



PLP – Quarterly Client Update – 31 March 2022

14 April 2022

Booster Investment Management Limited as Manager of the Fund (the Manager), has provided a copy of the Quarterly Client Update for the quarter ended 31 March 2022.

For further information regarding the Private Land and Property Fund visit www.booster.co.nz/booster-investments/private-land-and-property-fund

For more information, please contact:

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About Booster

Booster Investment Management Limited (Booster) is the manager and issuer of the Fund, and part of the Booster Group which has been helping New Zealanders save since 1998. The group currently administers superannuation and investment funds of over \$5 billion on behalf of more than 170,000 New Zealanders.

PLP is a managed investment fund that invests in land and property-based investments by investing in units in Booster's Private Land and Property Portfolio. PLP only holds these units.

For more information, including a copy of the Product Disclosure Statement, please visit www.booster.co.nz

Overview & Performance

The Private Land and Property Fund has delivered a solid return for investors in the March year, with revaluation gains adding to its underlying cash income.¹

The portfolio earns cash income from a mix of rental received on around 60% of its land holdings, and sale proceeds from selling crops produced on the remainder. The fixed lease income provides a solid base to the portfolio's cash inflows, while the crop supply arrangements provide the opportunity to enhance the return over and above this level - albeit with some more variability expected from year to year.

For the March 2022 financial year the Fund distributed income to investors amounting to a cash yield of 2.5% before tax. While this compared favourably to other traditional sources of investment income, it was in an environment of lower than usual grape harvest volumes during the previous season. The current year's crop harvest is stronger which bodes well for the cash that will be received over the coming year.



Kiwifruit orchard at Kerikeri, under long-term lease to Seeka.

On top of the portfolio's cash income, the unit price for the fund also includes a gradual recognition of capital gains from parcels of the land increasing in value as new plantings mature towards full productive capacity. This includes investments such as some of the vineyard property held in the Awatere valley in Marlborough, where new vines were planted beginning in 2017 and are still in the process of maturing.

The Fund's return objective is to generate a 6.5% annualised return from these sources on average over rolling 7-year periods. Recent returns have generally tracked in line with this objective.

Additional return from property market movement

On top of this ongoing portfolio management activity, the final result to investors has been strongly supported by higher general property prices, amidst solid investor demand for viticultural properties and buoyant conditions for gold kiwifruit.

During the year this was reflected in upward independent revaluations on both vineyard and kiwifruit investments within the Fund, contributing to an overall return of 14% for the March 2022 financial year (after tax and fees). Although returns at this level should not be relied on, they show that investors have been well-rewarded, and extend the fund's solid returns seen since inception in 2017.

Building additional income sources



Waimea West Hop Farm, near Nelson

In recent years the Fund's investments have broadened and now include investment in Hops, Kiwifruit and over 250 canopy hectares of vineyard land across the country. The growing breadth of the fund across horticulture and viticulture gradually adds to the diversity of its income sources and property exposure around New Zealand.

We are currently exploring further opportunities to add new, complementary land investments to the fund in scale. Our key criteria remain delivering a sustainable income yield with good operating partners.

Helping to facilitate this, we are currently in the process of migrating the Fund's borrowing arrangements to a new bank lender. The existing borrowings were repaid over the quarter to be replaced by a flexible replacement borrowing facility, for which terms have been agreed and the legal documentation is currently being finalised. In conjunction with the Fund remaining a popular option for investors, this puts it in a strong position to grow and diversify over the years ahead.

¹ The Private Land & Property Fund obtains its property exposure by investing into the into the wholesale Private Land and Property Portfolio (PLPP).

Booster Investment Scheme 2 Private Land and Property Fund

Quarterly Update as at 31 March 2022



Private Land and Property Portfolio (PLPP)

Fund Size (net asset value)	\$97.5 million
Inception Date	13/06/2017
Manager	Booster Investment Management Limited
Supervisor	Public Trust
Fund Type	Portfolio Investment Entity (PIE)

PLPP Investment Holdings

	\$	%
Vineyard property in Awatere Valley, Marlborough	\$22.6m	23.2%
Kiwifruit orchard property in Kerikeri, Northland	\$20.9m	21.4%
NZ Cash (BNZ Bank Trust Account)	\$17.5m	18.0%
Vineyard property in Hope, Nelson	\$16.0m	16.4%
Vineyard property in Hawke's Bay	\$8.2m	8.4%
Waimea West Hops, Brightwater, Nelson	\$8.1m	8.4%
Vineyard property in Mahana, Nelson	\$4.1m	4.2%
Total	\$97.5m	100%

Private Land and Property Fund (PLPF)

Fund Size (net asset value)	\$98.6 million
Inception Date	7/01/2019
Manager	Booster Investment Management Limited
Supervisor	Public Trust
Fund Type	Portfolio Investment Entity (PIE)

The Private Land and Property Fund obtains its property exposure by investing into the wholesale Private Land and Property Portfolio (PLPP).



Pictured above: The Portfolio's Gravity winery in Mahana, Nelson. The winery's unique gravity-fed design reduces energy usage while producing high quality wines, with its 'living roof' blending into the surrounding landscape. The Portfolio's purchase of the property in 2019 brought this unique winery back into kiwi ownership.

PLPF Performance as at 31 March 2022

	Before Tax	After Tax at 28% PIR	Equivalent Return at 30%*	Equivalent Return at 33%*	Equivalent Return at 39%*
Last month	0.5%	0.4%	0.6%	0.6%	0.7%
Last 3 months	1.4%	1.3%	1.8%	1.9%	2.1%
Last 6 months	2.8%	2.6%	3.8%	3.9%	4.3%
Last 12 months	14.6%	14.0%	20.0%	20.9%	23.0%
Last 2 years (p.a.)*	10.9%	10.1%	14.4%	15.0%	16.5%
Last 3 years (p.a.)*	10.2%	9.3%	13.2%	13.8%	15.2%
Since Inception 13/06/2017 (p.a.)*	10.1%	9.2%	13.1%	13.7%	15.0%

*All figures are after fees. Please see the Product Disclosure Statement for further details. Returns prior to the inception of PLPF in January 2019 are based on the underlying wholesale PLPP return. Past performance is not an indicator of future performance.

The Equivalent Return is the rate of return you would need to have achieved from a similar non-PIE investment in order to obtain the same after tax return as PLPF, based on a PIR of 28% and an income tax rate of either 30%, 33% or 39%, and assuming the return received was fully taxable.

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