

New Zealand Equities Fund

Monthly Performance Update as at 31 October 2025

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/new-zealand-equities-fund/.



Return comparison	1 Month	3 Months	1 Year	3 Years*	Since inception*
Net Fund Return^	2.94%	6.34%	8.15%	6.04%	10.24%
Gross Fund Return	3.05%	6.65%	9.41%	7.28%	11.54%
S&P/NZX 50 Gross with Imputation Index	1.93%	5.95%	7.95%	6.96%	9.68%

*Annualised

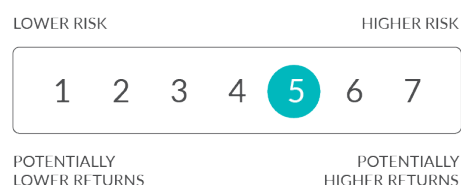
Major investments

Fisher & Paykel Healthcare Corporation Limited	13.75%
Infratil Limited	7.61%
Auckland International Airport Limited	7.51%
Spark New Zealand Limited	5.36%
Contact Energy Limited	5.07%
Meridian Energy Limited	5.04%
Ebos Group Limited	4.15%
Mainfreight Limited	4.11%
The a2 Milk Company Limited	3.29%
SKYCITY Entertainment Group Limited	3.13%
Major holdings as % of total portfolio	59.02%

Things to note

- Manager: Forsyth Barr Investment Management Ltd
- Investment manager: Octagon Asset Management Ltd
- Date the fund started: 26 June 2008
- Tax status: Portfolio Investment Fund (PIE)
- Minimum suggested investment time frame: At least five years
- Market Index: S&P/NZX50 Gross with Imputation Index
- 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 New Zealand Equities Fund delivered a gross return of 3.05% during October, comfortably outperforming the fund's benchmark return of 1.93% by 1.11%.

For the 12 months to the end of October, the New Zealand Equities Fund delivered a gross return of 9.41%, significantly outperforming the fund's benchmark return of 7.95% by 1.46%.

Equity market returns were tightly bunched during October, ranging from up 15% (Sky Television:SKT) to -11% (Gentrak:GTK). SKT drove the fund's outperformance as the market continues to reflect the recent deals with NZ Rugby and the Three network acquisition. Sky City Entertainment (SKC) was the next biggest contributor as the share price bounced modestly post equity raise.

Our increasing underweight in A2 Milk was the biggest drag on relative performance. Their August result was solid and the investment in manufacturing capacity announced at the same time was positive for the stock. In our opinion, risks around the underlying demand, pricing environment and success of new product launches in the key Chinese market are not reflected in the current price.

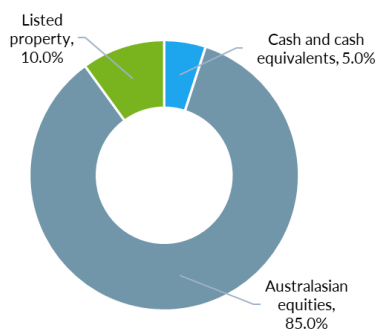
What happened in the markets that you invest in?

Another solid month for the New Zealand equity market, but calendar year-to-date returns are only modestly positive as the market recovers from the April losses caused by the US imposed 'liberation day' tariffs.

Economic news flow remains mixed, which is better than earlier in the year when there was a bias to disappointing updates. Interest rate cuts have accelerated, insurance premium increases have started to soften, job advertisements have started to tick up and housing turnover is also improving.

The recovery in house sales has helped the retirement village sector, with Oceania being the second-best performer this month, with Ryman and Summerset also posting strong returns. Fletcher Building is yet to see a recovery in new housing starts, as there are plenty of listings to meet market demand.

Target Asset Allocation



What are we thinking about the future?

We are adding to a wide range of businesses exposed to an eventual economic recovery. We have added to advertising, retail, aged care (housing), finance and logistics. These are generally modest positions currently as we do work to ensure the profit crunch we have seen through the down cycle are due to a lack of demand, rather than structural decline in the competitiveness of the businesses.

We have funded these moves by trimming two of our high conviction positions, Channel Infrastructure (CHI) and SKT. Over the last three years, both stocks have beaten the NZX50 benchmark return by well over 100%. CHI is now slightly expensive in our view, whilst SKT continues to have upside, but less than before.



Paul Robertshawe, CA
Director, Chief Investment Officer

Fees

Annual fund charges are currently 1.15% 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.

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 31 October 2025. 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.