



Enhanced Cash Fund

Octagon Investment Funds

Fund Update as at 31 December 2024

This fund update was first made publicly available on 13 February 2025.

What is the purpose of this update?

This document tells you how the Enhanced Cash Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Forsyth Barr Investment 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 Enhanced Cash Fund invests in cash, cash equivalents and short-term New Zealand fixed interest assets. It aims to achieve returns (before fees, taxes and other expenses) greater than the Official Cash Rate (OCR) over a rolling 12 month period.

| | |
|---------------------------|--------------|
| Total value of the fund | \$45,929,162 |
| The date the fund started | 7 June 2023 |

What are the risks of investing?

Risk indicator¹ for the Enhanced Cash 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-profiler.

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 the five years to 31 December 2024. 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 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) | 4.25% |
| Annual return (after deductions for charges but before tax) | 5.97% |
| Market index annual return (reflects no deduction for charges and tax) | 5.58% |

The market index return is based on the S&P/NZX Bank Bills 90 Day Index. Additional information about the market index is available on the Octagon Investment Funds' entry on the offer register at www.disclose-register.companiesoffice.govt.nz.

What fees are investors charged?

Investors in the Enhanced Cash Fund are charged fund charges based on a percentage of the net asset value of the investments in the fund. As at 31 December 2024 these charges are:

| | % of net asset value ² |
|--|-----------------------------------|
| Total fund charges | 0.35% |
| <i>Which are made up of:</i> | |
| Total management and administration charges including | 0.35% |
| Manager's basic fee | 0.35% |
| Other management and administration charges | 0.00% |
| Total performance-based fees | 0.00% |
| | Dollar amount per investor |
| Other charges | \$0.00 |

Investors may also be charged individual action fees for specific actions or decisions (for example for withdrawing from or switching funds), although these are not currently charged. See the "Other Material Information" document at www.disclose-register.companiesoffice.govt.nz for more information about those fees.

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

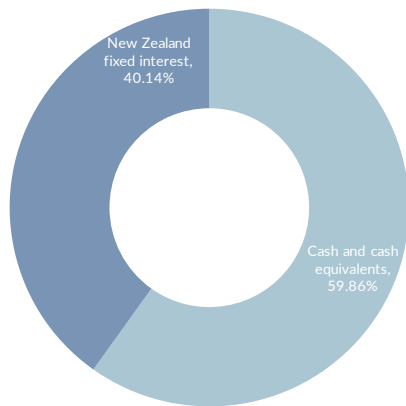
Example of how this applies to an investor

Jane 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, Jane received a return after fund charges were deducted but before tax of \$597 (that is 5.97% of her initial \$10,000). This gives Jane a total return after tax of \$425 for the year.

What does the fund invest in?

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

Actual investment mix



Target investment mix

| | |
|------------------------------|--------|
| Cash and cash equivalents | 65.00% |
| New Zealand fixed interest | 35.00% |
| International fixed interest | 0.00% |
| Australasian equities | 0.00% |
| International equities | 0.00% |
| Listed property | 0.00% |
| Unlisted property | 0.00% |
| Commodities | 0.00% |
| Other | 0.00% |

Top 10 investments

| | Name | Percentage of fund net assets | Type | Country | Credit rating (if applicable) |
|----|---|-------------------------------|----------------------------|-------------|-------------------------------|
| 1 | Powerco CP 17/02/2025 | 4.33% | Cash and cash equivalents | New Zealand | BBB |
| 2 | SBS CP 04/04/2025 | 4.30% | Cash and cash equivalents | New Zealand | BBB |
| 3 | Toyota NZ FRN 30/09/2027 | 4.29% | New Zealand fixed interest | New Zealand | A+ |
| 4 | ANZ transactional bank account | 3.53% | Cash and cash equivalents | New Zealand | A+ |
| 5 | CBA FRN 18/10/2027 | 3.30% | New Zealand fixed interest | New Zealand | A+ |
| 6 | BNZ FRN 19/11/2027 | 3.29% | New Zealand fixed interest | New Zealand | A+ |
| 7 | Rabobank FRN 16/06/2025 | 3.28% | New Zealand fixed interest | New Zealand | A+ |
| 8 | Greater Wellington Regional Council CP 21/01/2025 | 3.26% | Cash and cash equivalents | New Zealand | AA+ |
| 9 | Fonterra Co-op Group CP 13/02/2025 | 3.25% | Cash and cash equivalents | New Zealand | A- |
| 10 | Mercury NZ Ltd CP 19/02/2025 | 3.25% | Cash and cash equivalents | New Zealand | BBB+ |

The top 10 investments make up 36.07% of the fund.

Key personnel

| Name | Current position | Time in current position | Previous or other current position | Time in previous or other current position |
|---------------------|---|--------------------------|---|--|
| Christine Smith-Han | Equity and Strategy Analyst Octagon Asset Management Limited ³ | 3 years and 1 month | Portfolio Analyst Forsyth Barr Limited | 4 years and 10 months |
| Paul Robertshawe | Chief Investment Officer Octagon Asset Management Limited ³ | 3 years and 1 month | Portfolio Manager, Forsyth Barr Limited | 0 years and 8 months |
| Craig Alexander | Head of Fixed Interest and ESG Octagon Asset Management Limited ³ | 3 years and 1 month | Co-Head of Funds Management, Forsyth Barr Limited | 8 years and 5 months |
| Jason Lindsay | Head of Equities Octagon Asset Management Limited ³ | 3 years and 1 month | Co-Head of Funds Management, Forsyth Barr Limited | 2 years and 2 months |
| Neil Paviour-Smith | Director Forsyth Barr Investment Management Limited | 16 years and 10 months | Managing Director, Forsyth Barr Limited (current) | 24 years and 0 months |

Further information

You can also obtain this information, the PDS for the Octagon Investment Funds, and some additional information from the offer register at www.disclose-register.companiesoffice.govt.nz.

Notes

¹ This fund came into existence on 7 June 2023. We've calculated the risk indicator using market index returns data for periods before that date, and actual fund returns data afterwards. Using market index returns data may make the risk indicator a less reliable indicator of how much fund values might go up and down in future.

² Excluding GST.

³ Octagon Asset Management Limited is responsible for the day-to-day investment decisions for the fund.