

SALT

Salt Enhanced Property 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 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 January 2026

Benchmark	S&P/NZX All Real Estate Gross Index
Fund Assets	\$19 million
Inception Date	11 December 2014
Portfolio Managers	Matthew Goodson, CFA

Unit Price at 31 January 2026

Application	1.4134
Redemption	1.4077

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 January 2026

Long Exposure	107.17%
Short Exposure	8.07%
Gross Equity Exposure	115.24%
Net Equity Exposure	99.10%

Fund Allocation at 31 January 2026

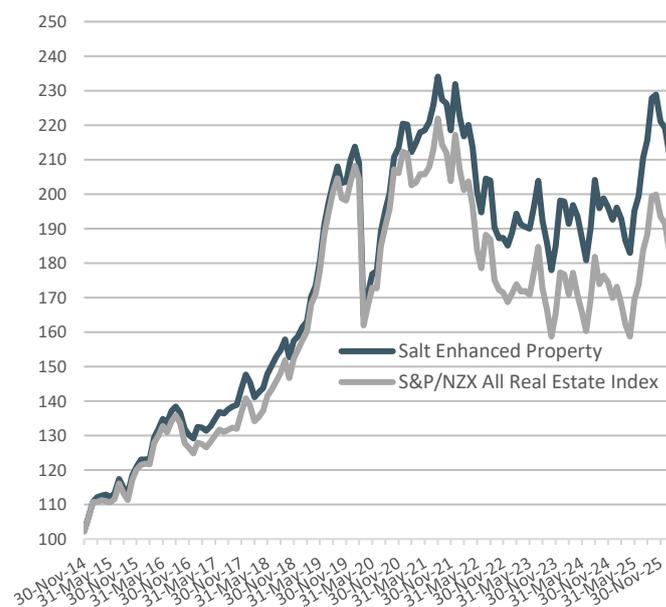
NZ Listed Property Shares	99.65%
AU Listed Property Shares	-0.01%
Cash & Cash Equivalents	0.36%

Fund Performance to 31 January 2026

Period	Fund Return	Benchmark Return
1 month	-3.34%	-3.98%
3 months	-7.46%	-8.04%
6 months	0.59%	0.04%
1 year	7.97%	6.15%
2 years p.a.	3.46%	2.59%
3 years p.a.	3.44%	2.94%
5 years p.a.	-1.05%	-2.37%
7 years p.a.	3.74%	2.53%
10 years p.a.	5.43%	4.42%
Inception p.a.	6.78%	5.77%

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

Cumulative Strategy 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/Shorts
GDI Property Group	Kiwi Property Group
Servcorp	Property for Industry
New Zealand Rural Land Company	GPT Group
Asset Plus	Charter Hall Group
Dexus Industria REIT	BWP Group

SALT FUNDS MANAGEMENT

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Property Market Commentary

The S&P/NZX All Real Estate Gross Index fell by -3.6% in the month of January, continuing its weak performance from the December quarter. This can be attributed to a sharp lift in NZ interest rates along the yield curve, with the NZ 10-year yield rising from 4.21% to 4.52% in the month. The key 3-year swap rate rose from 3.20% to 3.43%. A continued liquidity overhang from two very large placements in the December quarter also weighed.

NZ property lagged the broader NZ equity market, which declined by -0.9% and was also behind the weak Australian property index performance of -2.7%. The global FTSE EPRA/NAREIT Index marked a sharp contrast with a rise of +3.4%.

Property news during the month was dominated by Kiwi Property selling the ASB North Wharf office property to a partnership managed by Precinct Property and backed by GIC. This occurred at a 3.3% discount to prior book value. All major NZ index stocks declined during the month, with the smallest falls being Vital Healthcare Property (VHP, -1.0%) and Goodman Property (GMT, -1.5%). Underperformers were Stride Property (SPG, -8.3%) and Argosy Property (ARG, -6.0%).

Salt Enhanced Property Fund Commentary

The Fund outperformed the NZ benchmark with a return of -3.34% compared to the -3.98% decline by the index.

The largest positive by some distance was our overweight in Servcorp (SRV, +13.4%). The share price has risen by more than 2.5x since the holding's inception in 2023, but it is only on slightly higher multiples than when we first bought it. SRV delivered yet another earnings upgrade against a backdrop of booming serviced office demand. This has secular drivers, which we don't believe will dissipate anytime soon. SRV is now guiding to underlying free cashflow generation of more than \$100m in the Jun26 year, and their market cap is just \$774m, and the balance sheet has over \$100m net cash. Smaller positives were underweights in Property For Industry (PFI, -4.2%) and Kiwi Property (KPG, -4.3%). Our small short in Charter Hall (CHC, -5.9%) also assisted.

Headwinds were smaller and came from overweight positions in what was a weak month for markets across the board. Standouts were Asset Plus (APL, -8.4%) and GDI Property (GDI, -3.9%). There was no specific news on these names aside from the general rise in bond yields.

In a negative month for property indices, our shorts unsurprisingly added +0.26% to performance. Our overall Australian returns were a strong +0.28% in a negative month for that market. At month-end, we estimate the Fund has a forward gross dividend yield of 7.2%.



Matthew Goodson, Portfolio Manager