



Craigmore Permanent Crop Partnership (CPCP) – 10% p.a. Target Returns

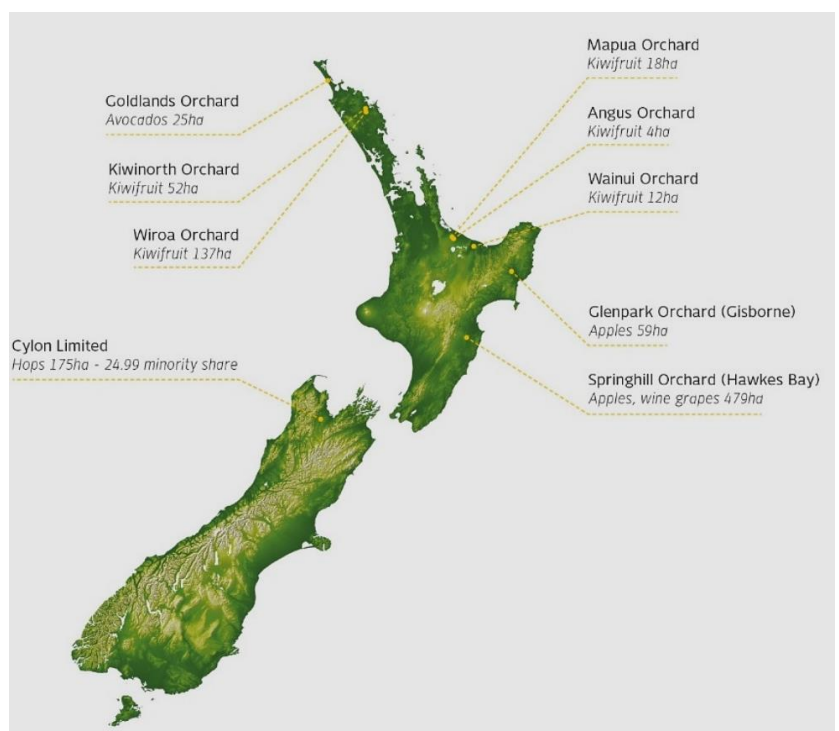
- *Partnership Re-open:* LPs have approved the re-open of the Partnership to raise an additional NZ\$ 130m capital, effective 1 November 21. The manager has already received ~NZ\$ 90m of commitments. NZ\$ 40m capacity for new investment remains available.
- *Final Close:* The final close will occur either when the remaining NZ\$ 40m is committed or on 30 April 2022 – whichever is the earliest.
- *Returns to Date:*
 - *Gross IRR:* 10.30%
 - *Net IRR:* 8.93%
 - *Multiple:* 1.26.
- *Forecast yield:* Distributions are projected to begin in FY24-FY25 and to increase to a 5% annual distribution when the orchards are fully mature.
- *Unit Price for Additional Capital:* The NAV current at the time of the capital call plus a 2% premium.
- *Commitment Fee:* 0.5% - to be rebated to existing LPs.

The Portfolio

CPCP is developing a portfolio of permanent crop horticulture orchards, with a current net asset value of \$213m - original committed capital ~NZ\$ 169m. The portfolio by asset value is ~64% kiwifruit, ~25% apples with the balance in wine grapes, hops and debt.

The Partnership's current new-plant orchards are now ~80% through development. The new capital raised will be used to rebalance the portfolio away from kiwifruit – which has seen significant valuation gains – and into new plant apple orchards and wine grape vineyards.

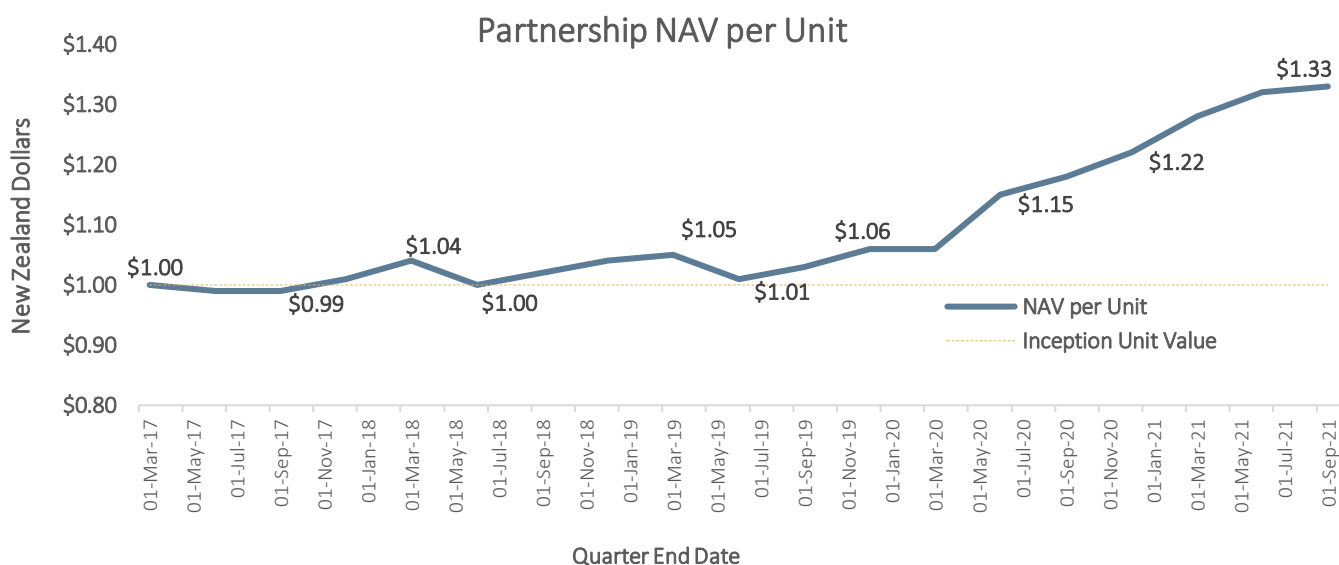
New Zealand enjoys a global competitive advantage in the production of these crops, holding the IP licences for key kiwifruit and



apple varieties and climatic conditions producing a premium Sauvignon Blanc. Craigmore enjoys strong relationships with holders of these critical IP licences.

The Partnership presents an opportunity to enter one of the most productive horticulture sectors in the world, in a well-invested and widely diversified portfolio of orchards and vineyards. The map on the right shows the geographic spread of the portfolio.

This Partnership has seen strong NAV performance delivering a net IRR of ~9% since inception. This uplift is driven by valuation gains as the partnership is not yet making an operating profit. Long-term returns will be driven by both operating returns and capital appreciation.



Craigmore Sustainables - Leading New Zealand manager of Natural Capital

- Craigmore Sustainables is New Zealand's specialist land manager, established over a decade ago
- The only business operating at scale across all three of New Zealand's main productive land-uses - over NZ\$700m of forests, farms, and orchards spread over 18,000 ha across almost 50 properties
- Our capital sponsors are largely European family offices and institutions
- Craigmore focuses on sustainable industry-leading operational management and land use change

As a Kaitiaki (the indigenous concept of a guardian), Craigmore protects and nurtures its orchards, farms and forests, the surrounding environment, and the people who work and live on the land. to deliver sustainable, long-term returns to investors.

Positive Impact Investments

- Over 400 jobs created in marginalised rural communities, and joint ventures with indigenous groups.
- A leader in organics, and soon to be the largest producer of organic gold kiwifruit.
- Leader in reducing GHG emissions:
 - With net CO₂-eq sequestration on our orchards, Craigmore orchards absorb rather than emit carbon.
 - Forest planting to date by Craigmore has offset the net CO₂-eq emissions of a small NZ city for 17 years.
 - Grass-fed regenerative farming practices with one of the lowest CO₂-eq footprints in the world.

Craigmore built its own software platform to integrate financial and operational farm data to monitor, benchmark and improve performance. This platform has been commercialised to provide farmer ESG information to global food businesses.

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Disclaimer

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