

Income Fund

Monthly Performance Update as at 30 April 2026

To review the fund's investment objective and strategy, fees information and risk indicator please see the funds' product disclosure statement and most recent fund update at www.octagonasset.co.nz/our-funds/income-fund/.



Return comparison	1 Month	3 Months	1 Year	3 Years*	Since inception*
Net Fund Return [^]	0.76%	-1.82%	9.01%	4.77%	2.87%
Gross Fund Return	0.82%	-1.72%	9.58%	5.30%	3.41%
Composite Index	0.75%	-1.27%	7.46%	5.13%	2.35%

*Annualised

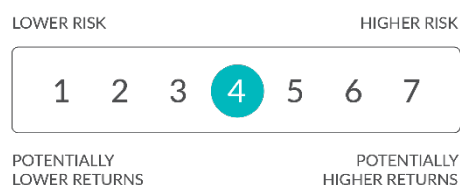
Major investments

Hunter Global Fixed interest Fund	18.91%
ANZ transactional bank account	4.13%
Precinct Properties New Zealand Limited	2.89%
Vital Healthcare Property Trust	2.79%
Goodman Property Trust	2.71%
Kiwi Property Group Limited	2.28%
New Zealand Government 1.5% 15/05/2031	2.12%
Meridian Energy Limited	1.69%
Amcor Limited	1.62%
New Zealand Government 14/04/2033 3.5%	1.61%
Major holdings as % of total portfolio	40.75%

Things to note

- Manager: Forsyth Barr Investment Management Ltd
- Investment manager: Octagon Asset Management Ltd
- Date the fund started: 11 December 2020
- Tax status: Portfolio Investment Fund (PIE)
- Minimum suggested investment time frame: At least five years
- Market Index: A composite benchmark relating to the fund's target investment mix
- Currency: New Zealand dollars

Risk indicator**



View the [Product Disclosure Statement](#) for detailed information about this Fund and Octagon Investment Funds Scheme.

Manager's comments

How did your portfolio perform?

The Income Fund delivered a gross return of 0.82% for the month of April, in-line with the fund's benchmark return of 0.75%.

For the 12 months to the end of April, the Income Fund delivered a gross return of 9.58%, comfortably outperforming the fund's benchmark return of 7.46% by 2.13%.

With the exception of Australian equities, all asset classes used within the Fund outperformed their respective indices. The fund has most of its exposure to New Zealand and Australian equities via direct investments which overall added modestly to performance during April. Holdings in Macquarie Group, Genesis Energy, and Skellerup added to performance, whilst holdings in KMD Brands, Sky City and Fletcher Building detracted. The fund's overweight New Zealand Equities and Listed Property, and underweight Australian Equities asset allocation subtracted from performance during the month.

We actively manage the fund's foreign currency exposures to Australian equities and fully hedge the international fixed interest segment of the fund. In April, the New Zealand dollar was down -1.68% against the Australian dollar.

We calculate the running yield of the securities held within the fund at the end of April as 4.52%.

What happened in the markets that you invest in?

Whilst this fund does not have exposure to global equities, the US market does tend to set the tone for global equity market performance. Global equities produced an exceptional return over the month of April, more than reversing the losses driven by the start of the Iranian conflict. Whilst the US was very strong, based on exceptional first quarter earnings, it was Emerging Markets and Japan that led returns in April.

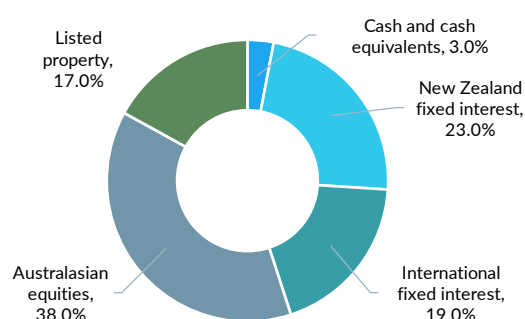
Korea and Taiwan are positively exposed to the data centre and AI boom, and they were amongst the best performers.

The NZ equity market was largely flat – with reporting season not kicking off until May – whilst the Australian market delivered a return just above 2%. Both trans-Tasman markets are less exposed to the AI theme, and neither of their respective economies were as strong as the US going into the Iranian conflict.

NZ listed property performed solidly, as investors focused on the defensiveness of their long-term contracted rents against a softer domestic economy.

Cash and fixed interest markets delivered modest positive returns, as the negative impact of the spike in inflation was largely captured in the March returns.

Tactical Asset Allocation



Currency Hedging

As at 30 April 2026

Percentage of the fund exposed to FX risk	16.30%
Value of the fund unhedged (after hedging)	2.00%

Fees

Annual fund charges are currently 0.75% p.a. of the value of your investment. We pay management and administration charges along with the Supervisor fee out of this. All fees and charges are quoted exclusive of GST.

What are we thinking about the future?

Last month we noted that a quick end to hostilities would support a rebound. We did not see a peace deal in April, yet global equity markets recovered extremely well. As noted above, US first quarter earnings were materially stronger than our expectations, as was guidance for near term growth.

The April move in the market is supported by near term earnings revisions, but valuations are entering “new paradigm” levels for the market leaders, in our view.

Ever-rising profit margins and returns on capital are supportive of higher valuations, but we have been through productivity and new era technology driven growth before. In every single case, high margins have eventually been competed away. We see no sign of a slowing right now but remain on the lookout for signs that competition will erode returns of these extremely profitable companies.

Other asset classes would all benefit from an enduring peace deal in the Middle East, with valuations currently ranging between fair value and attractive.



Jason Lindsay, CA
Head of Equities



Craig Alexander
Head of Fixed Interest

For more information please visit octagonasset.co.nz, email info@octagonasset.co.nz, or call 0800 628 246

^ Net Fund Returns are calculated before the deduction of taxes and after deduction of fund charges and trading expenses and including imputation credits where available. 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 risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the relevant fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way. The risk indicator is based on the returns data for the five years to 30 April 2026. See more information about the risks of investing in the Product Disclosure Statement.

This publication does not contain financial advice - for financial advice, please speak to your Investment Adviser. We recommend you review your investments and seek specialist advice on any taxation aspects. Past performance is not a reliable guide to future performance. Forsyth Barr Investment Management Limited is the issuer, and Octagon Asset Management Limited the investment manager, of the Octagon Investment Funds. A copy of the Product Disclosure Statement for the Funds is available from www.octagonasset.co.nz/disclosure-information, by contacting your Investment Adviser, or by calling 0800 628 246.