



# Wholesale 1 Pie Trust

## Debt Fund Performance Update

### 30 June 2024

#### Fund Performance | 30 June 2024

Financial Year	June	September	December	March	12 Month Rolling Average	Since Inception†
2025	13.99%				16.24%	37.19%
2024	13.34%	17.58%	18.59%	14.82%		

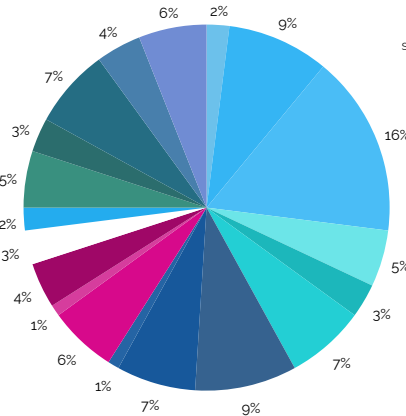
The table above shows quarterly Average Monthly Net Distribution pre-tax (annualised) to unit holders.

While competition for good investments impacted performance in the June 2024 quarter (see commentary below), net investor returns have continued to be strong and remain above our target range. **For the June 2024 quarter, the pre-tax average actual distributions to unit holders (after fees and costs) were 13.99%.**

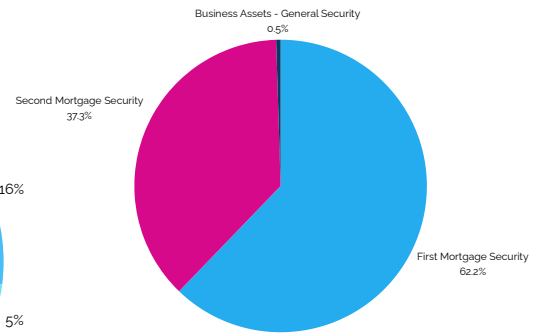
**Another point of note is Returns Since Inception: 37.19% as at 30 June 2024, up from 32.51% as at 30 March 2024.**

†Returns Since Inception is based on an actual investor account with net returns re-invested monthly. Past performance is not a guarantee of future performance. The fund was established on 30 June 2022 and made its first investments in September 2022.

Loan Portfolio Composition  
Spread of Loans



Loan Portfolio Value by Security Type



#### June 2024 Quarter | Commentary

As mentioned above, returns for the June 2024 quarter were lower, mainly due to fewer high-quality lending opportunities and increased competition for those that are available. Consequently, the redeployment of capital has been slower.

This quarter reflects our thoughtful approach and long-term perspective on our shared investment journey. Even though we had capital ready to invest and opportunities available, we remained committed to our lending principles, which have proven highly effective. We won't risk losing money just to be fully invested. We'll only make good loans that meet Merx criteria.

#### Like to learn more?

The Merx Wholesale 1 PIE Trust Debt Fund is designed for investors by investors. Click to find out more.

[Invest With Us](#)

#### Looking Ahead

June marked the second anniversary of the Merx Wholesale 1 Pie Trust. Though the Debt Fund is still young, we've demonstrated that healthy returns can be achieved in this niche market. We've been pleased with investor feedback, including an appreciation for our transparent communication. Please feel free to reach out if you have any questions or topics you'd like to discuss.

Looking forward, we will maintain our cautious approach, focusing only on high-quality loans within our market niche. Given the current economic conditions, this "steady as she goes" strategy is especially prudent.

We anticipate continued, if not increased, competition for good lending opportunities. However, as our March Quarterly Report highlighted, traditional banks' cautious stance on business lending offers Merx ample opportunities to provide tailored funding solutions to our niche market. See page two for recent examples of business owners and property professionals your investor funds have helped in the June 2024 quarter.

## Recent Investments | Portfolio examples

One of the things we enjoy the most as the Managers of the Debt Fund is investing alongside investors who, like us, like to support Kiwis out there building successful businesses and property endeavours.

We know from what our investors have told us that they enjoy the knowledge that their funds are being used to positively impact business owners who are too small to get the service they need from the big banks. So on that note, look to the right for a small sample of those your investment funds have helped in the June 2024 quarter.

## Questions From Investors

In each monthly Investor Update, we focus on a recent or common question investors have asked. Below are two articles that take a look at two of those questions: (1) The security Merx uses to protect investments, and (2) How the rare (very) losses have shaped and strengthened our current lending process.

Securing Our Investments >>>

Learning From Losses >>>

## Merx Management

Aligned interests is a core principle of the fund. As the Trust's management team, we have 'skin in the game' as we personally invest alongside our investor partners. Click below to learn more about our individual journeys as investors.



Andrew Dunning

[Read More](#)



Brett Martelli

[Read More](#)



Garrick Wynne

[Read More](#)

## Like to learn more?

The Merx Wholesale 1 PIE Trust Debt Fund is designed for investors by investors. Find out how it can complement your diversified portfolio, to create income for life.

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### Client Scenario: #1

**Why did this client need our funding:** Property investor seeking to purchase a new commercial investment asset – it was a "good buy." The bank made promises but provided no certainty of approval. The client needed to get on and settle the purchase to get hold of this opportunity.

**Amount:** \$450,000 **Industry:** Commercial property investment  
**Location:** Auckland **LVR:** 55% **Type of Security:** Suburban commercial retail **Path to Repayment:** Refurbish, re-lease, and refinance.

**Why Merx:** We were quick to understand the opportunity and provided an approval within a day – we know a good deal when we see it. This client just needed our fast, flexible, and simple solution to help secure the opportunity.

### Client Scenario: #2

**Why did this client need our funding:** Support working capital for business growth. Due to the 20-day delay of processing payments for services performed onsite, working capital resources to fund business growth had capped out.

**Amount:** \$115,000 **Industry:** Mobile healthcare **Location:** Auckland  
**LVR:** 85% **Type of Security:** Second mortgage over residential property  
**Path to Repayment:** Principal and interest payments from business cashflow.

**Why Merx:** Practical solution outside the 'Bank Box'. We delivered a solution that aligned with our client's actual funding needs.

### Client Scenario: #3

**Why did this client need our funding:** Funds required to complete a subdivision, section has sold unconditionally and will settle once the title has been issued.

**Amount:** \$100,000 **Industry:** Residential property developer  
**Location:** Auckland City **LVR:** 65% **Type of Security:** Second mortgage over residential property **Path to Repayment:** Funds from settlement of section once subdivision is complete.

**Why Merx:** Quick decision and flexible funding structure, aligning with the client's plan.

### Client Scenario: #4

**Why did this client need our funding:** Business owner on the growth path needed funds to support further business growth. The bank wouldn't fund further than 65% of the value of their house and the business was growing faster than the equity in their home.

**Amount:** \$350,000 **Industry:** Construction aligned  
**Location:** Auckland **LVR:** 75% **Type of Security:** Second mortgage over residential property plus general security over business assets  
**Path to Repayment:** Continued profitable trading will see principal and interest paid monthly.

**Why Merx:** Pragmatic and quick credit decision, and funding with flexible payment options. We got the money moving, enabling the client to get back to growing their business.