5 Oceans Fund

Performance Commentary

The 5 Oceans Fund was up 1.00% in April with another solid month’s performance from the underlying strategies.

Locally, the Australasian focused Ranger had a modest month, up 0.40%, while the global Acadian Fund followed on from March, up around 3.7% (in unhedged terms), though the foreign currency hedging in place tempered some of these global gains.

Bond yields fell over April (i.e. prices rose) with the NZ 10 year yield dropping back under 3% for the first time in a while. Our bond managers, being defensively positioned, did not benefit significantly from the yield falls but still produced solid months, with AMP up 0.31% and Kapstream up 0.17% (in AUD).

Fund Strategy

The 5 Oceans Fund is designed to have a diversified asset and geographic exposure. The exposure to growth assets can be varied between 30% and 70% of the Fund depending on the underlying managers’ assessment of market risk. This is quite different from traditional diversified funds which often target a set growth allocation and invest accordingly.

The Fund achieves this by carefully selecting managers that have flexible investment mandates and/or employ risk mitigation strategies. This gives the Fund a dynamic and flexible exposure to growth assets and greater focus on capital protection in the event of market crashes.

Performance to 30 April 2017 (net of fees)

<table>
<thead>
<tr>
<th></th>
<th>Past Month</th>
<th>Past Quarter</th>
<th>Past Year</th>
<th>Since Inception p.a.*</th>
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</thead>
<tbody>
<tr>
<td>5 Oceans Fund</td>
<td>1.00%</td>
<td>3.27%</td>
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<td>5.50%</td>
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<tr>
<td>NZ Official Cash Rate plus 3%</td>
<td>0.36%</td>
<td>1.14%</td>
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<td>2.42%</td>
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<tr>
<td>Over/Under Performance</td>
<td>+0.62%</td>
<td>+2.14%</td>
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<td>+3.08%</td>
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</tbody>
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* Fund inception 28th October 2016

Key Facts

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<tbody>
<tr>
<td>Supervisor</td>
<td>Public Trust</td>
<td>Distribution</td>
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<tr>
<td>Custodian</td>
<td>Public Trust</td>
<td>Return Target</td>
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<tr>
<td>Administrator</td>
<td>MMC limited</td>
<td>Recommended Investment Horizon</td>
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<tr>
<td>Auditor</td>
<td>Deloitte</td>
<td>Minimum Initial Investment $10,000</td>
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<tr>
<td>Liquidity</td>
<td>Daily</td>
<td>Minimum Additional Investment $1,000</td>
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</tbody>
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Holdings by Asset Class

- Australasian Equities, 11.2%
- Other, 3.8%
- New Zealand Fixed Interest, 14.0%
- International Equities, 32.6%
- International Fixed Interest, 24.6%
- Cash and Cash equivalents, 13.5%

Largest Holdings

- Acadian Managed Volatility Fund 33.9%
- Kapstream Absolute Return Income Fund 25.5%
- Castle Point Ranger Fund 19.3%
- AMP Capital NZ Short Duration Fund 12.1%
- Kohinoor Pacific Fund 3.8%
- Cash & Cash equivalents 7.3%

Growth of $100,000 after fees

5 Oceans Fund:

Fees

0.05% capped management fee which covers our management fee, the management fees of the underlying funds and normal operating expenses of the fund. No entry or exit fees are currently charged but there is a buy/sell spread of 0.30% of each investment / withdrawal.