



Fund Update

for the quarter ending 30 September 2018

Castle Point Funds – Castle Point Ranger Fund

This fund update was first made publicly available on 26 October 2018.

What is the purpose of this update?

This document tells you how Castle Point Ranger Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Castle Point Fund Management Limited prepared this update in accordance with the [Financial Markets Conduct Act 2013](#). This information is not audited and may be updated.

Description of this fund

The Castle Point Ranger fund can invest in a broad range of New Zealand and Australian assets, including cash, debt instruments, equities, derivatives and other assets.

The objective of the fund is to provide equity-like returns over the long term while minimising exposure to extreme share market fluctuations.

The performance objective of the fund is to outperform the NZ Official Cash Rate by 5% per annum over the long-term, after all fees (and other expenses) but before tax.

| | |
|---------------------------|-----------------|
| Total value of the fund | NZ\$65,090,988 |
| The date the fund started | 23 January 2014 |

What are the risks of investing?

Risk indicator for Castle Point Ranger Fund



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund’s assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund’s future performance. The risk indicator is based on the returns data for January 2014 to 30 September 2018. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

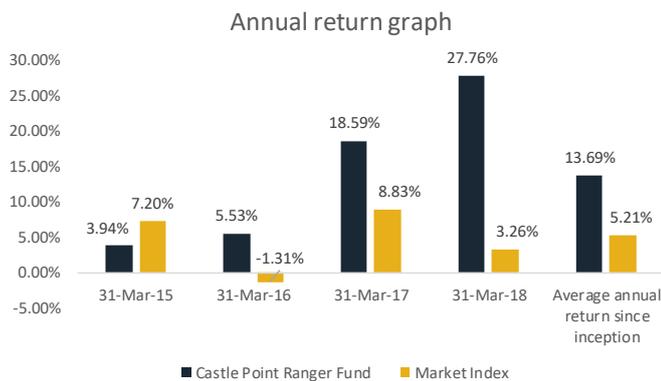
See the Castle Point Ranger Fund Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.



How has the fund performed?

| | Past year |
|--|-----------|
| Annual return (after deductions for charges and tax) | 25.09% |
| Annual return (after deductions for charges but before tax) | 24.68% |
| Market index annual return (reflects no deduction for charges and tax) | 7.22% |

The market index annual return is based on composite returns, calculated using the actual month end asset allocations of the fund. The market index includes Imputation Credits where applicable. Additional information about the market index is available on the offer register at www.business.govt.nz/disclose under documents and "Further information on market index".



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 September 2018.

Important: This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in the Castle Point Ranger Fund pay fund charges. In the year to 31 March 2018 these were (inclusive of applicable GST):

| | % of net asset value |
|--|----------------------|
| Total fund charges | 4.36% |
| Which are made up of: | |
| Total management and administration charges | 1.07% |
| Including: | |
| Manager's basic fee | 1.07% |
| Other management and administration charges | 0.00% |
| Total performance based fees | 3.29% |

See the PDS for more information about the basis on which performance fees are charged.

Investors are not currently charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for more information about fees.

Small differences in fees and charges can have a big impact on your investment over the long term.

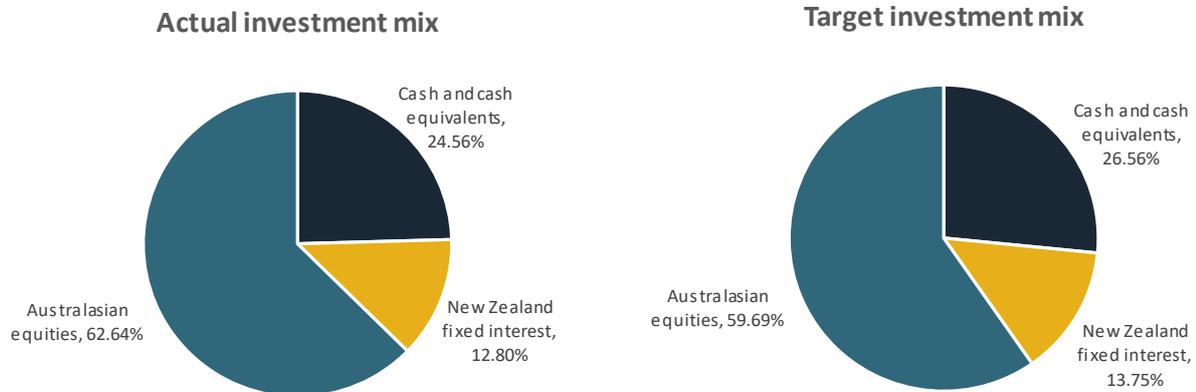
Example of how this applies to an investor

James had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, James received a return after fund charges were deducted of \$2,509 (that is 25.09% of his initial \$10,000). This gives James a total return after tax of \$2,509 for the year.



What does the fund invest in?

This shows the types of assets that the fund invests in.



See Note 1

The target hedging level as at 30 September 2018 for Australian assets was 95% (actual level 93.2%). Please see the Statement of Investment Policy and Objectives for further detail.

Top 10 investments

| Name | % of fund net assets | Type | Country |
|-------------------------------|----------------------|---------------------------|---------|
| Cash at Bank (NZD ANZ) | 20.49% | Cash and cash equivalents | NZ |
| Wellcom Group Ltd | 6.74% | Australasian equities | AU |
| Afterpay Touch Group Limited | 5.33% | Australasian equities | AU |
| MacMahon Holdings Ltd | 5.15% | Australasian equities | AU |
| Australian Vintage Limited | 5.05% | Australasian equities | AU |
| IVE Group Limited | 4.76% | Australasian equities | AU |
| Gale Pacific Ltd | 4.76% | Australasian equities | AU |
| Boom Logistics Ltd | 4.72% | Australasian equities | AU |
| Spicers Ltd | 4.51% | Australasian equities | AU |
| Vista Group International Ltd | 4.50% | Australasian equities | NZ |

The top 10 investments make up 66.0% of the net asset value of the fund.



Information about key personnel

| Name | Current Position | Time in current position | Previous/other position | Time in previous/other position |
|----------------|---|--------------------------|--|---------------------------------|
| Richard Stubbs | Partner | 5 years and 5 months | Head of Equities, Tower Asset Management | 2 years and 8 months |
| Stephen Bennie | Partner | 5 years and 5 months | Equities Manager, Tower Asset Management | 2 years and 8 months |
| Jamie Young | Partner | 5 years and 5 months | Equities Analyst, Tower Asset Management | 2 years and 8 months |
| Gordon Sims | Partner | 5 years and 5 months | Equities Analyst, Tower Asset Management | 2 years and 8 months |
| Amanda Smith | Chair of board and investment committee | 2 years and 8 months | Head of Equities, ANZ (NZ) Investments | 14 years and 11 months |

Further information

You can also obtain this information, the PDS for Castle Point Ranger Fund, and some additional information from the offer register at www.business.govt.nz/disclose.

Notes

1. The Castle Point Ranger Fund does not have a target asset allocation. The target asset allocation shown here refers to the average actual asset allocation over the quarter and is not necessarily indicative of future asset allocations.

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