator:	1 2 3 4 **5** 6 7
Inception date:	11/12/2020
Fund Size as at 31/12/2024	NZ$37,170,223



Growth fund performance

For the quarter to 31 December the Growth Fund delivered a gross return of 2.02%, underperforming the funds' market index return of 3.81%. For the four quarters to 31 December the Fund delivered a gross return of 12.54%, behind the funds' market index return of 14.18%.

Whilst our tactical positions change modestly throughout the year, our overweight to New Zealand and Australian equities added value relative to our strategic targets, whereas our underweight to Global equities was a major drag. Overall, our tactical positioning was a slight detractor to fund performance.

Our active hedging strategy detracted value for the quarter. Our currency model suggests the US dollar is expensive and it got even more so over the December quarter. As such, the Global Equities portfolio is hedged well above its neutral level of 50%.

Our tactical asset allocation position, which involves a greater than normal exposure to fixed interest relative to equities, has slightly detracted from performance over the quarter.

Growth fund positioning

We have a higher tactical allocation to both New Zealand equities and Australasian listed property as we expect the New Zealand economic cycle to rebound over the next year, with the property sector to further benefit from ongoing RBNZ rate-cuts supporting dividend yields and more investment projects.

Our underweight position in global equities reflects our view that the key US equity market, at greater than 60% of the global market, remains expensive. The US economy has remained solid, but earnings growth is highly concentrated in the largest stocks and the gains from falling interest rates are unlikely to persist given policy uncertainty and the solid economic backdrop.

In 2024, our view of a weakening US equity market did not play out as both economic growth and employment levels remained stronger than we expected. Despite that backdrop, 77% of the entire markets earnings growth came from just seven stocks, whilst market valuation grew at more than double the rate of earnings growth. We have maintained our view that this market is expensive; should it stay that way, there will be a risk to Growth Fund returns (relative to Its benchmark).

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