



Welcome Limited – Ranking and security

Secured deposits issued by Welcome Limited (**Welcome, we, us, or our**) are secured by a security interest which we have granted under a trust deed with our supervisor, Covenant Trustee Services Limited (**Supervisor**) dated 1 July 2025 (**Trust Deed**) over all of our current and future assets in favour of our Supervisor, for the benefit of depositors investing in secured deposits. The security interest secures all amounts payable by us in respect of secured deposits and all other moneys payable by us under the Trust Deed, which includes our Supervisor's fees and expenses.

The assets subject to the security interest include net loans and advances, other assets including cash and cash equivalents held by us, and other assets used to operate our business.

The amount of the liability secured by the security interest described above and the total value of the assets subject to the security interest, based on Welcome's financial position as at 30 June 2025, is \$0 and \$4,188,517 respectively.

We are permitted under the Trust Deed to create a security interest over our assets which ranks in priority to the security interest granted to our Supervisor (and therefore in priority to holders of secured deposits), including to secure any borrowing or money owed in purchasing or acquiring assets of any type. The amounts secured by all prior ranking security interests must not exceed 2% of our total tangible assets. As at 27 February 2026, we have not granted any prior ranking security interests and the only claims that rank ahead of the first-ranking general security interest given to our Supervisor are those given preference by law, such as tax.

The diagram below illustrates the ranking of the secured deposits in the event of a liquidation of Welcome as at 30 June 2025 and, for additional context, 31 December 2025:

	Ranking	Examples of liabilities	Amount as at 30 June 2025	Amount as at 31 December 2025
	Liabilities that rank in priority to the secured deposits on a liquidation of Welcome	Liabilities owed to preferential creditors, any permitted prior security interests, and our Supervisor's costs, fees and expenses, including where the liability arises after secured deposits are issued.	\$23,245	\$12,075
	Liabilities that rank equally with the secured deposits on a liquidation of Welcome	Secured deposits rank equally with all secured deposits issued by Welcome, regardless of when they are issued (meaning further liability can arise after particular secured deposits are issued).	\$0	\$14,410,500
	Liabilities that rank below the secured deposits on a liquidation of Welcome	Lower ranking creditors, such as unsecured creditors.	\$353,199	\$491,587

Lower ranking/ later priority	Equity	Any surplus assets after paying all creditors in full, which can be distributed to our shareholders.	\$3,812,073	\$5,375,940
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The table above is based on \$0 of secured deposits on 30 June 2025 and \$14,410,500 of secured deposits on 31 December 2025.

If you have any questions about the information in this document, please contact Welcome on 0800 WELCOME (0800 936 2663) or at info@welcome.co.nz.