

Booster Innovation Fund

Quarterly Client Update

Update as at and for the quarter ending 31 December 2023

Portfolio Performance

The Booster Innovation Fund (BIF) has had a negative quarter ending 31 December 2023, returning -1.8% for the quarter and 19.5% p.a. since inception (24 August 2021) (after fees and before tax).

There have been valuation movements in several of the companies invested in, with some experiencing uplifts in response to their business and investment activities, and others adjusted downwards to reflect slower than expected progress.

As at the end of December, the Booster Innovation Fund has equity/equity-like assets and cash of \$18.2m.

Portfolio Additions and Exits

During the quarter, BIF invested \$0.6m, securing interests in one new company, Whole Fish Limited (trading as **New Fish**) and providing follow on investment into three existing portfolio companies, **Inhibit Coatings Limited**, **Insitugen Limited** and **Sensor Holdings Limited**.

New Fish, a food technology company, is commercialising marine whey, a protein source produced from water and microalgae. Founded in 2020, their mission is to produce complete nutrition with the lowest emission profile without compromising taste or quality. They have a key technology partnership with Cawthron Research Institute, a science institute specialising in science that supports the environment.

During the quarter, three companies have been formally placed into liquidation, **Avalia Limited**, **Ligar GP** and **Opum Technologies Limited**. This has been a difficult time for the teams as the reality of business progress and challenging market conditions have affected the ability of the companies to succeed. While outcomes like this are disappointing, we accept that they are a natural part of investing in early stage businesses. The fund's returns since inception show that overall the impact of these closures has been more than offset by portfolio diversity and gains in value by other holdings.

Key Facts

Fund Size (net asset value)	\$18.2 million
Inception Date	24/08/2021
Manager	Booster Investment Management Ltd
Supervisor	Public Trust
Fund Type	Portfolio Investment Entity (PIE)

Performance as at 31 December 2023

BIF was created in August 2021. Potential returns on early stage businesses are uncertain, difficult to predict and can range widely both positively and negatively. By taking a portfolio approach to investing, the Booster Innovation Fund aims to deliver a significant total rate of return over rolling 15-year periods. Past performance is not an indicator of future performance.

	Before Tax	After Tax (28%)
Last 3 months	-1.8%	-2.0%
Last 6 months	2.6%	2.3%
Last 12 months	7.3%	6.7%
Last 2 years (p.a.)	14.4%	14.6%
Since Inception 24/8/21 (p.a.)	19.5%	20.1%

All figures are after fees. Please see the Product Disclosure Statement for further details.

After tax return may be higher than before tax due to tax credits from performance based fees.

Risk Level

Early stage company investing is generally considered the riskiest type of equity investing. While the fund is not required to calculate a Risk Indicator based on the volatility of the fund (being the extent to which the fund's assets go up and down), we consider the fund's risk rating would equate to 7 on a scale of 1 (low) to 7 (high).



Please see the Product Disclosure Statement for a description of the circumstances that the manager is aware of that exist or are likely to arise that significantly increase the risk to returns for investors in the Booster Innovation Fund.

Portfolio Spotlight

The global energy market is undergoing a transformative shift driven by the need to address climate change through the adoption and production of cleaner fuels and improved energy storage. BIF, in its goal to support New Zealand innovation, has invested in several energy and clean technology companies originating from New Zealand's universities, research institutes and the private sector, namely **Allegro Energy, B.Spkl, Captivate Technologies, Hot Lime Labs, Liquium, Tasmanlon and ZeroJet**. Each company is advancing its technology solution into global markets. They have attracted interest and investment as they advance beyond laboratory validation and into real world commercial solutions.

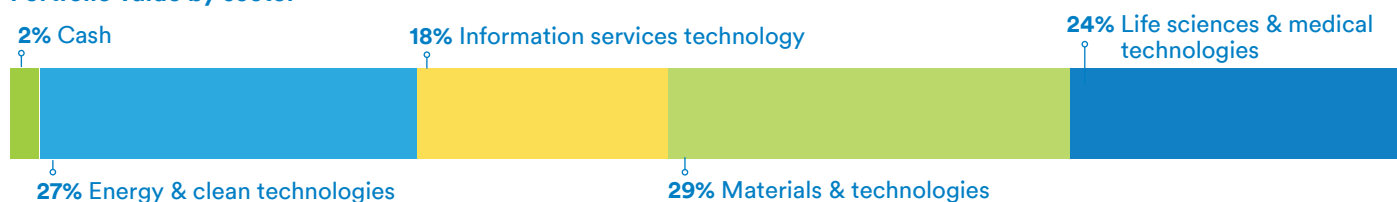
Whilst these companies are at different stages, the next few years of product development, prototype testing and deploying their solutions will be critical for their long-term success. They have the potential to contribute significantly while navigating challenges posed by rapid technological evolution. As stakeholders rally for sustainable energy, these companies have potential to help shape the industry's and the world's trajectory, offering both exciting opportunities and demanding challenges.



BIF Investment Holdings

BIF holds interests in a portfolio of over 30 investments with a total value of \$18.2m, across a range of business sectors as follows. We intend to grow a more diversified portfolio, indicatively more than 40.

Portfolio value by sector



Part of the fund's investments are held by investing in NZ Innovation Booster LP (NZIB). For further information of how we invest through NZIB refer to the Product Disclosure Statement on the booster.co.nz website.

Description of Individual Holdings

Company ^o	Company Stage	Description
Advemto Limited ¹	Early stage	Sell ultrafast spectroscopy systems, that can reduce research analysis from months to days.
Alimetry Limited ^{1,2}	Expansion	Sell non-invasive devices for aiding informed diagnostics for gastric disease.
Allegro Energy Pty Limited ¹	Early stage	Developing high performance water-based electrolytes provide a low cost, clean and green energy storage solution.
Amaroq Therapeutics Limited ¹	Seed	Developing a new class of therapeutics that target long non-coding RNA in cancer.
Avasa Limited	Seed	Commercialising a novel implantable medical device that aids in complex microvascular artery and vein reconstruction.

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BioLumic Inc	Expansion	Improves crop yield and quality by treating seeds and seedlings with UV-light recipes.
B.spkl Limited	Seed	Commercialising a unique manufacturing method and materials technology to produce a key component of hydrogen electrolyzers, aiming to facilitate viable green hydrogen production.
Calocurb Limited	Early stage	Developing a bioactive ingredient, sourced from New Zealand hops, to assist people with chronic and debilitating obesity, a growing health epidemic internationally.
Captivate Technology Limited	Seed	Developing a novel method of carbon capture, with potential to sequester greenhouse gas emissions across a range of industries.
Codify Asset Solutions (CAS) Limited ^{1,2,3}	Early stage	Sell software that automates compliance, management, and auditing of infrastructure assets.
Chitogel Limited ¹	Expansion	Sell sinus dressings that helps to enhance wound healing and improve patient outcomes post-surgery.
Ferronova Pty Limited ¹	Expansion	Developing surgical tracer systems that are designed to more accurately map cancer spread to lymph nodes.
Hot Lime Labs Limited	Early stage	Developing carbon capture systems to convert wood biomass into a more sustainable source of CO2 for use in horticulture.
Inhibit Coatings Limited ¹	Early stage	Developing coatings to inhibit microbial contamination and outbreaks in facilities with high hygiene requirements.
InsituGen Limited ¹	Expansion	Developing testing solutions for the detection of performance enhancing drug use in animals and humans.
Jaipuna Limited (trading as Amy.app)	Early stage	Providing an online private tutor for maths that makes learning maths easy for everyone.
Komodo Holdings Limited	Early stage	Helping teachers and schools track the wellbeing of students using an interactive wellbeing platform.
Liquium Limited ¹	Seed	Seeking to revolutionise the ammonia production process making it cleaner, cheaper and scalable.
MACSO Technologies Limited	Seed	Developing a cloud based animal health monitoring system utilising sensors and edge artificial intelligence.
Marama Labs Limited ¹	Early stage	Develops scientific hardware and data analytics solutions to help wineries improve the quality of their wine production.
Mekonos Inc ^{1,2}	Expansion	Developing silicon chips, with hundreds of moving nano-needles, to help improve drug development and drug delivery to patients.
Montoux Limited	Expansion	Provides an actuarial Automation and Decision Science platform specifically designed for life and health insurers
Opo Bio Limited	Seed	Produces living and non-living ingredients for the production of the fast growing cultivated meats sector.
Orbis Diagnostics Limited	Early stage	Developing point of care diagnostics for use in pharmacy and other settings.
PowerON Limited	Early stage	Developing soft robotic components to enable the development of more lifelike robots.

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Scentian Bio Limited	Seed	Commercialising a unique sensing system, based on insect sensing receptors, that can define a digital reference for a taste and smell.
Sensor Holdings Limited (trading as StretchSense)	Expansion	Sell motion capture gloves that combine sensors and machine learning for finger tracking in animation and gaming.
TamoRx Limited	Seed	Specialise in the development of novel drugs which arm the immune system to help fight cancer.
Tasmanlon Limited ¹	Seed	Developing aluminium-ion battery technologies suited for grid storage and portable applications.
Upstream Medical Technologies Limited ¹	Early stage	Developing novel cardiac biomarkers to diagnose specific heart conditions rapidly and accurately.
Woolchemy NZ Limited	Early stage	Utilising wool to create intelligent eco-logical materials for personal care products.
Whole Fish Limited (trading as New Fish)	Seed	Developing marine whey, a protein source produced from water and microalgae.
XFrame Pty Limited ¹	Expansion	Sell recoverable, reusable building frames for sustainable construction.
ZeroJet Limited	Expansion	Selling electric jet propulsion systems, seeking to eliminate the need for combustion engines on small watercraft.

⁰ Companies that have advised the Manager that they have been put into liquidation (and the Manager has valued at nil) are not included. This quarter has seen three companies meet this classification; Avalia Immunotherapies Limited, Ligar GP Limited and Opum Technologies Limited.

¹ Investments are held indirectly via an interest in NZIB.

² Investments are held indirectly via NZIB which has an interest in the specific investees through an agreement with the Matū Karihi fund.

³ The Company has advised the Manager that it is currently in hibernation. The Manager has adjusted down the valuation accordingly.

For more information visit "The BIF Story" at our website.

The Booster Innovation Fund (fund) is part of the Booster Innovation Scheme which is issued and managed by Booster Investment Management Ltd (Booster). The fund's Product Disclosure Statement is available at www.booster.co.nz, by contacting your financial adviser or by calling Booster on 0800 40 40 50.

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