

# Booster Innovation Scheme

Annual Report 2023

 booster  
Booster Innovation  
Fund

This Annual Report 2023 has been  
prepared for the year to 31 March 2023.

 booster

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# 1. Details of Scheme

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**Name of the scheme:** Booster Innovation Scheme (**Scheme**)

**Manager:** Booster Investment Management Limited (**BIML** or **Manager**)

**Supervisor:** Public Trust

**Product Disclosure Statement:** The date and status of the latest Product Disclosure Statement for the Scheme is:

- Booster Innovation Scheme – Booster Innovation Fund, dated 28 March 2023 – open for applications.

**Financial Statements and Auditor's Report:** The latest financial statements for the Scheme and its auditor report, covering the financial year ended 31 March 2023 (Year) were lodged on the scheme register and are available at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) or at [www.booster.co.nz](http://www.booster.co.nz).

## 2. Description of the Scheme

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**Description of the Scheme:** The Booster Innovation Fund (the 'Fund') was established to invest in a portfolio of early-stage companies founded on intellectual property originated or developed in New Zealand that are selected on the basis that they have the potential to become commercially successful globally. The Fund was also listed on the NZX Main Board, code BIF, on 2 March 2022.

**Date on which the Scheme started:** The Scheme was established on 22 October 2020. The Scheme was offered as a wholesale scheme with its first transaction being on 24 August 2021. The Scheme was registered as a managed investment scheme on 10 November 2021 and became available to investors on 18 November 2021.

This Annual Report has been prepared for the year ended 31 March 2023, which covers the period 1 April 2022 to 31 March 2023.

### 3. Information on composition of the Scheme

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#### Units on issue

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Fund	Units on issue at 1 April' 2022	Units on issue at 31 March 2023
Booster Innovation Fund	6,097,365	10,120,588

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<sup>1</sup>The opening units as at 1 April 2022 are the closing units as at 31 March 2022.

#### Substantial product holders

The Fund is listed on the NZX Main Board under NZX code BIF. Any unitholder that holds more than 5% of the units in the Fund is considered a substantial product holder.

A list of the substantial product holders and their respective unit holding in the Fund, as at the end of the year is as follows:

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Substantial product holder	Unit holding	Percentage of holding
Asset Custodian Nominees Limited (ACNL) <sup>2</sup>	3,241,506	32.03%
<i>Including ACNL on behalf of Booster Financial Services Limited</i>	<i>2,522,968</i>	<i>24.93%</i>
PT (Booster KiwiSaver) Nominees Limited on behalf of Booster KiwiSaver Scheme (a scheme managed by Booster)	4,912,984	48.54%
PT (Booster Superannuation) Nominees Limited on behalf of Booster Super Scheme (a scheme managed by Booster)	1,099,133	10.86%

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<sup>2</sup> ACNL holds units on behalf of (i.e. as custodian for) underlying investors.

## 4. Changes relating to the Scheme

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### Statement of Investment Policy and Objectives (SIPO)

Changes made to the SIPO during the Year included:

#### From 28 March 2023

Non-material changes including updates to current/existing Asset Classes with the addition of explanatory notes.

A copy of the Scheme's most recent SIPO is available at [www.booster.co.nz](http://www.booster.co.nz).

### Governing document

No changes were made to the Scheme's Trust Deed during the Year.

A copy of the Scheme's Trust Deed is available at [www.booster.co.nz](http://www.booster.co.nz).

### Related party transactions

#### Various Booster Funds invest in the Scheme

Units in the Scheme's Fund are held by Booster Financial Services Limited ('BFSL' the parent company of the Manager) as well as a number of managed investment schemes that are also managed by BIML. Such transactions have continued during the year.

#### NZ Innovation Booster Limited Partnership

The Scheme's Fund owns units in the NZ Innovation Booster Limited Partnership (**NZIB**). NZIB is a partnership between BFSL, Victoria Link Limited (Wellington UniVentures) and Otago Innovation Limited. Due to BFSL being a shareholder of the general partner and a limited partner of NZIB (and who had invested through NZIB in conjunction with a number of Booster managed funds prior to the Fund's establishment), we consider NZIB to be a related party. The Scheme acquired further units in NZIB during the Year.

#### Purchase of interests in companies from Wellington Univentures via NZIB

As both Wellington UniVentures and BFSL are shareholders of the general partner and are limited partners of NZIB, and because the Manager shares a common director with Wellington UniVentures, we consider Wellington UniVentures to be a related party. During 2022 and 2023 the Fund acquired NZIB partnership units where the overall transaction resulted in Wellington UniVentures reducing its interest in specific underlying businesses through a sale of some of its NZIB units and receiving cash in consideration. During the year ended 31 March 2023, such transactions were entered into totaling no more than \$1.5m.

There were no other changes to the nature or scale of any related party transactions during the Year and all related party transactions were on an arms' length basis.

Further information on the Fund and Related Party Benefits can be found in the Scheme's Product Disclosure Statement and Other Material Information document available at [www.booster.co.nz](http://www.booster.co.nz).

### Terms of the offer

A copy of the Scheme's current Product Disclosure Statement is available at [www.booster.co.nz](http://www.booster.co.nz).

There were no material changes to the terms of the offer over the Year.

### Valuation and pricing methodologies

No changes were made to the Scheme's Fund valuation and pricing methodologies during the Year that impact the net asset value of the Fund or the value of investor's interests.

## 5. Financial condition and performance of the Scheme

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The below information is a summary of the financial information for the Scheme for the year ended 31 March 2023. The full financial statements are available at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) or at [www.booster.co.nz](http://www.booster.co.nz).

The financial statements for the Fund are prepared under International Financial Reporting Standards, which differs to the approach applied for unit pricing purposes. There may be occasions where the financial statements are adjusted for information that becomes available post balance date relating to the year-end valuation in accordance with accounting standards. Unit pricing is adjusted on the date the new information is received.

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<b>Statement of Financial Performance of the Fund</b>	<b>For the year ended 31 March 2023 \$'000</b>
Investment income	1,236
Fees and expenses	(233)
<b>Net income before tax</b>	<b>1,003</b>

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<b>Statement of Financial Position of the Fund</b>	<b>As at 31 March 2023 \$'000</b>
Cash	178
Investments held at fair value	14,143
Performance fee payable	(201)
Other payables	(34)
<b>Net Assets</b>	<b>14,086</b>

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<b>Statement of Changes in net assets attributable to unitholders</b>	<b>For the year ended 31 March 2023 \$'000</b>
Net assets at the beginning of the period	7,620
Proceeds for units issued	5,473
Withdrawals	(10)
Net profit after tax	1,003
<b>Net Assets attributable to unitholders</b>	<b>14,086</b>

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<b>Statement of Cash Flows</b>	<b>For the year ended 31 March 2023 \$'000</b>
Opening cash position	124
Net cash (outflows) from operating activities	(5,409)
Net cash inflows from financing activities	5,463
<b>Cash at end of Year</b>	<b>178</b>

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The below table shows the breakdown on investments held at fair value. Fair value adjustments refer to unrealised gains/losses for holdings during the period assessed in accordance with valuation methodologies for the Scheme.

<b>Investments held at fair value</b>	<b>For the year ended 31 March 2023 \$'000</b>
Opening balance	7,521
Acquisitions	5,391
Distributions	-
Fair value adjustments	1,151
Foreign exchange translation	(80)
<b>Investments at end of Year</b>	<b>14,143</b>

## 6. Fees

Fees and expenses charged by the Fund through the unit price, but not including investor specific action fees, in respect of the Scheme for the Year are:

<b>Fee Type and Rate<sup>3</sup></b>	<b>Dollar Amount</b>	<b>Percentage of Scheme Property<sup>4</sup></b>
<b>Fees and Expenses Charged by the Manager or associated persons</b>		
Performance-based management fee <sup>5</sup>	\$201,000	1.41%
<b>Fees and Expenses Charged by other persons</b>		
Capital raising expenses	nil	n/a
Other fund administration expenses	\$34,379	0.31%
Other fund administration expenses from underlying funds	\$22,400	0.20%

<sup>3</sup> The disclosed fees and expenses represent the amounts either disclosed or reflected in the financial statements of the Scheme's Fund over that period.

<sup>4</sup> The percentage is calculated based off the dollar amount divided by the average net asset value of the Scheme's Fund for the relevant period.

<sup>5</sup> Normally, the performance-based fee would be calculated and paid (in units) for the financial period ended 31 March each year. Because BIF had been in operation for less than a full year at 31 March 2022 (since 24 August 2021) and although a performance fee of \$204,000 was contractually due to be paid as at 31 March 2022, Booster agreed to extend the measurement period for the calculation of the performance-based fee from 24 August 2021 to 31 March 2023. The period of measurement was extended to reduce the possibility that the returns achieved to 31 March 2022 were not representative of a full year's return (though the manager had no reason to believe this to be the case).

Any new fees or changes to existing fees is subject to the Scheme Trust Deed. The Manager will consult and agree any fee change with the Supervisor and provide 1 month's notice of any increase in the fees or charges to all investors in the Fund.

## 7. Scheme property

As at 31 March 2023, the Fund held the following investments:<sup>6</sup>

Company	Business Sector	Business Sub-Sector	Business Development Stage	Shareholding range	Investment made in year to 31/03/2023?
Advento Limited <sup>7</sup>	Materials and technologies	Scientific instrumentation	Early stage	15 - 20%	✓
Alimetry Limited <sup>7</sup>	Life sciences and medical technologies	Screening and diagnostics – human health	Expansion	0 - 5%	0.2% <sup>Δ</sup>
Allegro Energy Pty Limited <sup>7</sup>	Energy and clean technologies	Energy storage	Seed	0 - 5%	1.1% <sup>Δ</sup>
Amaroq Therapeutics Limited <sup>7</sup>	Life sciences and medical technologies	Life sciences – human health	Seed	5 - 10%	×
BioLumic Inc	Materials and technologies	Agriculture technologies	Expansion	0 - 5%	×
Captivate Technology Limited	Energy and clean technologies	Carbon capture	Seed	0 - 5%	✓
Chitogel Limited <sup>7</sup>	Life sciences and medical technologies	Biotechnology – human health	Expansion	0 - 5%	×
Ferronova Pty Limited <sup>7</sup>	Life sciences and medical technologies	Screening and diagnostics – human health	Expansion	0 - 5%	1.2% <sup>Δ</sup>
Hot Lime Labs Limited	Energy and clean technologies	Carbon capture - horticulture	Early stage	0 - 5%	✓
Inhibit Coatings Limited <sup>7,8</sup>	Materials and technologies	Material coatings	Early stage	0 - 5%	0.8% <sup>Δ</sup>
InsituGen Limited <sup>7</sup>	Life sciences and medical technologies	Screening and diagnostics – animal and human health	Expansion	15 - 20%	2.9% <sup>Δ</sup>
Jaipuna Limited (trading as Amy. app)	Information technology services	Education technologies	Early stage	0 - 5%	×

<sup>Δ</sup> Partial investment made in year to 31/03/2023. Percentage is additional investment acquired.



Komodo Holdings Limited	Information technology services	Education technologies	Early stage	0 - 5%	✓
Ligar Limited Partnership <sup>7</sup>	Materials and technologies	Biotechnology materials	Expansion	0 - 5%	✗
Liquium Limited <sup>7</sup>	Energy and clean technologies	Ammonia production	Seed	5 - 10%	✓
MACSO Technologies Limited <sup>9</sup>	Information technology services	Animal health	Seed	0 - 5%	✓
Marama Labs Limited <sup>7</sup>	Information technology services	Software and measurement hardware	Early stage	10 - 15%	✗
Mekonos Inc <sup>7</sup>	Life sciences and medical technologies	Life sciences – human health	Expansion	0 - 5%	✗
Montoux Limited	Information technology services	Life and health insurances	Expansion	0 - 5%	1.4% <sup>Δ</sup>
Opo Bio Limited	Materials and technologies	Cellular agriculture	Seed	5 - 10%	✓
Opum Technologies Limited	Life sciences and medical technologies	Screening and diagnostics	Early stage	0 - 5%	✓
Orbis Diagnostics Limited	Life sciences and medical technologies	Screening and diagnostics - human health	Early stage	0 - 5%	✓
PowerON Limited	Materials and technologies	Soft robotics	Early stage	5 - 10%	✗
Sensor Holdings Limited (trading as StretchSense) <sup>10</sup>	Information technology services	Augmented and virtual reality	Expansion	0 - 5%	0.3% <sup>Δ</sup>
TamoRx Limited	Life sciences and medical technologies	Life sciences – human health	Seed	0 - 5%	✓
Tasmanlon Limited <sup>7</sup>	Energy and clean technologies	Energy storage	Seed	10 - 15%	3.8% <sup>Δ</sup>
Woolchemy NZ Limited	Materials and technology	Natural materials	Early Stage	0 - 5%	✓

<sup>Δ</sup> Partial investment made in year to 31/03/2023. Percentage is additional investment acquired.

Xframe Pty Limited <sup>7</sup>	Materials and technologies	Construction materials	Early stage	5 - 10%	1.3% <sup>Δ</sup>
ZeroJet Limited	Energy and clean technologies	Electric systems	Expansion	0 - 5%	✓

<sup>Δ</sup> Partial investment made in year to 31/03/2023. Percentage is additional investment acquired.

<sup>6</sup> Investments with a \$nil value are not included.

<sup>7</sup> Investments are held indirectly via an interest in NZ Innovation Booster LP.

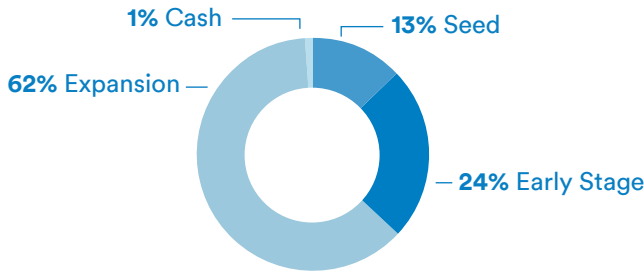
<sup>8</sup> A portion of the investment is held via a convertible note, percentage indicates estimated equity position on conversion.

<sup>9</sup> Investment is held via a security convertible to equity, percentage indicates equity position on conversion.

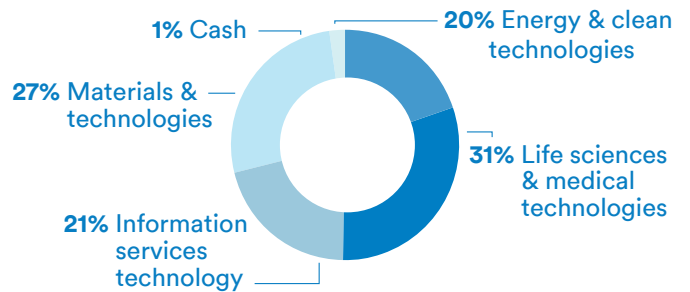
<sup>10</sup> Investment via a convertible loan note was converted into preference shares in September 2022.

The following charts provide an analysis of the composition of the investment portfolio as at 31 March 2023.

### Fund value by business stage

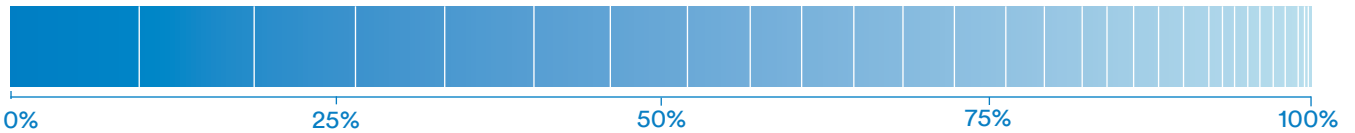


### Fund value by sector



### Fund value by individual holding

This chart shows the relative size of each of the 29 investments in which the Fund held an interest in as at 31 March 2023 (as a proportion of NAV). Commercial confidentiality obligations restrict the identification of each investment.



## 8. Changes to persons involved in the Scheme

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### The Manager

BIML is the manager, administration manager and investment manager of the Scheme. This did not change during the Year.

#### Changes to Directors of the Manager

30 September 2022

Bruce Edgar stepped down from the Board of the Manager.

Richard Kirkland was appointed to the Board of the Manager.

#### Changes in Senior Management of the Manager

As at the date of preparation of this Annual Report, the Senior Managers of the Manager are as follows:

- Alison Payne, Chief Operating Officer
- Andrew Hughes, Chief Risk Officer<sup>11</sup>
- Diana Papadopoulos, Chief Customer Officer<sup>11</sup>
- Mihaela Chitu, Head of Technology Solutions<sup>11</sup>
- Natasha Keddie, Head of Finance and Administration<sup>11</sup>
- Nicholas Craven, Chief Investment Office<sup>11</sup>

<sup>11</sup>Confirmed as Senior Manager post 31 March 2023 following a review of the organisational structure of the Manager and its parent Booster FSL. At this time Allan Wilson, David Beattie and Gary Scott were considered as no longer Senior Managers but remain employed by BFSL.

### The Supervisor

Public Trust is the Supervisor of the Scheme and this did not change during the Year. There have been changes to the board members of the Supervisor in the year ended 31 March 2023.

31 October 2022

Vicki Sykes ended her term as a director.

Ian Fitzgerald extended his term as Chair of the Board.

Meleane Burgess extended her term as a director.

Kevin Murphy extended his term as a director.

### Other Persons Involved

The Custodian (PT (Booster Investments) Nominees Limited), Listed Securities Registrar (Link Market Services) and the Auditor (Ernst and Young) did not change during the Year.

## 9. How to find further information

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Information relating to the Scheme is available on the scheme register and information relating to the Fund is on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) by searching 'Booster Innovation Scheme' for the scheme register and 'Booster Innovation Fund' for the offer register:

- The **offer register** includes the product disclosure statement, other material information and material contracts for the Scheme.
- The **scheme register** includes the trust deed, the SIPO, the financial statements and the annual reports for the Scheme.

To request this annual report and other information about the Scheme and your investment (free of charge):

write to      Booster Investment Management Limited,  
PO Box 11872, Manners Street, Wellington 6142

email         [investments@booster.co.nz](mailto:investments@booster.co.nz)

call            0800 40 40 50 from 8.00am to 5.00pm (Monday to Friday)

visit          [www.booster.co.nz](http://www.booster.co.nz)

## 10. Contact details and complaints

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If you have any queries or complaints about the Scheme, you can contact the Manager (in the first instance), or the Supervisor, at the contact details below:

### Manager

#### Chief Operating Officer

Booster Investment Management Limited  
Level 19, Aon Centre, 1 Willis Street  
PO Box 11872, Manners Street  
Wellington 6142

Phone: **0800 336 338**

Email: [clientservices@booster.co.nz](mailto:clientservices@booster.co.nz)

### Supervisor

#### General Manager, Corporate Trustee Services

Public Trust  
Level 2, Public Trust Building,  
22-28 Willeston Street,  
Private Bag 5902  
Wellington 6140

Phone: **0800 371 471**

Email: [CTS.Enquiry@PublicTrust.co.nz](mailto:CTS.Enquiry@PublicTrust.co.nz)

If you have any queries on your listed securities holdings, you can contact the Securities Registrar on the contact details below:

### Securities Registrar

#### Link Market Services

Level 30, PwC Tower,  
15 Customs Street West  
PO Box 91976  
Auckland 1142

Phone: **09 375 5998**

Email: [enquiries@linkmarketservices.co.nz](mailto:enquiries@linkmarketservices.co.nz)

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If your complaint can't be resolved by the Manager, the Supervisor or the Securities Registrar, you can refer it to one of the following approved dispute resolution schemes. They won't charge you a fee to investigate or resolve your complaint.

### Manager's Approved Dispute Resolution Scheme

#### Financial Dispute Resolution Service

Level 4, 142 Lambton Quay  
Freepost 231075  
PO Box 2272  
Wellington 6140

Phone: **0508 337 337**

Email: [enquiries@fdrs.org.nz](mailto:enquiries@fdrs.org.nz)

Website: [www.fdrs.org.nz](http://www.fdrs.org.nz)

### Supervisor's Approved Dispute Resolution Scheme

#### Financial Services Complaints Limited

Level 4, 101 Lambton Quay  
PO Box 5967  
Wellington 6140

Phone: **0800 347 257**

Email: [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)

Website: [www.fscl.org.nz](http://www.fscl.org.nz)

### Securities Registrar's Approved Dispute Resolution Scheme

#### Financial Services Complaints Limited

Level 4, 101 Lambton Quay  
PO Box 5967  
Wellington 6140

Phone: **0800 347 257**

Email: [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)

Website: [www.fscl.org.nz](http://www.fscl.org.nz)

Booster Investment Management Limited (BIML) is the issuer of the Booster Innovation Scheme. None of BIML, Public Trust, or any director, board member or nominee of any of those entities, or any other person guarantees the Scheme's performance, returns or repayment of capital. A copy of the Scheme's Product Disclosure Statement is available at [www.booster.co.nz](http://www.booster.co.nz).



**We're here to help.**

To find out more about Booster Innovation Scheme, talk to your financial adviser, visit our website or call us on **0800 40 40 50**.

**[booster.co.nz](https://booster.co.nz)**

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