

Booster Innovation Fund – potential material valuation increase for the Fund

5 August 2022

Booster has been informed by one of the businesses in the Booster Innovation Fund’s investment portfolio, that it has experienced significant increases in demand for its product. As a result, that business intends to raise additional capital to fund its increased business activity.

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

The business anticipates that, reflecting its improved business position, the price at which new shares will be issued will be at a significant premium to the per share value the Fund is currently carrying its investment in this business at.

As a result, Booster has undertaken a review of the carrying value of this investment. While Booster recognises there is uncertainty in whether the business will secure the target level of new capital, and whether the business’s assessment of its increased valuation will be validated by new investors, Booster considers a valuation increase is warranted based on the achievement of key business milestones.

Therefore, Booster has increased its assessment of value by \$230,000, which represents an increase in the total Fund value of 2.15% (net of an allowance for any performance fees and tax), to give a net asset value per unit of approximately \$1.351.

In its assessment, Booster has applied its investment valuation approach to the progress made by the business against its key milestones and has considered the potential for a successful capital raise at the price indicated by the business. Should the business be successful at raising the level of capital required and at the indicative share price that the business is currently promoting in its engagement with potential investors, there is potential for a further material increase in the value of the Fund (by an additional 7% of the Fund value). Booster will continue to monitor the business’s progress through the capital raise and will reassess the business’s value accordingly as information becomes available and Booster will make a further assessment by the next scheduled time for the manager to issue 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. 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:

Gary Scott
Company Secretary
Booster Investment Management Limited
04 8944300

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