



Monday, 16 May 2022

Dear Shareholder,

### **Rangatira Investments Net Asset Value assessed at \$16.27 per share**

Rangatira is pleased to report a total shareholder return of 13.4% for the year to 31 March 2022, inclusive of dividends. This compares to the NZX50 which was down 3.6% over the same period.

The Net Asset Value (NAV) per share as of 31 March 2022 is assessed at \$16.27 compared with \$14.87 last year, taking the portfolio valuation to \$288 million. This is up from \$263 million at the end of the previous financial year, and after dividend payments of \$10.6 million.

There have been strong results across the private portfolio, particularly at BeGroup, Magritek, Partners Life and Southern Cross Horticulture (the latter of which benefited from strong growth in kiwifruit orchard values). Rangatira also concluded the sale of the Hellers factory (Domett Properties) at a price above the previous valuation, which was completed in April.

The Board has recently sought to increase the transparency of the NAV calculation and has elected to include additional information in this announcement.

Rangatira's valuation approach involves the following:

- Management conducts an asset-by-asset valuation of the entire portfolio every six months. The sum of these values constitutes the portfolio NAV.
- Rangatira's core private investment assets use a variety of approaches including:
  - 'Capitalisation of earnings' This approach values each company at a multiple of operating earnings (earnings before interest, tax depreciation and amortisation or 'EBITDA'). The multiples used vary by company, ranging between 4.5 times to 6.5 times.
  - Most recent share trade price (typically investments where we are one of many shareholders)
  - Net Asset Value based on annual external revaluations
- Other non-core investments are valued based on the most recent share trade price or valuations provided by the respective investment managers
- All assets are valued in accordance with International Private Equity and Venture Capital (IPEV) valuation guidelines and are independently reviewed annually as part of Rangatira's audit process.














Further information on the composition and valuation approach by asset is provided in the attached outline.

Rangatira will report on the annual result and final dividend on Wednesday, 15 June 2022.



Mark Dossor  
Chief Executive

## Valuation approach by asset

Asset	Ownership	Valuation approach
<b>Core Portfolio</b>		
 apcinnovate	100%	Capitalisation of earnings (5.0x EBITDA)
 BeGroup	26%	External valuation
 bio-strategy delivering technology	70%	Capitalisation of earnings (6.5x EBITDA)
 Boulcott Hospital	70%	Cost of investment (2022 transaction)
Domett Properties	68%	Pending sale proceeds
Fixed Income	Loan	Balance plus accrued interest less credit provision
 FJORDLAND LOBSTER	8%	Recent share price
 magritek	25%	Recent share price
 MRS HIGGINS	50%	Capitalisation of earnings (5.25x EBITDA)
 NZ PASTURES	20%	Net asset value
 partners life	5%	Multiple of tangible book value
 POLYNESIAN SPA	51%	Capitalisation of earnings (5.0x EBITDA)
 RAINBOW'S END	100%	Capitalisation of earnings (4.5x EBITDA)
 sch  SOUTHERNCROSS	Oaklands (29%) Eastern Rise (15%)	External valuation
<b>Passive / Non-Core Portfolio</b>		
Venture Capital	n/a	External valuation
Listed investments		
• Shares	n/a	Recent share price / external valuation
• Intermede		
Cash	n/a	Account balances

## Core Portfolio breakdown

