Global Equities Fund

Please note that Salt Investment Funds Limited replaced Forsyth Barr Investment Management Limited as the manager and issuer of the Octagon Investment Funds on 31 July 2026. This Factsheet relates to a period prior to the change in manager and has been prepared by Forsyth Barr Investment Management Limited.

Investor Factsheet for the quarter ended 30 June 2026

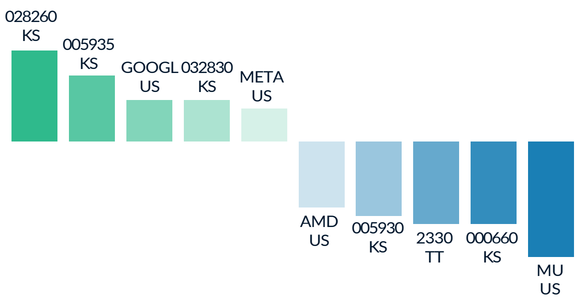
	Quarter Performance	1 year	3 years*	5 years*	Since Inception*	Since change in strategy (June 2022)*
Gross Fund Return**	7.46%	17.12%	16.04%	7.17%	6.03%	16.56%
MSCI ACWI Net TR Index (50% Hedged)***	15.61%	28.87%	21.56%	14.15%	9.97%	20.65%
Out/under performance	**-8.14%**	**-11.75%**	**-5.52%**	**-6.98%**	**-3.94%**	**-4.09%**
Tracking error	n/a	5.28%	4.54%	4.95%	6.12%	4.53%
Information ratio	n/a	-2.23	-1.22	-1.41	-0.64	-0.90
Sharpe ratio	n/a	2.03	1.42	0.33	0.26	1.30

Key Fund Facts as at 30 June 2026

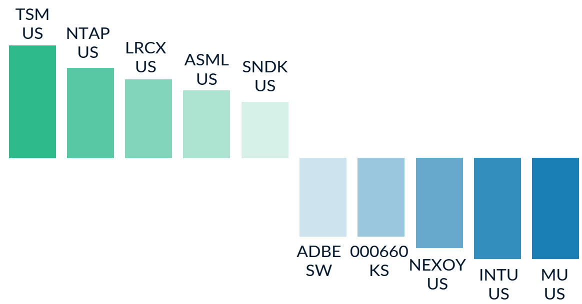
Fund Name	Global Equities Fund	**Risk Indicator**	1 2 3 4 **5** 6 7
Inception Date	26/06/2008	**Market Index**	MSCI ACWI Net TR Index (50% hedged)
Fund Value (NZD)	$203,332,161	**Unit Price**	2.2839

ATTRIBUTION (ROLLING 4QS TO 30 JUNE 2026)

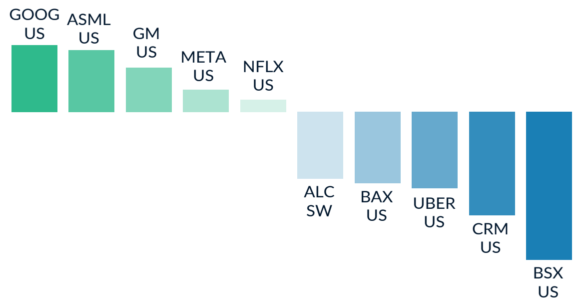
TE AHUMAIRANGI



OCTAGON GLOBAL FACTORS PORTFOLIO^



WMP GLOBAL EQUITIES MODEL PORTFOLIO



The fund in its macro context

Global equity momentum reversed in June as the Software as a Service (SaaS) sector sold off further, under the weight of AI disruption concerns. Even with underperformance in many of the household names, the quarter to June delivered a very strong return for Global Equities overall.

Investors gained confidence on the back of a strong corporate earnings season, and the ceasefire in the US-Iran war and the signing of the peace deal. Investor sentiment improved, but as we go to print the Iranian situation has flared up again. Developed and emerging markets rallied, with Growth stocks outperforming Value as the AI investment cycle continued over the quarter. Commodity prices moved back towards pre-war levels, but oil later rose around 15% after renewed Iranian attacks on US bases in the Gulf and President Trump withdrew the interim peace deal.

Global bond markets were mixed as investors assessed the impact of higher energy prices on inflation and growth. The front end of the yield curve rallied, while 10-year bond yields were little changed. US CPI rose 4.2% year-on-year, driven by higher gasoline prices. Labour market data remained resilient, and the US Federal Reserve kept interest rates unchanged while maintaining a hawkish stance. Renewed tensions in the Middle East have brought inflation and growth risks back into focus.

Portfolio attribution

For the quarter ended 30 June the Global Equities Fund delivered a gross return of 7.46 %, underperforming the fund's benchmark return of 15.61%.

* 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.

^ Rolling 4Qs attribution a mix of Intermede Investment Partners and Octagon Global Factors Portfolio

On a rolling four quarters to 30 June, the Fund delivered a gross return of 17.13%, underperforming the fund's benchmark return of 28.87%.

Market performance over the past 12 months was characterised by value stocks performing broadly in line with growth stocks. The Wealth Model Portfolio underperformance was the key contributor to the Fund's relative underperformance over the year.Te Ahumairangi, a close proxy for a value/minimum volatility style, also lagged the broader index as it is underweight emerging markets. Emerging markets outperformed developed equities, led by strong gains in Korean and Taiwanese semiconductor and memory companies, driven by the AI investment boom.

The Global Factor Portfolio gave back some of the alpha generated since its inception in January as momentum stocks rallied following the US-Iran ceasefire. However, in June the portfolio outperformed the benchmark as companies exposed to the AI supply chain—particularly semiconductor and hardware equipment stocks—led market gains, while returns broadened to companies with more defensive earnings characteristics. The Global Factor Portfolio was supported by its exposure to Biotechnology & Life Sciences and Consumer Services companies.

We actively manage the Fund's foreign currency exposures. During the quarter, the New Zealand dollar fell -1.20% against the US dollar, fell –5.33% against the Euro, and gained 8.67% against Japanese yen. Active hedging has detracted value relative to the fund's benchmark.

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.

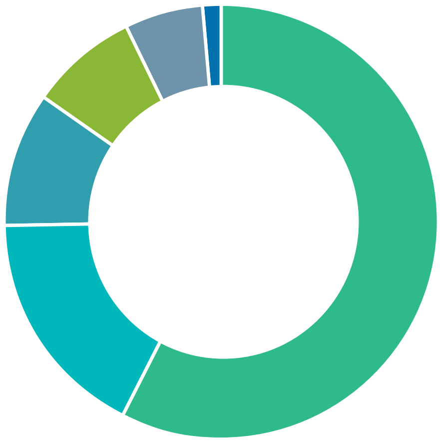
The fund has implemented a global core strategy as the third active strategy within the fund in January this year. This strategy builds stock positions based on strong cash-flow generation and robust accounting fundamentals. Combined with market-reaction factors, these positions are built into a diversified portfolio with a clear focus on risk management. More detail about the new Octagon Global Factors Portfolio can be found on the GEF page: [Global Equities Fund – Octagon Asset Management]

TOP 10 FUND HOLDINGS AT QUARTER END*

Security	Weight
Microsoft Corp	3.5%
Alphabet Inc-Cl A	3.3%
Apple Inc	2.5%
Nvidia Corp	2.3%
Mastercard Inc.	1.8%
Taiwan Semiconductor Manufacturing Co. Ltd (ADR)	1.8%
Uber Technologies Inc	1.8%
Amazon.Com Inc	1.3%
Broadcom Inc	1.3%
Nordson Corp	1.2%
Major holdings as % of total portfolio	**20.9%**

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

SECURITIES BY GEOGRAPHY (PRIMARY LISTING)



North America, 57.7%
Europe excl. UK and Ireland, 17.2%
Asia-Pacific excl. Japan, 10.0%
Japan, 7.9%
UK and Ireland, 5.9%
ROW, 1.2%

SECURITIES BY INDUSTRY CLASSIFICATION (GICS)

Information Technology, 22.7%
Financials, 15.8%
Healthcare, 14.3%
Industrials, 9.7%
Consumer Discretionary, 9.4%
Communication Services, 8.7%
Consumer Staples, 7.7%
Utilities, 4.5%
Materials, 3.1%
Energy, 2.7%
Real Estate, 1.5%

Outlook

We increased the fund's allocation to the Global Factor Portfolio to 40% in June, reducing Te Ahumairangi and the WMP to 40% and 20%, respectively. The fund remains defensively positioned and well diversified across the three managers, with the Minimum Volatility strategy providing downside protection in a historically expensive equity market. WMP has also maintained a defensive stance with a higher allocation to healthcare stocks.

The Global Factor Portfolio tilted modestly towards more growth-oriented stocks at our last rebalance. We increased exposure to Taiwan Semiconductor, BE Semiconductor Industries and Micron Technology, bringing the portfolio's semiconductor and technology hardware exposure back in line with the benchmark. These additions were funded by reduced allocations to the materials and industrials sectors.

Improving earnings expectations and the technology rally have strengthened the rankings of high-quality technology companies. While valuations are not inexpensive, these companies continue to rank highly, supported by strong returns on equity, positive price momentum, healthy free cash flow margins and favourable earnings revisions.

We continue to adjust the weightings across the three strategies based on the Investment Committee's assessment of the market backdrop, allocating capital to areas where valuation dispersion is greatest.

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