

SALT

Salt Core NZ Shares Fund Fact Sheet – July 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 July 2026

Benchmark	S&P/NZX 50 Gross Index
Fund Assets	112 million
Inception Date	1 December 2020
Portfolio Manager	Paul Harrison

Unit Price at 31 July 2026

Application	0.9934
Redemption	0.9894

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%
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Fund Allocation at 31 July 2026

NZ shares	94.87%
Australian Shares	3.72%
Cash or cash equivalents	1.41%

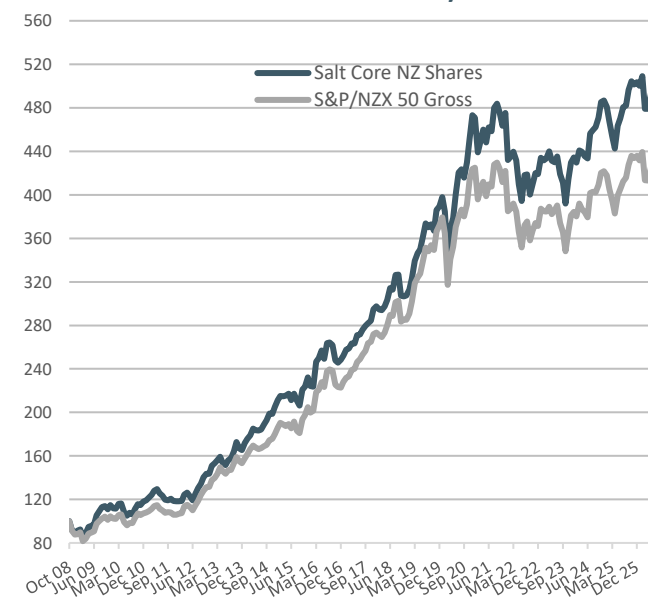
Fund Performance to 31 July 2026

Period	Fund Return*	Benchmark Return
1 month	0.72%	0.57%
3 months	6.60%	6.17%
6 months	2.12%	2.06%
1 year	6.29%	6.83%
2 years p.a.	5.78%	5.09%
3 years p.a.	5.47%	4.35%
5 years p.a.	2.18%	1.70%
7 years p.a.	4.57%	3.38%
10 years p.a.	6.84%	6.43%
Inception p.a.	9.57%	8.71%

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

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

Cumulative Fund Performance to 31 July 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	Channel Infrastructure
ANZ	Skellerup
Infratil	Vector

SALT FUNDS MANAGEMENT

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Equities Market Commentary

Global markets navigated another eventful month in July with geopolitical tensions, corporate earnings and changing economic outlooks. Global equities were flat, although the Nasdaq 100 Index fell -3.2%. Strong company results continued to underpin confidence, but in parts of the market - particularly technology - companies increasingly needed to exceed already high expectations to sustain further share price gains. This saw market leadership broaden to other sectors.

Bond markets weakened over the month, with US 30-year moving from 4.85% to 5.18%. The Fed voted 9:3 to keep rates on hold, but the yield curve steepened sharply on this. Inflation-adjusted 30-year yields hit 3.0% on fears of rising fiscal deficits and government borrowing requirements.

Japan's economy continued to perform well, supported by firm domestic demand, improving corporate profitability and ongoing fiscal support. However, the JPY continued to depreciate on BoJ policy that is widely perceived as too loose, and this sparked coordinated intervention post month-end.

Australia's economic outlook became more balanced. Slightly softer inflation data removed pressure for an August rate hike, but the RBA continues to emphasise that trimmed mean inflation is well above target at 3.5%, and upside inflation risks remain. Australian house prices are finally beginning to weaken materially following many years of strength.

The RBNZ lifted NZ's OCR by 25bp to 2.5%, reflecting persistent domestic inflation pressures and growing confidence that the economic recovery is becoming more established. While activity indicators point to a gradual improvement in economic conditions, inflation remains above target, suggesting monetary policy is likely to head back to neutral in the months ahead. Several confidence surveys showed tentative signs of life near month-end.

Salt Core NZ Shares Fund Commentary

The S&P/NZX50 Gross index hit an all-time high in the month of July and returned +0.57% for the month. The ASX200 accumulation index fared a little better in July up +2.3% in local currency terms but still slightly lags NZ at 6.0% vs 6.8% respectively on a 12-month rolling basis. The Fund outperformed the benchmark over the month for a total return of +0.72%. The markets were quieter this month which is typical as participants gear up towards the August financial reporting season which can bring with it stock specific price volatility.

Fund holding Mainfreight (+11.5%) was one of the better performing stocks on the NZX this month after reporting a strong 16-week trading update with all geographies reporting growth in profit before tax as new customer wins and domestic transport gross margin recovery added to profitability.

Adding to relative performance this month was the funds underweight position in Chorus (-5.7%) which fell on the back of rising swap rates in New Zealand. Overweight's in Ebos (+5.8%) and Fletcher Building (+7.7%) also moderately added to performance with the former benefitting from a continued rotation into underperforming healthcare names and the latter increasing full year guidance citing improved volumes across core manufacturing and distribution divisions, albeit also guiding to risk of weaker activity in commercial construction in FY27 on spiking input costs.

Pacific Edge (-10.0%) detracted from performance this month after giving back some of the stellar gains made over the previous months on no new news. Other detractors over the month were fund holding Port of Tauranga (-9.0%) which like Chorus suffered from rising bond yields over the month.

In Australia, the banks performed well this month with Westpac (+7.6%) and ANZ (+4.2%) adding to performance along with the rotation into healthcare names like CSL (+7.3%). Challenger (-1.9%) dragged on performance this month after a strong June.



Paul Harrison, MBA, CA