

ABOUT THE FUND

The Daintree High Income PIE (the Fund) offers New Zealand-based investors a Portfolio Investment Entity (PIE) vehicle through which to invest in the Daintree High Income Trust (NZD Unit Class). Through this structure, the Fund will invest in a diversified portfolio of credit, fixed income securities and cash and applies a range of strategies that include duration and yield curve management, (actively managing the maturity profile of the portfolio), sector rotation and individual security selection. Derivatives may also be used for investment and risk management purposes. Where the Daintree High Income Trust (NZD Unit Class) invests in overseas securities, these are hedged back to the NZD.

In this document, we refer to the Daintree High Income Trust (NZD Unit Class) as the Underlying Fund. In most sections of this document, the metrics and commentary shown are taken from the Underlying Fund. We have signalled these sections with a hashtag in the section heading. From time to time there may be small differences between the metrics of the Fund and the Underlying Fund, as a result of liquidity cash held in the Fund.

PERFORMANCE AND ANALYTICS

Daintree High Income Trust#	MONTH (%)	QUARTER (%)	1 YEAR (%)	3 YEARS (% pa)	5 YEARS (% pa)	INCEPTION (% pa)
Fund (gross)	0.27	1.86	6.74	9.21	6.11	5.20
Fund (net)	0.22	1.69	6.02	8.48	5.37	4.46
Distribution (net)	0.00	0.85	5.55	6.10	4.98	4.23
Growth (net)	0.22	0.84	0.46	2.37	0.39	0.23
RBNZ Cash Rate	0.22	0.74	3.61	4.66	3.19	2.54
Excess Return	-0.01	0.96	2.41	3.82	2.19	1.92

Note: Performance inception is 1 November 2018. Excess return is measured with reference to net performance. Returns for periods longer than one year are annualised. Distribution return is the difference between total return and ex-distribution unit price return. Past performance is not a reliable indicator of future performance.

Daintree High Income PIE	MONTH (%)	QUARTER (%)	1 YEAR (%)	3 YEARS (% pa)	5 YEARS (% pa)	INCEPTION (% pa)
Fund (gross)	-	-	-	-	-	-
Fund (net)	-	-	-	-	-	-
Distribution (net)	-	-	-	-	-	-
Growth (net)	-	-	-	-	-	-
RBNZ Cash Rate	-	-	-	-	-	-
Excess Return	-	-	-	-	-	-
NZ Benchmark	-	-	-	-	-	-
Excess Return	-	-	-	-	-	-

Fund returns will be available from 30 November. The benchmark for the Daintree High Income PIE is the Bloomberg AusBond Composite 0-5 Yr, 100% hedged to NZD. This benchmark has been chosen to align with the requirements of the Financial Markets Conduct Act and supporting regulations.

Gross returns are before deductions for fees and before tax. Net returns are after deductions for fees and before tax. Inception date 3 November 2025

FUND REVIEW#

The Underlying Fund returned 0.22% for the month, net of fees. Coupons were the core driver of performance for the month, moderated somewhat by credit spreads and overlay positions. Despite a subdued month for credit spreads, market conditions remain favourable with high levels of engagement from investors in the credit space.

The Underlying Fund continues to selectively engage in new issuance to optimise future income potential. Portfolio positioning and cash levels will enable portfolio managers to nimbly respond to the evolving market environment.



FUND OBJECTIVE

The aim of the Fund is to provide a steady stream of income over the medium term, by investing in a diversified portfolio of fixed income securities. The Fund seeks to produce a return (net of fees) that exceeds the benchmark.



MONTHLY HIGHLIGHTS[#]

- Coupon receipts were the primary contributor to performance in October
- Risk premia are compressed across markets. We feel that the accumulation of hedges makes sense in case market conditions are disrupted in the months ahead



PLATFORMS

The Daintree High Income PIE is available on the following platforms:

- Apex
- FNZ
- NZX WT



KEY STATISTICS[#]

Modified Duration (Yrs)	0.41
Spread Duration (Yrs)	2.08
Yield to Maturity (%)	5.43
Running Yield (%)	5.95
Average Credit Quality	BBB
Portfolio ESG score (MSCI)	AA

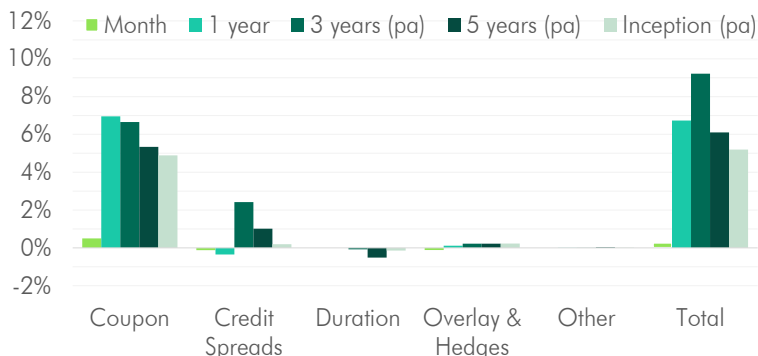
Note: Portfolio yield is the expected return over the next year, assuming no changes to either portfolio composition or market yields. Average credit quality excludes overlay positions. Portfolio yield and spread duration reflect the net credit default swap exposures in the portfolio. The Portfolio ESG score is the weighted average portfolio ESG rating based on Daintree Capital's application of MSCI data.

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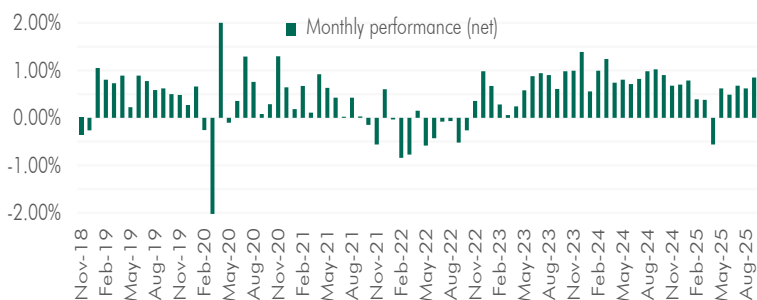


Principles for Responsible Investment

Performance Contribution (pre Fees)[#]

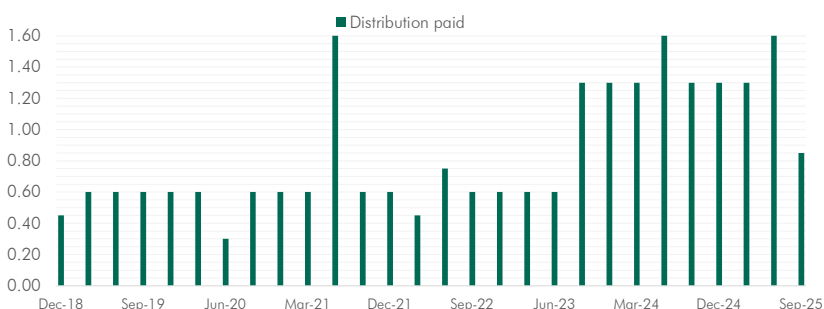


Monthly Performance[#]

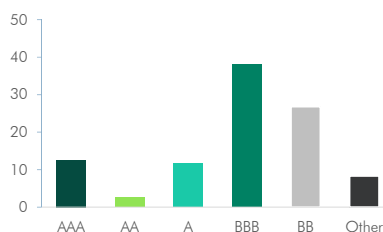


Cash Income[#]

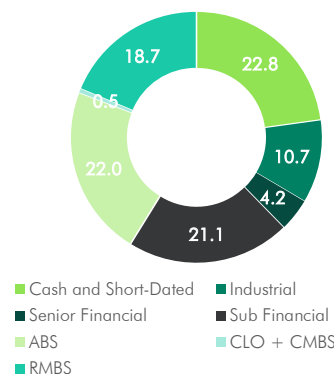
The Underlying Fund paid a distribution of 0.85 cent per unit in September



Rating Exposure (%)[#]



Sector Exposure (%)[#]





OUTLOOK[#]

With a shutdown induced dearth of economic data in the US the biggest surprise came from Australia, where headline CPI broke through the target band to the upside. Lapsing electricity subsidies were one factor, but price pressures were broad-based. Unsurprisingly, the RBA had no choice but to remain on hold at the November meeting and will likely remain so for at least the next six months.

Despite reasonable growth momentum in the US, deteriorating employment outcomes continue to cause concern for the Federal Reserve. There is some disagreement about the restrictiveness of Fed policy at the current level, but it looks likely that further weakness in employment outcomes will be met with easing policy rates, even if inflation remains above target.

The U.S. government began a shutdown on October 1 after a funding impasse, triggering delays in non-essential federal operations and a halt to some economic data releases. Lack of timely data has impaired the market's ability to discount current conditions, adding to uncertainty in interest rate outlooks. However, historical evidence suggests shutdowns typically have only a limited economic impact in the long run.

Credit spreads remain surprisingly tight, especially in investment-grade bonds. Most markets are testing multi-decade lows, supported by consistent inflows. Higher risk-free rates make the all-in yield attractive compared to other alternatives on a risk-adjusted basis, but the US government shutdown remains a wildcard. It could lengthen the window of uncertainty around future rate cuts by the Federal Reserve, create a potential economic drag from delayed federal spending, and impact market and consumer confidence. High quality corporate bonds, supported by strong fundamentals, should be able to weather such cross currents. If credit spreads widen because of renewed risk-off sentiment or actual weakening of earnings, the key is to flexibly calibrate positioning. We continue to monitor the risk backdrop very closely.

These views are those of Daintree Capital Management, who are the underlying investment manager for the Daintree High Income PIE.

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