

Global Equities Fund

Investor Factsheet for the quarter ended 31 December 2025

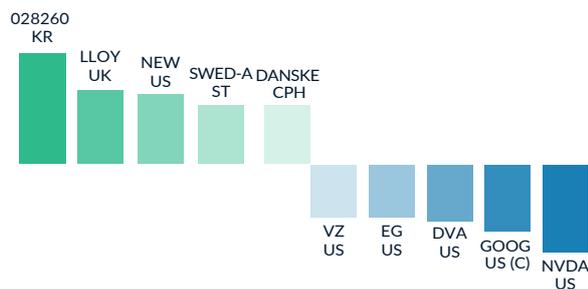
	Quarter Performance	1 year	3 years*	5 years*	Since Inception*	Since June 2022*
Gross Fund Return**	4.45%	16.16%	20.50%	7.82%	5.87%	17.24%
MSCI ACWI Net TR Index (50% Hedged)***	3.82%	19.13%	22.76%	14.53%	9.52%	19.77%
Out/under performance	0.64%	-2.97%	-2.26%	-6.70%	-3.65%	-2.52%
Tracking error	n/a	4.97%	4.03%	4.64%	6.12%	4.22%
Information ratio	n/a	-0.60	-0.56	-1.44	-0.60	-0.60
Sharpe ratio	n/a	1.84	1.95	0.42	0.24	1.34

Key Fund Facts as at 31 December 2025

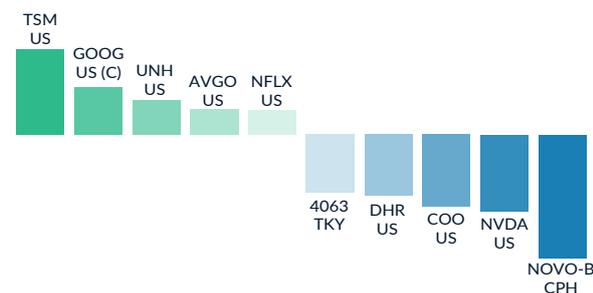
Fund Name	Global Equities Fund	Risk Indicator	① ② ③ ④ ⑤ ⑥ ⑦
Inception Date	26/06/2008	Market Index	MSCI ACWI Net TR Index (50% hedged)
Fund Value (NZD)	\$176,401,353	Unit Price	2.1774

ATTRIBUTION (ROLLING 4QS TO 31 DECEMBER 2025)

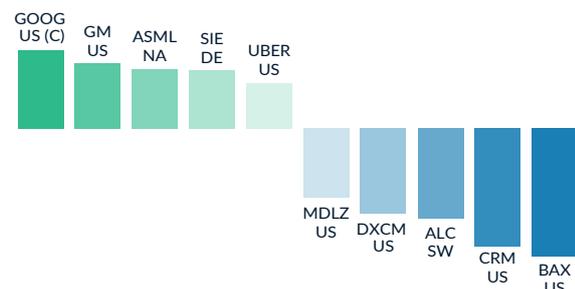
TE AHUMIRANGI



INTERMEDE INVESTMENT PARTNERS



WMR GLOBAL EQUITIES MODEL PORTFOLIO



The fund in its macro context

Global equity markets delivered modest gains over the December quarter, with value stocks outperforming growth stocks. U.S. equities trailed other global markets, where market breadth was supported by a resurgence in value and cyclical sectors. Despite the prevailing narrative of U.S. exceptionalism and their dominance of the AI thematic, U.S. equities closed the calendar year with a weaker 12-month performance than the UK, Europe, Japan and several emerging markets.

The U.S. experienced its longest federal government shutdown on record, reopening in November, which disrupted the flow of economic data. U.S. inflation showed early signs of moderation, though still above Federal Reserve (the Fed) targets. The manufacturing sector stabilised into year-end, while consumer spending proved resilient despite tighter financial conditions. Bond yields were mixed as markets adjusted expectations for the Fed's policy rates.

The U.S. kicked off the earnings season in January, with the banking sector posting solid results. At the time of writing only 7.4% of the S&P500 constituents have reported. Markets are anticipating a normal earnings season where companies provide a small 'beat and raise' meaning a small beat of analysts' estimates for the quarter and a small raise to outlook earnings. Analysts forecast expected strength in the Communication Services, Energy and Financials sectors supported by strong underlying fundamental trends.

* Annualised for periods greater than 1 year

** 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.

***For periods prior to April 2018, the market index/benchmark return used is an unhedged variant of the MSCI ACWI Net Total Return Index in New Zealand dollars.

Portfolio attribution

For the quarter ended 31 December the Global Equities Fund delivered a gross return of 4.45%, modestly outperforming the fund's benchmark return of 3.82%.

On a rolling four quarters to 31 December, the Fund delivered a gross return of 16.16%, which underperformed the fund's benchmark return of 19.13%.

The Fund's positioning contributed positively over the quarter, as value and low-risk stocks outperformed while growth and technology stocks lagged amid rich valuations. Only three of the Mag. 7 stocks beat the benchmark, reflecting a rotation away from highly concentrated and expensive U.S. technology stocks.

Market returns were strongest in the Healthcare sector and weakest in real estate and consumer staples. The December quarter saw a rotation of capital as investors repositioned into healthcare stocks that had lagged earlier in the year, partly on US regulatory changes.

Both active managers outperformed the index during the quarter. The fund's underweight position in Eli Lilly detracted from relative performance, as the stock re-priced up circa ~40% over the period. Strong growth in its GLP-1 weight-loss drug and improved Medicare access supported the stock's performance. However, holdings in other healthcare names offset some of this impact, as broader improvements in US Medicare access acted as a tailwind across the sector.

Portfolio conviction

We construct the Global Equities portfolio using a multi-manager approach designed to combine complementary investment styles. Managers are selected through a due-diligence process that assesses team culture, people, and investment processes. Currency exposure is actively managed against a 50% hedged (back to NZD) benchmark. We utilise tactical positions in the USD, Euro, and Japanese Yen, when material short-term deviations appear relative to each currency's long-run real purchasing power.

Following the full exit from Intermede Investment Partners in September, the Fund is currently implementing a global core strategy as the third active strategy within the fund. This strategy builds stock positions based on strong cash-flow generation and robust accounting fundamentals. Combined with market-reaction factors, these positions are built into a diversified portfolio with a clear focus on risk management. More detail about this new manager will be posted on the Octagon website when available.

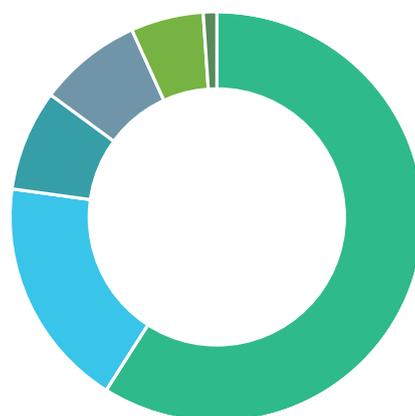
The Global equity strategy is currently allocated 45% to the minimum-volatility manager, 25% to the thematic growth manager, and 30% to a diversified ESG aware strategy. The diversified ESG aware strategy will transition to the new quantitative strategy.

TOP 10 FUND HOLDINGS AT QUARTER END*

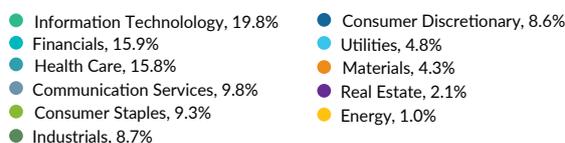
Security	Weight
Microsoft Corp.	4.3%
Alphabet Inc.	3.7%
Apple Inc.	2.6%
Amazon.com Inc.	2.5%
NVIDIA Corp.	1.9%
Salesforce Inc.	1.7%
Mastercard Inc.	1.7%
Nestle SA	1.7%
Verizon Communications Inc.	1.5%
Uber Technologies Inc.	1.5%
Major holdings as % of total portfolio	23.1%

*Provided on a look-thru basis into the underlying investment manager portfolios

SECURITIES BY GEOGRAPHY (PRIMARY LISTING)



SECURITIES BY INDUSTRY CLASSIFICATION (GICS)



Conclusion

Our multi-manager strategy, established in 2022, was designed to improve diversification and lower exposure to a highly concentrated 30 stock portfolio. Whilst one of the three managers have not meet our objectives and is being replaced, we continue to target a diversified exposure to global stocks across complimentary active strategies that can deliver above benchmark returns through time.

We continue to alter weightings to each strategy based on the Investment Committees view of the market backdrop and target areas where valuation dispersion is greatest. Currently we have a higher weighting to the minimum volatility strategy, which is less exposed to high US market valuations.

Investment Philosophy and Thesis

Octagon is an active investment manager. Our investment philosophy focuses on developing a repeatable process that systematically looks for short-to-medium term inefficiencies in market pricing of securities with a solid economic basis and a good management team to deliver long term, measurable alpha.

The most common and persistent market inefficiencies we find are:

- excessive focus on near-term earnings
- market dislocations and liquidity events
- temporary governance failures
- irrational investor behaviour

In the global equities space, we hire external managers who have proven track records, robust processes and exploit specific investment styles, whilst maintaining diversification in and between the funds.

Portfolio Managers



Paul Robertshawe, CA
Director, Chief Investment Officer



Christine Smith-Han
Strategy Analyst

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.