

MYFARM TRACK RECORD OF RETURNS

INTRODUCTION

The combined cash and capital growth performance earned through MyFarm's direct investment in New Zealand's permanent crop and rural commercial property sector is 8.94% p.a.

This includes all syndicates under management in the following areas of the primary sector: kiwifruit, viticulture, apples, avocados, manuka plantations, cherries, hops and commercial infrastructure.

The return period covers 1st January 2017 through to 31st December 2020. The returns are after all MyFarm fees have been paid but do not include taxation.

To see the complete track record analysis (March 2021) read on.

*MyFarm claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this track record return in compliance with GIPS® standards. MyFarm's returns have not been independently verified.

MyFarm Permanent Crop and Commercial Infrastructure Track Record with Time-Weighted Returns

Date: March 2021

Calendar Year	Gross Return (%)	Net Return after fees (%)	Benchmark Return (%)	Portfolio Dispersion (3 -Year Average Std-Deviation)	Number of Syndicates in Benchmark	Total Syndicate Asset Value (m \$NZD)	Total Company Assets (m \$NZD)
2017	8.36%	7.86%	12.79%	n.a.	3	\$52.5	\$550
2018	3.70%	3.20%	11.31%	n.a.	10	\$117.6	\$500
2019	8.89%	8.39%	17.59%	2.86%	13	\$214.8	\$500
2020	9.44%	8.94%	14.15%	2.86%	19	\$375.2	\$450

As of December 2020	Net Return after fees (%)	Benchmark Return
1-Year annualised	10.64%	14.15%
3-Year annualised	9.31%	14.61%
Since inception annualised	8.94%	14.15%

Company Description:

MyFarm is a specialised syndicator and manager of investments in New Zealand's primary sector. When it established in 1990, the company's activities were centred around livestock, with a particular focus on dairy farming. After refocussing its business strategy in 2014/15, MyFarm now provides investment opportunities across a wide range of primary industry assets and properties.

Composite Description:

MyFarm has had a focus on Permanent Crops and Commercial Infrastructure since its change in business strategy. The composite track record includes all syndicates under management for the following areas of the Primary Sector: kiwifruit, viticulture, apples, avocados, manuka plantations, cherries, hops and commercial infrastructure. It excludes several dairy farms still under management and a subsidiary company, Primary Partners, in which it is a 50:50 shareholder. The historical performance of dairy syndicates is available on request.

Compliance Statement:

MyFarm claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. MyFarm has not been independently verified.

Syndicate Description:

A syndicate is usually a single entity Limited Partnership structure. A General Partner provides corporate governance and MyFarm provides business management services under contract. Operational partners provide day-to-day management and post-harvest services. Wholesale investors capital is pooled together to own and/or develop a specific property.

Net Returns and Fees:

Net returns exclude all fees, apart from some capitalised establishment costs. MyFarm fees generally consist of an establishment fee when a syndicate is first formed, on-going management fee and performance incentives. Net returns after fees but before tax should be the main measure of assessed performance. The gross return has had the standard 0.5% per annum management fee included, but other fees have not been included due to variations in performance incentives and establishment fees across different syndicates.

The net and gross returns only include syndicates where they have been in operation for a full calendar year. If a new syndicate was established part way through a calendar year, its performance is first included in the full year following its formation.

MyFarm Permanent Crop and Commercial Infrastructure Track Record with Time-Weighted Returns

Continued

Valuing Assets:

The gross and net returns include any changes in net assets. Net assets are calculated as all property, development that is in progress plus any other investments - minus all debt, establishment fees and other setup costs. Some syndicate establishment costs are capitalised to account for due diligence and purchase/negotiation costs.

The underlying asset values are assessed on an annual basis. These are adjusted annually according to internal market information and judgements. After three years, a registered independent valuation is usually obtained to independently recalibrate the underlying asset values. Further information on adjustments made is available on request.

Benchmark:

The NZX Property Index has been used to provide a benchmark. It has been applied on an annual basis with a time-weighted analysis to provide like-for-like comparison.

Portfolio Dispersion:

This is a three-year rolling average standard deviation of net returns for the entire portfolio. This measure reflects the nature of the asset group being long-term with an investment time horizon towards 10 years.

Total Syndicate Asset Value:

This value includes all assets under management that are classified as Permanent Crops and Commercial Infrastructure at end of calendar year. These syndicates have been only formed since 2016. The total syndicate asset value is defined as all property, development in progress, vehicles, plant and other investments (e.g. shares in Zespri).

Total Company Assets:

The total company assets include all syndicates under management at end of calendar year. This includes the subsidiary Primary Partners where MyFarm is a 50:50 shareholder in the management of livestock and forestry/carbon investments.

Inception Date:

The time-weighted returns start from 1st January 2017.

Availability:

A list of the syndicates included in the composite benchmark is available on request. Policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request.

Trademark:

GIPS is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organisation, nor does it warrant the accuracy or quality of the content contained herein.

