Salt Core NZ Shares Fund Fact Sheet – January 2026

Manager Profile

Salt is an active fund manager. Our investment philosophy centres on the belief that share markets have characteristics that lead to market inefficiencies that can be exploited over time to deliver superior risk-adjusted returns.

Investment Strategy

The Salt Core NZ Shares Fund targets a portfolio of shares of New Zealand companies that may, in our opinion, provide a high total return. The Fund may also invest opportunistically in shares of Australian companies.

The Fund's investment process has been designed to facilitate selection of stocks such that the overall portfolio generates an above market total return after each stock is qualified through a number of quality and sustainability screens generated by Salt's disciplined research effort.

Fund Facts at 31 January 2026

Benchmark	S&P/NZX 50 Gross Index
Fund Assets	103 million
Inception Date	1 December 2020
Portfolio Manager	Paul Harrison

Unit Price at 31 January 2026

Application	0.9862
Redemption	0.9822

Investment Guidelines

The guidelines for the Salt Core NZ Shares Fund are shown below:

NZ shares	50% – 100%
Australian Shares	0% – 50%
Unlisted securities	0% – 3%
Cash or cash equivalents	0% - 20%

Target Investment Mix

The target investment mix for the Salt Core NZ Shares Fund is:

Australasian Equities	100%

Fund Allocation at 31 January 2026

NZ shares	95.98%
Australian Shares	2.99%
Cash or cash equivalents	1.03%

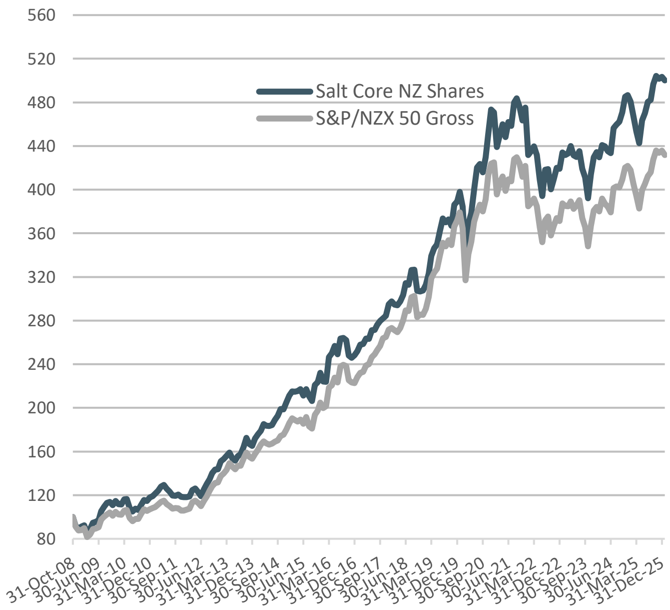
Fund Performance to 31 January 2026

Period	Fund Return*	Benchmark Return
1 month	-0.67%	-0.92%
3 months	-0.81%	-0.92%
6 months	4.09%	4.67%
1 year	4.03%	3.29%
2 years p.a.	7.30%	6.33%
3 years p.a.	4.84%	3.90%
5 years p.a.	1.22%	0.45%
7 years p.a.	6.94%	5.90%
10 years p.a.	8.35%	8.08%
Inception p.a.	9.73%	8.84%

Performance is after all fees and does not include imputation credits or PIE tax.

*From 1 December 2009 to 30 December 2020, performance is from a fund with the same strategy and the same portfolio manager.

Cumulative Fund Performance to 31 January 2026*



Fund performance has been rebased to 100 from inception.
Past performance is not a reliable indicator of future performance and no representation or warranty, express or implied, is made regarding future performance.

Top Overweights	Top Underweights
Ebos Group	Meridian Energy
Freightways Group	Chorus Networks
Heartland Group Holdings	The a2 Milk Company
ANZ	Kiwi Property Group
Mercury NZ	Vector

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Equities Market Commentary

January was a volatile month for financial markets, largely due to geopolitical developments, with the US intervention in Venezuela and US threats to impose tariffs on European countries opposed to any takeover of Greenland. Tensions eased somewhat post-Davos.

Developed market equities still rose +2.3% (in USD) due to better-than-expected activity data and soft inflation prints. The global aggregate bond index rose a more muted +0.9% (in USD) as yields rose due to the strong activity data, fiscal concerns and an intensification of political pressure on the Fed. US industrial production and retail sales beat expectations, and while non-farm payrolls missed, the unemployment rate fell to 4.4%. The Fed left rates unchanged at month's end after three consecutive 25bp cuts.

Japan saw a significant rise in bond yields as its fragile fiscal position has been further challenged following PM Takaichi calling a snap election and pledging to cut food taxes for two years. China's annual average GDP growth of +5.0% was in line with targets, but there was a noticeable slowdown in the December quarter, coming in at +4.5%.

Inflation data continued to surprise to the upside in Australia, and with the unemployment rate falling to 4.1%, markets had priced a 75% chance of the rate hike that occurred in February.

Strong activity data and a higher-than-expected inflation print in NZ have seen markets bring forward expectations of the start of the next interest rate hiking cycle, with two hikes now expected by year's end versus the last RBNZ projections of a first hike in February 2027. NZ 10-year bond yields rose from 4.21% to 4.52%, and this weighed on equities, which declined -0.9%.

Salt Core NZ Shares Fund Commentary

January was a mixed month for the markets in Australasia, with the NZ50Gross index falling -0.9% after the release of inflation data that changed the direction and sentiment in the short-term interest rate market. The ASX200 accumulation index was up +1.8% on the back of a booming rally in the resources sector, which saw the ASX200 Resources Index post a +10.0% return for the month. Higher inflation data in Australia significantly increased the likelihood of interest rate increases by the RBA, and the ASX 200 Industrials struggled over January with a -0.35% return. The Fund outperformed this month with a return of -0.67%.

New Zealand technology stocks followed global peers lower on the back of fears AI will disrupt their business models, with Vista (-28.5%) and Gentrack (-9.4%) the two worst-performing NZ50 stocks over the month. Ebos (-7.0%) continued its recent underperformance as investors look towards their result in February for some reassurance around their business segments' operating environment, post a weak result last August.

Two of the best performing stocks in the NZ index this month were Fund overweight's Turners (+5.1%) and Tower (+6.5%) as smaller cap stocks outperformed the broader index on no new news. The Fund's net underweight to the retirement sector was a net positive contributor to performance this month, with Ryman (-4.5%), Summerset (-5.9%) and Oceania (-7.6%) all underperforming the market as the NZ rates cutting cycle has most likely come to an end.

Adding to relative performance this month was Fund underweight a2Milk (-8.4%), which was sold off after China birth rate data disappointed the market.

Australia wasn't immune to the 'Saaspocolypse' either with Fund holding Xero (-17.8%) under pressure during the month. The Fund's defensive names like CSL (+5.1%), Resmed (+4.5%), and Woolworths (+5.3%) added to performance as investors pivoted out of higher growth names. Orica (+5.9%) also continues to perform well for the Fund.

The Fund added to holdings of Ebos, Goodman Property Trust, and Heartland Bank along with some cautious buying of stocks that weakened during the month, such as Spark, and a2Milk

Paul Harrison, MBA, CA