



1st January 2026 - 31st March 2026

# Finbase PIE Fund Quarterly Report

Published on 10th April 2026



**Finbase presents this Quarterly Report to the investors in the Finbase PIE Fund ("Fund") for the quarter ended 31st March 2026.**

## Information about those involved in the Fund

### Us and Finbase

We (Finbase Funds Management Limited) are responsible for the management of the Fund.

As manager, we are responsible for offering and issuing units in the Fund, managing the Fund's investments, and administering the Fund. We have various duties, including to act in the best interests of investors when performing our management role.

We are a wholly-owned subsidiary of HP Capital Limited, trading as Finbase ("Finbase"), and we have appointed Finbase to carry out management and investment functions for the Fund on our behalf.

Finbase was incorporated in June 2022 and specialises in facilitating first mortgage loan investments and associated asset management for high net worth and institutional investors. Finbase's directors (who are also our directors) have a combined 20+ years' experience in the New Zealand residential and commercial real estate market.

### Details of the Fund

The name of the fund is Finbase PIE Fund. It is a wholesale managed investment scheme under the Financial Markets Conduct Act 2013 ("FMC Act"). The trustee of the Fund is Public Trust ("Trustee").



The Fund is only available to selected wholesale investors under the FMC Act.

### How to find further information

Copies of documents relating to the Fund, such as the SIPO and Information Memorandum, are available at [www.finbase.nz](http://www.finbase.nz) or by contacting our investment team at:

**[invest@finbase.nz](mailto:invest@finbase.nz)**  
**09 520 0373**



## Letter from The Directors

The Fund delivered an annualised return of 8.50% p.a. for the quarter (after fees, before tax)<sup>1</sup>, representing 596 basis points above the 90-day bank bill rate and continuing to outperform its target of 500 basis points over the benchmark.

The modest reduction in returns relative to the prior quarter reflects changes in the interest rate environment, rather than any shift in portfolio quality or investment strategy.

Over the period, base rates declined, compressing lending yields across the market. At the same time, a portion of higher-yielding legacy loans repaid or matured, with capital redeployed into new loans at lower prevailing rates. This is a natural feature of a softening rate cycle and demonstrates the Fund's active management of capital.

Despite these dynamics, the Fund has continued to deliver returns ahead of its target benchmark.

Our strategy remains consistent. We focus on originating first-ranking mortgage loans to experienced borrowers, secured by well-located assets. Conservative loan-to-value ratios and a clear emphasis on capital preservation underpin all investment decisions.

This disciplined approach positions the Fund defensively while continuing to generate attractive risk-adjusted returns.

We are also pleased to report that the Fund surpassed \$100 million in funds under management during the quarter, reflecting strong and ongoing investor support.

Finbase continues to invest in its credit capability, operational infrastructure, and governance framework to support scalability and deliver institutional-quality outcomes.

### Outlook

Looking ahead, returns are expected to broadly align with prevailing market interest rates as the portfolio continues to recycle into new lending opportunities.

Portfolio yields will be influenced by:

- The direction of base interest rates
- Competitive dynamics in the lending market
- Risk-adjusted pricing discipline

While this may result in some variability in short-term returns, the Fund's objective remains unchanged: to consistently deliver a premium over 90-day bank bill rates while preserving capital and maintaining portfolio quality.

We remain confident in the strength of the portfolio and the Fund's positioning.

Thank you for your continued support.

A handwritten signature in black ink, appearing to read 'P. Callaghan'.

**Pernell Callaghan**  
Managing Director

A handwritten signature in black ink, appearing to read 'H. Thompson'.

**Hayden Thompson**  
Managing Director



## Market Insights | Tony Alexander, Independent Economist

The recent easing phase of New Zealand's monetary policy cycle started in August 2024 with the cash rate at 5.5% and ended in November 2025 at 2.25%. As is the nature of financial markets which look to what lies ahead rather than behind, we saw wholesale interest rates and term deposits bottom out in October last year.

Between then and February 27 wholesale rates from one to five years rose 0.2% to 0.6% respectively. Now, in anticipation of extra inflation coming from hikes in oil prices since the Iran War started on February 28, and in expectation of our central bank having to fight the second round effects of initial price hikes happening now, extra NZ policy tightening is anticipated.

This has sent yields from 1-5 years up another 0.4% - 0.5%. But can we take a strong stance on when the cash rate gets lifted from the unusually low level of 2.25% reached while inflation was already accelerating last year? Not at all.

As the Reserve Bank Governor recently highlighted, it is the second round effect of current and imminent price rises caused by the oil price shock which the Reserve Bank is most interested. It will take many months before we can get a good feel for how much wages growth accelerates, the extent of rises in medium to long-term inflation expectations, and whether businesses use the excuse of higher fuel prices to rebuild margins crunched over 2022-25.

But overall, with our economy reasonably well positioned to keep growing, the erratic drift for interest rates for the coming year looks firmly upward – we just cannot be certain of the timing or the magnitude.

This commentary is provided for general information purposes only. Tony Alexander is an independent economist and author of the "Tony's View" newsletter.

# Fund update

Quarter ending	31st March 2026
Fund name	Finbase PIE Fund

## PURPOSE OF THIS UPDATE

This document provides an overview of the Fund's performance for the past quarter. It is intended to assist you in comparing the Fund's performance with other available market options. Please note that the information contained herein is unaudited and subject to updates.

## DESCRIPTION OF THE FUND

The Fund invests in a portfolio of loans secured by first mortgages on residential, commercial, and rural properties, along with cash and cash equivalents. From 1st January 2026 the Fund's investment objective aims to provide investors with an income return at a level better than 90-day bank bill yields. While this cannot be assured, the Manager's objective will be to provide investors with an annualised, after fees but before tax, return per quarter of at least 5% higher than the 90-day bank bill rate as published by The Reserve Bank of New Zealand.<sup>2</sup>

<sup>2</sup>RBNZ wholesale interest rates daily close as at 31 March, 30 June, 30 September and 31 December each year.

**Total Value of the Fund: \$101,562,497.22**

**The date the Fund started: 1 June 2024**

## FUND PERFORMANCE: ACHIEVING TARGET RETURNS IN THIS QUARTER

Return over the last quarter (after fees and expenses, before tax)	8.50% p.a. (annualised) <sup>3</sup>
--	--------------------------------------

# Investment portfolio overview

As at 31st March 2026

	Residential	Commercial	Rural	Cash & equivalents
Actual investment mix	67.76%	7.11%	24.14%	0.99%
Investment typical range	30% - 70%	15%-30%	0% - 50%	0% - 10%

The Fund invests in loans secured by first mortgages across various property types, including:

**Residential:** Secured loans for which the principal secured property is residential property.

**Commercial:** Secured loans for which the principal secured property is commercial property.

**Rural:** Secured loans for which the principal secured property is rural property.

#### Top 3 reasons for lending:

- Equity release.
- Purchase of property.
- Refinance.

#### TOP FIVE INVESTMENTS

Name	Percentage of fund net assets	Type	Country
Loan secured over residential property in East Auckland	5.61%	Other	New Zealand
Loan secured over large rural property in Northland	2.65%	Other	New Zealand
Loan secured over residential property in West Auckland	2.59%	Other	New Zealand
Loan secured over large rural property in Northland	2.51%	Other	New Zealand
Loan secured over rural property in Hawkes Bay	2.43%	Other	New Zealand

# Key personnel

Name	Current position	Contact details
Pernell Callaghan	Managing Director	pernell.callaghan@finbase.nz
Hayden Thompson	Managing Director	hayden.thompson@finbase.nz
Mike Ellis	Chief Financial Officer	mike.ellis@finbase.nz
Rhys van Stipriaan	Head of Risk and Compliance	rhys.vanstipriaan@finbase.nz
Brenda Dixon	Head of Lending	brenda.dixon@finbase.nz

## Further information

If you would like more information about the Fund, Finbase's lending criteria, or the company, please head to our website [www.finbase.nz](http://www.finbase.nz).

## Legal disclaimer:

Information in this document is current as at 31st March 2026. Finbase Funds Management Limited is the manager and issuer of the Finbase PIE Fund, and is a wholly-owned subsidiary of HP Capital Limited, trading as Finbase. As manager of the Finbase PIE Fund, we benefit financially if you invest in the Fund.

Investments in the Finbase PIE Fund are limited to persons who are wholesale investors in terms of clause 3(2) or 3(3)(b) of Schedule 1 of the Financial Markets Conduct Act 2013. No product disclosure statement for the purposes of that Act has been prepared, and none is required for a wholesale offer. Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

