19 OCTOBER 2026

Finbase PIE Fund

INFORMATION MEMORANDUM

WHOLESALE OFFER

Finbase



Selling Restriction: Wholesale Only

This offer by Finbase Funds Management Limited is limited to persons who are wholesale investors in terms of clause 3(2), or clause 3(3)(b) of Schedule 1 of the Financial Markets Conduct Act 2013 (FMCA Schedule 1) which covers "investment businesses", persons meeting the "investment activity criteria", "large" persons and "government agencies" as defined in each case in FMCA Schedule 1 and persons who invest in offers where the amount invested upfront by the person is $750,000 or more. It is not available to other classes of wholesale investors.

Applications or any requests for information from persons who do not meet the above criteria will not be accepted. All investors must provide a wholesale safe harbour certificate in accordance with clause 44 of FMCA Schedule 1 (except for investors who invest in offers where the amount invested initially in the same class of investment by the investor is $750,000 or more).

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.

This Information Memorandum has been prepared for general information purposes only. Investors should conduct their own independent review, investigations, analysis, and assessment of the information in this document and seek financial and tax advice before deciding to invest.

If you invest, you warrant that you meet the above eligibility criteria and agree that you will not sell your investment within 12 months after the investment is issued, in circumstances where disclosure would be required under Part 3 of the Financial Markets Conduct Act 2013 or in circumstances which may result in Finbase or any of its directors or related bodies corporate incurring any liability whatsoever.

For wholesale investors who are investing $750,000 or more:

Warning

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision.

The usual rules do not apply to this offer because there is an exclusion for offers where the amount invested upfront by the investor (plus any other investments the investor has already made in the financial products) is $750,000 or more. As a result of this exclusion, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for this investment.

Investments of this kind are not suitable for retail investors.

Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

Introducing the Finbase PIE Fund

Welcome to the Finbase PIE Fund (Fund), managed by Finbase Funds Management Limited (we, us, and our). We are a wholly-owned subsidiary of HP Capital Limited, trading as Finbase (Finbase).

The Fund is a wholesale managed investment scheme governed by a master trust deed dated 22 May 2024 and an establishment deed dated 22 May 2024 (together the Trust Deed) between us and Public Trust (Trustee).

The Fund:

- invests in a broad mix of first mortgage investments across the residential, commercial, and rural sectors (as well as cash for liquidity and transactional purposes);
- provides exposure to a diversified portfolio of loans, meaning that the impact of any individual loan loss is spread across the whole portfolio and less likely to have a significant effect on the returns when compared with an investment in a single loan;
- takes advantage of Finbase's loan sourcing capabilities; and
- provides PIE tax benefits to investors on marginal income tax rates higher than 28%.

The Fund's minimum investment is normally $100,000. You must invest in the Fund for a minimum of three months. After that, investments can be withdrawn at the end of each calendar quarter, subject to restrictions around liquidity that are explained below. Withdrawals must normally be in $10,000 increments.

What the Fund invests in

Investment objective

The Fund's current investment objective aims 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 (RBNZ).[1]

From 01 January 2027 the Fund's investment objective will aim to provide investors with an annualised, after fees but before tax, return per quarter of at least 400 basis points higher than the Official Cash Rate (OCR) as published by the Reserve Bank of New Zealand (RBNZ).[2]

The Fund aims to achieve this investment objective by investing in a range of loans secured by first ranking mortgage, as well as a limited amount of cash for liquidity and transactional purposes (including the payment of quarterly distributions and tax), in accordance with the Trust Deed and the Fund's SIPO.

Returns are not guaranteed - actual returns could differ.

[1]RBNZ Wholesale Interest rates daily close as at 31 March, 30 June, 30 September and 31 December each year.
[2]RBNZ OCR as at 31 March, 30 June, 30 September and 31 December each year.

Investment strategy

The Fund will be invested in loans secured by first mortgages against residential, commercial and rural properties, and cash and cash equivalents, typically within the following proportions (as to value) of the Fund:

	LOANS SECURED BY FIRST MORTGAGE OVER:			
	Residential	**Commercial**	**Rural**	**Cash & equivalents**
Typical range:	30 - 70%	15-30%	0 - 50%	0% - 10%

We intend to maintain a broad range of loans secured by first mortgage with a mix of interest rates, maturity dates, and a spread of location and type of mortgaged properties.

We intend to hold a limited amount of cash for liquidity and transactional purposes, including the payment of quarterly distributions and tax, and pending loans being made. Cash and cash equivalents are held with registered banks. The Manager's policy is to hold Bank deposits at call or terms up to 90 days to provide a balance between greater liquidity and higher interest returns.

Because these are typical ranges only, there may be times when the Fund's exposure to particular sectors is more or less than the percentages set out above. In particular, some concentration of loans and / or greater amounts of cash holdings can be expected as the Fund grows in size.

Our policy is to rebalance the Fund through cash flows and by focusing on new lending in "underweight" categories (where appropriate), meaning any rebalancing of the Fund's investment composition can be expected to occur over time. Loan assets will not be sold for the purpose of rebalancing the Fund.

Lending policy

Lending from the Fund will be made in accordance with our lending policies, the key points of which are as follows:

- Loan to valuation ratios: The Fund has Loan to Value (LVR) lending limits, based on the amount of the loan when compared with the value of the security property at the time of loan approval. The Fund's weighted aggregate LVR and the Fund's portfolio LVR will not exceed 60%. In addition, there are limits for lending against the value of any single security property (at the time the loan is taken out) ranging from 55% for bare land up to 70% for fee simple or cross-lease land with a building on it. The Fund will not lend against the security of leasehold land. In respect to development lending, the Manager may rely on 'as-is' or 'on-completion' valuations to determine the loan to value ratio.

- No consumer lending: The Fund will not undertake consumer lending regulated by the Credit Contracts and Consumer Finance Act 2003.

- Participating loans: The Fund may invest in a loan as the sole lender, or may invest in a loan alongside other lenders. Other lenders could include third parties identified through Finbase's deal-matching service, other third parties, or us and our associated persons participating in loans in our personal capacity. These loans must meet our lending policies when measured by reference to the Fund's portion of the loan, not the full loan value.

In addition, all loans will be considered in line with our credit policies. Loans will only be made where our lending and credit criteria are met.

Provisioning policy

The Manager may, in its discretion, make provision for potential loan losses. The Manager intends to maintain a provision of approximately 0% to 1% of Fund value, depending on its view of market conditions, by transferring up to 0.25% per quarter out of the Fund's income to the Fund's provisioning account. The Manager will calculate the provision amount based on various factors, including market conditions, credit quality across the Fund's portfolio, the Fund's performance and the Fund's Expected Credit Loss (ECL) methodology. The amount Finbase provides may change from time to time without notice.

Amounts will be released from the Fund's provisioning account at our discretion to offset any loan losses that occur within the Fund or other events impacting on investment returns. Amounts in the Fund's provisioning account are an asset of the Fund, but are not taken into account in determining the Fund's unit price or distributions to investors.

Transfers to the Fund's provisioning account will have the effect of reducing distributions to investors. Transfers out of the Fund's provisioning account will have the effect of maintaining or enhancing distributions. However, the Fund's provisioning account may not be sufficient or available to offset losses in all situations and, therefore, is not a guarantee against falls in distributions or unit value.

Borrowing policy

The Fund will not borrow.

Conflict of interest policy

The Fund will not lend to any entities controlled or owned by our or Finbase's directors. However, the Fund may invest alongside third parties and, potentially, us and our associated persons (refer to "participating loans" in the "lending policy" section above).

We will not enter into any transaction that may provide a related party benefit (as defined in the Trust Deed) without complying with the requirements of the Trust Deed.

We and our associated persons may invest in the Fund, subject to complying with the requirements of the Trust Deed.

SIPO

More information about the Fund's investment approach and investment policies is contained in the Fund's current SIPO, which is available from us. Investors will be notified of any material changes to this SIPO before they take effect.



How the Fund works, including how you can invest and withdraw

Investing in the Fund

The Fund is a wholesale managed investment scheme governed by the Trust Deed. Only wholesale investors are able to invest in the Fund.

The minimum initial investment is $100,000, and the minimum subsequent investment is $10,000 (although in each case we can accept smaller amounts).

When you invest in the Fund, you will be issued units with a value equal to your investment. Your investment is pooled with investments made by other investors, and then invested by us as explained on pages 4 and 5 of this Information Memorandum. The units you are issued represent your investment in the Fund. However, they do not give you a direct interest in any investments made by the Fund.

Units are issued at the current unit price when we accept your investment. The unit price is the Fund's net asset value divided by the number of units on issue, rounded down to four places.

The Fund's net asset value is the total value of the Fund's assets (cash holdings, the market value of loans and other investments, and accrued interest) minus the Fund's liabilities (including accrued expenses), undistributed income, and any amounts held in the provisioning account.

The Fund's unit price is calculated quarterly, on the last business day of each quarter (although it could be calculated more often). This means the unit price used for an issue of units could be up to three months old. However, because the Fund distributes all of its net income and maintains a provision for potential loan losses, the unit value is expected to remain at $1.00 unless the Fund experiences significant loan losses in excess of the available provisions.

Page 15 of this Information Memorandum explains how you can apply to invest in the Fund.

Distributions from the Fund

The Fund makes quarterly distributions. At the end of each quarter, we determine the Fund's net income for the quarter and pay it to investors in proportion to their holdings. The net income of the Fund is the Fund's total income for the quarter less the Fund's fees, costs and expenses, and any transfers to or from the provisioning account that we consider appropriate. We can make other adjustments as necessary to ensure the net income for a quarter fairly represents the Fund's performance for the quarter.

Distributions are normally paid on the 10th of April, July, October, and January, or the following business day. PIE tax is deducted from distributions – see page 14 of this Information Memorandum for more information about tax.

Withdrawing from the Fund

Each investment must be invested in the Fund for a minimum of three months. Units cannot be withdrawn during this initial lock-in period.

After the initial three-month lock in period, investments can be withdrawn by sending us an exit request. Withdrawals must be for a minimum of $10,000 (or, if less, the full value of your holding). Unless we agree otherwise, withdrawals must be in multiples of $10,000.

Withdrawals are processed quarterly, on the last business day of each quarter, at the unit price calculated on that day. Subject to our rights to suspend or defer withdrawals (explained below), all valid exit requests received during the quarter will be processed on that day. The net proceeds will be paid to you as soon as practicable, and in any event within 30 days.

We may defer or suspend withdrawals, or decide to give effect to withdrawals in instalments over a period set by us, if:

- an exit request is received, or a series of exit requests are received over a three month period, that relate to more than 10% of the units in the Fund; or
- because of a decision to wind-up the Fund, financial, political or economic conditions applying in respect of any relevant market, the nature of an investment, or the occurrence of any other circumstance or event, we decide (acting reasonably and in good faith) that it is not practicable to allow an exit request or that it would be in the general interests of unitholders to defer an exit request.

In addition, we can compulsorily redeem some or all of your investment if:

- we consider it is necessary or desirable to do so in order for the Fund to obtain or retain PIE status;
- we need to do so to comply with any relevant laws;
- your investment in the Fund falls below the minimum holding (currently $10,000); or
- we consider it is necessary or desirable to do so for any other reason and notify you of that in writing.

Refer to the Trust Deed

We manage the Fund in accordance with the Trust Deed, and when you invest in the Fund you agree to be bound by the Trust Deed. The Trust Deed contains other important provisions that govern the Fund and your investment.

We recommend that you carefully consider the Trust Deed, which is available from us.





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.

The Finbase team

The Finbase team has extensive experience in the property and lending markets, as well as business administration and accounting.



Pernell Callaghan

MANAGING DIRECTOR

pernell.callaghan@finbase.nz

Pernell is a Co-Founder and Managing Director of Finbase, leading Finbase's strategic direction, institutional partnerships, and growth initiatives with a focus on delivering consistent performance across the portfolio.

Pernell founded and successfully exited one of New Zealand's largest second-mortgage lenders, managing over $100 million in assets. He founded and is a Director of Arizto, a national tech-enabled Real Estate firm employing more than 350 staff.

Pernell served as Treasurer of the Dilworth Old Boys' Association, supporting one of New Zealand's largest educational institutions, with over $1 billion in managed assets.



Hayden Thompson

MANAGING DIRECTOR

hayden.thompson@finbase.nz

Hayden is a Co-Founder and Managing Director of Finbase, bringing deep, hands-on experience from the frontline of New Zealand's property market. He began his career as a qualified electrician before moving into property investment, where he built a track record buying, renovating, and selling residential and commercial assets.

Through completing more than 60 property projects, Hayden successfully raised capital and developed trusted relationships with agents, valuers, developers, and private investors - several of whom went on to become early backers of Finbase.

At Finbase, Hayden oversees business operations and closely monitors credit and loan approvals, applying a rigorous, real-world approach to risk assessment.



John Botica

STRATEGIC BOARD ADVISOR

john.botica@finbase.nz

John is a highly experienced financial services executive with over 40 years in the industry. He brings deep expertise across investment management, regulatory strategy, strategic marketing, and business transformation, with a strong focus on customer outcomes and long-term value creation.

Throughout his career, John has played a pivotal role in shaping the direction of financial services in New Zealand — from co-founding successful businesses to leading major industry initiatives and advising on regulatory change. As Strategic Board Advisor, he provides Finbase with high-level guidance, drawing on decades of leadership and insight to support sustainable growth and sound governance.



Katrina Lu

HEAD OF FINANCE

katrina.lu@finbase.nz

Katrina is an experienced finance leader and Chartered Accountant, with a background across financial services and complex group structures. She has led finance functions with responsibility for financial control, reporting, and regulatory frameworks.

At Finbase, Katrina leads the finance function, overseeing financial reporting, planning, governance, and capital management. She works closely with the executive team to support decision-making and ensure the business operates with strong financial discipline as it continues to scale.



Jordan Evans

HEAD OF INVESTMENT

jordan.evans@finbase.nz

Jordan brings 16 years of cross-industry experience in finance, technology, and sales, bringing a broad understanding of the investment landscape and a steady, investor-focused approach. He plays an active role in keeping Finbase investors informed about new funding opportunities and key trends in the market, ensuring communication is clear, timely, and accessible.

With a strong background in investor engagement, Jordan supports individuals exploring investment opportunities by helping them understand Finbase's processes and what to expect.



Rhys van Stipriaan

HEAD OF RISK AND COMPLIANCE

rhys.vanstipriaan@finbase.nz

Rhys leads our risk and compliance team at Finbase, ensuring robust frameworks are in place to support our continued growth and regulatory responsibilities. With experience across funds management, property, and financial services, he brings deep expertise in operational risk, compliance systems, and governance.

He has held leadership roles across both New Zealand and Australian markets, including oversight of licensed entities, AML/CFT regimes, and regulatory reporting. Rhys plays a critical role in safeguarding the way we work and ensuring we continue to meet the highest standards of integrity and trust.



Brenda Dixon

HEAD OF LENDING

brenda.dixon@finbase.nz

Brenda is a seasoned property lending specialist with over 20 years of experience in New Zealand's financial sector. Complementing her extensive industry experience, she holds qualifications in economics.

At Finbase, she oversees property due diligence and credit risk assessments for residential, commercial, and rural loan opportunities, ensuring each loan aligns with our strict lending criteria.



Antje Volk

HEAD OF TREASURY

antje.volk@finbase.nz

Antje brings more than two decades of international experience across fund finance, treasury management, and audit within private debt, private equity, and real estate investment platforms.

Prior to joining Finbase, she served as Vice President of Finance at a U.S.-based investment manager overseeing multiple private debt and real estate funds. She led treasury operations across multiple banking relationships, managed fund-level liquidity and capital allocations, and oversaw investor capital calls and distributions to more than 1,000 high net worth investors. She also directed external fund audits and implemented treasury management systems to strengthen financial controls and reporting accuracy.

The Finbase team will change from time to time.
You can find current details on the Finbase website, www.finbase.nz.

Public Trust

Public Trust has been appointed as trustee of the Fund to hold the assets of the Fund on trust for investors.

The Trustee is a licensed supervisor of retail managed investment schemes. However, because the Fund is a wholesale fund, the Trustee has a reasonably limited role in overseeing our management of the Fund.

No guarantees

None of us, Finbase, the Trustee, or any other person guarantee investments in the Fund or any level of returns from the Fund.



The Fund's fees and expenses

Our fees

We currently charge a fee of 2.00% per annum of the Fund's net asset value, plus GST, for our role as manager of the Fund. This fee is calculated and paid to us quarterly in arrears. We do not charge a performance fee.

From 01 January 2027, we will charge a fee of 1.25% per annum of the Fund's net asset value, plus GST, for our role as manager of the Fund.

In addition to our fees payable from the Fund, we are paid fees by borrowers from the Fund. This is to cover the cost and work involved in advertising and originating new loan opportunities.

The Trustee's fee

The Trustee charges a fee of 0.07% per annum of the Fund's net asset value (subject to a minimum annual fee of $40,000), plus GST, for its role as trustee of the Fund. This fee reduces to 0.06% per annum of the Fund's net asset value between $100m and $300m, and 0.04% above $300m. The Trustee's minimum fee is subject to an annual CPI adjustment.

This fee is calculated and paid to the Trustee monthly in arrears. In addition, the Trustee may charge additional fees for non-routine attendances in respect of the Fund.

Fund expenses

All costs and expenses associated with operating the Fund are charged to the Fund, or recovered by us or the Trustee out of the Fund.

This will include, for example, audit fees, bank charges, legal and other professional fees, the costs associated with the Fund's registry platform, and any investment-related costs. Investment-related costs include fees charged by Finbase to the Fund for managing loans made by the Fund, including monthly loan administration, dishonour, documentation, and loan discharge fees. Other similar fees charged by Finbase, including fees relating to loans in default, could also be recovered as an expense in the future.

Investors are not charged entry or exit fees. However, if you invest in the Fund through a financial adviser or other broker, we may pay them a fee. These fees are payable by us, and not from the Fund. You can obtain details of any fees from your adviser or broker.

These fees are subject to change. Details of the current fees at any time are available from us.

We may waive some of our fees, or choose not to recover some expenses.

The risks associated with investing in the Fund

All investments carry risk. There are a number of general and specific risks associated with the Fund which could mean that you do not receive the expected returns, or do not recover the full value of your investment.

We believe the Fund's key risks are as follows:

Risk	Explanation of Risk
Credit risk	Credit risk is the risk that we are not able to recover loans in full from our borrowers. If a borrower or several borrowers default by not paying interest instalments when due or by failing to repay the loan balance at the end of the loan term, and we are unable to recover the full amounts owing from the sale of security property or taking other recovery action, this could impact investor returns. As the Fund lends only on first mortgage securities, it will rank first in returns from any mortgagee sale. We seek to mitigate this risk by only lending in accordance with our lending and credit policies, which are summarised on pages 4 and 5 of this Information Memorandum. In addition, we make provision for potential loan losses. In the event of a loss, transfers out of the Fund's provisioning account could help maintain or enhance distributions. However, the Fund's provisioning account may not be sufficient or available to offset losses in all situations and, therefore, is not a guarantee against falls in distributions or unit value. Unitholders are not covered by the depositor compensation scheme under the Deposit Takers Act 2023 in respect of their Units.
Interest rate risk	Interest rate risk is the risk that interest rates will change, increasing or decreasing the returns to the Fund. The market demand for loans secured by first mortgages may be affected by general movements in interest rates, which are influenced by economic conditions. If interest rates reduce, returns from the Fund can be expected to reduce.
Property sector risks	Because of the nature of its investments, the Fund is subject to risks associated with the property sector. An economic downturn or other significant event (such as a natural disaster) in one or more of the sectors or regions where the Fund has exposure could mean that a borrower is not able to meet its obligations to the Fund, and could impact on the security value of a property if it needs to be sold. We seek to mitigate this risk by only lending in accordance with our lending and credit policies, which are summarised on pages 4 and 5 of this Information Memorandum. In addition, we require borrowers to insure buildings for replacement value to mitigate the risk of loss from natural disaster or otherwise.
Liquidity risk	Liquidity risk is the risk that the Fund will not have sufficient cash available to meet exit requests. The ability of the Fund to redeem units in the Fund depends on the amount of cash held by the Fund. The Fund invests in loans secured by mortgages, which, by their nature, are illiquid, although we expect many of the Fund's loans to be of relatively short duration. Because investments in the Fund are subject to a three month initial lock-in, and exit requests are only processed quarterly, we have some ability to manage liquidity risk. However, if exit requests are greater than expected, or cash inflows to the Fund are less than expected, we may need to suspend or defer withdrawals, or meet withdrawals by instalments.
Operational and key person risks	Operational risk is the risk that our and Finbase's systems and procedures could be inadequate or fail, resulting in financial loss or reputational damage. Key person risk is the risk associated with reliance on key persons within our and Finbase's business, with the risk of disruption or loss of business should they be unavailable or leave our or Finbase's business. If either of these risks materialise, it could impact our ability to perform our role as manager of the Fund, Finbase's ability to perform its delegated functions relating to the Fund, or cause loss to the Fund. This could, in turn, result in a loss to investors. We seek to mitigate these risks by having comprehensive procedures, processes, and controls across our and Finbase's business, and through the use of expert third party service providers.

This is not a complete summary of all known risks, and other risks could arise. **If you are not comfortable with the risks associated with investing in the Fund you should not invest.**



Tax

Tax can have significant consequences for investments. You should obtain your own advice on the tax consequences of investing in the Fund.

The Fund is a portfolio investment entity (PIE). The amount of tax you pay in a PIE is based on your prescribed investor rate (PIR). To determine your PIR, go to www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate. If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department.

It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied. If the rate applied to your PIE income is lower than your correct PIR, you will be required to pay any tax shortfall as part of the income tax year-end process.

If the rate applied to your PIE income is higher than your PIR, any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you.

How to invest in the Fund

If you want to invest in the Fund, please complete an application form and return it to us, together with the supporting documents referred to in the form.

This includes a wholesale safe harbour certificate – your application will not be accepted unless we are satisfied that you qualify as a wholesale investor.

To receive an application form, please contact the Finbase team directly.



How to contact us

We'd be delighted to answer any questions you have about the Fund. You can reach the Investment Team, on the contact details below:

invest@finbase.nz
09 520 0373

For more information about Finbase generally, please visit **www.finbase.nz.**

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