Salt NZ Dividend Appreciation Fund Fact Sheet – November 2025

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 30 November 2025

Benchmark	S&P/NZX 50 Gross Index
Fund Assets	$118 million
Inception Date	30 June 2015
Portfolio Manager	Matthew Goodson, CFA

Unit Price at 30 November 2025

Application	1.8781
Redemption	1.8705

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 30 November 2025

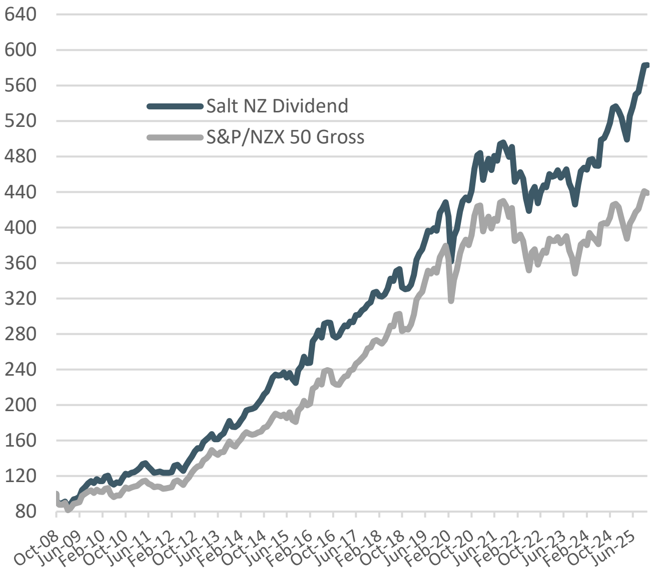
NZ shares	99.46%
Cash	0.54%

Fund Performance to 30 November 2025

Period	Fund Return*	Benchmark Return
1 month	0.07%	-0.44%
3 months	5.46%	4.32%
6 months	10.39%	8.62%
1 year	8.52%	3.23%
2-year p.a.	13.73%	9.11%
3 years p.a.	9.05%	5.30%
5 years p.a.	4.47%	1.10%
7 years p.a.	8.39%	6.25%
10 years p.a.	9.05%	8.26%
Inception p.a.	10.79%	8.96%

Performance is after all fees and does not include imputation credits or PIE tax.
*From 1 December 2008 to 31 December 2015, performance is from a fund with the same strategy and the same portfolio manager.

Cumulative Fund Performance to 30 November 2025*



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
Tower	The a2 Milk Company
Heartland Group Holdings	Meridian Energy
NZME	Auckland International Airport
Genesis Energy	Summerset Group Holdings

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Equities Market Commentary

Markets paused in November, with developed market equities rising +0.3% (in USD) and the global aggregate bond index rose +0.2%. US data was sparse given the shutdown, with what there was being mixed. Delayed September payrolls saw a dovish signal from the unemployment rate, which rose to 4.4%. Fed-speak highlighted divisions between Governors although markets are now pricing an 80% probability of a 25bp December rate cut.

Japanese CPI inflation remained well above target. Sentiment continued to build towards a December 19 rate hike as the BoJ has not altered interest rates since the start of the year. New Prime Minister Takaichi's ¥21 trillion fiscal package, recent Yen weakness and steadily rising bond yields were all features of the month. Chinese data was soft, with industrial production, retail sales and fixed asset investment all slowing.

A shockingly strong September quarter CPI in Australia saw the RBA leave rates unchanged in November. With other data largely being strong, there is an increasing risk that the RBA's next rate move is up. The RBNZ cut the OCR to 2.25% in a 5-1 vote. We think this will be the bottom of the rate cycle. Towards the end of the month there was a run of stronger data, supporting the case that the economy is turning up. Retail sales volumes growth of +1.9% q/q was particularly strong. The NZ and Australian economies and financial markets are showing clear signs of leadership reversal. While Australian equities (+8.9%) have still outperformed NZ (+2.9%) year to date, the domestically focused S&P/NZX Mid-Caps Gross has risen +18.9%.

Salt NZ Dividend Fund Commentary

The Fund delivered another solid month of outperformance in November, rising by +0.07% versus the -0.44% decline by the S&P/NZX50 Gross Index. Evidence continued to build over November supporting our view that the NZ economy is bottoming out and several of our key overweights with exposure to this cyclical thematic again did very well.

The largest positive by some distance was our long-held overweight in Turners (TRA, +10.4%). Their result was rock-solid despite all the stars not quite aligning for them just yet. Their credit collection business is still in the doldrums, an industry-wide dearth of Japanese imports is creating more competition for buying cars and they are yet to see a full-scale upswing in Auckland and Wellington. Despite this, they still delivered +13% NPAT growth in the Sep25 half, and they are very well positioned for a broader economic upswing in 2026.

Other positives were somewhat smaller and were led by Tower (TWR, +4.9%), which had a strong result and outlook despite the insurance cycle having clearly matured. A small holding in AFT Pharmaceutical (AFT, +14.3%) also continued to do well. Moderate underweights in Meridian Energy (MEL, 4.9%) and Infratil (IFT, -4.9%) also helped.

Headwinds were modest both in number and magnitude, with four underweight positions outperforming in the month. Sky City (SKC, +15.1%) bounced on hopes of cyclical improvements to their structurally challenged business; Summerset (SUM, +8.2%) rose on hopes of a more helpful housing market; Sanford (SAN, +22.9%) has struggled to add value over many years but did have a strong result and Mainfreight (MFT, +11.5%) bounced despite difficult global markets.

At month-end, we project the Fund to have a net yield of 3.9% versus 3.4% for the Index.

Matthew Goodson, Portfolio Manager