Salt Enhanced Property Fund Fact Sheet – July 2025

Manager Profile

Salt Funds Management is a boutique investment management firm wholly owned by its employees which specialises in actively seeking to maximise returns while managing the risks of the investment. Salt examines investments for their environmental and social impact as well as the quality of their governance.

Investment Strategy

The Salt Enhanced Property Fund targets a portfolio of shares of New Zealand and Australian property trusts, companies and other property-related securities with exposure to commercial, residential, retail, tourism, industrial, medical, educational, rural, retirement, and other property sectors. The Fund may also, at our discretion, short sell securities, hold cash, lever its assets and utilise active currency management to generate returns.

Fund Facts at 31 July 2025

Benchmark	S&P/NZX All Real Estate Gross Index
Fund Assets	$20 million
Inception Date	11 November 2014
Portfolio Managers	Matthew Goodson, CFA

Unit Price at 31 July 2025

Application	1.4395
Redemption	1.4337

Investment Limits

The limits for the Enhanced Property Fund are shown below:

Gross Equity Exposure[1]	70% – 200%
Net Equity Exposure[1]	70% – 100%
Unlisted Securities[1]	0% – 5%
Cash or Cash Equivalents	0% – 30%

1. To NZ and Australian property and property-related securities.

Fund Exposures at 31 July 2025

Long Exposure	102.66%
Short Exposure	3.71%
Gross Equity Exposure	106.37%
Net Equity Exposure	98.94%

Fund Allocation at 31 July 2025

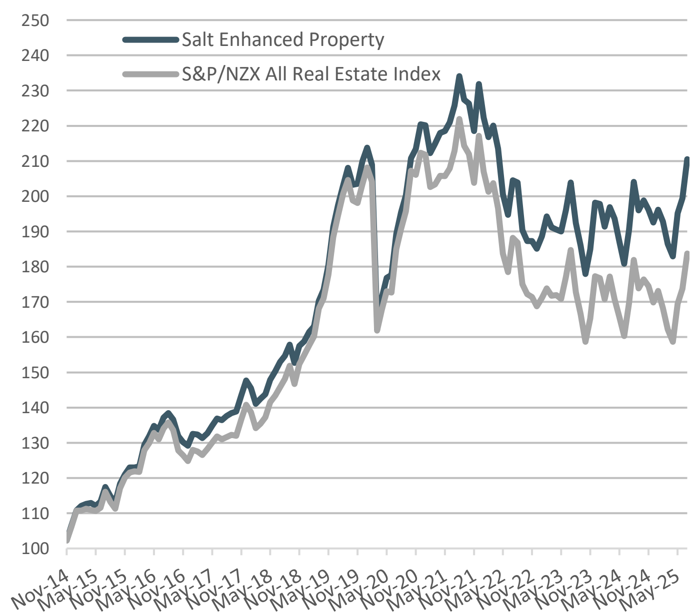
NZ Listed Property Shares	91.16%
AU Listed Property Shares	8.10%
Cash & Cash Equivalents	0.74%

Fund Performance to 31 July 2025

Period	Fund Return	Benchmark Return
1 month	5.54%	5.71%
3 months	15.09%	15.76%
6 months	7.34%	6.11%
1 year	10.59%	8.59%
2 years p.a.	1.61%	0.51%
3 years p.a.	0.50%	-0.28%
5 years p.a.	1.87%	0.30%
7 years p.a.	4.46%	3.67%
10 years p.a.	5.86%	4.92%
Inception p.a.	7.05%	6.05%

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

Cumulative Strategy Performance to 31 July 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/Shorts
GDI Property Group	Precinct Properties
Servcorp	Property for Industry
Dexus	Kiwi Property Group
Asset Plus	Goodman Property Trust
New Zealand Rural Land Company	Argosy

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Property Market Commentary

The S&P/NZX All Real Estate Gross Index continued its strong recent run in July with a powerful upward move of +5.7%. This easily outperformed the S&P/NZX50 Gross Index, which rose +1.8%, the Australian property index advance of +3.3% and the flat outcome from the global FTSE EPRA/NAREIT Index of +0.1%. The RBNZ left its 3.25% OCR target unchanged, and 10-year bond yields were flat at 4.53%.

Outperformers were led by the small-cap Asset Plus (APL, +12.6%), while Stride Property (SPG, +9.7%) and Kiwi Property (KPG, +9.6%) also stood out. Notable laggards were Investore Property (IPL, +0.0%) and the industrial pair of Property For Industry (PFI, +4.3%) and Goodman Property (GMT, +4.1%).

News was limited ahead of the August reporting season, with KPG's surprise extension of its lease with ASB being a good outcome for what may have otherwise been a difficult office asset. Vital Healthcare Property (VHP) saw some slight cap rate tightening in NZ but a 14bp expansion in Australia, which reflects the well-publicised woes of the hospital sector in that country.

The sharp advance of the NZ sector in recent months reflects that large NTA discounts are rightly becoming smaller as valuations broadly bottom out and that a large post-tax yield advantage over term deposits is still the case.

Salt Enhanced Property Fund Commentary

The Fund slightly underperformed the NZ benchmark with a return of +5.54% compared to +5.71% by the index. This largely came down to the 8% net exposure of the Fund that was allocated to Australia, and which lagged NZ in the period.

Our Australian stock selection was sound from both the long and the short sides, with an overall contribution from the net position of +0.32%. Our shorts unsurprisingly detracted a little (-0.05%), but this was more than made by the extra long holdings that they allowed.

Notable contributors were led by the long-standing GDI Property (GDI, +4.7%) overweight which continues to benefit from its exposure to the Perth office market. The moderate overweights in Asset Plus (APL, +12.6%) and Dexus Property (DXS, +6.3%) also assisted.

Detractors in a strong up-month were the NZ underweights that are necessary to fund exposure to Australian opportunities. Kiwi Property (KPG, +9.6%) was the largest as it rose on its positive leasing news. Precinct Property (PCT, +5.0%) and Property For Industry (PFI, +4.3%) were other stand-outs. We were close to neutral in the strongly performing Stride Property.

At month-end, we estimate that the Fund's year-ahead gross dividend yield is 6.7% for a NZ investor.

Matthew Goodson, Portfolio Manager