

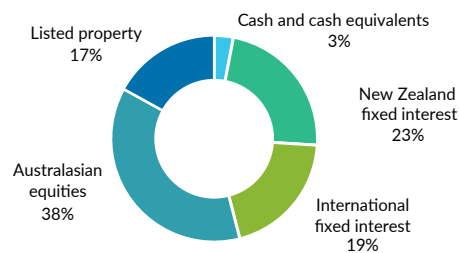
# Octagon Multi Asset Class Funds

Investor Factsheet for the quarter ended 31 March 2026

	Quarter Performance	1 year	3 years	5 years	Since Inception*
<b>Income Fund Gross Return**</b>	<b>-3.09%</b>	<b>8.19%</b>	<b>5.25%</b>	<b>3.51%</b>	<b>3.31%</b>
Composite Market Index***	-2.44%	6.68%	5.26%	2.63%	2.43%
<b>Balanced Fund Gross Return**</b>	<b>-2.57%</b>	<b>7.74%</b>	<b>8.18%</b>	<b>4.88%</b>	<b>4.82%</b>
Composite Market Index***	-1.84%	9.44%	8.46%	5.14%	5.09%
<b>Growth Fund Gross Return**</b>	<b>-2.95%</b>	<b>9.88%</b>	<b>9.68%</b>	<b>6.01%</b>	<b>6.03%</b>
Composite Market Index***	-2.42%	12.64%	10.39%	6.55%	6.64%

## Income Fund

<b>Risk Indicator:</b>	① ② ③ ④ ⑤ ⑥ ⑦
<b>Inception date:</b>	11/12/2020
<b>Fund Size as at 31/03/2026:</b>	\$8,230,096



### Income fund performance

For the quarter ended 31 March the Income Fund delivered a gross return of -3.09%, underperforming the funds' benchmark return of -2.44%. For the rolling four quarters to 31 March the Income Fund delivered a gross return of 8.19%, outperforming the funds' benchmark return of 6.68%.

For the March quarter, our managers relative performance in the portfolios underlying the Income fund was mixed. NZ Fixed Interest and Cash outperformed, whilst our NZ, AU and Listed Property managers underperformed. Over the year to March, our NZ Equities, NZ Fixed Interest and Cash portfolio managers outperformed their component benchmarks.

The fund has the bulk of its exposure to New Zealand and Australian equities via direct investments which detracted modestly from performance during the March quarter. Holdings in Santos, Viva Energy, and Ramsay Healthcare added to performance, whilst holdings in KMD Brands, Vulcan Steel, and Oceania Healthcare detracted.

The Iranian conflict has caused a spike in interest rates as a surge in inflation is already underway. A quick

resolution to the war, or a material drop in global growth expectations due to the oil supply shock, would see that spike partially unwind. As such, we are closely evaluating whether long term interest rates have risen too far, which would create an opportunity to add to our Fixed Interest allocation.

Our currency hedging position detracted from performance over the quarter, as we were positioned for the NZ dollar to appreciate against overseas currencies from levels we considered inexpensive. The opposite happened this quarter. The Iranian conflict was the primary driver, as despite interest rate differentials moving in NZ's favour, the US dollar is seen as a safe haven asset in times of uncertainty.

Over the March quarter, our tactical asset allocation positions detracted value relative to maintaining our strategic asset positions. We made no changes to our asset allocation over the March quarter.

### Income fund positioning

In our view, listed property remains the most attractively priced asset class – in fact it became more attractive over the quarter even as rising interest rates posed a headwind. The sector outperformed other growth asset classes over the quarter, at least in local currency terms. However, rising inflation and slowing growth are an unattractive combination, with little relief from either expected over the next six months.

Strategic Asset Allocation remains the core driver of long-term performance. Tactical shifts are used sparingly to capture short-term mispricing, not to override the long-term strategy. In times of extreme uncertainty, tactical valuation signals can become unstable. We intend to undertake our biennial review of our strategic settings in the next quarter.

We calculate the running yield of the securities held within the Income fund as at the end of the quarter as 4.61%.

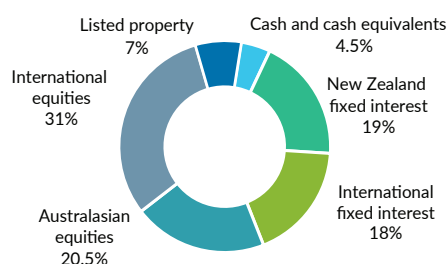
\* Annualised

\*\* 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.

## Balanced Fund

Risk Indicator:	① ② ③ ④ ⑤ ⑥ ⑦
Inception date:	11/12/2020
Fund Size as at 31/03/2026:	\$37,205,703



### Balanced fund performance

For the quarter to 31 March the Balanced Fund delivered a gross return of -2.57%, underperforming the funds' benchmark return of -1.84%. For the rolling four quarters to 31 March the Balanced Fund delivered a gross return of 7.74%, underperforming the funds' benchmark return of 9.44%.

For the March quarter, our managers relative performance in the portfolios underlying the Balanced fund was mixed. Global Equities, NZ Fixed Interest and Cash outperformed, whilst our NZ, AU and Listed Property managers underperformed. Over the year to March, our NZ Equities, NZ Fixed Interest and Cash portfolio managers outperformed their component benchmarks.

Over the March quarter, we increased our allocation to global equities, funded by a reduction in New NZ equities and listed property.

February saw a strong reporting season for global shares, and some material reductions in the valuations of many technology stocks. Combined with the Iranian conflict – where the US is self-sufficient in oil and ANZ equity markets are more impacted by inflation and interest rates – we chose to rotate some of our growth asset exposure into global equities. We did not change the overall portfolio split between growth and income assets.

The Iranian conflict has caused a spike in interest rates as a surge in inflation is already underway. A quick resolution to the war, or a material drop in global growth expectations due to the oil supply shock, would see that spike partially unwind. As such, we are closely evaluating whether long term interest rates have risen too far, which would create an opportunity to add to our Fixed Interest allocation.

Our currency hedging position detracted from performance over the quarter, as we were positioned for the NZD to appreciate against overseas currencies from levels we considered inexpensive. The opposite happened this quarter. The Iranian conflict was the primary driver, as despite interest rate differentials moving in NZ's favour, the US dollar is seen as a safe haven asset in times of uncertainty

Over the March quarter, our tactical asset allocation positions detracted value relative to maintaining our strategic asset positions.

### Balanced fund positioning

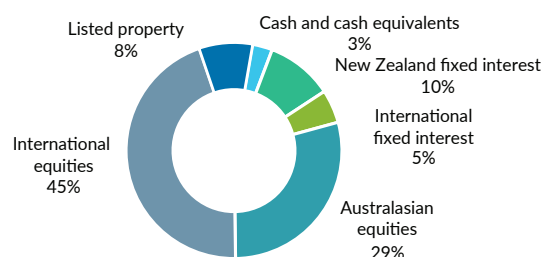
In our view, listed property remains the most attractively priced asset class – in fact it became more attractive over the quarter even as rising interest rates posed a headwind. The sector outperformed other growth asset classes over the quarter, at least in local currency terms. However, rising inflation and slowing growth are an unattractive combination, with little relief from either expected over the next six months. A quick end to the Iranian conflict will see equities rally more than property in our view, hence the tactical movement between growth asset classes over the quarter.

Using historic relationships between economic growth, inflation and company profit margins, global equities (US in particular) look expensive. Against that, analysts are still upgrading earnings, market returns have softened recently and there are few signs of an unemployment spike or recession. We added to global equities over the quarter.

Strategic Asset Allocation remains the core driver of long-term performance. Tactical shifts are used sparingly to capture short-term mispricing, not to override the long-term strategy. In times of extreme uncertainty, tactical valuation signals can become unstable. As such we moved back closer to our Strategic allocation over the quarter. We intend to undertake our biennial review of our strategic settings in the next quarter.

## Growth Fund

Risk Indicator:	① ② ③ ④ ⑤ ⑥ ⑦
Inception date:	11/12/2020
Fund Size as at 31/03/2026	\$34,268,981



### Growth fund performance

For the quarter to 31 March the Growth Fund delivered a gross return of -2.95%, slightly underperforming the funds' benchmark return of -2.42%. For the four quarters to 31 March the Growth Fund delivered a gross return of 9.88%, underperforming the funds' benchmark return of 12.64%.

For the March quarter, our managers relative performance in the portfolios underlying the Balanced fund was mixed. Global Equities, NZ Fixed Interest and Cash outperformed, whilst our NZ, AU and Listed Property managers

underperformed. Over the year to March, our NZ Equities, NZ Fixed Interest and Cash portfolio managers outperformed their component benchmarks.

Over the March quarter, we increased our allocation to global equities, funded by a reduction in New NZ equities and listed property.

February saw a strong reporting season for global shares, and some material reductions in the valuations of many technology stocks. Combined with the Iranian conflict – where the US is self-sufficient in oil and ANZ equity markets are more impacted by inflation and interest rates – we chose to rotate some of our growth asset exposure into global equities. We did not change the overall portfolio split between growth and income assets.

The Iranian conflict has caused a spike in interest rates as a surge in inflation is already underway. A quick resolution to the war, or a material drop in global growth expectations due to the oil supply shock, would see that spike partially unwind. As such, we are closely evaluating whether long term interest rates have risen too far, which would create an opportunity to add to our Fixed Interest allocation.

Our currency hedging position detracted from performance over the quarter, as we were positioned for the NZD to appreciate against overseas currencies from levels we considered inexpensive. The opposite happened this quarter. The Iranian conflict was the primary driver, as despite interest rate differentials moving in NZ's favour, the US dollar is seen as a safe haven asset in times of uncertainty

Over the March quarter, our tactical asset allocation positions detracted value relative to maintaining our strategic asset positions.

#### **Growth fund positioning**

In our view, listed property remains the most attractively priced asset class – in fact it became more attractive over the quarter even as rising interest rates posed a headwind. The sector outperformed other growth asset classes over the quarter, at least in local currency terms. However, rising inflation and slowing growth are an unattractive combination, with little relief from either expected over the next six months. A quick end to the Iranian conflict will see equities rally more than property in our view, hence the tactical movement between growth asset classes over the quarter.

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#### **Portfolio Manager**



**Christine Smith-Han**  
Strategy Analyst