

Fund Update

For the quarter ended 31 March 2019

This fund update was first made publicly available on 1 May 2019

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 is part of the Investment Series range of funds. The 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.

Total Value of the Fund	\$78,989,194
The date the fund started	31 May 2015

What are the risks of investing?

Risk indicator for the **Balanced Fund**¹:



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.sorted.org.nz/tools/investor-kickstarter>

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 2019. 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.

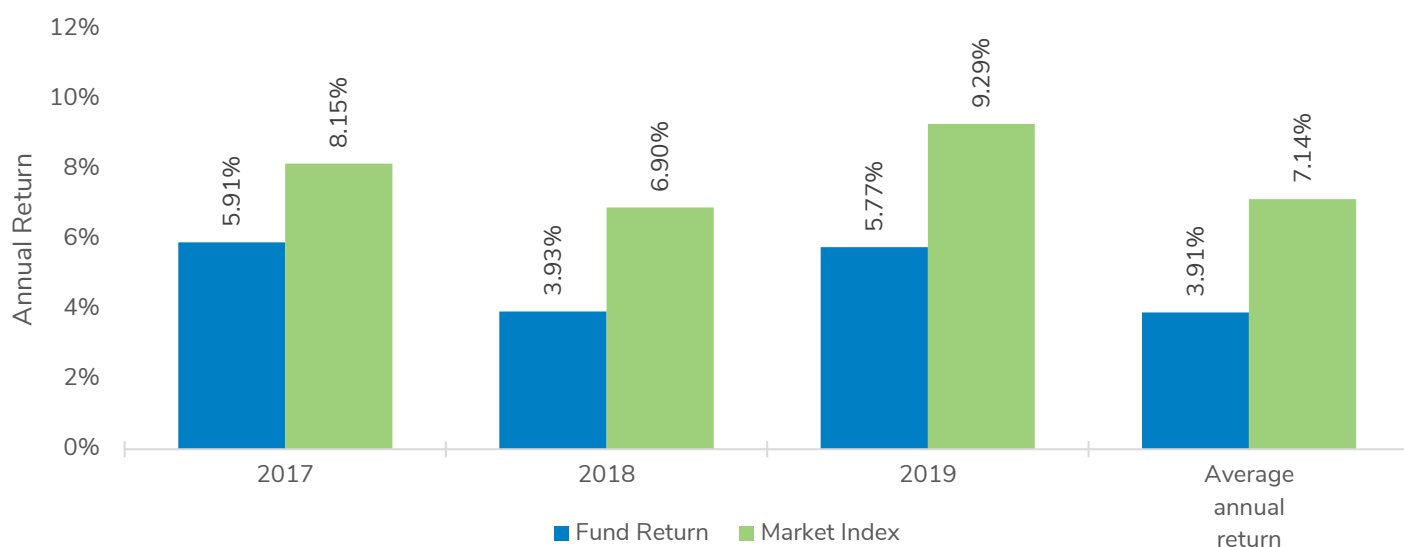
How has the fund performed?

	Past Year
Annual return (after deductions for charges and tax)	5.77%
Annual return (after deductions for charges but before tax)	6.55%
Market index annual return (reflects no deduction for charges and tax)	9.29%

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 2019 these were:

	% of Net Asset Value
Total fund charges²	2.83%
Which are made up of:	
Total management and administration charges	2.83%
Including:	
Manager's basic fee	2.66%
Other management and administration charges ^{3 4}	0.17%
Total Performance-based fees^{5 6 7 8}	0.00%
Other charges	Dollar amount per investor
Member Fee	\$0.00

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the Booster Investment Scheme: Investment Series: Multi-Sector Funds 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

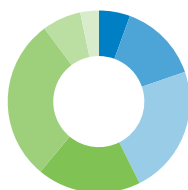
Ruby had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Ruby received a return after fund charges and tax were deducted of \$577 (that's 5.77% of her initial \$10,000). Ruby also paid \$0.00 in other charges. This gives Ruby a total return after tax of \$577 for the year.

What does the fund invest in?

Actual Investment Mix

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

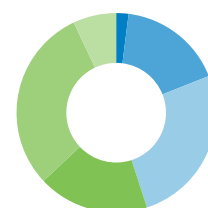
- 5.55% Cash and cash equivalents
- 14.16% New Zealand fixed interest
- 22.91% International fixed interest
- 18.44% Australasian equities
- 28.76% International equities
- 6.9% Listed property
- 3.28% Unlisted property



Target Investment Mix

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

- 2.0% Cash and cash equivalents
- 17.0% New Zealand fixed interest
- 26.0% International fixed interest
- 18.0% Australasian equities
- 30.0% International equities
- 7.0% Listed 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	14.24%	Diversified fund	AU	
Vanguard Int'l Shares Select Exclusions Fund - NZD Hgd	9.12%	Diversified fund	AU	
Vanguard Int'l Fixed Interest Index Fund (AUD Hgd)	5.32%	Diversified fund	AU	
Vanguard Int'l Credit Sec. Index Fund (AUD Hgd)	3.57%	Diversified fund	AU	
Vanguard Int'l Prop Sec. Index Fund (AUD Hgd)	3.44%	Diversified fund	AU	
Magellan Global Fund	2.93%	Diversified fund	AU	
Vanguard Emerging Markets Share Index Fund	2.91%	Diversified fund	AU	
NZ Cash (BNZ Bank Trust Account)	2.34%	Cash and cash equivalents	NZ	AA-
NZ Govt Stock 6.0% 15/05/2021	1.51%	New Zealand fixed interest	NZ	AA+
The a2 Milk Company Limited	1.12%	Australasian equities	NZ	

The top 10 investments make up 46.50% 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 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	10 months	CIO, Booster Financial Services Limited	17 years, 6 months
Nic Craven	Senior Manager - Research, Booster Financial Services Limited	10 months	Research Manager, Booster Financial Services Limited	4 years, 2 months
Allan Yeo	Managing Director, Booster Financial Services Limited	20 years, 10 months	Associate Director, Barclays Bank plc	2 years
Rowan Calvert	Portfolio Manager - Global Equities, Booster Financial Services Limited	1 year, 5 months	Senior Equity Analyst, Booster Financial Services Limited	7 years, 4 months
Aaron Usher	Portfolio Manager - Australasian Equities, Booster Financial Services Limited	1 year, 5 months	Equity Analyst, Booster Financial Services Limited	5 years, 9 months

Further Information

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

Notes

1 Because the fund has been operating for less than 5 years, the risk indicator has been calculated using market index returns for the period 1 April 2014 to 30 June 2015 and actual returns for the period of 1 July 2015 to 31 March 2019. As a result, the risk indicator may provide a less reliable indication of the potential future volatility of the fund.

2 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.

3 Other management and administration charges may include a performance-based fee charged by Magellan Finance Group in respect of the performance in the Magellan Global Fund.

4 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 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. The property operating expenses are estimated to be 3.61% of the net assets of the Property Fund.

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

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

7 A performance-based fee was charged for the year ended 31 March 2019, however the Fund's proportionate share of this fee equated to less than 0.01% of the Fund's net asset value. The performance fee will vary based on the performance of the Booster Tahi LP and this charge for the year ending 31 March 2020 may be materially different to the fee charged for the year ended 31 March 2019.

8 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.