Fund Update

Pie Funds Management Scheme: Pie Conservative Fund

Fund update for the quarter ended:
30/06/2026

This replacement fund update was first made publicly available on 24/09/2026. It replaces the fund update that was first made publicly available on 27/07/2026. This new fund update includes the following changes
1. Correction to the Market Index annual return figures for the past year and average over the past 5 years.
2. Correction to the March 2026 Market Index and the Average Annual Return - Last 10 years Market Index in the annual return graph.

What is the purpose of this update?

This document tells you how the Pie Conservative Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Pie Funds Management Limited (Pie Funds) prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this fund

The Pie Conservative Fund seeks to preserve members' capital, with some capital growth, which outperforms the market index. The Fund is a diversified fund investing primarily in fixed interest securities and some cash, with an allocation to equities either directly or through products issued by Pie Funds.

Total value of fund as at 30.06.26	$209,434,232
The date the fund started	15.04.15

What are the risks of investing?[1]

Risk indicator for the Pie Conservative Fund

< Potentially Lower Returns						Potentially Higher Returns >
1	2	**3**	4	5	6	7
< Lower Risk						Higher Risk >

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-profiler.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the past five years. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the product disclosure statement (**PDS**) for more information about the risks associated with investing in this fund.

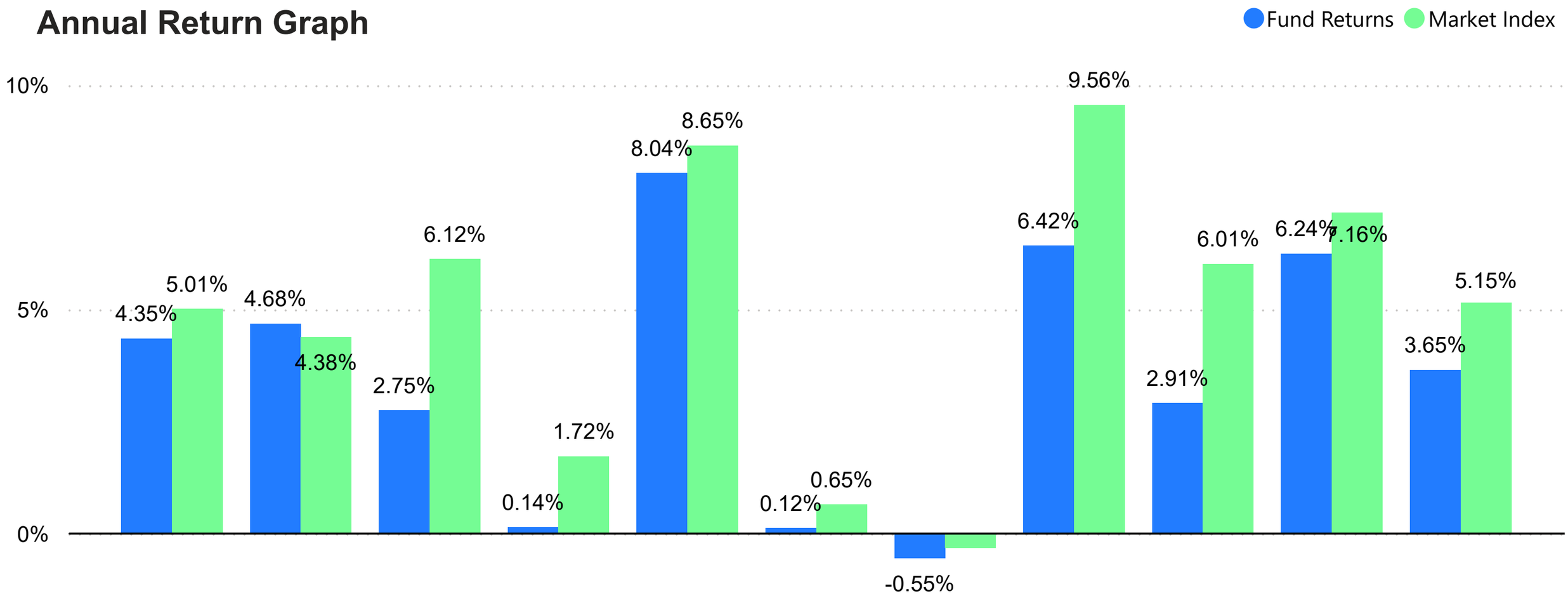
How has the fund performed?

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	3.28%	6.48%
Annual return (after deductions for charges but before tax)	3.99%	6.94%
Market Index annual return (reflects no deduction for charges and tax)	4.88%	7.99%

The market index annual return is calculated using the target investment mix and the indices of each asset class.

Additional information about the market index is available in the Statement of Investment Policy and Objectives (SIPO) on the offer register.

Annual Return Graph



This shows the return after fund charges and tax for each full year to 31 March, over the last 10 years. The last bar shows the average annual return for the last 10 years up to 30 June 2026. Important: This does not tell you how the fund will perform in the future.

† Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in the Pie Conservative Fund are charged fund charges. In the year to 31 March 2026, these were:

	% of net asset value
Total Fund charges	**0.91%**
Which are made up of:	
Total management and administration charges	**0.91%**
Including	
Manager's basic fee	0.90%
Other management and administration charges	0.01%
Total performance-based fees	**0.00%**
Other charges	$ amount per investor
Other charges	$0.00

Fees are exclusive of GST, if any.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds, although these are not currently charged by Pie Funds).

Example of how this applies to an investor

Small differences in fees and charges can have a big impact on your investment over the long term.

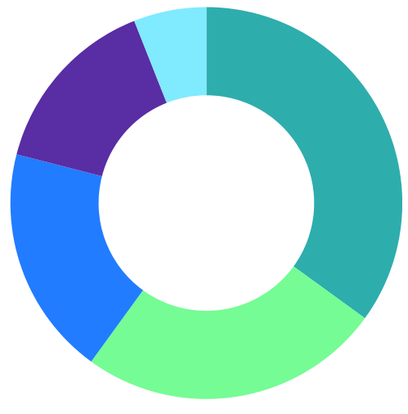
Lucy had $10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Lucy incurred a gainafter fund charges were deducted of $694 (that is 6.94% of her initial $10,000). Lucy did not pay any other charges. This gives Lucy a total gain after tax of $648 for the year.

What does the fund invest in?[2]

This shows the types of assets that the fund invests in.

Actual Investment Mix

Cash and cash equivalents*	20.27%
International fixed interest	33.21%
New Zealand fixed interest	22.04%
International equities	18.68%
Australasian equities	5.80%



Target Investment Mix

Cash and cash equivalents	25%
New Zealand fixed interest	15%
International fixed interest	35%
International equities	19%
Australasian equities	6%

* Actual cash held by the Fund is 17.04%

Hedging: We actively manage all currency exposure. It is not our intention to 100% hedge the currency at all times; some overseas securities may be unhedged. The hedged foreign currency exposure (as a percentage of total foreign currency exposure of the fund) is 88.26% (unhedged 11.74%).

Top 10 investments

	Name	% of fund net assets	Type	Country	Credit rating (if applicable)
1	BNZ Call Account - NZD	13.47%	Cash and cash equivalents	NZ	AA-
2	KIWI Term Deposit 3.68% 31/07/2025 31/07/2026	2.47%	Cash and cash equivalents	NZ	AA
3	KIWI Term Deposit 3.33% 03/10/2025 05/10/2026	2.45%	Cash and cash equivalents	NZ	AA
4	JPM Call Account - USD	2.02%	Cash and cash equivalents	AU	A+
5	Bank of New Zealand 4.354% 28/01/2031	1.84%	New Zealand fixed interest	NZ	AA-
6	Watercare Services Ltd 3.847% 30/09/2030	1.72%	New Zealand fixed interest	NZ	Aa3
7	Mercury NZ Ltd 5.17% 01/04/2033	1.51%	New Zealand fixed interest	NZ	BBB+
8	Cooperatieve Rabobank UA 4.398% 20/02/2031	1.48%	New Zealand fixed interest	NZ	A+
9	Johnson & Johnson 3.35% 26/02/2037	1.30%	International fixed interest	US	AAA
10	JPMorgan Chase & Co 5.336% 23/01/2035	1.22%	International fixed interest	US	A

The total value of the top 10 individual assets of the fund make up 29.48% of the net asset value of the fund.

Key personnel

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
Michael Taylor	Executive Director and Chief Investment Officer	4 years and 3 months	Executive Director and Chief Executive Officer, Pie Funds	15 years and 5 months
Travis Murdoch	Head of Fixed Income and Portfolio Manager	3 years and 8 months	Portfolio Manager at Milford	2 years and 1 month

Further information

You can also obtain this information, the PDS for the Pie Conservative Fund, and some additional information from the offer register at www.disclose-register.companiesoffice.govt.nz.

Notes

1. During times of extreme market volatility, the risk may be greater than indicated. Past performance may not be a reliable indicator for the risk of the fund.
2. For further information on each of the asset classes refer to the PDS and the SIPO.