

# Squirrel Wholesale Investment Funds

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## Fund summary and investment update

### **Includes:**

Squirrel Wholesale Home Loan Fund

Squirrel Wholesale Construction Loan Fund

Squirrel Specialised Income Fund

### **At 31 January 2025**

This fund overview and investment update is provided by Squirrel Money Limited ('Squirrel') in good faith and is designed as a summary to accompany the Information Memorandum for the Squirrel Wholesale Investment Funds ('Scheme') which contains the Squirrel Wholesale Home Loan Fund, the Squirrel Wholesale Construction Loan Fund and the Squirrel Specialised Income Fund ('Funds').

The Funds are only available to wholesale investors and other persons who do not require disclosure under Part 3 of the Financial Markets Conduct Act 2013 ('FMC Act'). You can only invest in the Funds with the approval of FundRock NZ Limited (the 'Manager') and Squirrel.

### **Note**

Please read the Risk and Disclosure Notice at the end of the document.

Returns after all fees and expenses. Calculations assume that distributions are distributed. Investors' tax rates are not taken into account when calculating returns. Past performance is not a reliable indicator of future performance. Distributions are not guaranteed.

# Squirrel Wholesale Home Loan Fund

<b>Investment objective and strategy</b>	<p>The Fund's investment objective is to provide an annual return, after fees and before tax, that outperforms the 1-Year New Term Deposit Rate (&gt;\$10k), by a margin of 2.00%.</p> <p>The Fund is designed to provide investors with a regular income return generated through an investment in a diversified portfolio of home loans secured with registered first mortgages on residential property across New Zealand. Loan exposure is obtained through the Squirrel P2P platform operated by Squirrel.</p>											
<b>Benchmark asset allocation and asset allocation range</b>	<table> <tr> <td><b>New Zealand income assets (including loans):</b></td> <td colspan="2"><b>100%</b></td> </tr> <tr> <td><i>Home loans secured by a first mortgage:</i></td> <td colspan="2">0% - 100%</td> </tr> <tr> <td><i>Cash and cash equivalents:</i></td> <td colspan="2">0% - 30%</td> </tr> </table>			<b>New Zealand income assets (including loans):</b>	<b>100%</b>		<i>Home loans secured by a first mortgage:</i>	0% - 100%		<i>Cash and cash equivalents:</i>	0% - 30%	
<b>New Zealand income assets (including loans):</b>	<b>100%</b>											
<i>Home loans secured by a first mortgage:</i>	0% - 100%											
<i>Cash and cash equivalents:</i>	0% - 30%											
<b>Suggested investment timeframe</b>	1 year and longer											
<b>Fund size</b>	\$15,447,081.78	<b>Pending transactions</b>	\$0.00									
<b>Fund redemptions</b>	At any time subject to 30 days' notice											
<b>Fund pricing</b>	Daily											
<b>Distributions</b>	Monthly – distributions are paid on the 10 <sup>th</sup> working day											
<b>Security</b>	Registered first mortgages over New Zealand residential property											
<b>Fund structure</b>	Foreign Investment variable-rate PIE											
<b>Fund charges</b>	<table> <tr> <td><b>Estimated annual total fee (including GST):</b></td> <td colspan="2"><b>1.70%</b></td> </tr> <tr> <td>• Annual fund management fee:</td> <td colspan="2">0.25%</td> </tr> <tr> <td>• Estimated average platform service margin:</td> <td colspan="2">1.45%</td> </tr> </table>			<b>Estimated annual total fee (including GST):</b>	<b>1.70%</b>		• Annual fund management fee:	0.25%		• Estimated average platform service margin:	1.45%	
<b>Estimated annual total fee (including GST):</b>	<b>1.70%</b>											
• Annual fund management fee:	0.25%											
• Estimated average platform service margin:	1.45%											
<b>Leverage</b>	The Fund can borrow up to 10% of the aggregate value of its investments to provide short-term liquidity (i.e. to pay redemptions or expenses)											
<b>Risks</b>	See section 4 "What are the risks of investing?" of the Scheme's Information Memorandum											

## Squirrel Wholesale Home Loan Fund – January 2025 update

The Squirrel Wholesale Home Loan Fund generated a return of **0.51%** in January 2025, bringing its **one-year** return to **6.94%** (net of fees, before taxes). The Fund's assets increased to **\$15.447 million** during the month.

The Fund is diversified across **fifty-one loans**, with a portfolio **weighted-average loan-to-value ratio** (LVR) of 54.3%. The Fund has invested in **twelve whole loans** (25.3% of the Fund) that it plans to hold to maturity. These whole loans are generating a return of **6.63%**, while the fractional home loans continue to generate **6.25% per annum**.

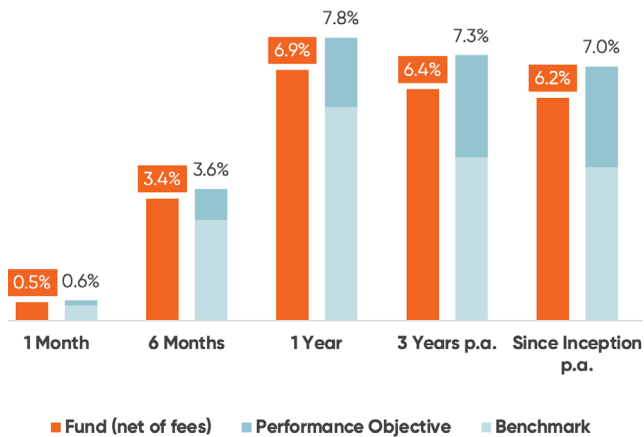
**The portfolio is in excellent health – no loans were in arrears nor over term.** The Fund's loan quality remains high, over 95% of the loans are **rated B3 or higher**. All loans in the portfolio have the support of a Squirrel Reserve Fund.

The Fund's term structure continues to be short, 55% of the Fund's investments (by value) will mature within 12 months, a small increase from December, with **87.5%** maturing within two years.

As expected, the RBNZ cut the OCR by 50 basis points which we expect to feed through to Home Loan rates but rest assured: Squirrel is focused on **beating** bank term deposit rates.

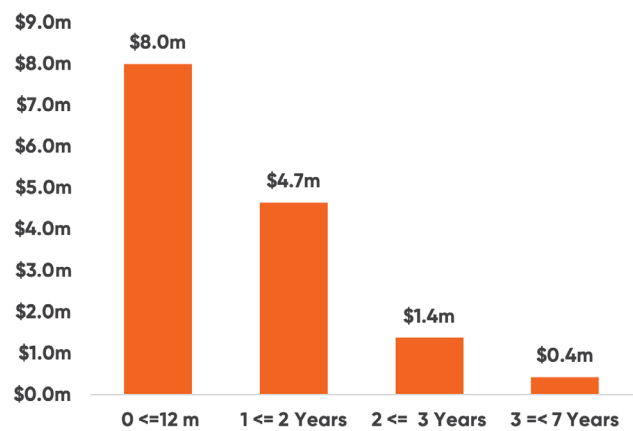
# Squirrel Wholesale Home Loan Fund in numbers

## Fund Performance as at 31 January 2025



Source: FundRock NZ Limited

## Fund term structure based on loan maturity schedule as at 31 January 2025



Source: FundRock NZ Limited

## Fund Performance as at 31 January 2025

Period	1 month	6 months	1 year	3 years p.a.	Since inception p.a.
Fund (net of fees)	0.51%	3.38%	6.94%	6.41%	6.17%
Benchmark	0.42%	2.79%	5.91%	4.52%	4.25%
Performance objective	0.56%	3.64%	7.82%	7.35%	7.03%

Source: FundRock NZ Limited

## Fund risk measures and summary statistics

Measure	31 Dec '24	31 Jan '25
Number of holdings	51	51
Largest holding (% of Fund)	6.54%	6.17%
Average holding (% of Fund)	1.94%	1.83%
Loans in default number & (Fund investment)	0 (\$0.00)	0 (\$0.00)
Loan arrears: number & (Fund exposure)	1 (\$6,664)	0 (\$0)
Loans over term: number & (Fund investment)	0 (\$0)	0 (\$0)
% of loans with Reserve Fund protection	100%	100%
Fund loan-to-value ratio (weighted)	59.2%	54.3%

Source: Squirrel

## Loan/borrower risk grade matrix as at 31 Jan 2025

Borrower grade (A-E)	Security risk grade (1-5)					Number of loans
	1	2	3	4	5	
A	2	7	1			10
B	3	25	8			36
C		3				3
D		2				2
E						
<b>Total</b>	<b>5</b>	<b>37</b>	<b>9</b>			<b>51</b>

Source: Squirrel



## Squirrel Wholesale Home Loan Fund in numbers (continued)

### Regional exposure as at 31 February 2025

Region	No. of loans	Value of loans	Average loan investment value	% of fund investments
Auckland	37	\$10,045,299	\$271,495	69.51%
Canterbury	3	\$1,067,323	\$355,774	7.39%
Otago	3	\$1,032,953	\$344,318	7.15%
Waikato	2	\$709,813	\$354,907	4.91%
Wellington	2	\$373,899	\$186,950	2.59%
Nelson	1	\$139,372	\$139,372	0.96%
Bay of Plenty	2	\$872,375	\$436,187	6.04%
Hawke's Bay	1	\$210,861	\$210,861	1.46%
<b>Grand total</b>	<b>51</b>	<b>\$14,451,894.78</b>	<b>\$283,370</b>	<b>100.00%</b>

Source: Squirrel

### Ten largest fund investments as at 31 January 2025

Loan ID	Loan amount	Security type	Borrower region	Credit risk grade	LVR	Reserve Fund	Remaining term (M)	Loan arrears (30 days+)	Fund's interest rate	Fund investment	% of fund
17679	\$1,683,000	Residential Dwelling	Auckland	B3	58.0%	Home Loans	6.9	Up to date	6.25%	\$953,595	6.17%
17834	\$1,120,000	Residential Dwelling	Auckland	B1	70.0%	Home Loans	10.0	Up to date	6.25%	\$890,846	5.77%
17843	\$2,000,000	Residential Dwelling	Auckland	B2	70.0%	Home Loans	3.9	Up to date	6.25%	\$700,000	4.53%
17930	\$1,799,542	Residential Dwelling	Auckland	B1	58.0%	Home Loans	16.8	Up to date	6.25%	\$680,000	4.40%
17699	\$578,260	Residential Dwelling	Auckland	B3	70.0%	Specialised Reserve Fund	19.6	Up to date	6.50%	\$578,260	3.74%
17731	\$550,000	Residential Dwelling	Bay of Plenty	B2	60.0%	Specialised Reserve Fund	20.2	Up to date	6.50%	\$550,000	3.56%
17702	\$1,316,000	Residential Dwelling	Auckland	B3	52.0%	Home Loans	31.9	Up to date	6.25%	\$448,674	2.90%
17757	\$803,895	Residential Dwelling	Auckland	B2	58.0%	Home Loans	8.3	Up to date	6.25%	\$430,000	2.78%
17643	\$410,000	Residential Dwelling	Waikato	A1	60.0%	Specialised Reserve Fun	6.5	Up to date	7.00%	\$425,083	2.75%
16687	\$1,193,000	Residential Dwelling	Otago	A2	70.0%	Home Loans	6.2	Up to date	6.25%	\$410,245	2.66%
<b>Total</b>										<b>\$6,066,704</b>	<b>39.27%</b>

Source: Squirrel

# Squirrel Wholesale Construction Loan Fund

<b>Investment objective and strategy</b>	<p>The Fund is designed to provide investors with a regular income return generated through an investment in a diversified portfolio of residential construction loans secured with registered first mortgages. Loan exposure is obtained through the Squirrel peer-to-peer ("P2P") platform operated by Squirrel.</p> <p>The Fund's investment objective is to provide an annual return, after fees and before tax, that outperforms the 1 Year New Term Deposit Rate (&gt;\$10k), by a margin of 2.25%.</p>		
<b>Benchmark asset allocation and asset allocation range</b>	<p><b>New Zealand income assets (including loans):</b> <b>100%</b>  <i>Residential construction property loans secured by a first mortgage:</i> 0% - 100%  <i>Cash and cash equivalents:</i> 0% - 30%</p>		
<b>Suggested investment timeframe</b>	1 year		
<b>Fund size</b>	\$52,112,180.59	<b>Pending transactions</b>	\$0.00
<b>Fund redemptions</b>	At any time subject to 30 days' notice		
<b>Fund pricing</b>	Daily		
<b>Distributions</b>	Monthly – distributions are paid on the 10 <sup>th</sup> working day		
<b>Security</b>	Registered first mortgages over New Zealand residential property		
<b>Fund structure</b>	Foreign Investment variable-rate PIE		
<b>Fund charges</b>	<p><b>Estimated annual total fee (including GST):</b> <b>1.80%</b></p> <ul style="list-style-type: none"> <li>• Annual fund management fee: 0.25%</li> <li>• Estimated average platform service margin: 1.55%</li> </ul>		
<b>Leverage</b>	The Fund can borrow up to 10% of the aggregate value of its investments to provide short-term liquidity (i.e. to pay redemptions or expenses)		
<b>Risks</b>	See section 4 "What are the risks of investing?" of the Scheme's Information Memorandum		

## Squirrel Wholesale Construction Loan Fund – January 2025 update

The Squirrel Wholesale Construction Loan Fund generated a return of **0.61%** in January 2025, bringing the Fund's **one-year** return to **8.04%** (net of fees, before taxes). The Fund's assets totalled **\$51m** at month.

The Fund's portfolio was diversified across **164 construction loans** at month-end including:

- **113 fractional loans** (comprising 53.97% of the Fund by value) that:
  - generate interest income at **6.75% per annum**
  - have a weighted loan-to-value ratio (LVR) of **62.51%**
  - benefit from the protection of the Squirrel Construction Loan Reserve Fund
  - provide liquidity, as they may be sold via Squirrel's secondary market
- **51 whole loans** (comprising of 42.36% of the Fund by value) that:
  - generate a weighted average yield of **7.35%**
  - have a weighted loan to value ratio of **63.76%**
  - benefit from the protection of the Squirrel Specialist Reserve Fund
  - will be held to maturity
- As measures of the Fund's risk:
  - the portfolio's **weighted average LVR is 60.75%** adjusted for cash
  - the Fund's average investment is **\$306,000**
  - **84.45%** of the loans are rated **B3 or better**
  - the single largest investment represents **5.30%** of the Fund's portfolio
  - the 10 largest investments account for **26.17%** of the portfolio
- The Fund has a **short term to maturity** with:
  - **25%** of the loans (by value) maturing within six months
  - **85.88%** of the loans (by value) maturing within 12 months
  - maturing loans provide a source of liquidity, should the Fund need to meet investor redemption requests or fund new investments

## Loans in default

At month end, the Fund was invested in eight loans in default as set out in the table below.

Loan ID	Security type	Borrower region	Credit risk grade	LVR	Months over term	Reserve Fund support	Investor interest rate	Loan arrears 30 days+	Fund investment (ex. accrued interest)	% of fund	Notes
17496	Residential Dwelling	Wellington	B2	66%	1.4	Specialised Reserve Fund	7.50%	\$3,712	\$834,130	1.60%	Repaid during February
17141	Residential Dwelling	Waikato	A3	59%	2.8	Business Property Loans	6.75%	Up to date	\$32,153	0.06%	Repaid during February
17594	Residential Dwelling	Auckland	A3	70%	3.7	Specialised Reserve Fund	7.45%	\$59,035	\$866,570	1.66%	"Single house - under contract"
16424	Residential Dwelling	Auckland	B2	78%	6.3	Business Property Loans	6.75%	\$4,802	\$269,826	0.52%	"To be repaid from proceeds of properties on the market"
17008	Residential Dwelling	Hawke's Bay	C3	70%	7.9	Business Property Loans	6.75%	\$2,680	\$101,107	0.19%	House on the market
16419	Residential Dwelling	Auckland	A3	40%	6.5	Business Property Loans	6.75%	\$1,919	\$67,751	0.13%	Partial repayment in Feb from sale of 1st of 4 houses
17230	Residential Dwelling	Auckland	C3	75%	1.9	Business Property Loans	6.75%	Up to date	\$46,482	0.09%	Borrower to sell a property
16658	Residential Dwelling	Auckland	B2	80%	6.3	Business Property Loans	6.75%	\$173	\$6,375	0.01%	House under contract

**Repaid during February:** Two of the loans (fund investment: \$866,283) were fully discharged from the proceeds of sales. A third loan (\$67,750) was partially repaid from the sale of one of its four newly built houses with the LVR of the residual loan at around 50%.

**Under contract:** Two loans (fund investment: \$872,945) are secured by properties that are under contract which are expected to go unconditional during March. This includes the development loan where Squirrel P2P Trustee, on behalf of the Fund, exercised its rights and became the mortgagee in possession of a defaulting construction loan. Squirrel has managed the completion of the build which is now under contract and is expected to be repaid in March. We expect the sale proceeds to repay the Fund's loan and any loss will be covered by the Reserve Fund.

**Secured properties being marketed:** Three loans (fund investment: \$417,415) will be repaid from the sale of the secured properties. Squirrel is actively engaging with the borrowers who have been challenged by the softer property market and properties generally taking longer to sell.

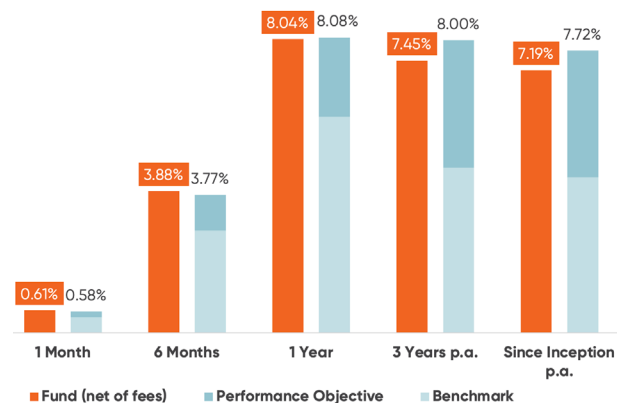
## Outlook and conclusion

The recent interest rates cuts have begun to stimulate the market, enabling property developers to sell down the residual units they have had difficulty selling, as buyers waited for rates to be cut and for prices to fall. An equilibrium point has been reached where buyers and sellers are more evenly matched. In our view, the outlook for NZ residential property and developers remains soft as consumer confidence remains fragile and unemployment continues to trend upwards. Despite the challenges that broader economy is facing, Squirrel's Mortgage Advisors continue to advise an increasing number of property investors and first home buyers who are taking advantage of current pricing and the lower interest rates. Similarly, property developers increasingly return to the market, acquiring new properties and (re)starting projects that they had parked until conditions improved. This more supportive environment and Squirrel's investment in its own business is enabling Squirrel to continue developing a pipeline of borrowers and investment opportunities for our Funds and their investors.



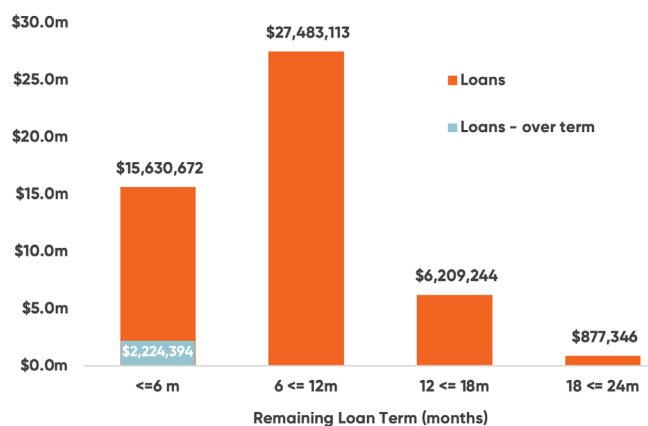
# Squirrel Wholesale Construction Loan Fund in numbers

## Fund Performance as at 31 January 2025



Source: FundRock NZ Limited

## Fund term structure based on loan maturity schedule as at 31 January 2025



Source: FundRock NZ Limited

## Fund Performance as at 31 January 2025

Period	1 month	6 months	1 year	3 years p.a.	Since inception p.a.
Fund (net of fees)	0.61%	3.88%	8.04%	7.45%	7.19%
Benchmark	0.42%	2.79%	5.91%	4.52%	4.25%
Performance objective	0.58%	3.77%	8.08%	8.00%	7.72%

Source: FundRock NZ Limited

## Fund risk measures and summary statistics

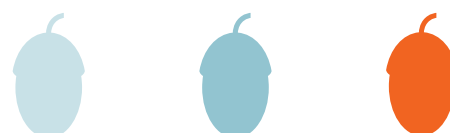
Measure	31 Dec '24	31 Jan '25
Number of holdings	151	164
Largest holding (% of Fund)	6.13%	5.30%
Average holding (% of Fund)	0.65%	0.59%
Loans over term: Number loans & (Fund investment)	3 (\$353,428)	-*
Loans in default: Number & (Fund investment)	1 (\$841,282)	8 (\$2,224,394)
% of loans with Reserve Fund protection	100%	100%
Fund loan-to-value ratio (weighted)	61.81%	60.54%

Source: Squirrel

## Loan/borrower risk grade matrix as at 31 Jan 2025

Borrower grade (A-E)	Security risk grade (1-5)					Number of loans
	1	2	3	4	5	
A	3	15	59	2	1	80
B	2	24	36	4		66
C		2	12	3		17
D			1			1
E						
<b>Total</b>	<b>5</b>	<b>41</b>	<b>108</b>	<b>7</b>	<b>1</b>	<b>164</b>

Source: Squirrel



\* We have changed how we report loans that are in default to include loans that were previously reported separately as being over-term.

## Squirrel Wholesale Construction Loan Fund in numbers (continued)

### Regional exposure as at 31 January 2025

Region	No. of loans	Value of loans	Average loan investment value	% of fund investments
Auckland	73	\$23,504,655	\$321,982	45.1%
Bay of Plenty	9	\$4,753,962	\$528,218	9.1%
Canterbury	28	\$5,512,182	\$196,864	10.6%
Nelson	2	\$20,850	\$10,425	0.0%
Northland	10	\$2,833,814	\$283,381	5.4%
Otago	11	\$1,905,065	\$173,188	3.7%
Southland	4	\$1,376,195	\$344,049	2.6%
Waikato	13	\$7,009,076	\$539,160	13.4%
Wellington	12	\$2,683,468	\$223,622	5.1%
Hawke's Bay	1	\$101,107	\$101,107	0.2%
Tasman	1	\$500,000	\$500,000	1.0%
<b>Grand total</b>	<b>164</b>	<b>50,200,376</b>	<b>306,100</b>	<b>96.3%</b>

Source: Squirrel

### Ten largest fund investments as at 31 January 2025

Loan ID	Loan amount	Security type	Borrower region	Credit risk grade	LVR	Reserve Fund	Remaining term (M)	Loan arrears (30 days+)	Fund's interest rate	Fund investment	% of fund
17785	\$2,713,125	Residential Dwelling	Bay of Plenty	B3	40.0%	Specialised Reserve Fund	9.3	Up to date	8.15%	\$2,759,572	5.30%
17974	\$2,000,000	Residential Dwelling	Waikato	A1	60.0%	Business Property Loans	11.9	Up to date	6.75%	\$2,000,000	3.84%
17682	\$2,000,000	Residential Dwelling	Waikato	A2	69.0%	Business Property Loans	7.0	Up to date	6.75%	\$2,000,000	3.84%
17797	\$2,000,000	Residential Dwelling	Auckland	A3	66.0%	Business Property Loans	9.3	Up to date	6.75%	\$1,145,000	2.20%
17847	\$1,033,616	Residential Dwelling	Bay of Plenty	A3	70.0%	Specialised Reserve Fund	7.2	Up to date	6.75%	\$1,042,741	2.00%
17801	\$1,999,642	Residential Dwelling	Northland	B4	53.2%	Business Property Loans	9.6	Up to date	6.75%	\$999,508	1.92%
17879	\$952,173	Residential Dwelling	Auckland	B3	70.0%	Specialised Reserve Fund	10.6	Up to date	7.15%	\$952,173	1.83%
17920	\$930,521	Residential Dwelling	Auckland	C3	70.0%	Specialised Reserve Fund	12.8	Up to date	7.25%	\$939,006	1.80%
17931	\$2,000,000	Residential Dwelling	Auckland	A3	67.0%	Business Property Loans	10.7	Up to date	6.75%	\$900,000	1.73%
17873	\$1,880,700	Residential Dwelling	Auckland	A3	37.1%	Business Property Loans	16.6	Up to date	6.75%	\$900,000	1.73%
<b>Total</b>										<b>\$13,638,000</b>	<b>26.17%</b>

Source: Squirrel

# Squirrel Specialised Income Fund

<b>Investment objective and strategy</b>	<p>The Fund's investment objective is to generate an annual return, after fees and before tax, of more than 9.00% per annum.</p> <p>The Fund is designed to provide investors, seeking higher returns and who have a higher risk appetite, with a diversified portfolio of higher yielding loans originated and managed by Squirrel. Loans will be predominantly secured by first mortgages, with loans secured by second (or subsequent) mortgages and unsecured loans where the borrower has consented to the registration of a second (or subsequent) ranking mortgage also permitted investments. Loans will be secured over New Zealand residential property.</p> <p>In addition to the loans described above, the Fund may also make unsecured loans to related parties of the Squirrel Group Limited, which entities shall apply the loan proceeds for the purpose of financing the settlement and/or funding of personal, home or construction loans issued by Squirrel through its Squirrel P2P platform.</p>		
<b>Benchmark asset allocation and asset allocation range</b>	<b>New Zealand income assets (including loans):</b>		<b>100%</b>
	<i>Residential home and construction property loans secured by:</i>		
	• Registered first mortgages:		0% - 100%
	• Registered second ranking mortgages:		0% - 30%
	<i>Unsecured loan facilities supporting the settlement and funding of loans issued by Squirrel:</i>		0% - 30%
	<i>Cash and cash equivalents:</i>		0% - 30%
<b>Suggested investment timeframe</b>	2 to 3 years		
<b>Fund size</b>	\$15,882,898.82	<b>Pending transactions</b>	\$0.00
<b>Fund redemptions</b>	Redemptions can be made on a quarterly basis (as at the last business day of March, June, September and December in each calendar year). Notice of redemptions should be received 7 days prior the end of that notification quarter.		
<b>Fund pricing</b>	Daily		
<b>Distributions</b>	Monthly – distributions are paid on the 10 <sup>th</sup> working day		
<b>Security</b>	Registered first mortgages over New Zealand residential property		
<b>Fund structure</b>	Foreign Investment variable-rate PIE		
<b>Fund charges</b>	<b>Estimated annual total fee (including GST):</b>		<b>2.05%</b>
	• Annual fund management fee:		0.25%
	• Estimated average platform service margin:		1.80%
<b>Leverage</b>	<p>The Fund can borrow up to 30% of the aggregate value of investments with these limits:</p> <ul style="list-style-type: none"> <li>Up to 10% of the aggregate value of its investments to provide short-term liquidity (i.e. to pay redemptions or expenses)</li> <li>Up to 30% of the aggregate value of its investments of acquiring other permitted investments</li> </ul>		
<b>Risks</b>	See section 4 "What are the risks of investing?" of the Scheme's Information Memorandum		

## Squirrel Specialised Income Fund – January 2025 update

The Squirrel Specialised Income Fund generated a return of **0.79%** in January 2025, bringing its **one-year** return to **10.99%** (net of fees, before taxes). The Fund's assets totalled **\$15.7m** at month-end.

The Fund is holding around 27.6% in Squirrel Construction Loans, paying 6.75%, which will be deployed into higher-yielding investment opportunities as we originate them. The Construction Loans also provide the Fund with flexibility to pay any redemption investors request and meeting the funding obligations from progressive loans. The Fund has continued to perform above expectations and deliver an attractive risk adjusted return to investors. We expect to see a steady increase in attractive investment opportunities as the property development market picks up.

The Fund's **weighted average LVR** was **62.88%** at month-end. There were four loans over term at 31 January 2025. Three of the loans form part of the facility to a developer who made sold the first of four units from the secured development in early February – this partial repayment has reduced the loan-to-value position of the loans to under 50%. There are no concerns for these individual exposures that we expect to be closed out over February and March as the secured properties are sold and settled. These loans have the protection offered by Squirrel's Reserve Funds. Overall, the portfolio is in a very healthy state.

### Loans over term and in default

Loan ID	Security type	Borrower region	Credit risk grade	LVR	Months over term	Reserve Fund support	Investor interest rate	Loan arrears 30 days+	Fund investment (ex. accrued interest)	% of fund	Notes
16419	Residential Dwelling	Auckland	A3	40%	6.5	Business Property Loans	6.75%	\$7,569	\$267,120	1.68%	Properties on the market
16405	Residential Dwelling	Auckland	A3	40%	6.5	Specialised Reserve Fund	12.50%	\$10,605	\$200,000	1.26%	Properties on the market
16409	Residential Dwelling	Auckland	A3	61%	6.5	Specialised Reserve Fund	12.25%	\$3,624	\$66,067	0.42%	Properties on the market
17326	Residential Dwelling	Auckland	B2	51%	4.0	Specialised Reserve Fund	10.45%	\$2,724	\$101,500	0.64%	Properties on the market

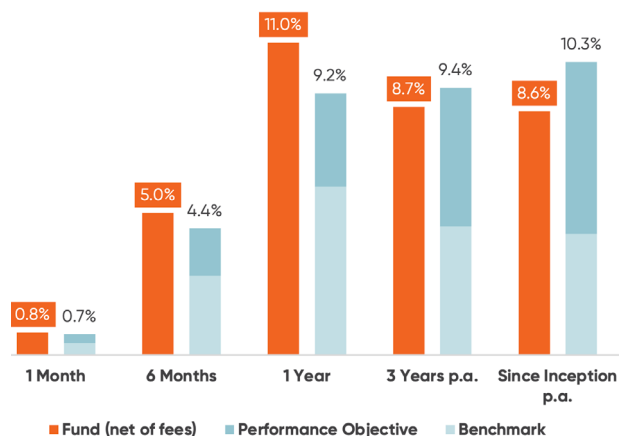
The Fund's weighted average LVR was 62.88% at month-end. There were four loans over term at 31 January 2025. Three of the loans form part of the facility to a developer who has sold the first of four units from the secured development in early February – this partial repayment has reduced the loan to value position of the loans to under 50%. There are no concerns for these individual exposures that we expect to be closed out over February and March as the secured properties are sold and settled. These loans have the protection offered by Squirrel's Reserve Funds. Overall, the portfolio is in a very healthy state.

### Outlook and conclusion

Falling short term interest rates will continue to put downward pressure on the loan investments with floating interest rates. Fixed interest rates on the higher-yielding part of the portfolio will continue to insulate investors from the full effects of the falling short-term interest rates. Investors can be assured of our commitment to maintaining the Fund's return profile and delivering regular monthly returns in excess of the Fund's objective of 9.00% p.a.

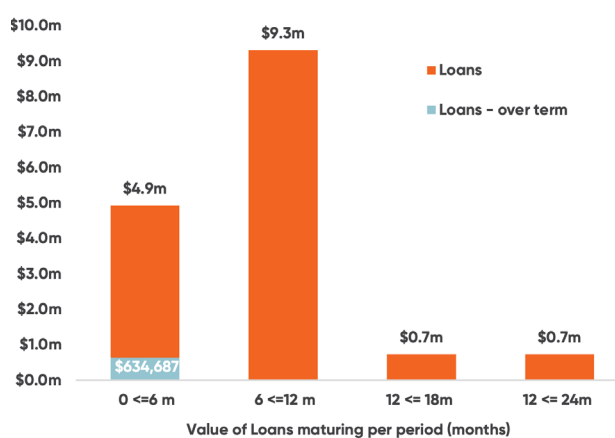
# Squirrel Specialised Income Fund in numbers

## Fund Performance as at 31 January 2025



Source: FundRock NZ Limited

## Fund term structure based on loan maturity schedule as at 31 January 2025



Source: FundRock NZ Limited

## Fund Performance as at 31 January 2025

Period	1 month	6 months	1 year	3 years p.a.	Since inception p.a.
Fund (net of fees)	0.79%	4.99%	10.97%	8.71%	8.56%
Benchmark	0.42%	2.79%	5.91%	4.52%	4.25%
Performance objective	0.73%	4.44%	9.18%	9.37%	10.29%

Source: FundRock NZ Limited

**Note:** The Squirrel Specialised Income (previously the Squirrel Wholesale Personal Loan Fund) was renamed and its investment mandate amended from 16 May 2024.

## Fund risk measures and summary statistics

Measure	31 Dec '24	31 Jan '25
Number of holdings	47	51
Largest holding (% of Fund)	5.66%	6.30%
Average holding (% of Fund)	2.10%	1.94%
Loans in default number & (Fund investment)	0 (\$)	0 (\$)
Loan arrears: number & (Fund exposure)	4 (\$19,939)	4 (\$24,521)
Loans over term: number & (Fund investment)	5 (\$1,319,469)	4 (\$634,687)
% of loans with Reserve Fund protection	100%	100%
Fund loan-to-value ratio (weighted)	61.59	62.88

Source: Squirrel

## Loan/borrower risk grade matrix as at 31 Jan 2025

Borrower grade (A-E)	Security risk grade (1-5)					Number of loans
	1	2	3	4	5	
A	5	4	15	2		26
B	2	5	7	1		15
C		2	6			8
D		2				2
E						
<b>Total</b>	<b>7</b>	<b>13</b>	<b>28</b>	<b>3</b>		<b>51</b>

Source: Squirrel



## Squirrel Specialised Income Fund in numbers (continued)

### Regional exposure as at 31 January 2025

Region	No. of loans	Value of loans	Average loan investment value	% of fund investments
Auckland	33	\$10,480,422	\$317,589	66.71%
Bay of Plenty	3	\$795,938	\$265,313	5.07%
Canterbury	5	\$1,651,682	\$330,336	10.51%
Hawke's Bay	1	\$169,194	\$169,194	1.08%
Otago	1	\$200,000	\$200,000	1.27%
Waikato	2	\$585,000	\$292,500	3.72%
Wellington	1	\$508,536	\$508,536	3.24%
Northland	4	\$1,203,999	\$301,000	7.66%
Nelson	1	\$115,988	\$115,988	0.74%
<b>Grand Total</b>	<b>51</b>	<b>\$15,710,759</b>	<b>308,054</b>	<b>100.00%</b>

Source: Squirrel

### Ten largest fund investments as at 31 January 2025

Loan ID	Loan amount	Security type	Borrower region	Credit risk grade	LVR	Reserve Fund	Remaining term (M)	Loan arrears (30 days+)	Fund's interest rate	Fund investment	% of fund
17626	\$1,000,000	Residential Dwelling	Auckland	A1	80.0%	Specialised Reserve Fund	6.5	Up to date	9.55%	\$1,000,000	6.30%
17939	\$835,000	Residential Dwelling	Auckland	B2	67.0%	Specialised Reserve Fund	7.7	Up to date	11.00%	\$844,883	5.32%
17801	\$1,999,642	Residential Dwelling	Northland	B4	53.2%	Business Property Loans	9.6	Up to date	6.75%	\$772,229	4.86%
17622	\$730,000	Residential Dwelling	Auckland	A1	80.0%	Specialised Reserve Fund	18.7	Up to date	9.30%	\$730,000	4.60%
17838	\$722,000	Residential Dwelling	Auckland	A3	52.0%	Specialised Reserve Fund	7.0	Up to date	13.50%	\$722,000	4.55%
17835	\$1,000,310	Residential Dwelling	Auckland	A2	66.0%	Business Property Loans	10.0	Up to date	6.75%	\$670,000	4.22%
17797	\$2,000,000	Residential Dwelling	Auckland	A3	66.0%	Business Property Loans	9.3	Up to date	6.75%	\$562,507	3.54%
17660	\$2,000,000	Residential Dwelling	Canterbury	A4	60.0%	Business Property Loans	6.7	Up to date	6.75%	\$551,976	3.48%
17171	\$490,000	Residential Dwelling	Bay of Plenty	A3	70.0%	Specialised Reserve Fund	0.9	Up to date	8.32%	\$540,819	3.41%
17916	\$520,000	Residential Dwelling	Auckland	B3	76.3%	Specialised Reserve Fund	7.7	Up to date	15.75%	\$520,000	3.27%
<b>Total</b>										<b>\$6,914,413</b>	<b>43.53%</b>

Source: Squirrel

# Meet the team



**Dave Tyrer**

021 280 3136

dave@squirrel.co.nz

Dave joined the Squirrel team in 2020. As Chief Operating Officer (COO), Dave heads up all aspects of our peer-to-peer lending and investment platform and manages the product offering across the business.

Over the years, he's been responsible for the delivery of several major product enhancements for Squirrel, including the launch of the Squirrel On-Call Account, the Squirrel Monthly Income Fund, and a number of other solutions tailored to wholesale investors.

Prior to joining Squirrel, Dave racked up nearly 20 years of senior experience across leading New Zealand financial services organisations—including ANZ and Westpac—with a primary focus on delivering product and service solutions to digitise and transform the customer experience.

To put it simply—what Dave doesn't know about the world of finance and investing isn't worth knowing. If you've got questions about investing with Squirrel, and which option might be right for you, Dave's your guy.



**Doug Thomson**

021 080 95 731

doug@squirrel.co.nz

Doug joined Squirrel as our Investor Relations guru in 2021, bringing with him more than 25 years' experience across the global investment and financial services landscape.

His day-to-day involves working closely with wholesale investors, fund managers and investment advisers, tailoring solutions to suit their goals and complement their wider investment strategy (whether via our existing products, or a bespoke portfolio of loans).

Thanks to Doug's extensive knowledge of the regulatory environment governing New Zealand's financial services sector, he's also instrumental to the design and ongoing management of our various investment offerings, including our investment guidelines.

It also means that—whether they're just starting out, or already have a complex portfolio of investments in place—Doug is an expert at helping our investors understand their different tax and regulatory requirements.

In short, there's no one better placed to talk you through your investment options with Squirrel.

# Risk and disclosure notice

FundRock NZ Limited is the Issuer and Squirrel Money Limited is the Investment Manager of the Scheme.

This fund overview and investment update is provided by Squirrel in good faith and is designed as a summary to accompany the Information Memorandum ('IM') for the Scheme.

The IM gives you important information about the Funds and the Scheme to help you decide whether you want to invest. The Manager has prepared the IM in accordance with the trust deed for the Scheme and the fund establishment deeds for the Funds. The Scheme is not a registered scheme under the FMC Act. The IM is not a product disclosure statement for the purposes of the FMC Act and neither the Scheme nor the offer made by each Fund are registered or regulated under the FMC Act (although Part 2 of the FMC Act still applies).

The law normally requires people who offer financial products to persons who are "retail investors" under the FMC Act to give information prescribed by the FMC Act and its regulations to these investors before they are able to invest. This information is designed to help investors make an informed decision.

If you are a wholesale investor, the usual rules do not apply to offers of financial products made to you. As a result, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for these investments. Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

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