



PLP – Quarterly Client Update – 30 June 2023

13 July 2023

Booster Investment Management Limited as Manager of the Fund (the Manager) has provided a copy of the Quarterly Client Update for the quarter ended 30 June 2023.

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 190,000 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 and the latest net asset value per unit, please visit www.booster.co.nz

Private Land & Property Fund

Quarterly Client Update

Update as at and for the quarter ending 30 June 2023

Investment Performance

The Fund largely performed to expectations this quarter, however faced some headwinds from a write down in the value of the Kerikeri kiwifruit orchard. This was prompted by an independent review of the property which suggested a longer timeframe to fully mature vines, as a result of the recent weather events affecting yields and the ability of the manager to effectively tend to the property during these disruptions.

In terms of the Kiwifruit carrying value, the vines are now expected to be fully mature in 2026 as opposed to the original timeframe of 2024.

Overall though, the Fund's medium term (2-3 years) performance of around 13% per annum is above expectations, however partially driven by market valuation movements (this equates to just under half of the performance). Despite that, and although we have seen some short term fluctuations, the Fund is comfortably meeting its objective of a 6.5% annualised return on average over rolling 7 year periods from income and maturing properties.

Looking forward, we are looking to supplement the current portfolio with additional crop development properties and geographic diversity.

Recent harvests

As expected, the recent Kiwifruit harvest was well down on historic averages, largely due to the extreme weather conditions experienced in Northland. This included a warmer than average winter (kiwifruit like cold winters), much higher than average rainfall, and the recent cyclones which affected much of the North Island.

The grape harvest across the country was also mixed, with excellent results across Nelson and Marlborough (particularly Nelson, with high yields and good quality grapes) however Cyclone Gabrielle materially affected the Hawke's Bay harvest, which was around 30% lower than average.

Most of our properties are leased to operators which means that crop variability doesn't directly affect the Fund performance. Our Kiwifruit assets, Avocado orchards, Hawke's Bay vineyards, and Nelson vineyards are all under long term leases (such as Seeka, Darling Group and Booster Wine Group – the latter two being companies held within Booster's Tahi Fund). The Fund's Marlborough vineyards are under a Grape Supply Agreement, which gives the Fund an overall level of diversification across both geographic, crop and return types.

Southland Dairy farms focus

Earlier in the year Management undertook a site visit to our Southland dairy farms that were acquired in mid 2022. We were welcomed on farm with some great Southland hospitality by the farm managers (including freshly baked scones at 7.30am!).

It was encouraging to see the passion and dedication the team had, which was reflected in the quality of operations. This included a recent planting out of non productive land in trees to improve the carbon footprint and ecology of the sites.



Key Facts

Private Land and Property Fund (Fund)

Fund Size (net asset value)	\$134.5 million
Inception Date	07/01/2019
Manager	Booster Investment Management Ltd
Supervisor	Public Trust
Fund Type	Portfolio Investment Entity (PIE)

The Fund obtains its property exposure by investing into the Wholesale Portfolio alongside some cash held within the Fund.

Private Land and Property Portfolio (Wholesale Portfolio)

Fund Size (net asset value)	\$133.6 million
Inception Date	13/06/2017
Manager	Booster Investment Management Ltd
Supervisor	Public Trust
Fund Type	Portfolio Investment Entity (PIE)

Fund Performance as at 30 June 2023

The Fund has a minimum suggested investment timeframe of four years, and its performance aims are measured over a 7-year horizon. The return information below includes returns due to property market movements which vary over time, so the range of returns may be different over a longer period. However the fund aims to achieve a long-run return of 6.5% pa (before tax, after fees) from a combination of rental and crop income, and capital gain from improvements in property productive capacity. Past performance is not an indicator of future performance.

	Before Tax	After Tax at 28% PIR
Last 3 months	0.0%	0.0%
Last 6 months	7.3%	7.8%
Last 12 months	12.0%	12.1%
Last 2 years (p.a)*	13.6%	13.3%
Last 3 years (p.a)*	13.1%	12.6%
Last 5 years (p.a)*	12.4%	11.6%
Since inception 13/06/2017 (p.a)*	11.1%	10.3%

*All figures are after fees. Please see the Product Disclosure Statement for further details on fees. Returns prior to the inception of PLPF in January 2019 are based on the underlying wholesale PLPP return.

Disclaimer: The Private Land and Property Fund (Fund) is part of the Booster Investment Scheme 2 which is issued and managed by Booster Investment Management Limited. The Fund's Product Disclosure Statement is available at www.booster.co.nz, by contacting your financial adviser or by calling Booster on 0800 336 338.

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Investment Holdings

Wholesale Portfolio	\$	%
Total Assets (millions)		
Property Assets (location / region)		
Awatere Valley, Marlborough <i>Vineyard properties</i>	\$28.9	19.8
Hope, Nelson Region <i>Vineyard properties</i>	\$19.2	13.1
Hawke's Bay <i>Winery building</i>	\$3.2	2.2
Hawke's Bay <i>Vineyard property</i>	\$5.9	4.0
Mahana, Nelson region <i>Winery building & Vineyard property</i>	\$3.7	2.5
Kerikeri, Northland <i>Kiwifruit orchard property</i>	\$22.9	15.6
Waimea, Nelson region <i>Waimea West Hops Ltd</i>	\$10.2	7.0
Southland <i>Dairy farmland</i>	\$32.8	22.4
Bay of Plenty & the Far North <i>Avocado orchards</i>	\$18.7	12.8
Total property assets	\$145.5	
Other Assets		
Cash / Income	\$0.0	
Accrued expenses	\$1.0	
Total Assets	\$146.5	
Total Liabilities (millions)		
Borrowings with BNZ	\$12.8	
Other liabilities (incl Property Operating Costs)	\$0.0	
Total liabilities	\$12.8	
Net asset value	\$133.6	
Gearing Ratio		8.7

The investment objective and strategy of the Wholesale Portfolio allows it to borrow to invest in more land and properties or to develop land and properties it already holds. Bank of New Zealand (BNZ) has provided a loan facility of up to 50% of the value of the secured properties for use by the Wholesale Portfolio to effect its gearing strategy which results in BNZ holding a security interest over most of the assets held by the Wholesale Portfolio. For further information on the Wholesale Portfolio, please refer to the Fund's PDS and Other Material Information document.

The gearing ratio shows the level of borrowing the Wholesale Portfolio has undertaken as a percentage of total assets.