

## Fund Update

### For the quarter ended 31 March 2020

This fund update was first made publicly available on 1 May 2020

### What is the purpose of this update?

This document tells you how the **Balanced Fund** has performed and what fees were charged. The document will help you to compare the fund with other funds. **Booster Investment Management Limited** prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

### Description of this fund

The Balanced Fund invests in a balanced mix of income assets and growth assets. It is suited to investors looking for a medium level of risk and are willing to accept a medium level of returns.

<b>Total Value of the Fund</b>	\$487,467,002
<b>Number of Investors in the fund</b>	35,419
<b>The date the fund started</b>	1 October 2007

### What are the risks of investing?

Risk indicator for the **Balanced Fund**:



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets go up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at <https://www.booster.co.nz/booster-kiwisaver-scheme/investment-funds.aspx>

Note that even the lowest category does not mean a risk-free investment, and there are other risks not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on returns data for the five years to 31 March 2020. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

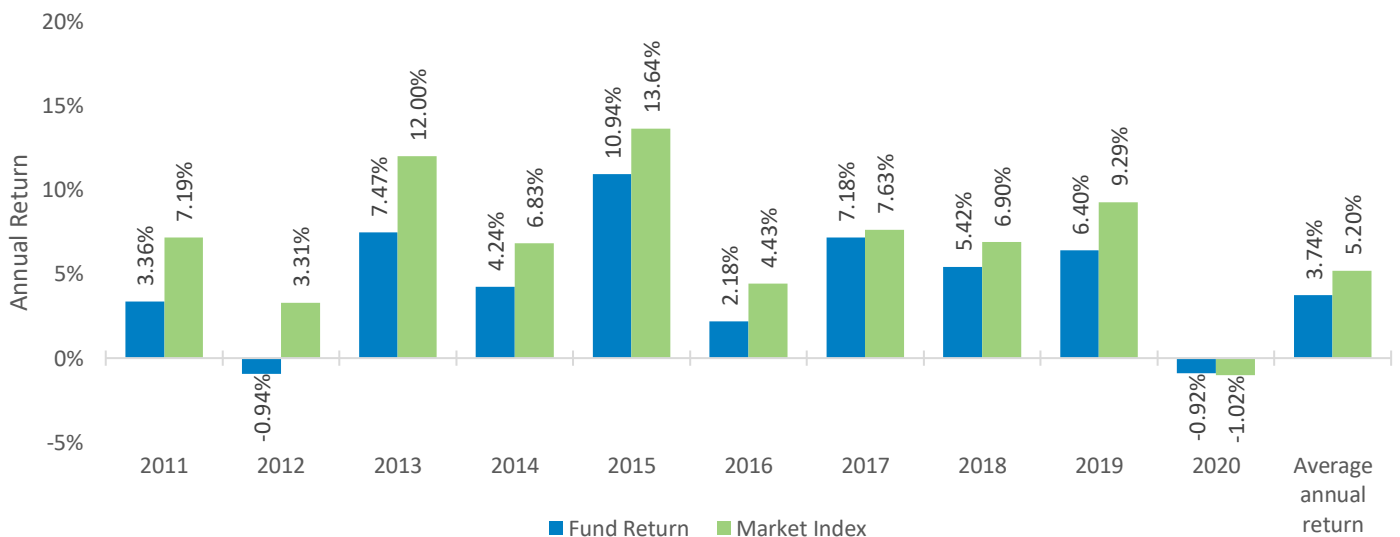
## How has the fund performed?

	Average over the past 5 years	Past Year
<b>Annual return</b> (after deductions for charges and tax)	4.01%	-0.92%
<b>Annual return</b> (after deductions for charges but before tax)	4.99%	-0.02%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	5.38%	-1.02%

The market index return is based on the weighted average return of the market indices used in respect of the underlying asset classes as described in the Statement of Investment Policy and Objectives.

More information about the market index can be found in the 'Further information on market index' section of the offer register at <https://disclose-register.companiesoffice.govt.nz/>

## Annual return graph



This shows the return after fund charges and tax for each year ended 31 March since the fund started. The last bar shows the average annual return since the fund started. Please note that the market index returns do not include deductions for charges and tax.

**Important:** This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

## What fees are investors charged?

Investors in the Balanced Fund are charged fund charges. In the year to 31 March 2020 these were:

	% of Net Asset Value
<b>Total fund charges<sup>1</sup></b>	<b>1.24%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.24%</b>
Including:	
Manager's basic fee <sup>2</sup>	1.16%
Other management and administration charges <sup>3</sup>	0.08%
<b>Total Performance-based fees<sup>4 5 6 7</sup></b>	<b>0.00%</b>
<b>Other charges</b>	<b>Dollar amount per investor</b>
Member Fee	\$36.00

As at the date that this fund update was published, the total performance-based fee for the period ended 31 March 2020 is not final and an accurate estimate cannot be made. The total performance-based fee is charged by the Booster Tahiti Limited Partnership of which 2.4% of the fund's net asset value is invested in. Please refer to the footnotes below for more information on this performance-based fee.

The Balanced Fund has a membership fee of \$3.00 per month per investor. In total, during the disclosure year, this would be \$36.00 (\$3.00 x 12).

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the Booster KiwiSaver Scheme: Multi-Sector Fund options PDS for more information about those fees.

See the product disclosure statement for more information about the basis on which performance fees are charged.

Small differences in fees and charges can have a big impact on your investment over the long term.

## Example of how this applies to an investor

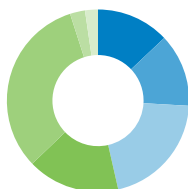
Ruby had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Ruby incurred a loss after fund charges and tax were deducted of -\$92 (that's -0.92% of her initial \$10,000). Ruby also paid \$36.00 in other charges. This gives Ruby a total loss after tax of -\$128 for the year.

## What does the fund invest in?

### Actual Investment Mix

This shows the types of assets that the fund invests in.

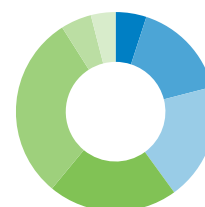
- 12.94% Cash and cash equivalents
- 12.97% New Zealand fixed interest
- 20.52% International fixed interest
- 16.39% Australasian equities
- 32.22% International equities
- 2.67% Listed property
- 2.29% Unlisted property



### Target Investment Mix

This shows the mix of assets that the fund generally intends to invest in.

- 5.0% Cash and cash equivalents
- 16.0% New Zealand fixed interest
- 19.0% International fixed interest
- 21.0% Australasian equities
- 30.0% International equities
- 5.0% Listed property
- 4.0% Unlisted property



### Top 10 Investments

Name	% of fund net assets	Type	Country	Credit Rating (if applicable)
Vanguard Ethically Conscious Gbl Agg Bond Index Fund NZD Hgd	20.42%	Diversified fund	AU	
Vanguard Int'l Shares Select Exclusions Fund - NZD Hgd	17.18%	Diversified fund	AU	
NZ Cash (BNZ Bank Trust Account)	4.61%	Cash and cash equivalents	NZ	AA-
Vanguard Emerging Markets Share Index Fund	2.82%	Diversified fund	AU	
Fisher & Paykel Healthcare Corporation Ltd	1.83%	Australasian equities	NZ	
The a2 Milk Company Limited	1.38%	Australasian equities	NZ	
Vanguard Int'l Prop Sec. Index Fund (AUD Hgd)	1.32%	Diversified fund	AU	
ANZ Bank - TD 23 Jun 2020 @ 2.330%	1.04%	Cash and cash equivalents	NZ	AA-
Microsoft Corporation	0.84%	International equities	US	
NZ Govt Stock 4.5% 15/04/2027	0.82%	New Zealand fixed interest	NZ	AA+

The top 10 investments make up 52.26% of the fund.

### Currency Hedging

Currency hedging can apply to some of the asset classes this fund invests in. All international fixed interest investments and international listed property investments are fully hedged. The level of currency hedging for Australian equities is normally 50% but this can be actively managed between 0% - 100% and exposures for international equities is normally 60% hedged but can be actively managed between 20% - 80%. Refer to the Statement of Investment Policy and Objectives for more information.

### Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund.

Name	Current Position	Time in current position	Previous or other position	Time in previous or other position
David Beattie	Principal, Booster Financial Services Limited	1 year, 10 months	CIO, Booster Financial Services Limited	17 years, 6 months
Nic Craven	Senior Manager - Research, Booster Financial Services Limited	1 year, 10 months	Research Manager, Booster Financial Services Limited	4 years, 2 months
Allan Yeo	Managing Director, Booster Financial Services Limited	21 years, 10 months	Associate Director, Barclays Bank plc	2 years
Rowan Calvert	Portfolio Manager - Global Equities, Booster Financial Services Limited	2 years, 5 months	Senior Equity Analyst, Booster Financial Services Limited	7 years, 4 months
Aaron Usher	Portfolio Manager - Australasian Equities, Booster Financial Services Limited	2 years, 5 months	Equity Analyst, Booster Financial Services Limited	5 years, 9 months

### Further Information

You can also obtain this information, the PDS for the **Multi-Sector Fund options**, and some additional information from the offer register at <https://disclose-register.companiesoffice.govt.nz/>

### Notes

1 Total fund charges are charged as a percentage of an investor's interest in the fund (i.e. as a percentage of their account balance). GST is not included in any of the fees stated and will be added where required.

2 The management fee covers Booster's administration and investment management fees, the Supervisor's fee and the regular costs and expenses of running the Scheme (such as audit fees and legal fees).

3 Other management and administration charges includes the fund's proportionate share of the property operating expenses incurred as a result of investing into the Booster Investment Scheme 2 Private Land and Property Fund, a fund also managed by Booster Investment

## Notes (cont.)

Management Limited (the 'Property Fund'). These are the direct costs of ownership and operating the individual properties of the Property Fund. This includes but not limited to, rates, insurance, crop growing costs, repairs and maintenance, valuations, depreciation, other property related costs and associated professional fees. For the year ended 31 March 2020, the property operating expenses were 3.17% of the net assets of the Property Fund. The property operating costs for the financial year ending 31 March 2021 are expected to be materially different from those charged to 31 March 2020.

4 The Fund may invest a portion of its net asset value in Booster Tahī LP, a limited partnership managed and established by related parties to Booster Investment Management Limited. Booster Tahī LP pays performance fees to the fund manager, Booster Funds Management Limited. By investing in Booster Tahī LP, the Fund will bear a proportionate share of any performance fee charged which will be reflected in the unit price of the Fund.

5 Because the manager of Booster Tahī LP is a related party to Booster KiwiSaver Scheme, and it may receive a performance fee based on the returns of the Booster Tahī LP; 0.50% of Booster Investment Management Limited's annual management fee will be rebated on the amount invested by the Fund in Booster Tahī LP.

6 As at the date of this fund update, the performance-based fee charged for the year ended 31 March 2020 is yet to be finalised. The performance-based fee will vary based on the performance of the Booster Tahī LP and this charge for the year ending 31 March 2021 may be materially different to the fee charged for the year ended 31 March 2020.

7 For more information on the performance-based fee, refer to the Fund's PDS and to the "Estimate of Fee" document lodged on the offer register at <https://disclose-register.companiesoffice.govt.nz> for more information on the performance-based fee.