Salt NZ Dividend Appreciation 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 NZ Dividend Appreciation Fund targets a portfolio of shares of New Zealand companies that may, in our opinion, pay high and sustainable dividends. A considerable body of robust research suggests that stocks with strong and sustained dividend policies tend to generate higher free cash flow than average and outperform their index benchmarks over time. The strategy is not intended to naively generate the highest possible yield but rather to generate a high and sustainable dividend yield.

Fund Facts at 31 January 2026

Benchmark	S&P/NZX 50 Gross Index
Fund Assets	$119 million
Inception Date	30 June 2015
Portfolio Manager	Matthew Goodson, CFA

Unit Price at 31 January 2026

Application	1.8855
Redemption	1.8779

Investment Guidelines

The guidelines for the NZ Dividend Appreciation Fund are shown below:

NZ shares	95% – 100%
Cash	0% – 5%
Unlisted securities	0% – 5%
Maximum active position	8%

Target Investment Mix

The target investment mix for the Salt Dividend Appreciation Fund is:

New Zealand Equities	100%

Fund Allocation at 31 January 2026

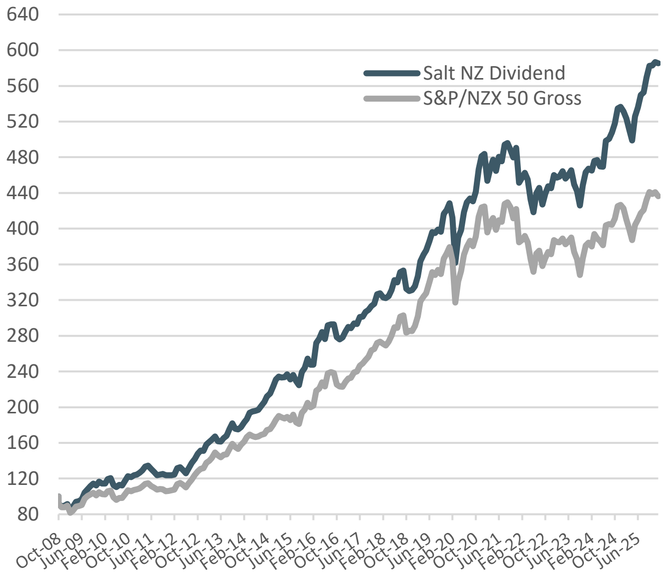
NZ shares	99.00%
Cash	1.00%

Fund Performance to 31 January 2026

Period	Fund Return*	Benchmark Return
1 month	-0.25%	-0.92%
3 months	0.46%	-0.92%
6 months	6.44%	4.67%
1 year	9.64%	3.29%
2-year p.a.	11.67%	6.33%
3 years p.a.	8.19%	3.90%
5 years p.a.	3.79%	0.45%
7 years p.a.	8.20%	5.90%
10 years p.a.	8.94%	8.08%
Inception p.a.	10.70%	8.84%

Performance is after all fees and does not include imputation credits or PIE tax.
*From 1 December 2008 to 31 January 2015, 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
Turners Automotive Group	Chorus Networks
Heartland Group Holdings	The a2 Milk Company
Tower	Meridian Energy
NZME	Auckland International Airport
NZX	Summerset Group Holdings

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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 NZ Dividend Fund Commentary

The Fund delivered a strong month of outperformance in January, falling by -0.26% compared to the -0.92% decline by the S&P/NZX50 Gross Index.

It was an interesting month in that there were no major stand-out winners, but we had significantly more names that contributed to performance than which detracted. That said, the largest positive was yet again our long-held overweight in Turners (TRA, +5.1%). There was no new news behind this and we trimmed the position a little but remain strongly attracted to TRA's ability to both pay a strong dividend and grow earnings by reinvesting at strong marginal returns.

Other positives were led by underweights in a2 Milk (ATM, -8.4%) and Vista Group (VGL, -28.5%). Overweights in Tower (TWR, +6.5%), Heartland (HGH, +3.0%) and a very small AFT Pharmaceutical (AFT, +11.5%) holding also assisted. Headwinds were almost non-existent, with our gradually growing overweight in NZX Limited (NZX, -3.5%) being the only one of any note.

At month-end, we project the Fund to have a net yield of 4.0% versus 3.5% for the Index.

Matthew Goodson, Portfolio Manager