

Fund Description

DHOF targets an absolute return over time by investing in a diversified portfolio of hybrid securities which offer the best risk adjusted returns available from a global universe of securities.

DHOF is quoted on the ASX under the AQUA Rules.



Fund Objective

The aim of DHOF is to provide a steady stream of income over the medium term, by investing in a diversified portfolio of Australian and global hybrid securities and cash, and to provide a total return (after fees) that exceeds the Benchmark by 3%-4% measured throughout a market cycle.

Monthly Highlights

- Coupon, credit spreads, and overlay positions were all positive contributors for the month
- We remain constructive on Australian credit fundamentals, but with spreads already reflecting a positive outlook, the prevailing risk-reward equation leaves little room for error. Portfolios are flexibly positioned to capture credit premium while closely managing interest rate and credit risks, while hedges are in place to partially ameliorate credit spread widening in the event of risk-off sentiment

Key Statistics

Modified Duration (Yrs)	-0.11
Spread Duration (Yrs)	1.90
Running Yield (%)	7.46
Yield to Call (%)	6.93
Average Credit Quality	BBB
Portfolio ESG score (MSCI)	AA

Note: Average credit quality excludes overlay positions. Portfolio running 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. Data as of 30 April 2026.

Fund facts

Trust name	Daintree Hybrid Opportunities Active ETF (ASX: DHOF)
Responsible Entity	Perennial Investment Management Ltd
Portfolio managers	Brad Dunn, Mark Mitchell & Justin Tyler
Inception date	1 March 2020
APIR code	WPC2054AU
ISIN	AU60WPC20540
Management costs	0.65% pa + 0.10% pa expense recovery
Buy/sell spread	+0.10% / -0.10% for non-quoted units; exchange-quoted spread for quoted units
Entry and exit fees	None for unlisted units; broker fees applicable to quoted units
Minimum initial investment	\$25,000 for non-quoted units; no minimum for quoted units
Distribution frequency	Quarterly
Currency	Australian Dollar

Platforms

The Daintree Hybrid Opportunities Active ETF is available on the following platforms:

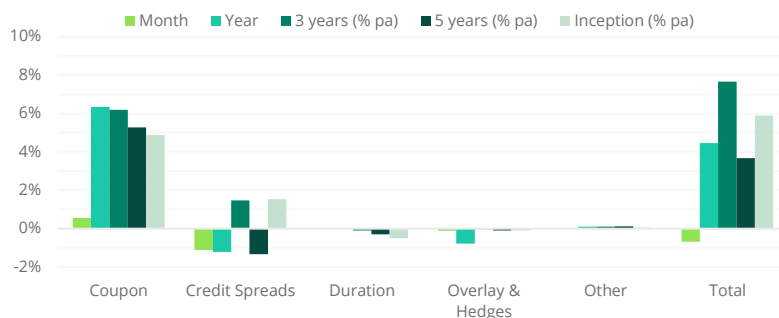
♦ BT Panorama ♦ HUB24 ♦ Macquarie Wrap ♦ Netwealth

Performance & Analytics

	Month (%)	Quarter (%)	1 Year (%)	3 Years (% pa)	5 Years (% pa)	Inception (% pa)
Fund (gross)	-0.67	0.19	4.46	7.66	3.67	5.89
Fund (net)	-0.73	0.01	3.71	6.92	2.92	5.14
Distribution (net)	2.12	2.13	4.60	5.28	3.79	3.47
Growth (net)	-2.85	-2.13	-0.89	1.64	-0.87	1.67
RBA Cash Rate	0.33	0.93	3.76	4.08	2.88	2.40
Excess Return	-1.06	-0.92	-0.05	2.84	0.04	2.73

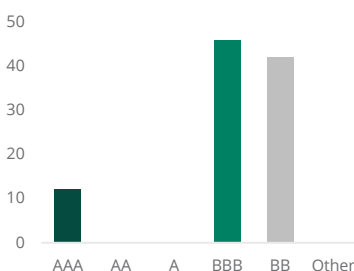
Note: Performance inception is 1 March 2020. Excess return is measured with reference to net performance. Returns for periods longer than one year are annualised. Distribution return is the difference between total return and ex-distribution unit price return. Past performance is not a reliable indicator of future performance.

Performance Contribution (Pre-Fees)



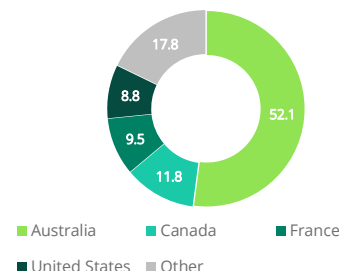
Note: Overlay strategies use derivatives to ensure that the Fund exposure to interest rates, credit and other relevant factors is controlled separately to the physical assets in the portfolio

Rating Exposure (%)



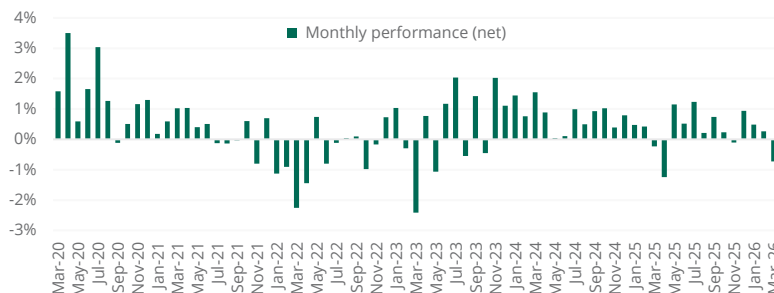
Data as of 31 January 2026

Country Exposure (%)



Data as of 31 January 2026

Monthly Performance



Note: Past performance is not a reliable indicator of future performance

Cash Income

The Fund paid a 10 cent per unit distribution in December. The next distribution is payable in June.

Fund Review

DHOF returned -0.73% for the month, net of fees. Over the last three years, the Fund has delivered a return of 7.66% p.a. net of fees, equivalent to an excess return of 2.84% p.a. Coupon, credit spreads, and overlay positions were all positive contributors for the month.

The 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.

Outlook

The dominant theme throughout April was the ongoing geopolitical crisis in the Middle East that commenced in late February. Although a ceasefire was announced on 8 April, shipping traffic through the Strait of Hormuz remains far below pre-war levels, and the US naval blockade of Iranian ports from 13 April solidified a situation that has kept roughly 20% of global oil trade offline.

For Australia, the pass-through has been swift. Automotive fuel prices rose over 24% year-on-year, contributing to a sharp re-acceleration in headline CPI. The March quarter CPI, released on 29 April, showed headline inflation rose to 4.6% year-on-year, up from 3.7% in February and the highest reading since September 2023. Trimmed mean inflation held steady at 3.3%, but the bigger near-term worry is consumer inflation expectations which rose sharply to 6.6% in late April. The RBA, having already hiked in March, raised a further 25 basis points in early May. Market pricing for a further hike remains finely balanced.

In the US, the Federal Reserve held the federal funds rate at 3.50–3.75% at its 29 April meeting. The meeting was notable for the highest

level of dissent since 1992, with three members voting against the inclusion of an easing bias in the statement. Chair Powell, presiding over what is likely his final meeting as Chair, acknowledged the “unusual degree of uncertainty” facing the economy. The 10-year US Treasury yield finished the month around 4.42%, up approximately 12 basis points over April. Market pricing now implies the Fed will remain on hold through at least year-end.

Global government bonds had a difficult month, selling off as rate-cut expectations were repriced. The move was driven by the energy-led inflation impulse and the dawning realisation that central banks may need to tighten further, or at a minimum defer easing for longer than previously anticipated. Australian government 10-year bond yields pushed above 5.0% for the first time since late 2023, while the curve steepened modestly.

Credit spreads proved remarkably resilient in April but have widened by approximately 10–15 basis points from the cycle tightness seen in January. High-yield spreads have widened by around 40–60 basis points, though the move was orderly and largely reflected mark-to-market repricing rather than fundamental deterioration.

Looking forward, the geopolitical premium in energy markets shows no sign of dissipating, and the risk of a prolonged supply disruption keeps inflation risks skewed to the upside. Central banks face an unenviable trade-off between supporting growth and re-anchoring inflation expectations.

We remain constructive on Australian credit fundamentals, but with spreads already reflecting a positive outlook, the prevailing risk-reward equation leaves little room for error. Portfolios are flexibly positioned to capture credit premium while closely managing interest rate and credit risks, while hedges are in place to partially ameliorate credit spread widening in the event of risk-off sentiment.