

17 October 2025

NOTICE TO INVESTORS IN THE KAPSTREAM PRIVATE INVESTMENT FUND FOR “S” (ETL9588AU), “F” (ETL4814AU), “I” (ETL2598AU) CLASS

Dear Investor,

From 15 November 2025 there will be changes to your account. Please read the important information below for details of these changes.

As part of our continuous review of our operations, Equity Trustees Limited (ABN 46 004 031 298) (**EQT**), as the Responsible Entity of the Kapstream Private Investment Fund (the **Fund**), in accordance with the Information Memorandum (IM) dated 27 February 2024 in consultation with the Manager, Kapstream Capital (**Manager**) we wish to notify investors of the following changes.

The proposed changes will broaden and more clearly define the investment universe, introduce the capacity for leverage, and enhance the fund's flexibility. These adjustments are designed to future-proof the strategy and support the ongoing ability to achieve the return objective of cash plus 6% per annum (before fees) across the cycle.

Summary of Key Proposed Changes:

- **Investment Universe:**
The Information Memorandum will provide a more detailed and explicit description of the permissible investment instruments, which may include a global, diversified range of fixed income assets, such as government and corporate bonds, securitised investments, emerging market debt, high yield securities, convertible securities, equities, warrants, private debt, listed and unlisted funds. The Fund may also invest in derivatives like swaps including but not limited to Credit Default Swap's (CDS) Return Swap (TRS), Interest Rate Swaps (IRS), futures and hold cash and cash-related instruments. Additionally, the Fund can use Repurchase Agreements (Repo's), funding facilities and/or other fixed income products.
- **Asset Allocation Ranges:**
The proposed changes will introduce greater flexibility in the Funds target allocation, allowing for a broader inclusion of both securitisation and warehouse exposures, thereby enhancing the portfolio's ability to capture diverse opportunities within the investment universe. The proposed changes will increase allocation flexibility by broadening exposure to both securitisation and warehouse finance. The target will shift from investing at least 90% of Fund NAV in warehouse finance to at least 50% in combined securitisation and warehouse finance.
- **Leverage and Borrowing:**
The Fund will be permitted the use of leverage, provided that the portfolio's market value does not exceed 100% of NAV unless covered by cash or cash-like investments which includes under 1 year duration investment grade investments¹. This change enhances flexibility in managing returns as well as fund inflows and outflows. This can result in the use of gross or net leverage in the Fund.

¹ This includes manager rated investments



INCREASE IN MANAGEMENT FEES FOR THE FUND FROM 15 NOVEMBER 2025 – KAPSTREAM PRIVATE INVESTMENT FUND - “I” CLASS (ETL2598AU)

Management Fee Update:

For new investors in the I Class, the management fee will increase to 1.49% p.a. +GST (from 0.89% + GST). Existing investors will maintain their existing fees and will be rebated the difference.

We are adjusting the management fee to better reflect the value of our investment offering and to align with industry standards. The fund's strong performance, robust investment process, and brand reputation support a premium pricing model, consistent with peers who demonstrate similar track records. This change will help ensure the long-term sustainability of our investment capabilities, allowing continued investment in research, portfolio management, and client service.

KEEPING YOU INFORMED

Should you have any further questions please contact

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Yours sincerely

Andrew Godfrey

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Equity Trustees Limited