

Enhanced Cash Fund

Monthly Performance Update as at 31 August 2026

To review the fund's investment objective and strategy, fees information and risk indicator please see the funds' product disclosure statement and most recent fund update at www.octagonasset.co.nz/our-funds/enhanced-cash-fund/.



Return comparison	1 month	3 months	1 year	3 years	Since inception*
Net Fund Return ^	0.25%	0.79%	2.84%	4.53%	4.62%
Gross Fund Return	0.28%	0.88%	3.21%	4.90%	4.99%
S&P/NZX Bank Bills 90-Day Index	0.22%	0.62%	2.66%	4.25%	4.35%

* Annualised

Major investments

Ryman Healthcare Ltd 2.55% 18/12/2026	5.17%
Kiwibank FRN 13/06.2028	4.48%
Tax Management NZ Tributum Trust CP 28/10/2026	3.56%
Bank of China Call Account	3.22%
Argosy Property Limited Green Bonds 29/10/2026 2.90%	3.05%
Rabobank FRN 05/04/2027	2.89%
BNZ FRN 11/05/2029	2.88%
Watercare Services Limited CP 16/09/2026	2.86%
NZGV T-Bill 18/11/2026	2.84%
New Zealand Local Government Funding Agency Limited CP 04/11/2026	2.83%
Major holdings as % of total portfolio	33.79%

Manager's comments

How did your portfolio perform?

The Enhanced Cash Fund delivered a gross return of 0.28% for the month of August, outperforming the Fund's benchmark return of 0.22%.

For the 12 months to the end of August, the Fund delivered a gross return of 3.21% significantly outperforming the Fund's market index return of 2.66% by 0.55%.

New Zealand interest rates moved slightly higher over August, leading to small capital losses on the Fund's bond positions. This was more than offset by the Fund's strong yield to maturity.

What happened in the markets you invest in?

Short-term interest rates in New Zealand rose, with the two-year swap rate rising a modest 0.04%. The move higher was driven by a mix of global and domestic concerns.

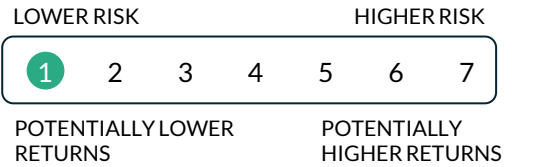
New Zealand economic data during the period presented a mixed picture. The unemployment rate rose to 5.6%, its highest level in a decade, as stronger labour force participation more than offset better-than-expected employment growth.

However, business surveys, including the PMI, PSI, consumer confidence and ANZ Business Outlook, remained consistent with an economy in recovery. Inflation pressures appeared more contained, with the Reserve Bank of New Zealand's (RBNZ) survey of expectations showing declines in both one-year and two-year inflation expectations, while wage growth, as measured by the Labour Cost Index, remained subdued at 2.0% year-on-year and broadly consistent with the RBNZ's inflation target.

Things to note

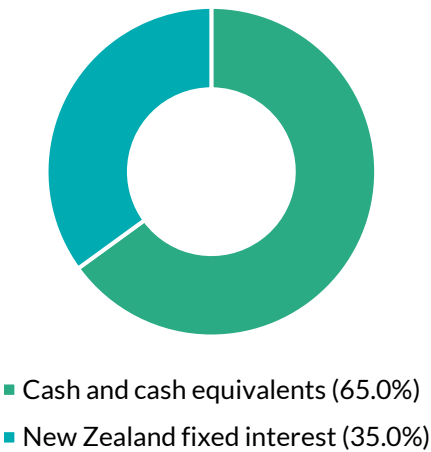
- Manager: Salt Investment Funds Limited
- Investment manager: Octagon Asset Management Ltd
- Date the fund started: 7 June 2023
- Tax status: Portfolio Investment Fund (PIE)
- Minimum suggested investment time frame: Less than 12 months
- Market Index: S&P/NZX Bank Bills 90-Day Index
- Currency: New Zealand dollars

Risk indicator**



View the [Product Disclosure Statement](#) for detailed information about this Fund and Octagon Investment Funds.

Tactical Asset Allocation



Fees

Annual fund charges are currently 0.35% p.a. of the value of your investment. We pay management and administration charges along with the Supervisor fee out of this. All fees and charges are quoted exclusive of GST.

What are we thinking about the future?

At the end of August, the Fund's gross yield to maturity was 3.29%, which represented a premium over the OCR of 2.50%, and the Fund's modified duration was around 0.20 years. Current market volatility supports maintaining a relatively short duration position.

The Fund's strategy remains the same, invest in short-dated, New Zealand debt securities issued by high-quality corporates, as well as local and central government, to build a yield well above the OCR.



Craig Alexander,
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Liam Donnelly,
Associate Portfolio Manager,
Fixed Interest Analyst

For more information, please visit octagonasset.co.nz, email info@octagonasset.co.nz, or call 0800 628 246

[^] Net Fund Returns are calculated before the deduction of taxes and after deduction of fund charges and trading expenses and including imputation credits where available. 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. Prior to October 2022 Net Fund Returns were calculated after deduction of fund charges, trading expenses and accrued tax for a New Zealand resident paying individual tax at the highest Prescribed Investor Rate (28%).

^{**} The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the relevant fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way. The risk indicator is based on the returns data for the five years to 31 August 2026. See more information about the risks of investing in the Product Disclosure Statement.

This publication does not contain financial advice. We recommend you review your investments and seek specialist advice on any taxation aspects. Past performance is not a reliable guide to future performance. Salt Investment Funds Limited is the issuer, and Octagon Asset Management Limited the investment manager, of the Octagon Investment Funds. A copy of the Product Disclosure Statement for the Funds is available from www.octagonasset.co.nz/disclosure-information, or by calling 0800 628 246.