



Shareholder Update December 2023



RANGATIRA
INVESTMENTS

David
Pilkington

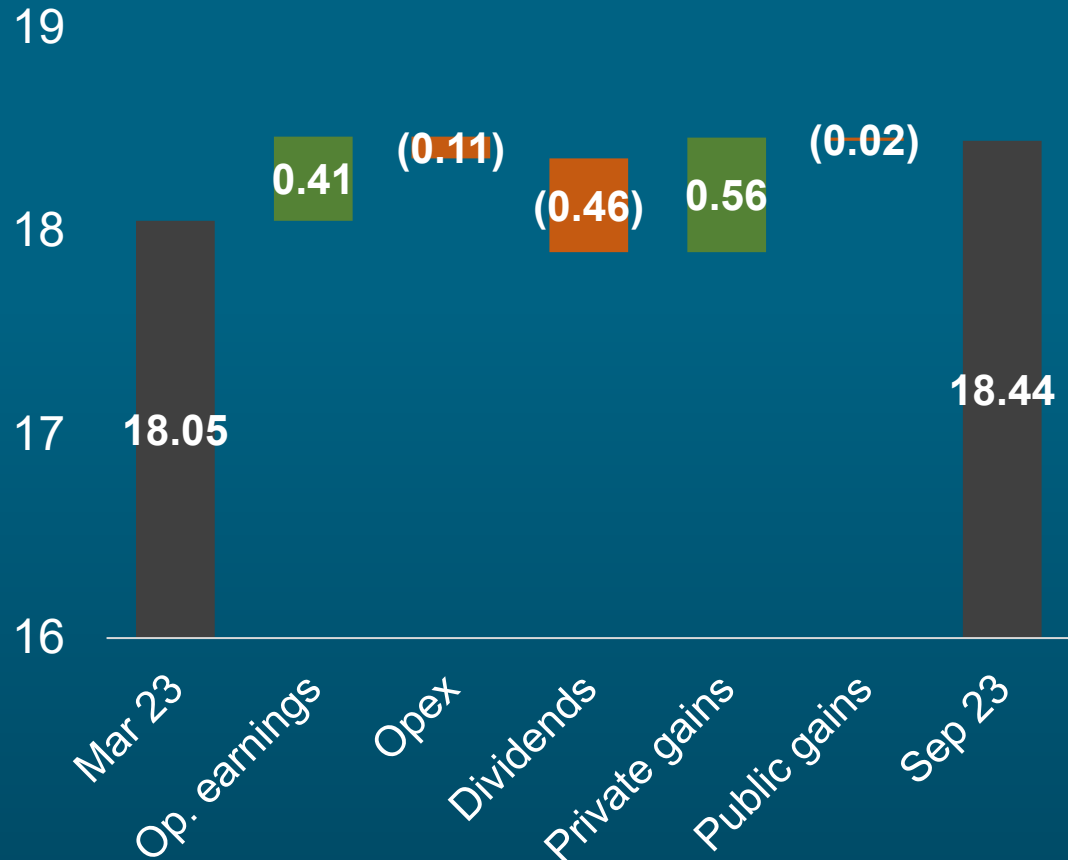




Mark
Dossor

HY24 result (NAV per share)

- Portfolio value \$386m (\$18.44 per share), up from \$378m (\$18.05 per share)
- 4.7% return – above benchmark of 4.1%
- Includes 46c final dividend paid in July.
- Return fully reflects Mrs Higgins and Bio-Strategy sales
- Comprehensive income \$6.9m, down from \$19.5m



Key Developments



Sold our 70% share of Bio-Strategy (alongside co-investors) to DKSH – final return of 22%.

Kiwifruit

Committed to a third Southern Cross kiwifruit partnership – Aurora Gold.



Magritek CEO Andrew Coy resigned after 19 years. Federico Casanova (current Head of Europe) takes over in 2024.



Fiordland Lobster CEO Alan Buckner resigning end of 2024 – the Board has commenced a recruitment process.



Committed to Te Ahumairangi as part of our listed equity investments.

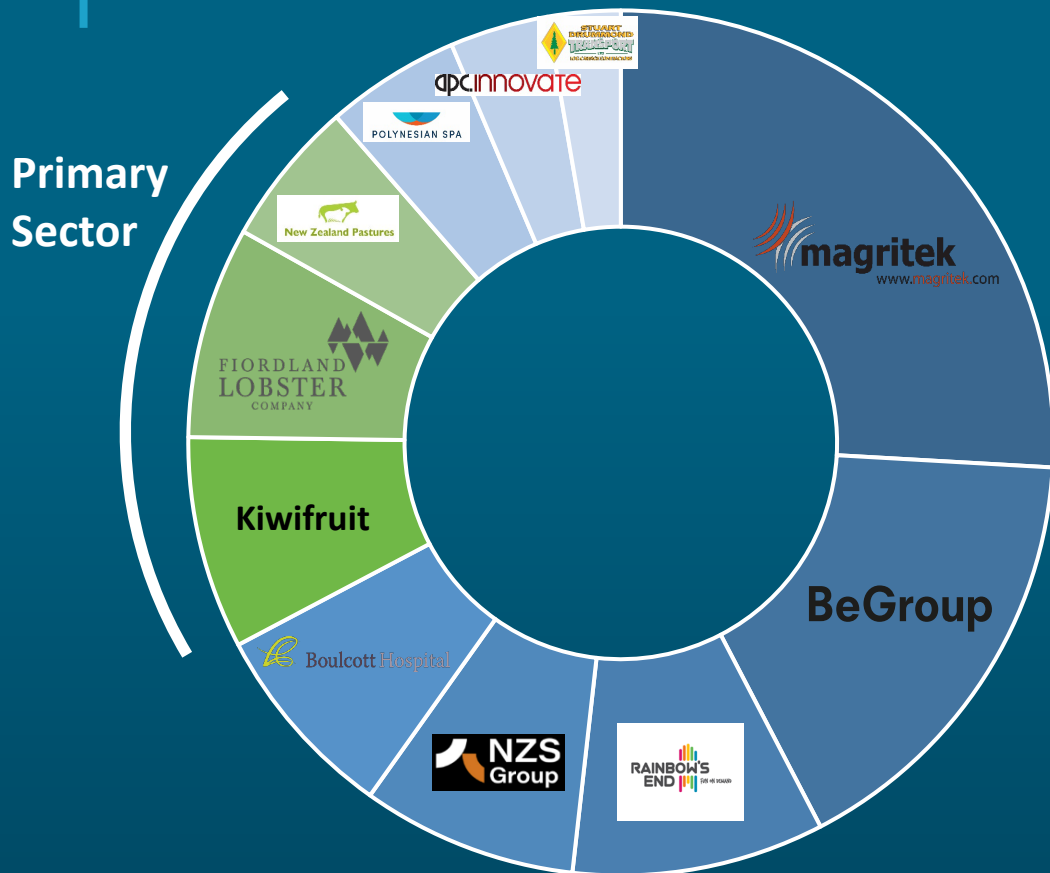


Committed to Pacific Channel Fund 3 and WNT Ventures Fund 4.

Bio-Strategy Sale

- Acquired 70% share in 2015, alongside Graeme Thompson and Robert Lyon.
- Sold to DKSH, a Swiss multinational distributor.
- Sale proceeds +25% above our March 2023 valuation.
- Why did we sell?
 - Reviewed ownership with shareholders earlier this year
 - Founders were wanting to exit in line with initial investment horizon.
 - Looked at two options: 50% sale with Rangatira staying in with a new partner – or a 100% sale.
- Overall return since investment of 22.7% p.a.

Direct Investments



- Following the sale of Bio-Strategy, we now have 11 direct investments.
- Longer term, want a smaller number of larger holdings – ideally ~8 core investments.
- Cash yield of the portfolio is currently 4% – which supports a 4% Rangatira dividend yield.

Investment Entity Update

- We are considering changing the way that we present the year end accounts.
- Reviewing the financial accounting standards to investigate if we qualify to report as an 'Investment Entity' versus a 'Consolidated Group'.
- This will lead to more simplified accounts and greater disclosure of the underlying values of our investments.
- We think it will better represent our accounts to shareholders and be more valuable to readers.

Looking Forward

- Declare an interim dividend of 28 cents payable on Monday 18 December with an ex-dividend date of Thursday 7 December.
- Expect to make one direct investment in 2024.
- Good prospect for earnings growth in the portfolio.
- Longer term – consolidate portfolio to a smaller number of large investments.



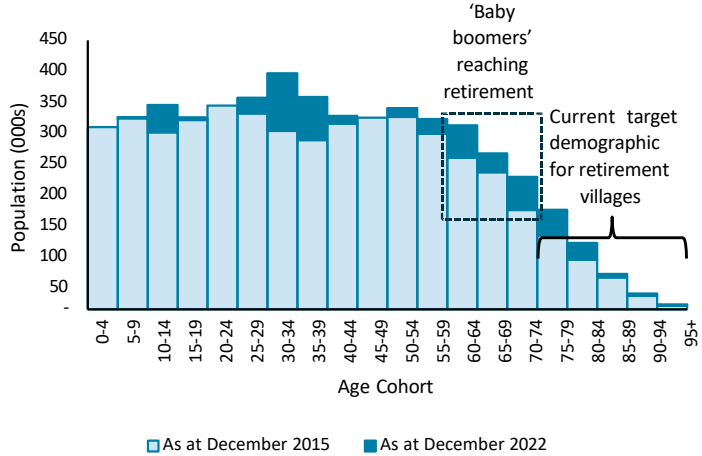
BeGroup

Guy
Eady

INDUSTRY OUTLOOK

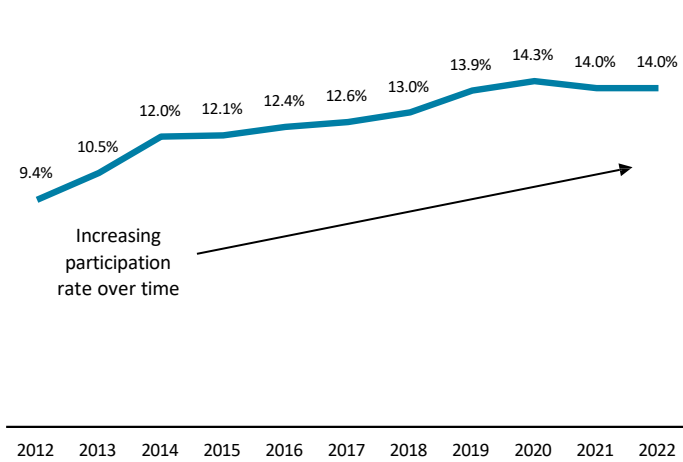
NZ's ageing population drives ongoing demand for retirement living. Rising participation shows support for the retirement village model.

NZ population by age cohort



Source: Statistics NZ.

Participation rate of 75+ year olds in retirement villages



Source: JLL NZ Retirement Village and Aged Care Report (2019 – 2022).

By 2033, the number of NZ residents aged 75+ is forecast to increase by 24.5% and the current number is expected to increase by 98.1% in 20 years. This trend, coupled with the increasing desire of older New Zealanders to live in retirement village communities, means ~61,000 additional retirement units are needed by 2033 to match the increase in demand.

Source: JLL NZ Retirement Village Database 2022.

HIGHLY EXPERIENCED MANAGEMENT TEAM

The BeGroup management team has extensive experience, with more than 80 years combined experience in the retirement village industry.

- The team's experience covers all aspects of the retirement village and aged care industries, including operation and development of both large and small portfolios.
- Their industry connections are extensive and capable of delivering an ongoing pipeline of opportunities for the Fund.
- The team has contributed \$2m of their own equity on an equal ranking basis with investors and is further aligned with investors through an allocation of a 5% partnership interest.

GUY EADY, CEO



- More than 25 years of experience in the retirement village and aged care sector.
- Established BeGroup alongside Pencarrow IV Investment Capital LP in 2014.
- Prior to founding BeGroup, Guy lead Oceania for two and a half years as CEO.
- Guy has extensive senior governance experience: Chairman of Oceania, Director of Metlifecare, Director of the Retirement Villages Association and Director of the New Zealand Aged Care Association.

ANGELA KNEESHAW, CFO



- More than 20 years of experience in real estate and retirement village accounting.
- Joined BeGroup in 2014.
- Prior to BeGroup, Angela was the Financial Controller for Metlifecare.

BRETT MEYER, CPO

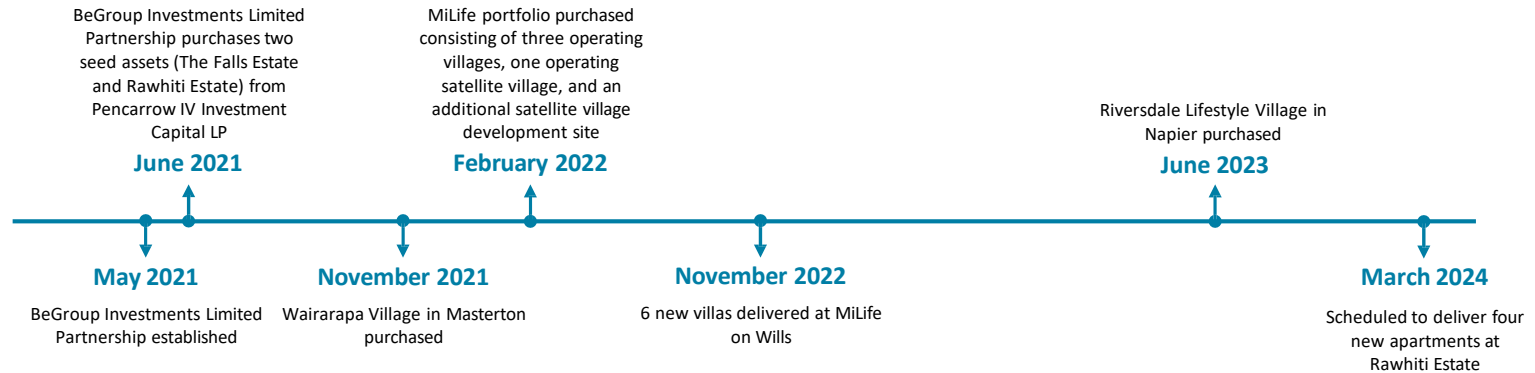


- More than 35 years of experience in construction and property development in South Africa, Australia, the United Kingdom and New Zealand.
- Joined BeGroup in 2014.
- Prior to BeGroup, Brett spent 8 years as General Manager of Property and Village Operations at Oceania Healthcare.

BEGROUP HISTORY

The BeGroup management team have a proven track record of successful acquisitions and operations.

- Since inception, the Fund has grown its assets under management to \$208.5m through four acquisitions of 596 units under ORA and 60 care beds across eight sites and delivery of embedded development opportunities.
- The Fund has delivered growing and predictable quarterly dividends to investors consistent with projections, and has achieved a 61.0% capital appreciation in partnership capital from 30 June 2021 to 31 March 2023¹.



¹ Based on independent site valuations as at 31 March 2023 performed by CBRE.

CURRENT ASSETS UNDER MANAGEMENT

BeGroup's fund consists of multiple operating sites and development opportunities.

The Fund's geographically diverse North Island portfolio of urban and suburban villages offers the full range of typical retirement village and aged care products:

- Independent Living Units ("ILUs") (both villas and apartments);
- Serviced Apartments ("SAs");
- Care Suites; and
- Care Beds.

High-quality mature sites were selected by BeGroup management to ensure a steady resales profile across the portfolio, allowing the Fund to provide predictable cash yield to investors. The three brownfield development opportunities at well-established Fund villages will allow BeGroup management to enhance investor returns while limiting development risk.

	The Falls Estate	Rawhiti Estate	Wairarapa Village	MiLife Rosewood Park	MiLife Kelvin Grove	MiLife Bell Vista + MiLife on Wills	Riversdale Lifestyle Village
Year Purchased	2021	2021	2021	2022	2022	2022	2023
Location	Whangarei	Remuera Auckland	Masterton	Levin	Palmerston North	New Plymouth	Napier
No. Retirement Units	153 ILUs	26 ILUs	60 ILUs 25 SAs	52 ILUs	57 ILUs	94 ILUs	57 ILUs
No. Care Units	-	68 Care Suites	60 Care Beds	-	-	-	-
Development Opportunities	~0.9ha at Boundary Road (Resource Consent obtained for a 75-bed age care facility with 6 ILUs)	Development of 4 new apartments under way at Ara Street site ~931 sqm at Rangitoto Ave site	-	~1.5ha at Fairfield Road	-	-	-
Independent Valuation as at 31 March 2023¹	\$36.83m	\$89.60m	\$23.25m	\$10.35m	\$12.50m	\$22.55m	\$13.45m ²

¹ Independent CBRE valuation is made up of Operator's Interest, Unsold Stock, Care Facility (Freehold Going Concern), and Development Land.

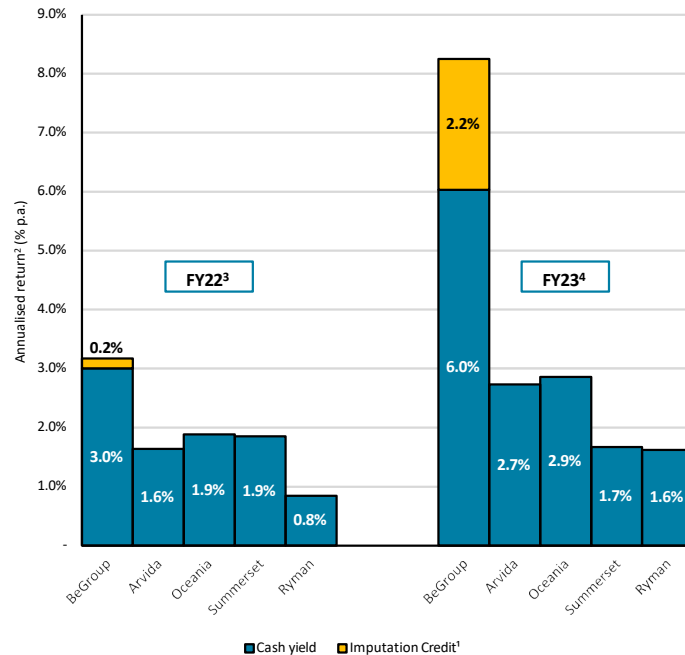
² Independent valuation as at 21 June 2023 (acquisition date).

HISTORIC PERFORMANCE

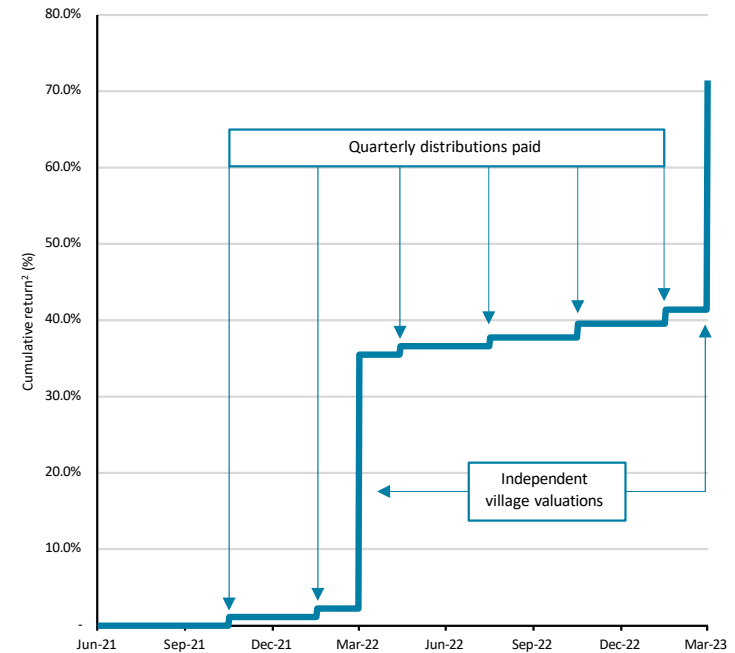
BeGroup has outperformed listed retirement village shares since inception, in terms of both cash yield and capital appreciation.

BeGroup's carefully selected mature sites have allowed its investors to realise predictable and growing quarterly distributions consistent with projections. The Fund's limited partnership structure provides tax benefits via the attribution of deductible losses at the Fund level to investors.

Annualised return (cash yield and imputation credits¹)



Cumulative return (cash yield, capital appreciation² and imputation credits¹) since Fund inception



¹For BeGroup, the benefit of the tax deduction available to investors from the deductible loss attributed to limited partners in the Fund is shown. The figures presented assume an investor tax rate of 28%.

² BeGroup: return on partnership capital invested as at 30 June 2021.

³ 9 months from 1 July 2021 (purchase of BeGroup seed assets) to 31 March 2022.

⁴ 12 months from 1 April 2022 to 31 March 2023.

APPENDIX

CURRENT ASSETS UNDER MANAGEMENT

THE FALLS ESTATE (SEED ASSET)

The purchase of The Falls Estate (one of two fund seed assets) was completed on the 30th of June 2021.

THE FALLS ESTATE

The Falls Estate is a high-quality retirement village located on a 6.7-hectare site in Tikipunga, on the suburban fringe of Whangārei. The original village began operation in 1996 and was purchased by BeGroup in May 2014. BeGroup subsequently constructed a further 32 ILUs (taking the total to 153 units) and has consent to build a care facility on an adjacent site.

<https://www.fallsestate.co.nz/>



RAWHITI ESTATE (SEED ASSET)

The purchase of Rawhiti Estate (one of two fund seed assets) was completed on the 30th of June 2021.

RAWHITI ESTATE

Rawhiti Estate is a premium boutique retirement village located on a 0.6-hectare site in the heart of Remuera in central Auckland. The facility was purpose-built by BeGroup on the site of the former Rawhiti Bowling Club and opened in September 2018. Rawhiti Estate has 26 apartments, 48 luxury care suites and 20 memory loss suites.

Development of four additional ILUs is underway on an adjacent site owned by BeGroup: the units are expected to be delivered in the first half of 2024.

<https://www.rawhitiestate.co.nz/>



WAIRARAPA VILLAGE

The purchase of the Wairarapa Village was completed on the 30th of November 2021.

WAIRARAPA VILLAGE

Wairarapa Village is an established and fully developed urban village in Masterton. The village was built in stages from the mid-1990s onward and is on approximately 3.5 hectares of land. Wairarapa Village has 60 single level ILUs and 25 serviced apartments as well as an on-site care facility with 60 beds (rest home and hospital care).

<https://wairarapavillage.co.nz/>



MILIFE ROSEWOOD PARK

The Fund completed the acquisition of the MiLife Portfolio on the 28th of February 2022.

MILIFE ROSEWOOD PARK

MiLife Rosewood Park is a mature retirement village located on a 1.4-hectare site on the north-eastern fringe of Levin. The original village was constructed between 2000 and 2006 and 16 additional villas were completed in 2017/2018. The village is now fully developed and has 52 villas, comprising a mix of one- to three-bedroom units.



MILIFE KELVIN GROVE

The Fund completed the acquisition of the MiLife Portfolio on the 28th of February 2022.

MILIFE KELVIN GROVE

MiLife Kelvin Grove is a fully developed retirement village located on a 1.5-hectare site in Kelvin Grove, a suburb in north-eastern Palmerston North. The village was first occupied in mid-2008 and has been progressively developed in stages up to 2019. The village has 57 villas, comprising a mix of one- to three-bedroom units.



MILIFE BELL VISTA

The Fund completed the acquisition of the MiLife Portfolio on the 28th of February 2022.

MILIFE BELL VISTA

MiLife Bell Vista began operation in 2008 and has been progressively developed in stages, with the final villas completed at the end of 2016. The fully developed 1.7-hectare village is located in Bell Block, New Plymouth and has 67 villas, comprising a mix of one- to three-bedroom units.

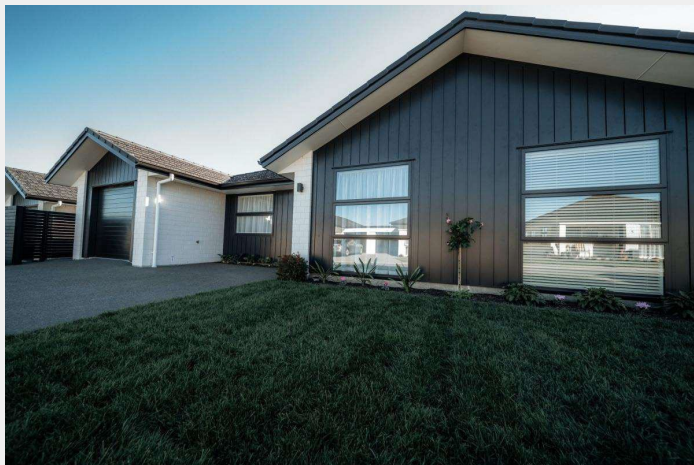


MILIFE ON WILLS

The Fund completed the acquisition of the MiLife Portfolio on the 28th of February 2022.

MILIFE ON WILLS

MiLife on Wills is located on a 0.9-hectare site in Bell Block, New Plymouth and is in close proximity to MiLife Bell Vista. The fully developed satellite village has 27 villas.

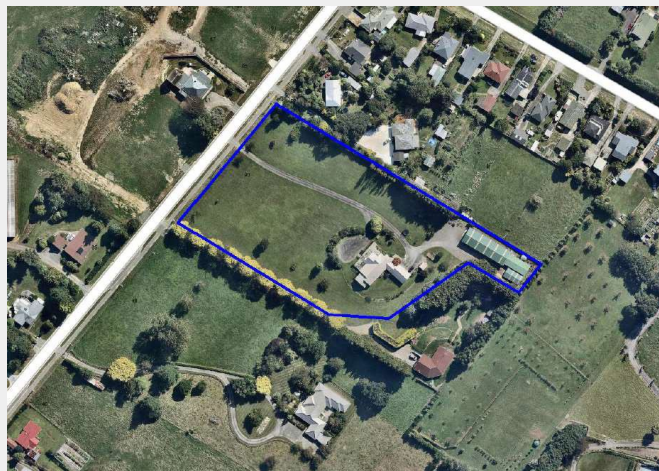


MILIFE FAIRFIELD ROAD DEVELOPMENT SITE

The 1.5-hectare development site in Levin is intended to be operated as a satellite village of MiLife Rosewood Park upon completion.

MILIFE FAIRFIELD ROAD DEVELOPMENT SITE

The development site is located on the north-eastern rural fringe of Levin and is in close proximity to MiLife Rosewood Park (approximately two minutes by car). The 1.5-hectare property is approximately 2.3km from the Levin town centre and has an existing connection to council reticulated water, sewer and stormwater services along the road boundary.

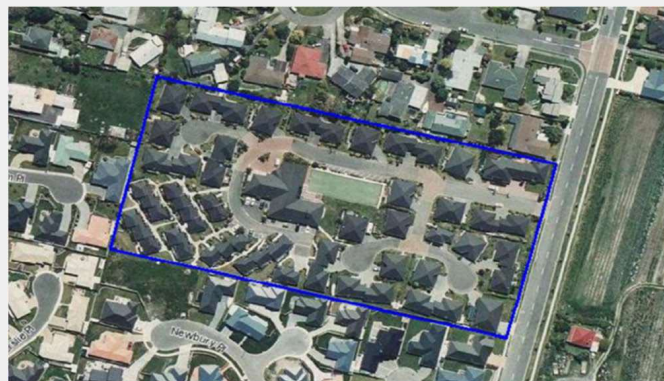


RIVERSDALE LIFESTYLE VILLAGE

The acquisition of the Riversdale Lifestyle Village in Napier was completed on the 21st of June 2023.

RIVERSDALE LIFESTYLE VILLAGE

Riversdale is a single site retirement village located in the residential suburb of Taradale, approximately 8.5 kilometres southwest of the Napier CBD. The village was first occupied in 1995 and has been progressively developed in stages. The village covers 2.1ha and comprises 57 ILUs and community and recreational facilities including dining area, hairdresser, heated indoor pool, spa, gym and an artificial all-weather outdoor bowling green.



Questions