

Booster Innovation Fund – potential material valuation adjustment

7 December 2022

Booster has been informed by one of the businesses in the Booster Innovation Fund’s investment portfolio, that a lead investor has agreed to sell a portion of its shares to an external strategic shareholder at a price that represents a premium to the Fund’s current carrying value.

Due to confidentiality restrictions, Booster is not able to name the business concerned.

This transaction is relevant to Booster’s assessment of value given it represents a third-party pricing event. As a result, Booster has reviewed its carrying value of this investment. While Booster recognises there is uncertainty in whether this transaction will settle on materially the same terms indicated, Booster considers a valuation increase is warranted at this stage.

Therefore, Booster has increased its assessment of value by \$198,000, which represents an increase in the total Fund value of 1.67% (net of an allowance for any performance fees and tax), to give a net asset value per unit of approximately \$1.414.

In its assessment, Booster has applied its investment valuation approach to this new information which includes applying a probability weighting. Should the transaction complete at the value indicated, and is consistent with Booster’s own assessment of value, there is a potential for a further material increase in the value of the Fund (by an additional 2.3% of the Fund value). Booster will continue to monitor the completion and circumstances of this transaction and will reassess its carrying value accordingly. Booster will make a further assessment prior to the issue or redemption of units in the Fund.

Investors can continue to purchase or sell units in BIF on the NZX but are cautioned to consider the impact of this announcement when assessing a fair price for the transaction. Any update to the business’s carrying value will be announced to the NZX (which may include a reduction in the valuation assessment if the transaction fails to complete). Until a further announcement is made, there is no assurance that the signalled additional potential increase in the value of the Fund will occur.

For further information regarding BIF visit <https://www.booster.co.nz/booster-investments/booster-innovation-fund.aspx>

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.

BIF is a managed investment fund that invests in early-stage companies founded on intellectual property originated or developed in New Zealand.

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