Pie KiwiSaver Scheme
Financial Statements
For the year/period ended 31 March 2026

## Manager's Statement

In the opinion of the Manager, the accompanying Financial Statements are drawn up so as to present fairly the financial position of the Pie KiwiSaver Scheme as at 31 March 2026 and the results for the year ended on that date in accordance with the requirements of the Pie KiwiSaver Scheme's Governing Document dated 5 July 2018.

The Manager is of the opinion that the Pie KiwiSaver Scheme will be able to pay its debts as and when they fall due.

Director

Director

For and on behalf of Pie Funds Management Limited

Date 30 July 2026

# Statements of Changes in Net Assets

| $ | | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund* | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| For the year/period ended 31 March | Note | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| **Income** | | | | | | | | | | |
| Interest income on financial assets at amortised cost | | **26,102** | 123,471 | **55,161** | 144,465 | **190,659** | 509,612 | **13,275** | **285,197** | 777,548 |
| Dividend and distribution income | | **447,258** | 425,417 | **4,592** | - | **34,681** | 191,709 | **5,441** | **491,972** | 617,126 |
| Foreign exchange gains/(losses) on financial instruments at amortised cost | | **4,923** | 129 | **29,161** | (2,929) | **192,953** | 216,483 | **12,349** | **239,386** | 213,683 |
| Net gains on financial assets and liabilities at fair value through profit or loss | | **1,444,927** | 546,802 | **6,771,164** | 1,424,439 | **66,158,749** | 6,549,693 | **382,605** | **74,757,445** | 5,141,395 |
| Other income | | **-** | - | **-** | - | **408** | 59,706 | **-** | **408** | 59,706 |
| **Total income** | | **1,923,210** | 1,095,819 | **6,860,078** | 1,565,975 | **66,577,450** | 7,527,203 | **413,670** | **75,774,408** | 6,809,458 |
| **Expenses** | | | | | | | | | | |
| Management and administration fees | **8** | **215,271** | 179,721 | **493,285** | 406,863 | **4,078,276** | 3,226,748 | **512,283** | **5,299,115** | 3,813,332 |
| Management fee rebates | | **(253,443)** | (174,073) | **(734,565)** | (429,767) | **(6,032,375)** | (6,388,796) | **(705,088)** | **(7,725,471)** | (6,992,636) |
| Transaction costs | | **89** | - | **1,332** | 2,143 | **28,948** | 151,312 | **3,176** | **33,545** | 153,455 |
| Other expenses | | **8,275** | 93 | **8,863** | 86 | **13,822** | 149 | **12,604** | **43,564** | 328 |
| **Total expenses** | | **(29,808)** | 5,741 | **(231,085)** | (20,675) | **(1,911,329)** | (3,010,587) | **(177,025)** | **(2,349,247)** | (3,025,521) |
| **Net profit before membership activities** | | **1,953,018** | 1,090,078 | **7,091,163** | 1,586,650 | **68,488,779** | 10,537,790 | **590,695** | **78,123,655** | 9,834,979 |
| **Contributions** | | | | | | | | | | |
| Member contributions | | **1,633,989** | 1,782,295 | **2,794,438** | 3,221,150 | **21,828,351** | 27,132,136 | **2,499,557** | **28,756,335** | 32,135,581 |
| Employer contributions | | **893,634** | 1,007,677 | **1,472,892** | 1,729,957 | **12,314,756** | 15,172,025 | **1,395,797** | **16,077,079** | 17,909,659 |
| Crown contributions | | **283,641** | 326,888 | **465,207** | 585,987 | **3,475,653** | 4,247,193 | **163,500** | **4,388,001** | 5,160,068 |
| Transfers from other Funds in the Scheme | | **19,317,237** | 12,808,378 | **8,477,047** | 5,677,609 | **7,244,306** | 9,538,942 | **71,206,247** | **-** | - |
| Transfers from other KiwiSaver schemes | | **414,172** | 171,739 | **1,977,410** | 3,854,003 | **2,460,937** | 11,481,368 | **7,464,703** | **12,317,222** | 15,507,110 |
| Transfers from Australian superannuation schemes | | **98,196** | - | **10,906** | 137,133 | **227,948** | 1,069,914 | **587,737** | **924,787** | 1,207,047 |
| Lump sum contributions | | **398,537** | 129,564 | **708,138** | 1,996,544 | **4,697,214** | 6,468,744 | **880,150** | **6,684,039** | 7,074,852 |
| Other income | | **481** | 881 | **814** | 1,743 | **15,037** | 12,180 | **2,372** | **18,704** | 14,804 |
| | | **23,039,887** | 16,227,422 | **15,906,852** | 17,204,126 | **52,264,202** | 75,122,502 | **84,200,063** | **69,166,167** | 79,009,121 |
| **Withdrawals** | | | | | | | | | | |
| Transfers to other Funds in the Scheme | | **9,205,963** | 7,519,730 | **10,860,983** | 7,150,774 | **83,802,673** | 13,354,425 | **2,375,218** | **-** | - |
| Transfers to other KiwiSaver schemes | | **5,143,288** | 2,312,704 | **5,855,105** | 4,773,157 | **72,152,147** | 43,821,757 | **6,265,219** | **89,415,759** | 50,907,618 |
| Member attributed taxation | | **163,858** | 244,413 | **309,723** | 193,955 | **2,639,304** | 242,526 | **(31,798)** | **3,081,087** | 680,894 |
| Withdrawals on death | | **5,858** | - | **1,032,503** | 684,313 | **154,045** | 1,483,325 | **11,664** | **1,204,070** | 2,167,638 |
| Transfers of members accumulations out of scheme into Australian superannuation schemes | | **60,828** | 469,722 | **393,561** | 155,163 | **1,549,825** | 2,147,596 | **52,371** | **2,056,585** | 2,772,481 |
| Withdrawals or transfers on permanent emigration | | **66,747** | 28,847 | **68,868** | 8,445 | **998,364** | 362,205 | **222,901** | **1,356,880** | 399,497 |
| Invalid enrolment withdrawals | | **-** | - | **-** | - | **3,987** | - | **-** | **3,987** | - |
| Member eligible withdrawals | | **982,983** | 555,883 | **1,692,722** | 1,518,761 | **4,063,011** | 7,776,627 | **1,453,316** | **8,192,032** | 9,851,271 |
| Serious illness withdrawals | | **198,929** | - | **231,143** | 12,304 | **266,727** | 51,213 | **10,000** | **706,799** | 63,517 |
| First home purchase withdrawals | | **4,761,119** | 4,058,035 | **1,702,607** | 1,622,124 | **5,059,314** | 7,022,678 | **84,320** | **11,607,360** | 12,702,837 |
| Significant financial hardship withdrawals | | **273,224** | 235,841 | **441,148** | 281,475 | **731,347** | 845,868 | **52,080** | **1,497,799** | 1,363,184 |
| Other permitted withdrawals | | **54,500** | - | **14,310** | 11,663,308 | **397,417** | 57,775,663 | **-** | **466,227** | 140,950 |
| | | **20,917,297** | 15,425,175 | **22,602,673** | 28,063,779 | **171,818,161** | 134,883,883 | **10,495,291** | **119,588,585** | 81,049,887 |
| **Net membership activities** | | **2,122,590** | 802,247 | **(6,695,821)** | (10,859,653) | **(119,553,959)** | (59,761,381) | **73,704,772** | **(50,422,418)** | (2,040,766) |
| **Members' accounts at the start of the year/period** | | **26,892,245** | 24,999,920 | **57,079,547** | 66,352,550 | **461,105,573** | 510,329,164 | **-** | **545,077,365** | 537,283,152 |
| **Movements in members' accounts for the year/period** | | **4,075,608** | 1,892,325 | **395,342** | (9,273,003) | **(51,065,180)** | (49,223,591) | **74,295,467** | **27,701,237** | 7,794,213 |
| **Members' accounts at the end of the year/period** | | **30,967,853** | 26,892,245 | **57,474,889** | 57,079,547 | **410,040,393** | 461,105,573 | **74,295,467** | **572,778,602** | 545,077,365 |

*The Fund was established on 31 January 2025 and commenced operations on 1 May 2025. As this is the Fund's first reporting period, no comparative information is presented.

The Notes form an integral part of, and should be read in conjunction with, these financial statements.

# Statements of Net Assets

| $<br>As at 31 March | Note | Conservative Fund 2026 | Conservative Fund 2025 | Balanced Fund 2026 | Balanced Fund 2025 | Growth Fund 2026 | Growth Fund 2025 | Aggressive Fund* 2026 | Scheme Total 2026 | Scheme Total 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Members' Funds** | | **30,967,853** | 26,892,245 | **57,474,889** | 57,079,547 | **410,040,393** | 461,105,573 | **74,295,467** | **572,778,602** | 545,077,365 |
| ***Represented by:*** | | | | | | | | | | |
| **Current assets** | | | | | | | | | | |
| Cash and cash equivalents | | **795,601** | 1,329,112 | **1,405,782** | 2,356,131 | **7,169,682** | 11,313,310 | **542,468** | **9,913,533** | 14,998,553 |
| Trade and other receivables | 9 | **101,546** | 41,181 | **396,171** | 300,194 | **1,377,851** | 1,844,424 | **715,344** | **2,590,912** | 2,185,799 |
| Financial assets at fair value through profit or loss | 5.1 | **30,368,324** | 25,858,107 | **56,089,052** | 54,738,848 | **404,539,398** | 449,489,342 | **73,095,855** | **564,092,629** | 530,086,297 |
| Member attributed taxation | | **10,376** | 497 | **7,792** | 13,867 | **2,646** | 87,957 | **64,359** | **85,173** | 102,321 |
| **Total current assets** | | **31,275,847** | 27,228,897 | **57,898,797** | 57,409,040 | **413,089,577** | 462,735,033 | **74,418,026** | **576,682,247** | 547,372,970 |
| **Current liabilities** | | | | | | | | | | |
| Trade and other payables | 10 | **204,210** | 150,653 | **194,943** | 124,273 | **1,181,329** | 997,001 | **93,125** | **1,673,607** | 1,271,927 |
| Financial liabilities at fair value through profit or loss | 5.2 | **-** | - | **-** | 48,513 | **-** | 510,894 | **-** | **-** | 559,407 |
| Member attributed taxation | | **103,784** | 185,999 | **228,965** | 156,707 | **1,867,855** | 121,565 | **29,434** | **2,230,038** | 464,271 |
| **Total current liabilities** | | **307,994** | 336,652 | **423,908** | 329,493 | **3,049,184** | 1,629,460 | **122,559** | **3,903,645** | 2,295,605 |
| **Net assets available for benefits** | | **30,967,853** | 26,892,245 | **57,474,889** | 57,079,547 | **410,040,393** | 461,105,573 | **74,295,467** | **572,778,602** | 545,077,365 |

*The Fund was established on 31 January 2025 and commenced operations on 1 May 2025. As this is the Fund's first reporting period, no comparative information is presented.

These financial statements were authorised for issue by the Manager, Pie Funds Management Limited.

Director ______________________ Date 30 July 2026

Director ______________________ Date 30 July 2026

The Notes form an integral part of, and should be read in conjunction with, these financial statements.

# Statements of Cash Flows

| $ | | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund* | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| For the year/period ended 31 March | Note | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| **Cash flows from operating activities** | | | | | | | | | | |
| Sale of investments | | **8,656,591** | 29,279,358 | **11,096,719** | 60,955,061 | **158,393,994** | 233,445,902 | **5,732,912** | **183,880,216** | 254,382,300 |
| Interest received | | **26,368** | 138,823 | **55,664** | 144,810 | **192,773** | 516,610 | **13,275** | **288,080** | 800,243 |
| Dividends and distributions received | | **-** | - | **4,592** | - | **34,681** | 395,779 | **5,441** | **44,714** | 395,779 |
| Management fee rebates received | | **249,827** | 161,136 | **730,432** | 377,452 | **6,066,550** | 5,979,722 | **603,409** | **7,650,218** | 6,518,310 |
| Other income received | | **-** | - | **-** | - | **408** | 59,706 | **-** | **408** | 59,706 |
| Transfer (to)/from margin accounts | | **4** | - | **297,300** | (265,773) | **742,623** | (1,096,439) | **92,398** | **1,132,325** | (1,362,212) |
| Purchase of investments | | **(11,274,623)** | (32,856,361) | **(5,903,685)** | (49,254,489) | **(49,279,373)** | (176,149,038) | **(78,661,529)** | **(145,119,210)** | (256,739,888) |
| Net movement in term deposit principal | | **-** | 250,000 | **-** | - | **-** | - | **-** | **-** | 250,000 |
| Payment of expenses | | **(203,310)** | (179,814) | **(459,677)** | (409,092) | **(3,771,253)** | (3,378,209) | **(452,521)** | **(4,886,761)** | (3,967,115) |
| **Net cash (outflow)/inflow from operating activities** | **11** | **(2,545,143)** | (3,206,858) | **5,821,345** | 11,547,969 | **112,380,403** | 59,774,033 | **(72,666,615)** | **42,989,990** | 337,123 |
| **Cash flows from financing activities** | | | | | | | | | | |
| Contributions received | | **22,982,868** | 16,247,960 | **15,699,914** | 17,311,701 | **53,440,790** | 67,001,310 | **83,710,768** | **69,589,503** | 71,016,042 |
| Withdrawals paid | | **(20,720,207)** | (15,102,012) | **(22,266,083)** | (28,011,214) | **(169,344,322)** | (134,512,999) | **(10,509,585)** | **(116,595,360)** | (80,303,275) |
| Members' PIE tax paid | | **(255,952)** | (256,268) | **(231,390)** | (330,915) | **(807,703)** | (2,044,782) | **(3,127)** | **(1,298,172)** | (2,631,965) |
| **Net cash inflow/(outflow) from financing activities** | | **2,006,709** | 889,680 | **(6,797,559)** | (11,030,428) | **(116,711,235)** | (69,556,471) | **73,198,056** | **(48,304,029)** | (11,919,198) |
| **Net (decrease)/increase in cash and cash equivalents** | | **(538,434)** | (2,317,178) | **(976,214)** | 517,541 | **(4,330,832)** | (9,782,438) | **531,441** | **(5,314,039)** | (11,582,075) |
| Cash and cash equivalents at the beginning of the year/period | | **1,329,112** | 3,646,161 | **2,356,131** | 1,841,519 | **11,313,310** | 20,879,265 | **-** | **14,998,553** | 26,366,945 |
| Effect of exchange rate fluctuations | | **4,923** | 129 | **25,865** | (2,929) | **187,204** | 216,483 | **11,027** | **229,019** | 213,683 |
| **Cash and cash equivalents at the end of the year/period** | | **795,601** | 1,329,112 | **1,405,782** | 2,356,131 | **7,169,682** | 11,313,310 | **542,468** | **9,913,533** | 14,998,553 |

*The Fund was established on 31 January 2025 and commenced operations on 1 May 2025. As this is the Fund's first reporting period, no comparative information is presented.

The Notes form an integral part of, and should be read in conjunction with, these financial statements.

# Notes to the Financial Statements

## 1. General information

**Reporting entity**

The reporting entity is the Pie KiwiSaver Scheme ("the Scheme"). The Scheme is made up of four funds ("the Funds"):

- Pie KiwiSaver Conservative Fund ("Conservative Fund")
- Pie KiwiSaver Balanced Fund ("Balanced Fund")
- Pie KiwiSaver Growth Fund ("Growth Fund")
- Pie KiwiSaver Aggressive Fund ("Aggressive Fund")*

* The Pie KiwiSaver Aggressive Fund ("Aggressive Fund") was established on 31 January 2025 and was launched to investors on 1 May 2025.

The Manager of the Scheme is Pie Funds Management Limited ("the Manager" or "Pie Funds") and the Supervisor of the Scheme is Trustees Executors Limited ("the Supervisor"). The Scheme is registered and domiciled in New Zealand. The registered office of the Scheme is Level One, 1 Byron Avenue, Takapuna, Auckland.

The Scheme is a defined contribution scheme under the KiwiSaver Act 2006, which means that members contribute to the Scheme over time and benefits payable depend on the amount of contributions made and any returns on contributions received. The Scheme is registered as a Managed Investment Scheme in accordance with the Financial Markets Conduct Act 2013.

The Scheme has been launched with the issuance of the Scheme's Governing Document on 5 July 2018 and commenced operations on 27 August 2018.

The Financial Statements for the Scheme and the Funds are for the year ended 31 March 2026. The Pie KiwiSaver Aggressive Fund was established on 31 January 2025 and commenced operations on 1 May 2025. Comparative information has been provided for the year ended 31 March 2025 except for Pie KiwiSaver Aggressive Fund which has no comparatives, since this is its first year of operations.

The principal activities of the Funds are described below:

- The Pie KiwiSaver Conservative Fund invests primarily in fixed interest and cash, with an allocation to equities, directly and/or through other funds also managed by Pie Funds.
- The Pie KiwiSaver Balanced Fund invests in equities, with a reasonable allocation towards fixed interest, directly and/or through other funds also managed by Pie Funds.
- The Pie KiwiSaver Growth Fund invests primarily in International and Australasian equities, along with a cash and fixed interest exposure, directly and/or through other funds also managed by Pie Funds.
- The Pie KiwiSaver Aggressive Fund invests primarily in International and Australasian equities, directly and/or through other funds also managed by Pie Funds.

**Statutory base**

The Pie KiwiSaver Scheme is registered under the Financial Markets Conduct Act 2013 (FMC Act) as a KiwiSaver Scheme. The Scheme is a trust vehicle governed by a Governing Document dated 5 July 2018.

## 2. Summary of material accounting policies

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("GAAP"). The financial statements comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for for-profit entities. The financial statements also comply with International Financial Reporting Standards Accounting Standards as issued by the IASB ("IFRS Accounting Standards").

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The methods used to measure fair values are discussed in Note 2.3(c). The accrual basis of accounting has been applied, as has the going concern assumption.
Certain comparative operating cash flow amounts have been reclassified to conform with the current year's presentation, specifically to separately present net transfers to/from margin accounts.
Certain comparative amounts within the notes to the financial statements have also been restated to correct prior-year disclosures, refer to note 8.2 for details.
The results, positions and cash flows reported for the Scheme are prepared on a consolidated basis, with the elimination of interfund transactions and balances between funds.

**(a) Standards and amendments to existing standards effective 1 April 2025**

There are no standards, amendments to standards or interpretations that are effective for the year commencing on 1 April 2025 that have a material effect on the Financial Statements of the Scheme and the Funds.

**(b) Standards not yet issued and not yet effective**

*NZ IFRS 18 - Presentation and Disclosure in Financial Statements*

In May 2024, the XRB introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements (NZ IFRS 18) (effective for annual reporting periods beginning on or after 1 January 2027). This standard replaces NZ IAS 1 Presentation of Financial Statements (NZ IAS 1) and primarily introduces a defined structure for the statement of comprehensive income, disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note together with reconciliation requirements. The Scheme and the Funds have not early adopted this standard and have yet to assess its impacts.

A number of other new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2026, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

**2.2 Investment entity**

The Scheme meets the definition of investment entities per NZ IFRS 10 'Consolidated Financial Statements' as the following conditions exist:
(a) The Scheme has obtained funds for the purpose of providing investors with investment management services.
(b) The Scheme's business purpose, which is communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
(c) The performance of investments made through other funds managed by the Manager, is measured and evaluated on a fair value basis.

The Scheme also displays all four typical characteristics that are associated with an investment entity:
1. it has more than one investment;
2. has more than one investor;
3. investors that are not related parties; and
4. ownership interest in the Scheme is represented by respective units held in the Funds.

# Notes to the Financial Statements

## 2. Summary of material accounting policies (continued)

### 2.3 Financial instruments

**(a) Classification**

**Financial assets**
Financial assets are recognised initially at fair value. After initial recognition, financial assets are measured at fair value or amortised cost, determined on the basis of both (a) the Scheme's business model for managing the financial assets; and (b) the contractual cash flow characteristics of the financial asset.

*(i) Financial assets at fair value through the profit or loss*
Financial assets at fair value through the profit or loss can be either designated as such upon initial recognition or measured at fair value in accordance with NZ IFRS 9. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Scheme is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The contractual cash flows of the Scheme's debt securities are solely principal and interest, however, the debt securities, other than term deposits, are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental in achieving the Scheme's business model. As a result these debt securities are classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss comprise of listed trusts, unlisted trusts, commodity futures and forward foreign exchange contracts.

*(ii) Financial assets at amortised cost*

(a) **Cash and cash equivalents** include cash in hand, deposits held at call with banks, deposits and overdrawn balances with brokers in New Zealand dollars and foreign currencies.

(b) **Unsettled investment sales (Due from brokers)** included in trade and other receivables, are receivables for securities sold but not yet settled on the statements of net assets at balance date. The unsettled trade receivable balance is held for collection.

(c) **Receivables, other than unsettled investment sales**, includes margin accounts and interest receivable, dividend receivable, distribution receivable and contribution receivable.

(d) **Term deposits** are debt instruments where the business model is held for collection only; the contractual terms only give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further the “hold to collect” model will be applied for these financial assets due to the following: collection of contractual cash flows is not incidental, there's no intention to sell these assets and they are used to effectively manage cash reserves. On this basis, the fair value option will not be applied and are classified as financial assets at amortised cost.

**Financial liabilities**
*(i) Financial liabilities at fair value through the profit or loss*
**Financial liabilities at fair value through the profit or loss** can be either designated as such upon initial recognition or measured at fair value in accordance with NZ IFRS 9. The portfolio of financial liabilities is managed and performance is evaluated on a fair value basis. All financial liabilities are mandatorily measured at fair value through profit or loss. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

*(ii) Financial liabilities at amortised cost*
(a) **Payables, other than unsettled investment purchases** are amounts representing liabilities and accrued expenses owing by the Funds at balance date. These amounts include related party fees payable, distributions payable, redemptions payable and withdrawals payable.

(b) **Unsettled investment purchases (Due to Brokers)** included in trade and other payables, are payables for securities purchased but not yet settled on the statements of net assets at balance date.

**(b) Recognition, derecognition and measurement**

*(i) Financial assets and liabilities at fair value through the profit or loss*

The Scheme recognises financial assets and liabilities at fair value through the profit or loss on the date they become parties to the contractual agreement. Financial assets and liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statements of Changes in Net Assets. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all of the risks and rewards of ownership. This occurs upon maturity or disposal of the asset. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired. Subsequent to initial recognition, all financial assets and liabilities at fair value through the profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the Statements of Changes in Net Assets when they arise. Any gain or loss arising on derecognition of the financial asset or financial liability at fair value through profit or loss is included in the Statements of Changes in Net Assets in the period the item is derecognised. Gains or losses are calculated as the difference between the disposal proceeds and the carrying amount of the item. Interest and dividend income are separately recognised in the Statements of Changes in Net Assets. Purchases and sales of investments are recognised on the trade date, the date on which the Scheme commits to purchase or sell the investment.

*(ii) Financial assets and liabilities at amortised cost*

The Scheme recognises financial assets and liabilities at amortised cost on the date it becomes party to the contractual agreement. Financial assets and liabilities at amortised cost are initially recognised at fair value. Financial assets at amortised cost are derecognised when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all of the risks and rewards of ownership. This occurs upon maturity or disposal of the asset. Financial liabilities at amortised cost are derecognised when the obligation under the liability is discharged, cancelled or expired. Subsequent to initial recognition, all financial assets and liabilities at amortised cost are measured at amortised cost. At each reporting date, the Scheme shall measure the loss allowance of the financial assets at amortised cost at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all criteria considered in determining the expected credit loss. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Scheme shall measure the loss allowance at an amount equal to 12 month expected credit losses. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due or a counterparty credit rating which has fallen below BBB/Baa. Any contractual payment which is more than 90 days past due is considered credit impaired.

**(c) Fair value estimation**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date in the principal or, in its absence, the most advantageous market to which the Scheme had access at that date. The fair value of a liability reflects its non-performance risk.

*Fair value in an active market*
The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the balance date without any deduction for estimated future selling costs. Financial assets and liabilities are priced at last traded price. Where the last sale price falls outside of the bid-ask spread for a particular stock, bid price will be used to value the investment.

*Fair value in an inactive or unquoted market*
The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Scheme uses a variety of methods and make assumptions that are based on market conditions existing at each balance date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Fair value classifications of the Scheme's financial assets and liabilities are detailed in Note 4.3.

*Fair value of forward foreign exchange contracts*

Forward foreign exchange contracts are primarily used by the Scheme to economically hedge against foreign currency exchange rate risks on its non-New Zealand dollar denominated trading securities. The Scheme agrees to receive or deliver a fixed quantity of foreign currency for an agreed price on an agreed future date. The fair value of forward foreign exchange contracts is determined using valuation techniques based on spot exchange rates and forward points supplied by WM/Reuters. The Scheme recognises a gain or loss equal to the change in fair value at the balance date.

### 2.4 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Net Assets when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### 2.5 Revenue recognition

(a) Dividend and distribution income are recognised in the Statements of Changes in Net Assets when the Scheme's right to receive payment is established.
(b) Interest income on financial assets at amortised cost are included under Income in the Statements of Changes in Net Assets and are recognised as interest accrues on a time-proportionate basis using the effective interest rate method. Interest income on financial assets at amortised cost comprises of interest earned on bank accounts, margin accounts and term deposits held at the bank.
(c) Gains or losses on financial assets at fair value through profit or loss are recognised in the Statements of Changes in Net Assets as disclosed in Note 2.3.
(d) Foreign exchange gains and losses on financial instruments at fair value through profit or loss are recognised in the Statements of Changes in Net Assets as disclosed in note 2.10.
(e) Dividend and interest income are disclosed net of any resident withholding taxes deducted at source, as these tax credits are allocated to members under the PIE ("Portfolio Investment Entity") regime.

## 2. Summary of material accounting policies (continued)

**2.6 Expenses**

Management fees are calculated on a daily basis on the net asset value ("NAV") of the fund and paid monthly and are used to cover administration fees, custody and accounting fees, registry fees, supervisor fees, audit fees and other sundry expenses. Management fees disclosed in the Statements of Changes in Net Assets are presented at gross, with related rebates recognised in Expenses to net against the management fee. Prior to 1st May 2025 Management and administration fees were charged monthly per member via a unit deduction payment when they arose. Refer to Note 8.1 for further details. Any ad hoc expenses directly attributable to the Funds such as bank fees and transaction costs are recognised on an accrual basis. Expenses furthermore comprise of brokerage and bank fees. Brokerage expenses can include commission paid on a share transaction (known as soft dollar commission) to be set aside and used by the manager to purchase research that will enhance the investment decision making process. While soft dollars can be allocated to pay for research, they cannot be redeemed or refunded to Pie Funds or the funds they manage. All other fees are paid by the manager and recognised as incurred.

**2.7 Taxation**

The Funds are Portfolio Investment Entities ("PIEs"). Under the PIE regime income is effectively taxed in the hands of the members and therefore the Funds, and Scheme as a whole, have no tax expense. Accordingly, no income tax expense is recognised in the Statement of Changes in Net Assets.

Under the PIE regime, the Manager attributes the taxable income of the Funds to members in accordance with the proportion of their overall interest in the Funds. The income attributed to each member is taxed at the member's "Prescribed Investor Rate" which is capped at 28%. The Manager accounts for tax on behalf of members and undertakes any necessary adjustments to the members' interests in the Funds to reflect that the Scheme pays tax at varying rates on behalf of members.

Members' funds have been adjusted to reflect the impact of tax on the value of unit holdings.

The tax attributable to members is calculated on the basis of the tax laws enacted or substantively enacted at reporting date. Positions taken in attributing taxable income to members, with respect to situations in which applicable tax regulations are subject to interpretation, are evaluated by the Manager as required.

**2.8 Goods and Services Tax (GST)**

The Scheme is not registered for GST. All items in the Statements of Changes in Net Assets and the Statements of Net Assets are stated inclusive of GST.

**2.9 Statements of Cash Flows**

Definitions of the terms used in the Statements of Cash Flows are:
(a) Operating activities include all transactions and other events that are not financing activities. Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represents the Scheme's main income generating activity.
(b) Financing activities are those activities that result in changes in the size and composition of members' funds.
(c) Cash is considered to be cash on hand and current accounts in banks, net of bank overdraft.

**2.10 Foreign currencies**

*(a) Functional and presentation currency*

These financial statements are presented in New Zealand dollars ($), which is the Scheme's functional currency, on the basis that the Scheme's investors are mainly based in New Zealand, with the contributions and withdrawals denominated in New Zealand dollars.

*(b) Transactions and balances*

Transactions denominated in foreign currencies are recognised at the exchange rates on the date of the transactions. Assets and liabilities as at balance date denominated in foreign currencies are translated at the foreign currency exchange rates on that date. Realised and unrealised exchange gains and losses during the financial year are recognised in the Statements of Changes in Net Assets.

**2.11 Net assets available for benefits**

The net assets available for benefits represents the liability for promised retirement benefits and are measured at amortised cost. The Funds' issue units that are redeemable at the Members' option and do not have identical features and are therefore classified as financial liabilities. Units are redeemed for the purpose of permitted withdrawals (such as reaching the retirement age of 65 or enduring significant hardship) and transferred to another Fund within the Scheme or a separate KiwiSaver Scheme. This is equal to a proportionate share of the respective Fund's net asset value which is the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable at the year end date if Members exercise their right to redeem units back to the Funds.

As stipulated in the Trust Deed, each unit represents a right to an individual share in the respective Fund and does not extend to a right in the underlying assets of the respective Fund nor other Funds within the Scheme. The Trust Deed also stipulates that assets held for a Fund of the Scheme shall not be made available to meet the liabilities incurred in relation to any other Fund of the Scheme. The Funds' net asset value is calculated by dividing the net assets attributable to all holders of units in the Fund by the total number of units on issue of each Fund.

**2.12 Related parties**

A party is related to the Scheme if:
(a) directly or indirectly through one or more of its intermediaries, it controls, is controlled by, or is under common control with, the Scheme; or
(b) it is a parent, subsidiary or fellow subsidiary of a party; or
(c) it has an interest in or relationship with the Scheme that gives it significant influence over the Scheme; or
(d) it is controlled by or may be significantly influenced by another party which also has control or significant influence over the Scheme; or
(e) the Scheme has an interest in or relationship with the party that gives it significant influence over the party; or
(f) they are a member of the Manager's key management personnel.

## 3. Accounting estimates and judgements

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgement in the process of applying the Scheme's accounting policies. The Manager has applied its judgement in selecting the accounting policy to measure financial assets at fair value through profit or loss at initial recognition. This policy has a significant impact on the amounts disclosed in the financial statements. Therefore there are no material assumptions or major sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities at balance date. However as with all investments, their value is subject to variation due to market fluctuations.

The Manager has used judgement in the categorisation of its financial assets and liabilities at fair value through profit or loss in accordance with the fair value hierarchy under NZ IFRS 13. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value in its entirety. The significance of an impact is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability (refer to Note 4.3 for further details).

## 4. Financial Risk Management

**4.1 Financial risk factors**

The Governing Document for the Scheme requires the Manager to invest the assets of the Scheme in accordance with the Statement of Investment Policy and Objectives. The Scheme is subject to a number of financial risks which arise as a result of its activities, including: market risk, liquidity risk and credit risk. The Scheme's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Scheme's financial performance.

**4.1.1 Market risk**

**(a) Price risk**

Price risk is the risk that the fair value or future cash flows of non-monetary financial instruments will fluctuate because of changes in market prices, whether those changes are caused by factors specific to an issuer or factors affecting all similar financial instruments traded in the market. Non-monetary financial instruments which potentially subject the Scheme to price risk are investments in listed trusts, unlisted trusts, commodity futures and forward foreign exchange contracts. All investments in unit trusts present a risk of loss of capital often due to factors beyond the Manager's control such as competition, regulatory changes, commodity price changes and changes in general economic climate domestically and internationally. The Manager of the underlying unit trusts advised that this risk is moderated through stock selection and diversification of unit trust investments, daily monitoring of the unit trusts' market position and adherence to the unit trusts' investment policy. The unitised investments have underlying securities comprising domestic, international equity instruments and fixed interest securities that are subject to price risk.

The maximum market risk resulting from financial instruments is determined by their fair value.

# Notes to the Financial Statements

## 4. Financial Risk Management (continued)

**4.1.1 Market risk (continued)**

**(a) Price risk (continued)**

Where non-monetary financial instruments are denominated in currencies other than NZD, the price initially expressed in foreign currency and then converted into NZD will also fluctuate because of changes in foreign exchange rates. In addition, where the Scheme holds unit trusts which in turn invest in securities denominated in foreign currencies, the value of the unit trust will be affected by fluctuations in foreign exchange rates. Paragraph (b) 'Foreign exchange risk' sets out how this component of price risk is managed and measured.

*Sensitivity Analysis*

A variable of 10% was selected for price risk as this is a reasonably expected movement based on historic trends in unit prices. If investments in financial instruments subject to price risk at that date increased or decreased by 10% with all other variables held constant, this would have had the following impact on the Statements of Changes in Net Assets:

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 |
| **Listed trusts, unlisted trusts and commodity futures** | | | | | | | | | | |
| **Listed/unlisted trusts** | **30,368,324** | 25,858,107 | **56,065,369** | 54,738,848 | **404,280,392** | 449,489,342 | **73,052,661** | | **563,766,746** | 530,086,297 |
| Impact of a -10% change in prices | **(3,036,832)** | (2,585,811) | **(5,606,537)** | (5,473,885) | **(40,428,039)** | (44,948,934) | **(7,305,266)** | | **(56,376,675)** | (53,008,630) |
| Impact of a +10% change in prices | **3,036,832** | 2,585,811 | **5,606,537** | 5,473,885 | **40,428,039** | 44,948,934 | **7,305,266** | | **56,376,675** | 53,008,630 |
| **Commodity futures** | **-** | **-** | **23,683** | **-** | **259,006** | **-** | **43,194** | | **325,883** | **-** |
| Impact of a -10% change in prices | **-** | **-** | **(2,368)** | **-** | **(25,901)** | **-** | **(4,319)** | | **(32,588)** | **-** |
| Impact of a +10% change in prices | **-** | **-** | **2,368** | **-** | **25,901** | **-** | **4,319** | | **32,588** | **-** |

Members' Funds would be impacted by the same amount less the PIE tax adjustment that would be attributed to members.

**(b) Foreign exchange risk**

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Scheme is exposed to currency risk primarily through holding foreign currency denominated cash and cash equivalents, trade and other receivables, trade and other payables and forward foreign exchange contracts. The Manager may hedge the exposure to currency fluctuations.

At the balance date the Scheme had the following foreign currency exposures due to holdings of monetary assets and liabilities (expressed in NZD equivalents):

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 |
| **Monetary assets/(liabilities)** | | | | | | | | | | |
| Australian Dollar (AUD) | **9,467** | 8,496 | **-** | - | **21** | 9,303 | **-** | | **9,488** | 17,799 |
| Norway Krone(NOK) | **-** | - | **-** | - | **127** | 118 | **-** | | **127** | 118 |
| Euro (EUR) | **1,012** | 956 | **-** | (17,382) | **44,394** | 8,390 | **-** | | **45,406** | (8,036) |
| United States Dollar (USD) | **301,916** | 69 | **485,089** | (1,795,610) | **3,694,529** | (18,562,211) | **4,177** | | **4,485,711** | (20,357,752) |
| Great British Pound (GBP) | **-** | - | **-** | - | **878** | 866 | **-** | | **878** | 866 |
| Danish Krone (DKK) | **-** | - | **-** | - | **22,697** | 172 | **-** | | **22,697** | 172 |

The table below summarises the impact on the Statements of Changes in Net Assets on monetary assets and liabilities at balance date, had the exchange rates between the New Zealand dollar and the foreign currencies increased or decreased by 10% with all other variables held constant. The analysis is based on the Manager's best estimate of a reasonable possible shift in exchange rates with regard to historical volatility.

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 |
| **Monetary assets/(liabilities)** | | | | | | | | | | |
| *Exchange rates strengthened by 10%* | | | | | | | | | | |
| Australian Dollar (AUD) | **(861)** | (772) | **-** | - | **(2)** | (846) | **-** | | **(863)** | (1,618) |
| Norway Krona (NOK) | **-** | - | **-** | - | **(12)** | (11) | **-** | | **(12)** | (11) |
| Euro (EUR) | **(92)** | (87) | **-** | 1,580 | **(4,036)** | (763) | **-** | | **(4,128)** | 730 |
| United States Dollar (USD) | **(27,447)** | (6) | **(44,099)** | 163,237 | **(335,866)** | 1,687,474 | **(380)** | | **(407,792)** | 1,850,705 |
| Great British Pound (GBP) | **-** | - | **-** | - | **(80)** | (79) | **-** | | **(80)** | (79) |
| Danish Krone (DKK) | **-** | - | **-** | - | **(2,063)** | (16) | **-** | | **(2,063)** | (16) |
| *Exchange rates weakened by 10%* | | | | | | | | | | |
| Australian Dollar (AUD) | **1,052** | 944 | **-** | - | **2** | 1,034 | **-** | | **1,054** | 1,978 |
| Norway Krona (NOK) | **-** | - | **-** | - | **14** | 13 | **-** | | **14** | 13 |
| Euro (EUR) | **112** | 106 | **-** | (1,931) | **4,933** | 932 | **-** | | **5,045** | (893) |
| United States Dollar (USD) | **33,546** | 8 | **53,899** | (199,512) | **410,503** | (2,062,468) | **464** | | **498,412** | (2,261,972) |
| Great British Pound (GBP) | **-** | - | **-** | - | **98** | 96 | **-** | | **98** | 96 |
| Danish Krone (DKK) | **-** | - | **-** | - | **2,522** | 19 | **-** | | **2,522** | 19 |

At the balance date the Scheme had the following foreign currency exposures due to holdings of non monetary assets and liabilities (expressed in NZD equivalents):

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 |
| **Non-monetary assets/(liabilities)** | | | | | | | | | | |
| United States Dollar (USD) | **-** | - | **298,937** | 1,875,289 | **2,303,380** | 19,606,269 | **347,083** | | **2,949,400** | 21,481,558 |

## 4. Financial Risk Management (continued)

**4.1.1 Market risk (continued)**

**(b) Foreign exchange risk**

The table below summarises the impact on the Statements of Changes in Net Assets on non-monetary assets and liabilities at balance date, had the exchange rates between the New Zealand dollar and the foreign currencies increased or decreased by 10% with all other variables held constant. The analysis is based on the Manager's best estimate of a reasonable possible shift in exchange rates with regard to historical volatility.

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| **Non-monetary assets/(liabilities)** | | | | | | | | | |
| *Exchange rates strengthened by 10%* | | | | | | | | | |
| United States Dollar (USD) | **-** | - | **(27,176)** | (170,481) | **(209,398)** | (1,782,388) | **(31,553)** | **(268,127)** | (1,952,869) |
| *Exchange rates weakened by 10%* | | | | | | | | | |
| United States Dollar (USD) | **-** | - | **33,215** | 208,365 | **255,931** | 2,178,474 | **38,565** | **327,711** | 2,386,839 |

**(c) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial instruments which potentially subject the Scheme to interest rate risk are short term cash deposits, fixed interest securities and term deposits. The Funds can invest in cash in New Zealand and internationally (short term investments only) and interest income and investment valuations are therefore subject to changes in New Zealand and international interest rates. The Manager may hedge the exposure to interest fluctuations.

*a) Cash flow sensitivity analysis*

A change in interest rates impacts the cash flow of the Scheme's cash and cash equivalents by increasing or decreasing the amount of interest received. A variable of 100 basis points (1%) (2025: 100 basis points (1%)) was selected as this is reasonably expected movement based on past overnight cash rate movements. The table below shows the impact on the Statements of Changes in Net Assets and the Net membership activities to a 100 basis points (1%) (2025: 100 basis points (1%)) movement in interest rates (based on assets held at reporting date), with all other variables held constant.

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| ***Cash and cash equivalents*** | | | | | | | | | |
| Increase of 1% (2025: 1%) | **7,956** | 13,291 | **14,058** | 23,561 | **71,697** | 113,133 | **5,425** | **99,136** | 149,985 |
| Decrease of 1% (2025: 1%) | **(7,956)** | (13,291) | **(14,058)** | (23,561) | **(71,697)** | (113,133) | **(5,425)** | **(99,136)** | (149,985) |

The Manager considers the main risk of climate change to be the indirect impact on the fair value of financial instruments. The Manager considers that the market prices of financial instruments factor in climate change impacts and consider climate-related risks and opportunities as part of the investment process. As such, no specific adjustment has been made to balances or transactions in these financial statements as a result of climate change.

**4.1.2 Credit risk**

Credit risk is the potential risk of financial loss resulting from the failure of counterparties to honour fully the terms and conditions of a contract with the Funds of the Scheme. The Funds may require collateral or other security to support financial instruments with credit risk. Financial instruments that subject the Funds to credit risk consist primarily of cash and cash equivalents, margin accounts, term deposits and trade and other receivables including amounts receivable for unsettled investment trades, dividends receivable and contributions receivable.

The Scheme's policy is to invest with counterparties with a credit rating of BBB/Baa or higher designated by a well-known rating agency. The Funds may also invest in unrated assets where a rating is assigned by the Manager using an approach that is consistent with the approach used by that rating agency.

**(a) Credit quality**

The following table sets out the equivalent Standard & Poor's credit rating for cash and cash equivalents and term deposits, where there is no Standard & Poor rating, Fitch rating is used.

| $ | | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| **Credit rating** | | | | | | | | | | |
| **Cash and cash equivalents** | | | | | | | | | | |
| Rating Category | AA- | **795,601** | 1,329,112 | **1,405,782** | 2,356,131 | **7,169,682** | 11,313,310 | **542,468** | **9,913,533** | 14,998,553 |

As at 31 March 2026 there were no financial assets past due or impaired.

All other receivables including amounts due from brokers are held by parties which management considers having a strong capacity to meet their contractual obligations in the near term.

The Scheme also restricts its exposure to credit losses on the trading derivatives it holds by entering into International Swap and Derivatives Association (ISDA) arrangements with their counterparties (Refer to Note 4.1.4 for further details) with whom it undertakes a derivative transactions. The arrangements do not result in an offset of assets and liabilities in the Statements of Net Assets as transactions usually settled on a gross basis, unless able to be settled on a net basis with a particular counterparty. However, the credit risk associated with favourable contracts is reduced by the arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The overall exposure to credit risk on derivative instruments subject to such arrangements can change substantially within a short period, as it is affected by each transaction subject to the arrangement.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. Investments in unlisted funds are into funds of this Scheme managed by the Manager.

The maximum credit risk of financial instruments is considered to be the carrying amount on the Statements of Net Assets. The risk of non-recovery of financial assets is considered to be minimal due to the quality of counterparties dealt with. In accordance with the Scheme's policy, the investment manager monitors the Funds of the Scheme's credit positions on a daily basis. The Risk & Compliance Committee reviews on a quarterly basis.

The Scheme's Manager measures credit risk and expected credit losses using the probability of default, exposure at default and loss given default.

At balance date, the credit risk has not increased significantly for any of the financial assets at amortised cost since initial recognition. As a result, the Manager measured the loss allowance at an amount equal to 12 month expected credit losses. Management, depending on the nature and type of financial assets at amortised cost, considers both the historical and forward looking information, the liquidity and duration of the instrument, the credit ratings of the counterparty in determining any expected credit losses.

*As at 31 March 2026 and 31 March 2025:*

All other receivable balances and amounts due from brokers are held by with counterparties are due to be settled within 1 month with counterparties which the Manager considers having a strong capacity to meet their contractual obligations in the near term. Cash, margin accounts and term deposits and any interest accruals on any of these instruments are highly liquid and held with counterparties with good credit ratings. The duration of the short term deposits are all less than 12 months and the Manager has no historical information or forward looking information which suggests that there is any losses to be recognised.

The Manager therefore considers the expected credit losses for all the financial assets held at amortised cost held by the Scheme to be close to zero. As a result no loss allowance has been recognised based on the 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds or the Scheme.

# Notes to the Financial Statements

## 4. Financial Risk Management (continued)

### 4.1.3 Liquidity risk

Liquidity risk is the risk that the Scheme will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. Liquidity risk is managed by holding liquid investments to enable the Scheme to meet liabilities as they fall due and withdrawals when requested. Where the Funds of the Scheme invests in funds represented by the Manager, they in turn, maintain sufficient liquidity in their portfolios to cover reasonably foreseeable redemptions under normal market conditions. The Scheme also holds securities that are listed on the NZX, ASX or other internationally recognised exchanges and are saleable. Monies received from member contributions may be used to offset withdrawals and the Manager may in certain circumstances suspend withdrawals from the Scheme and or various funds represented by the Manager in which the Scheme invests.

The Scheme's investment policies do not state a minimum required level of investment in liquid investments however do state minimum level of income assets required per the strategic target asset allocations. The Scheme's financial liabilities consist of trade and other payables and derivatives (forward foreign exchange contracts) which are short term in nature and classified as a current liability at reporting date. Current liabilities of financial derivative instruments consist of the fair value of forward foreign exchange contracts at balance date. The current fair value represents the estimated cash flow that may be required to dispose of the positions. Future cash flows of the Scheme and realised liabilities may differ from current liabilities based on future changes in market conditions.

The table below shows the remaining undiscounted contractual cash flows over their respective maturities for the Scheme's financial liabilities:

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| **As at 31 March** | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| **Financial liabilities at fair value through profit or loss** | | | | | | | | | |
| 7 days to 1 month | **-** | - | **-** | (48,513) | **-** | (510,894) | **-** | **-** | (559,407) |
| **Financial liabilities at amortised cost** | | | | | | | | | |
| *Trade and other payables* | | | | | | | | | |
| Less than 7 days | **(183,885)** | (150,653) | **(151,140)** | (124,273) | **(831,536)** | (997,001) | **(17,583)** | **(1,184,144)** | (1,271,927) |
| **Related party payables** | | | | | | | | | |
| Less than one year | **(20,325)** | - | **(43,803)** | - | **(349,793)** | - | **(75,542)** | **(489,463)** | - |
| **Net assets available for benefits** | | | | | | | | | |
| Unknown | **(30,967,853)** | (26,892,245) | **(57,474,889)** | (57,079,547) | **(410,040,393)** | (461,105,573) | **(74,295,467)** | **(572,778,602)** | (545,077,365) |

### 4.1.4 Offsetting and amounts subject to master netting arrangements and similar agreements

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| **As at 31 March** | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| **Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements:** | | | | | | | | | |
| Gross amounts of recognised financial liabilities | **-** | - | **-** | (48,513) | **-** | (510,894) | **-** | **-** | (559,407) |
| **Net amounts of financial liabilities presented in the Statement of Net Assets** | **-** | - | **-** | (48,513) | **-** | (510,894) | **-** | **-** | (559,407) |
| *Related amounts not set-off in the Statement of Net Assets* | | | | | | | | | |
| Cash collateral | **-** | - | **101,914** | 216,505 | **746,378** | 74 | **124,370** | **972,662** | 216,579 |
| **Net amount** | **-** | - | **101,914** | 167,992 | **746,378** | (510,820) | **124,370** | **972,662** | (342,828) |

Per the terms of the ISDA agreement each party has the option to settle all open contracts on a net basis in the event of default by the other party. The ISDA agreement defines an event of default as including the following:

* failure by a party to make a payment when due
* failure by a party to perform an obligation required by the agreement (other than payment) if such failure is not remedied within 30 days after notice of such failure is given to the party
* bankruptcy

The related amounts not set-off in the Statements of Net Assets represent amounts that have not been offset in the Statements of Net Assets but could be expected to be offset in the event of default by either the Fund or its counterparty to the derivative contract. For financial instruments this is the maximum value of assets and liabilities that could be offset. For cash collateral (2026: $972,662, 2025: $216,579), this is the value of cash that could be withheld by the counterparty to settle derivatives.

## 4. Financial Risk Management (continued)

### 4.2 Capital risk management

Net assets available to pay benefits are considered to be the Scheme's capital for the purposes of capital management not withstanding net assets available to pay benefits is classified as a liability for accounting. The Scheme does not have to comply with externally imposed capital requirements. The Scheme's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its members and maximise the Scheme's members' values as well as ensuring its net assets available to pay benefits are sufficient to meet all present and future obligations. In order to meet its objectives for capital management the Scheme's management monitors the Scheme's performance on a regular basis.

#### 4.2.1 Units on Issue

| Units<br>For the year/period ended 31 March | Conservative Fund<br>2026 | <br>2025 | Balanced Fund<br>2026 | <br>2025 | Growth Fund<br>2026 | <br>2025 | Aggressive Fund<br>2026 |
|---|---|---|---|---|---|---|---|
| Units on issue at the start of the year/period | **21,355,380** | 20,851,037 | **40,498,202** | 48,362,400 | **283,496,492** | 321,316,921 | **-** |
| Units issued | **17,617,459** | 13,134,863 | **10,443,308** | 12,120,695 | **29,130,240** | 45,592,811 | **74,418,429** |
| Units redeemed* | **(16,007,791)** | (12,630,520) | **(14,794,238)** | (19,984,893) | **(95,333,072)** | (83,413,240) | **(9,035,379)** |
| Units on issue at the end of the year/period | **22,965,048** | 21,355,380 | **36,147,272** | 40,498,202 | **217,293,660** | 283,496,492 | **65,383,050** |

* Units redeemed during the year/period includes the number of units redeemed to pay the management and administration fees to the Manager, 13,631 units for Conservative Fund, 22,849 units for Balanced Fund and 157,172 units for Growth Fund (2025: 144,214 units for Conservative Fund, 283,692 units for Balanced Fund and 1,934,266 units for Growth Fund). Prior to 1st May 2025 management and administration fees were charged monthly per member via a unit deduction payment when they arose.

### 4.3 Fair value estimation

All financial assets and financial liabilities included in the statements of net assets, are carried at amounts that represent or approximate fair value. The fair value of financial assets traded in active markets are based on quoted market prices at the close of trading on the year end date. The quoted market price used for financial assets held by the Funds is the last traded price. The price used for unlisted unit trusts is the published withdrawal price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

NZ IFRS 13 requires the Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:
- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement.

The determination of what constitutes 'observable' requires significant judgement by the Manager. The Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Scheme's financial assets and financial liabilities (by class) measured at fair value at the year end:

| \$<br>As at 31 March | Conservative Fund<br>2026 | <br>2025 | Balanced Fund<br>2026 | <br>2025 | Growth Fund<br>2026 | <br>2025 | Aggressive Fund<br>2026 | Scheme Total<br>2026 | <br>2025 |
|---|---|---|---|---|---|---|---|---|---|
| **Level 1 Assets** | | | | | | | | | |
| *Financial assets at fair value through profit or loss* | | | | | | | | | |
| Listed trusts | **-** | - | **275,254** | 1,875,289 | **2,044,374** | 19,606,269 | **303,889** | **2,623,517** | 21,481,558 |
| Commodity futures | **-** | - | **23,683** | - | **259,006** | - | **43,194** | **325,883** | - |
| **Total Level 1 Assets** | **-** | - | **298,937** | 1,875,289 | **2,303,380** | 19,606,269 | **347,083** | **2,949,400** | 21,481,558 |
| **Level 2 Assets** | | | | | | | | | |
| *Financial assets at fair value through profit or loss* | | | | | | | | | |
| Unlisted trusts | **30,368,324** | 25,858,107 | **55,790,115** | 52,863,559 | **390,862,246** | 429,883,073 | **72,538,772** | **549,559,457** | 508,604,739 |
| **Total Level 2 Assets** | **30,368,324** | 25,858,107 | **55,790,115** | 52,863,559 | **390,862,246** | 429,883,073 | **72,538,772** | **549,559,457** | 508,604,739 |
| **Level 3 Assets** | | | | | | | | | |
| *Financial assets at fair value through profit or loss* | | | | | | | | | |
| Limited partnership interests | **-** | **-** | **-** | **-** | **11,373,772** | **-** | **210,000** | **11,583,772** | **-** |
| **Total Level 3 Assets** | **-** | **-** | **-** | **-** | **11,373,772** | **-** | **210,000** | **11,583,772** | **-** |
| **Level 2 Liabilities** | | | | | | | | | |
| *Financial liabilities at fair value through profit or loss* | | | | | | | | | |
| Forward foreign exchange contracts | **-** | - | **-** | (48,513) | **-** | (510,894) | **-** | **-** | (559,407) |
| **Total Level 2 Liabilities** | **-** | - | **-** | (48,513) | **-** | (510,894) | **-** | **-** | (559,407) |

The fair value of listed trusts and commodity futures are determined using quoted market prices in an active market. This measurement basis falls within Level 1 of the fair value hierarchy.

The fair value of forward foreign exchange contracts is calculated from spot exchange rates and forward points supplied by WM/Reuters. This measurement basis falls within Level 2 of the fair value hierarchy as all inputs used to calculate the fair value are based on observable market data.

The Funds' investments in each of the Pie Global Growth Fund, the Pie Conservative Fund, the Pie Australasian Growth 2 Fund, the Pie Global Growth 2 Fund, the Pie Growth UK & Europe Fund, the Pie Fixed Income Fund and the Pie Property & Infrastructure Fund are valued at fair value which are based on the latest available redemption prices of the units in the respective Funds. The Manager reviews the details of the reported information obtained from the Pie KiwiSaver Funds and considers:
(a) the value date of the Net Asset Values ("NAVs") provided; and
(b) any restrictions on redemptions

The level 3 investments at 31 March 2026 in the Growth Fund and Aggressive Fund are investments in Icehouse Ventures Growth Fund II LP - PIE ("Icehouse") and Altered Capital II Limited Partnership ("Altered"), respectively. During the year, the investment in Icehouse, which is an unlisted managed investment fund, was transfered from level 2 to level 3 to reflect the significance of unobservable inputs in determining fair value. The fair value of these investments is determined based on the net asset value (NAV) per unit provided by the underlying fund managers. The NAV is significantly affected by the valuation of underlying private-company investments, which are not quoted in active markets and are measured using unobservable inputs. Accordingly, the fair value measurement is classified as Level 3.

The Funds do not directly hold the underlying private-company investments within the unlisted managed investment funds and do not directly model their fair values. The Funds rely on the NAVs provided by the underlying fund managers and assess whether those NAVs represent fair value at the reporting date.
The significant unobservable inputs affecting the fair value measurement include the underlying fund managers' valuation assumptions for private-company investments, which may include recent transaction prices, comparable company valuation multiples, forecast earnings or revenue, discount rates, and discounts for lack of marketability, depending on the nature and stage of the underlying investment.

As the Funds do not directly model the valuation of the underlying private-company investments, the sensitivity analysis has been assessed based on a reasonably possible change in fair value of the investment. A 10% increase or decrease in the fair value of the investment would increase or decrease net assets available for benefits as follows:

| \$<br>As at 31 March | Fair Value (\$) | Reasonable shift +/- (absolute value) | Increase/(decrease) in fair value (\$) |
|---|---|---|---|
| **Growth Fund** | | | |
| Icehouse Ventures Growth Fund II LP | 11,373,772 | 10% | 1,137,377/(1,137,377) |
| **Aggressive Fund** | 210,000 | 10% | 21,000/(21,000) |
| Altered Capital II Limited Partnership | | | |

# Notes to the Financial Statements

## 4. Financial Risk Management (continued)

### 4.3 Fair value estimation (continued)

The following table shows a reconciliation from the opening balance to the closing balance for the fair value measurements in level 3 of the fair value hierarchy:

| $ | Growth Fund | | Aggressive Fund | |
|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 |
| **Level 3 - Limited partnership interests** | | | | |
| Opening balance | - | - | - | - |
| Transfer from level 2 to level 3 | 11,373,772 | - | - | - |
| Purchases during the year | - | - | 210,000 | - |
| Sales during the year | - | - | - | |
| Closing balance | 11,373,772 | - | 210,000 | - |

These gains and losses are recognised in profit or loss as net gains/(losses) on financial instruments at fair value through profit or loss.

Refer to note 2.3(c) of the accounting policies for further details on the fair value hierarchy.

### 5.1. Financial assets at fair value through profit or loss

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | | 2026 | 2025 |
| **Financial assets at fair value through profit or loss** | | | | | | | | | | |
| Listed funds/trusts | - | - | 275,254 | 1,875,289 | 2,044,374 | 19,606,269 | 303,889 | | 2,623,517 | 21,481,558 |
| Commodity futures | - | - | 23,683 | - | 259,006 | - | 43,194 | | 325,883 | - |
| Unlisted funds/trusts and limited partnership interests | 30,368,324 | 25,858,107 | 55,790,115 | 52,863,559 | 402,236,018 | 429,883,073 | 72,748,772 | | 561,143,229 | 508,604,739 |
| **Total financial assets at fair value through profit or loss** | 30,368,324 | 25,858,107 | 56,089,052 | 54,738,848 | 404,539,398 | 449,489,342 | 73,095,855 | | 564,092,629 | 530,086,297 |

### 5.2. Financial liabilities at fair value through profit or loss

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | | 2026 | 2025 |
| **Financial liabilities at fair value through profit or loss** | | | | | | | | | | |
| Forward foreign exchange contracts | - | - | - | (48,513) | - | (510,894) | - | | - | (559,407) |
| **Total financial liabilities at fair value through profit or loss** | - | - | - | (48,513) | - | (510,894) | - | | - | (559,407) |

Futures are contractual obligations to buy or sell an asset or a financial instrument, at a predetermined future date and price or exchange rates. Futures contracts have standardised contract terms to facilitate trading on a futures exchange.

Forward foreign currency contracts are contractual obligations to buy or sell one currency on a future date in exchange for a second currency at a specified forward foreign exchange rate which is established in an organised market. The forward foreign exchange contracts are agreed between the parties to the contract and are not traded on an exchange.

## 6. Concentration of investments

The following table presents the securities, excluding derivatives, exceeding 5% of net assets available for benefits at balance date:

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | % of NAV | 2026 | % of NAV | 2026 | % of NAV | 2026 | % of NAV | 2026 | % of NAV |
| **Investments exceeding 5% of net assets available for benefits** | | | | | | | | | | |
| Pie Conservative Fund | 30,368,324 | 98.06% | - | - | - | - | - | - | 30,368,324 | 5.30% |
| Pie Fixed Income Fund | - | - | 17,535,945 | 30.51% | 63,392,334 | 15.46% | - | - | 80,928,279 | 14.13% |
| Pie Property & Infrastructure Fund | - | - | 7,169,017 | 12.47% | 55,490,879 | 13.53% | 7,748,636 | 10.43% | 70,408,532 | 12.29% |
| Pie Global Growth Fund | - | - | - | - | 29,395,578 | 7.17% | 17,371,442 | 23.38% | 46,767,020 | 8.16% |
| Pie Australasian Growth 2 Fund | - | - | 7,114,487 | 12.38% | 58,856,376 | 14.35% | 21,807,568 | 29.35% | 87,778,431 | 15.33% |
| Pie Global Growth 2 Fund | - | - | 21,027,552 | 36.59% | 179,713,717 | 43.83% | 23,367,304 | 31.45% | 224,108,573 | 39.13% |

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2025 | % of NAV | 2025 | % of NAV | 2025 | % of NAV | 2025 | % of NAV |
| **Investments exceeding 5% of net assets available for benefits** | | | | | | | | |
| Pie Conservative Fund | 25,858,107 | 96.15% | - | - | - | - | 25,858,107 | 4.74% |
| Pie Fixed Income Fund | - | - | 17,415,198 | 30.51% | 72,235,328 | 15.67% | 89,650,526 | 16.45% |
| Pie Property & Infrastructure Fund | - | - | 6,541,787 | 11.46% | 66,424,622 | 14.41% | 72,966,409 | 13.39% |
| Pie Global Growth Fund | - | - | 3,210,974 | 5.63% | 31,410,842 | 6.81% | 34,621,816 | 6.35% |
| Pie Australasian Growth 2 Fund | - | - | 6,548,179 | 11.47% | 67,637,944 | 14.67% | 74,186,123 | 13.61% |
| Pie Global Growth 2 Fund | - | - | 19,147,421 | 33.55% | 188,232,984 | 40.82% | 207,380,405 | 38.05% |

The following table presents the securities, excluding derivatives, exceeding 5% of security class:

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | % of Security type | 2026 | % of Security type | 2026 | % of Security type | 2026 | % of Security type | 2026 | % of Security type |
| **Trading securities exceeding 5% of security class** | | | | | | | | | | |
| **Unlisted funds** | | | | | | | | | | |
| Pie Conservative Fund | 30,368,324 | 100.00% | - | - | - | - | - | - | 30,368,324 | 5.41% |
| Pie Fixed Income Fund | - | - | 17,535,945 | 31.43% | 63,392,334 | 15.76% | - | - | 80,928,279 | 14.42% |
| Pie Property & Infrastructure Fund | - | - | 7,169,017 | 12.85% | 55,490,879 | 13.80% | 7,748,636 | 10.65% | 70,408,532 | 12.55% |
| Pie Global Growth Fund | - | - | - | - | 29,395,578 | 7.31% | 17,371,442 | 23.88% | 46,767,020 | 8.33% |
| Pie Australasian Growth 2 Fund | - | - | 7,114,487 | 12.75% | 58,856,376 | 14.63% | 21,807,568 | 29.98% | 87,778,431 | 15.64% |
| Pie Global Growth 2 Fund | - | - | 21,027,552 | 37.69% | 179,713,717 | 44.68% | 23,367,304 | 32.12% | 224,108,573 | 39.94% |

### 6. Concentration of investments (continued)

| $ <br> As at 31 March | Conservative Fund <br> 2025 | % of Security type | Balanced Fund <br> 2025 | % of Security type | Growth Fund <br> 2025 | % of Security type | Scheme Total <br> 2025 | % of Security type |
|---|---|---|---|---|---|---|---|---|
| **Trading securities exceeding 5% of security class** | | | | | | | | |
| **Listed funds/trusts** | | | | | | | | |
| iShares Bitcoin Trust | - | - | 578,564 | 30.85% | 10,000,901 | 51.01% | 10,579,465 | 49.25% |
| iShares MSCI China ETF | - | - | 1,296,725 | 69.15% | 9,605,368 | 48.99% | 10,902,093 | 50.75% |
| **Unlisted funds** | | | | | | | | |
| Pie Conservative Fund | 25,858,107 | 100% | - | - | - | - | 25,858,107 | 5.08% |
| Pie Fixed Income Fund | - | - | 17,415,198 | 32.94% | 72,235,328 | 16.80% | 89,650,526 | 17.63% |
| Pie Property & Infrastructure Fund | - | - | 6,541,787 | 12.37% | 66,424,622 | 15.45% | 72,966,409 | 14.35% |
| Pie Global Growth Fund | - | - | 3,210,974 | 6.07% | 31,410,842 | 7.31% | 34,621,816 | 6.81% |
| Pie Australasian Growth 2 Fund | - | - | 6,548,179 | 12.39% | 67,637,944 | 15.73% | 74,186,123 | 14.59% |
| Pie Global Growth 2 Fund | - | - | 19,147,421 | 36.22% | 188,232,984 | 43.79% | 207,380,405 | 40.77% |

### 7. Financial instruments by category

Financial instruments currently recognised in the financial statements comprise cash and cash equivalents, term deposits, trade and other receivables, financial assets and liabilities at fair value through profit or loss and trade and other payables. The following table details the Scheme's financial assets and liabilities by category:

| $ <br> As at 31 March | Conservative Fund <br> 2026 | <br> 2025 | Balanced Fund <br> 2026 | <br> 2025 | Growth Fund <br> 2026 | <br> 2025 | Aggressive Fund <br> 2026 | Scheme Total <br> 2026 | <br> 2025 |
|---|---|---|---|---|---|---|---|---|---|
| **Financial assets at fair value through profit and loss** | | | | | | | | | |
| Financial assets at fair value through profit or loss | **30,368,324** | 25,858,107 | **56,089,052** | 54,738,848 | **404,539,398** | 449,489,342 | **73,095,855** | **564,092,629** | 530,086,297 |
| **Financial assets at amortised cost** | | | | | | | | | |
| Cash and cash equivalents | **795,601** | 1,329,112 | **1,405,782** | 2,356,131 | **7,169,682** | 11,313,310 | **542,468** | **9,913,533** | 14,998,553 |
| Trade and other receivables | **101,546** | 41,181 | **396,171** | 300,194 | **1,377,851** | 1,844,424 | **715,344** | **2,590,912** | 2,185,799 |
| **Total financial assets at amortised cost** | **897,147** | 1,370,293 | **1,801,953** | 2,656,325 | **8,547,533** | 13,157,734 | **1,257,812** | **12,504,445** | 17,184,352 |
| **Total financial assets** | **31,265,471** | 27,228,400 | **57,891,005** | 57,395,173 | **413,086,931** | 462,647,076 | **74,353,667** | **576,597,074** | 547,270,649 |
| **Financial liabilities at fair value through profit and loss** | | | | | | | | | |
| Financial liabilities at fair value through profit or loss | **-** | - | **-** | 48,513 | **-** | 510,894 | **-** | **-** | 559,407 |
| **Financial liabilities at amortised cost** | | | | | | | | | |
| Trade and other payables | **204,210** | 150,653 | **194,943** | 124,273 | **1,181,329** | 997,001 | **93,125** | **1,673,607** | 1,271,927 |
| Net assets available for benefits | **30,967,853** | 26,892,245 | **57,474,889** | 57,079,547 | **410,040,393** | 461,105,573 | **74,295,467** | **572,778,602** | 545,077,365 |
| **Total financial liabilities at amortised cost** | **31,172,063** | 27,042,898 | **57,669,832** | 57,203,820 | **411,221,722** | 462,102,574 | **74,388,592** | **574,452,209** | 546,349,292 |
| **Total financial liabilities** | **31,172,063** | 27,042,898 | **57,669,832** | 57,252,333 | **411,221,722** | 462,613,468 | **74,388,592** | **574,452,209** | 546,908,699 |

## 8. Related parties

### 8.1 Manager and Supervisor

Pie Funds Management Limited, as the Manager, is responsible for managing the assets of the Scheme and fund administration. Prior to 1st May 2025, management and administration fees were deducted from each member by way of unit redemption and were payable to the Manager in amounts as listed below. From 1st May 2025, the manager is entitled to a management fee of 0.75 % (plus GST, if any) of the net asset value ("NAV") per annum for the Pie KiwiSaver Conservative Fund, 0.85% (plus GST, if any) of the net asset value ("NAV") per annum for the Pie KiwiSaver Balanced Fund, 0.95% (plus GST, if any) of the net asset value ("NAV") per annum for the Pie KiwiSaver Growth Fund and 1.15% (plus GST, if any) of the net asset value ("NAV") per annum for the Pie KiwiSaver Aggressive Fund. The management fee is calculated daily and paid monthly and used to cover expenses of management fees, administration fees, supervisor fees, audit fees and other expenses payable by the Funds.

| | |
|---|---|
| - For members under age of 13 years | - Free |
| - For members between ages of 13 and 18 years or balances less than $5,000 | - $2.50 per month |
| - For member balances in the Scheme from $5,000 to $14,999 | - $5 per month |
| - For member balances in the Scheme from $15,000 to $24,999 | - $8 per month |
| - For member balances in the Scheme from $25,000 to $49,999 | - $20 per month |
| - For member balances in the Scheme from $50,000 to $74,999 | - $40 per month |
| - For member balances in the Scheme from $75,000 to $99,999 | - $60 per month |
| - For member balances in the Scheme from $100,000 to $200,000 | - $90 per month |

* After which the member will be charged an extra $30 per month for every additional $100,000 invested.

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| **As at 31 March** | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| Fees paid and payable to related parties for the year ended 31 March are as follows: | | | | | | | | | |
| Management fee expense | **215,271** | 179,721 | **493,285** | 406,863 | **4,078,276** | 3,226,748 | **512,283** | **5,299,115** | 3,813,332 |
| Management fee rebates | **253,443** | 174,073 | **734,565** | 429,767 | **6,032,375** | 6,388,796 | **705,088** | **7,725,471** | 6,992,636 |
| Management fee receivable | **23,628** | 20,012 | **63,700** | 59,567 | **489,905** | 524,080 | **101,679** | **678,912** | 603,659 |
| Management fee payable | **20,325** | - | **43,803** | - | **349,793** | - | **75,542** | **489,463** | - |

The Supervisor of the Scheme is Trustees Executors Limited. The Supervisor is entitled to receive a fee from the Manager for supervisory services.

Audit fees and supervisor fees of the Funds are paid for by the Manager on behalf of the Scheme. The Manager paid and or accrued for the following amounts on behalf of the Scheme for the year ended 31 March 2026:

PwC Audit services (Audit fees): $40,927 (31 March 2025: $47,025)
Supervisor services (Supervisor fees): $102,357 (31 March 2025: $105,640)

The Manager paid PwC taxation services fees (tax agent fees) of $1,094 (2025:$5,952) during the year on behalf of the Scheme.

In addition to the above, the Manager paid Deloitte GST registration fees of $20,250 during the year on behalf of the Scheme.

Management fee rebates paid by the Manager to the Scheme are disclosed in the Statement of Changes in Net Assets.

Holdings in the Funds by Directors and key management personnel of the Manager that are directly held:

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| **As at 31 March** | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| Holdings | **-** | - | **-** | 24,922 | **1,613,978** | 1,774,602 | **614,114** | **2,228,092** | 1,799,524 |

### 8.2 Investments in the Scheme by related parties

The following table shows the income earned/(loss) incurred by related parties from their investments in the Funds in the year ended:

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| **For the year/period ended 31 March** | **2026** | 2025 (Restated) | **2026** | 2025 (Restated) | **2026** | 2025 (Restated) | **2026** | **2026** | 2025 |
| **Pie KiwiSaver Funds** | | | | | | | | | |
| Pie KiwiSaver Growth Fund | **-** | - | **-** | 2,957,910 | **-** | - | **-** | **-** | - |
| Pie KiwiSaver Balanced Fund | **-** | 421,628 | **-** | | **-** | - | **-** | **-** | - |
| **Total income earned by related parties from investments in the Funds** | **-** | 421,628 | **-** | 2,957,910 | **-** | - | **-** | **-** | - |

The following table outlines the trades of investments between various Funds managed by the Manager.

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| **For the year/period ended 31 March** | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| Purchases | **-** | 1,270,000 | **-** | 250,000 | **-** | - | **855,336** | **855,336** | 1,520,000 |
| Sales | **296,592** | 11,663,308 | **-** | 57,634,713 | **855,336** | - | **-** | **1,151,928** | 69,298,021 |

# Notes to the Financial Statements

## 8. Related parties (continued)

### 8.3 Investments by the Scheme in related parties

The following table shows the value of investments by the Scheme in related parties at balance date:

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2026 | 2025 |
| **Pie Unit Trust Funds** | | | | | | | | | |
| Pie Global Growth Fund | - | - | 2,666,052 | 3,210,974 | 29,395,578 | 31,410,842 | 17,371,442 | 49,433,072 | 34,621,816 |
| Pie Conservative Fund | 30,368,324 | 25,858,107 | - | - | - | - | - | 30,368,324 | 25,858,107 |
| Pie Growth UK & Europe Fund | - | - | 277,062 | - | 4,013,362 | - | 2,243,822 | 6,534,246 | - |
| Pie Australasian Growth 2 Fund | - | - | 7,114,487 | 6,548,179 | 58,856,376 | 67,637,944 | 21,807,568 | 87,778,431 | 74,186,123 |
| Pie Global Growth 2 Fund | - | - | 21,027,552 | 19,147,421 | 179,713,717 | 188,232,984 | 23,367,304 | 224,108,573 | 207,380,405 |
| Pie Fixed Income Fund | - | - | 17,535,945 | 17,415,198 | 63,392,334 | 72,235,328 | - | 80,928,279 | 89,650,526 |
| Pie Property & Infrastructure Fund | - | - | 7,169,017 | 6,541,787 | 55,490,879 | 66,424,622 | 7,748,636 | 70,408,532 | 72,966,409 |
| **Total** | 30,368,324 | 25,858,107 | 55,790,115 | 52,863,559 | 390,862,246 | 425,941,720 | 72,538,772 | 549,559,457 | 504,663,386 |

The following table shows the income earned/(loss) incurred by the Funds from their investments in related parties in the year ended:

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| For the year/period ended 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2026 | 2025 |
| **Pie KiwiSaver Funds** | | | | | | | | | |
| Pie KiwiSaver Balanced Fund | - | 421,628 | - | - | - | - | - | - | - |
| Pie KiwiSaver Growth Fund | - | - | - | 2,957,910 | - | - | - | - | - |
| **Pie Unit Trust Funds** | | | | | | | | | |
| Pie Global Growth Fund | - | - | 614,078 | (376,429) | 5,802,736 | (4,427,057) | 1,494,442 | 7,911,256 | (4,803,486) |
| Pie Conservative Fund | 1,892,216 | (37,251) | - | - | - | - | - | 1,892,216 | (37,251) |
| Pie Australasian Growth 2 Fund | - | - | 222,308 | (210,499) | 2,917,432 | 4,141,447 | (3,252,432) | (112,692) | 3,930,948 |
| Pie Growth UK & Europe Fund | - | - | (33,938) | - | (533,638) | - | (266,178) | (833,754) | - |
| Pie Global Growth 2 Fund | - | - | 4,206,131 | (1,392,771) | 39,746,734 | 6,816,803 | 1,471,304 | 45,424,169 | 5,424,032 |
| Pie Fixed Income Fund | - | 587,841 | 310,748 | 815,402 | 1,367,005 | 5,193,234 | - | 1,677,753 | 6,596,477 |
| Pie Property & Infrastructure Fund | - | - | 1,044,230 | (393,947) | 9,719,256 | 1,717,714 | 530,636 | 11,294,122 | 1,323,767 |
| **Total income earned incurred by the Funds from investments in related parties** | 1,892,216 | 972,218 | 6,363,557 | 1,399,666 | 59,019,525 | 13,442,141 | (22,228) | 67,253,070 | 12,434,487 |

The following table outlines the trades of investments between various Funds managed by the Manager.

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| For the year/period ended 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2026 | 2025 |
| Purchases | 11,721,850 | 33,281,775 | 5,249,000 | 47,367,560 | 38,738,000 | 428,106,098 | 76,618,000 | 132,326,850 | 508,755,433 |
| Sales | 8,360,000 | 29,279,358 | 8,686,000 | 60,820,868 | 132,837,000 | 162,450,116 | 4,057,000 | 153,940,000 | 252,550,342 |

## 9. Trade and other receivables

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2026 | 2025 |
| Interest receivable | 24 | 290 | - | 503 | 120 | 2,234 | - | 144 | 3,027 |
| Management fee rebates receivable* | 23,628 | 20,012 | 63,700 | 59,567 | 489,905 | 524,080 | 101,679 | 678,912 | 603,659 |
| Margin accounts | - | 4 | 101,914 | 216,505 | 746,378 | 74 | 124,370 | 972,662 | 216,583 |
| Unsettled investment trades | - | - | - | - | - | 1,000,000 | - | - | 1,000,000 |
| Contributions receivable | 77,894 | 20,875 | 230,557 | 23,619 | 141,448 | 318,036 | 489,295 | 939,194 | 362,530 |
| **Total trade and other receivables** | 101,546 | 41,181 | 396,171 | 300,194 | 1,377,851 | 1,844,424 | 715,344 | 2,590,912 | 2,185,799 |

All trade and other receivable balances are carried at amortised cost and their carrying values approximate fair value due to their short term nature.

* Management fee rebates receivable, previously classified under 'trade and other payables,' have been reclassified to 'trade and other receivables' to more accurately reflect their nature. This reclassification has no impact on the Fund's net assets.

## 10. Trade and other payables

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| As at 31 March | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 | 2026 | 2026 | 2025 |
| Redemptions payable | 183,885 | 150,653 | 151,140 | 124,273 | 831,536 | 997,001 | 17,504 | 1,184,065 | 1,271,927 |
| Management fees payables | 20,325 | - | 43,803 | - | 349,793 | - | 75,542 | 489,463 | - |
| Interest payable | - | - | - | - | - | - | 79 | 79 | - |
| **Total trade and other payables** | 204,210 | 150,653 | 194,943 | 124,273 | 1,181,329 | 997,001 | 93,125 | 1,673,607 | 1,271,927 |

All trade payable and other payables balances are carried at amortised cost and their carrying values approximate fair value due to their short term nature.

* Management fee rebates receivable, previously classified under 'trade and other payables,' have been reclassified to 'trade and other receivables' to more accurately reflect their nature. This reclassification has no impact on the Fund's net assets.



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# Notes to the Financial Statements

## 11. Reconciliation of net profit before membership activities to net cash flows from operating activities

| $ | Conservative Fund | | Balanced Fund | | Growth Fund | | Aggressive Fund | Scheme Total | |
|---|---|---|---|---|---|---|---|---|---|
| **For the year/period ended 31 March** | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 | **2026** | **2026** | 2025 |
| **Net profit before membership activities** | **1,953,018** | 1,090,078 | **7,091,163** | 1,586,650 | **68,488,779** | 10,537,790 | **590,695** | **78,123,655** | 9,834,979 |
| **Adjustments for non cash items:** | | | | | | | | | |
| Unrealised changes in the fair value of financial instruments | **(1,283,333)** | 1,953,030 | **(5,494,644)** | 9,478,962 | **(41,805,331)** | 53,467,580 | **81,458** | **(48,501,850)** | 68,279,111 |
| Unrealised foreign exchange (losses)/gains on cash and cash equivalents | **(4,923)** | (129) | **(25,865)** | 2,929 | **(187,204)** | (216,483) | **(11,027)** | **(229,019)** | (213,683) |
| Dividends and distributions re-invested | **(447,258)** | (425,417) | **-** | - | **-** | - | **-** | **(447,258)** | (425,417) |
| | **(1,735,514)** | 1,527,484 | **(5,520,509)** | 9,481,891 | **(41,992,535)** | 53,251,097 | **70,431** | **(49,178,127)** | 67,640,011 |
| **Movements in working capital items:** | | | | | | | | | |
| Decrease/(increase) in trade and other receivables | **(3,346)** | 2,415 | **(3,629)** | (51,970) | **36,288** | (198,006) | **(101,678)** | **(72,365)** | (247,561) |
| Increase in trade and other payables to related parties | **20,325** | - | **43,803** | - | **349,793** | - | **75,542** | **489,463** | - |
| (Increase)/decrease in net cost of investments | **(2,779,626)** | (6,076,835) | **4,210,517** | 531,398 | **85,498,078** | (3,816,848) | **(73,301,605)** | **13,627,364** | (77,140,306) |
| Decrease in term deposits | **-** | 250,000 | **-** | - | **-** | - | **-** | **-** | 250,000 |
| | **(2,762,647)** | (5,824,420) | **4,250,691** | 479,428 | **85,884,159** | (4,014,854) | **(73,327,741)** | **14,044,462** | (77,137,867) |
| **Net cash (outflow)/inflow from operating activities** | **(2,545,143)** | (3,206,858) | **5,821,345** | 11,547,969 | **112,380,403** | 59,774,033 | **(72,666,615)** | **42,989,990** | 337,123 |

## 12. Contingent liabilities & capital commitments

During the previous year end 31 March 2025, the Manager entered into an agreement with Icehouse Ventures Limited to commit a total investment of $10,000,000 from the Pie KiwiSaver Growth Fund to the Icehouse Ventures Growth Fund II. Committed capital will be called in tranches, provided the Manager receives at least 30 days written notice. During the year, $5,250,000 (2025: $3,750,000) was called. As of 31 March 2026, uncalled committed capital totalled $1,000,000 (2025: $6,250,000).

During the financial year 2026, the Manager committed to a $2,000,000 investment into Altered Capital II Limited Partnership. As at 31 March 2026, $210,000 had been deployed. As of 31 March 2026, uncalled committed capital totalled $1,790,000.

There were no other material commitments or contingent liabilities as at 31 March 2026 (31 March 2025: nil).

## 13. Events after balance date

*Changes in unit prices*

Unit prices are based on the underlying prices of the financial assets and financial liabilities held by the Scheme and the respective funds, and accordingly the unit price changes regularly due to market volatility, including during the period between balance date and the date these financial statements were authorised for issue. Performance updates are available at https://www.piefunds.co.nz/Performance.

From April 1, 2026, the default KiwiSaver rate will increase to 3.5%, then 4% on April 1, 2028, but members can request to keep the 3% rate for up to a year, with annual renewals.

There have been no other significant events that have occurred since balance date which would impact on the financial position of the Scheme or Funds disclosed in the Statements of Financial Position as at 31 March 2026 or on the results and cash flows of the Scheme or Funds for the year ended on that date.

# Independent auditor's report

**To the members of Pie KiwiSaver Scheme which comprises:**

- **Pie KiwiSaver Conservative Fund**
- **Pie KiwiSaver Balanced Fund**
- **Pie KiwiSaver Growth Fund**
- **Pie KiwiSaver Aggressive Fund**

**(Collectively referred to as the Funds and the Scheme)**

## Our opinion

In our opinion, the accompanying financial statements of the Funds and the Scheme present fairly, in all material respects, the financial positions of the Funds and the Scheme as at 31 March 2026, their financial performance, and their cash flows for the year/period then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

### What we have audited

The Funds' and the Scheme's financial statements comprise:

- the statements of net assets as at 31 March 2026;
- the statements of changes in net assets for the year/period then ended;
- the statements of cash flows for the year/period then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Funds and the Scheme in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board (PES 1) and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with PES 1 and the IESBA Code.

Our firm carried out other assignments in the areas of tax representative services in respect of the Funds and the Scheme for Pie Funds Management Limited (the Manager). Subject to certain restrictions, partners and employees of our firm may invest in the Funds and the Scheme on normal terms within the ordinary course of trading activities of the Funds and the Scheme. The firm has no other relationship with, or interests in, the Manager in respect of the Funds and the Scheme.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year/period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Description of the key audit matter | How our audit addressed the key audit matter |
| --- | --- |
| **Valuation and existence of financial assets and financial liabilities at fair value through profit or loss**<br><br>Refer to note 5 to the financial statements for the reported values of financial assets and financial liabilities ("financial instruments") at fair value through profit or loss.<br><br>This was an area of focus for our audit as it represents the majority of the net assets of the Funds and the Scheme, and requires judgement in selecting and applying certain valuation techniques.<br><br>These financial instruments are categorised as Level 1, Level 2 and Level 3 within the fair value hierarchy.<br><br>Refer to note 4.3 which describes how fair value is determined.<br><br>For financial instruments quoted in foreign currencies, these are translated to New Zealand dollars using the exchange rates at the reporting date.<br><br>Financial instruments are held by the Custodian on behalf of the Funds and the Scheme, or the position is recorded by the counterparty financial institutions. The Custodian uses a sub-custodian for certain financial instruments. | We assessed the processes employed by the Manager, for recording and valuing the financial instruments at fair value through profit or loss including the relevant controls operated by a third-party service organisation, the Administrator. Our assessment of the processes included obtaining the internal control reports over investment accounting and unit pricing provided by the Administrator.<br><br>We evaluated the evidence provided by the internal controls reports over the design and operating effectiveness of the relevant controls operated by the Administrator for the period 1 April 2025 to 31 March 2026.<br><br>For financial instruments where quoted market prices in an active market were available, we compared the market price at the reporting date to independent third-party pricing sources.<br><br>For financial instruments that are not traded in an active market and with inputs that are observable either directly or indirectly, we agreed the redemption price at the reporting date to the unit price established by the Administrator, who is also the administrator of the unlisted unit trusts. We evaluated whether the redemption price represents fair value by comparing the redemption price at the reporting date to the Net Asset Value per unit calculated based on the 31 March 2026 financial statements of the unlisted unit trusts.<br><br>For financial instruments where a significant input is not observable, we assessed the valuation performed by the Manager.<br><br>We have assessed the reasonableness of the exchange rates used to translate financial instruments quoted in foreign currencies.<br><br>We obtained confirmation from the Custodian, sub-custodian, and financial institutions of the holdings and positions of the financial instruments held by the Funds and the Scheme as at the reporting date. |

# Our audit approach

## Overview

| | |
|---|---|
| **Materiality** | We determined materiality for each Fund and the Scheme separately. Our materiality for each Fund and the Scheme is calculated based on approximately 1% of members' funds for each Fund and the Scheme. |
| | We chose members' funds as the benchmark because, in our view, the objective of the Funds and the Scheme is to provide members with a total return on the Funds' and the Scheme's net assets, taking into account both capital and income returns. |
| **Key audit matters** | As reported above, we have one key audit matter, being, valuation and existence of financial assets and financial liabilities at fair value through profit or loss. |

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

## Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements of each Fund and the Scheme as a whole as set out above. These, together with qualitative considerations, helped us to determine the scope of our audit, the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in the aggregate, on the financial statements of each Fund and the Scheme as a whole.

## How we tailored our audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements of each Fund and the Scheme as a whole, taking into account the structure of each Fund and the Scheme, the Funds’ and the Scheme’s investments and the accounting and registry processes and controls.

The Manager is responsible for the governance and control activities of the Funds and the Scheme. The Manager has outsourced investment accounting (Administrator) and registry services (Registrar) to a third-party service provider.

## Other information

The Manager is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon, which the annual report refers to.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS Accounting Standards and for such internal control as the Manager determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing each Fund's and the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Manager either intends to liquidate a Fund or the Scheme or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/

This description forms part of our auditor's report.

## Who we report to

This report is made solely to the Scheme's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's members, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Sze Hwee (Gladys) Yeo.

For and on behalf of

PricewaterhouseCoopers

PricewaterhouseCoopers
30 July 2026

Auckland