

# New Zealand Social Infrastructure Fund



## ASM Presentation 2021

# Introduction

- Chair welcome
- NZSIF directors and guests
- Quorum
- Proxies
- Voting protocol
- Apologies
- Meeting via Teams Link

# Order of Business

- **Chair's Presentation**
- **Q&A**
- **Formal Business**
- **Investment Manager's Presentation**
- **Q&A**
- **Close**

# Investment & Portfolio Highlights

## Operating Assets

- Melbourne Convention and Exhibition Centre and expansion
- NZ Schools 1 - Hobsonville Schools
- Bendigo Key Worker Village
- NZ Schools 2 - Ormiston Junior College, Haeata Community Campus, Rolleston College and Wakatipu High School
- Auckland Prison

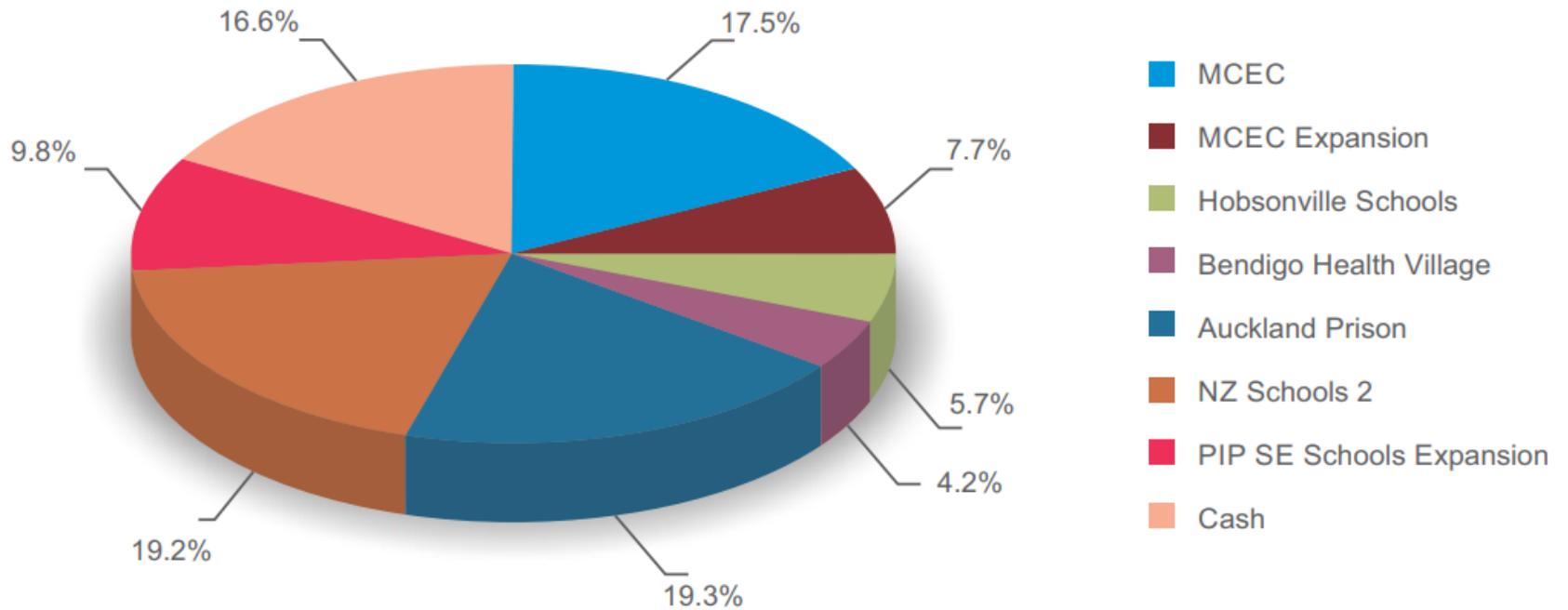
## School Expansions

- Rolleston College, Wakatipu High School and Hobsonville Primary

## Exited

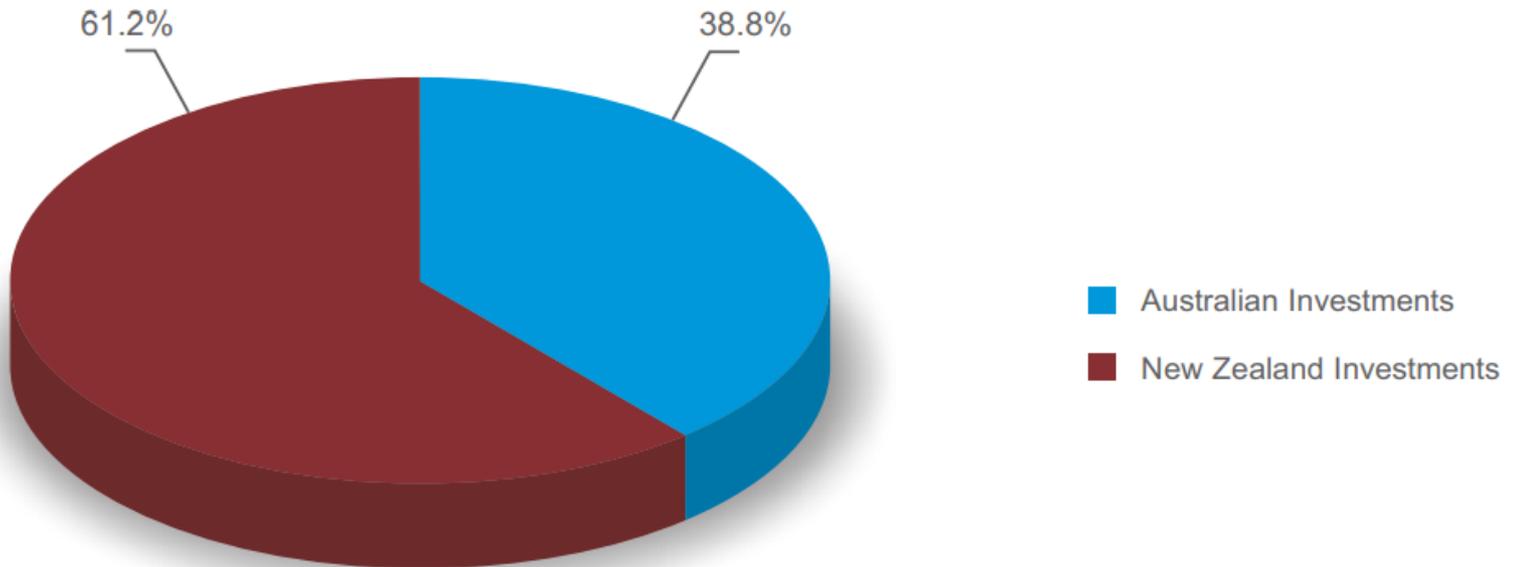
- University of Wollongong Student Accommodation
  - PPP contract terminated in Q1 2021

# Investment Mix



*Investment values based on 31 March 2021 PIP Fund valuations*

# Investment Concentration by Country



**NZ % increased due to PIP SE investment and the UoW sale**

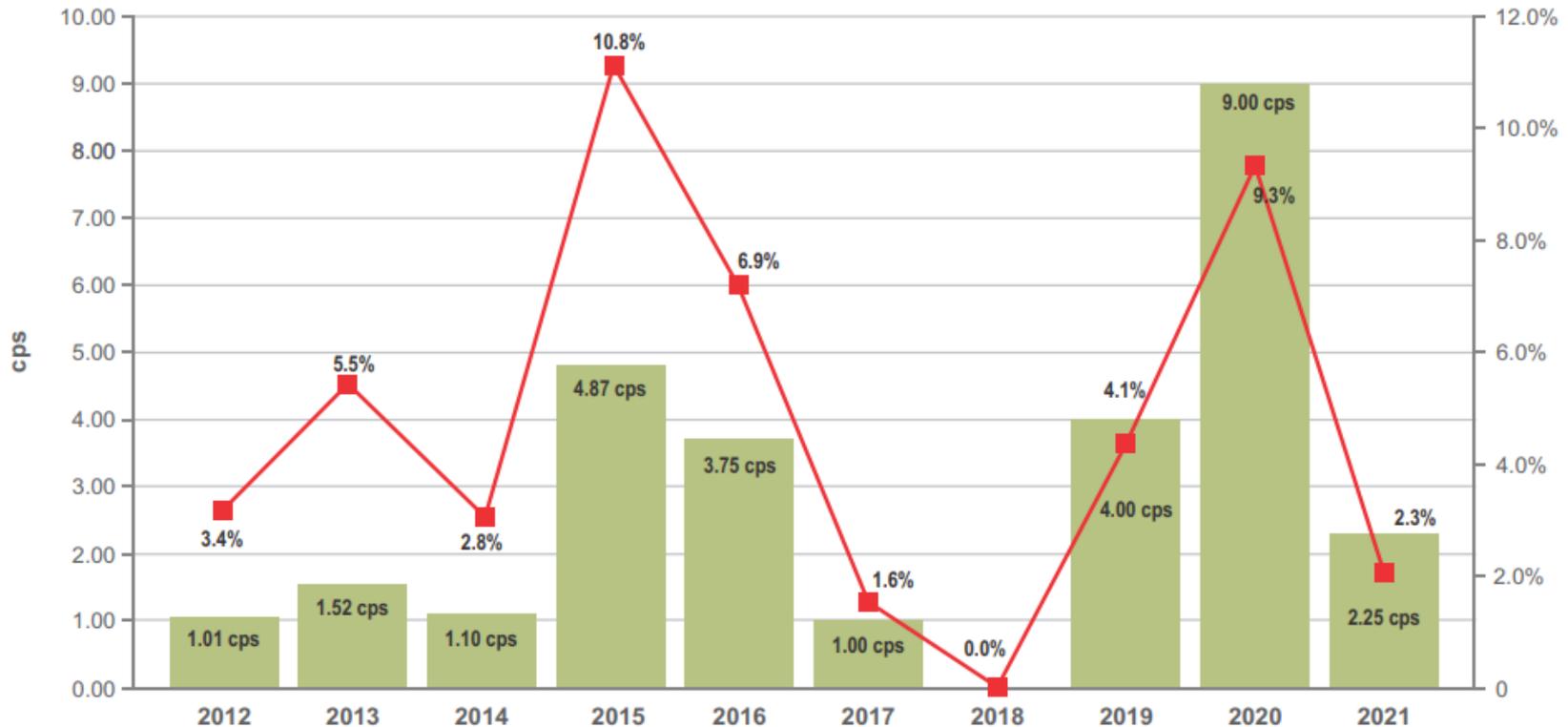
# Distributions

## Distributions

- 2.25 cps gross dividends paid during the financial period
- 10.0 cps capital return accrued at financial year end (UoW) and paid in early April
- Subsequent to the end of the financial period NZSIF paid:
  - a further 5.0 cps capital return (UoW) in June
  - A dividend of 1.5 cps in July
- Total gross distributions since inception 47.1 cps  
*(including capital returns of 18.6 cps)*

# Dividends

- Dividends of 2.25 cps for FY 2021

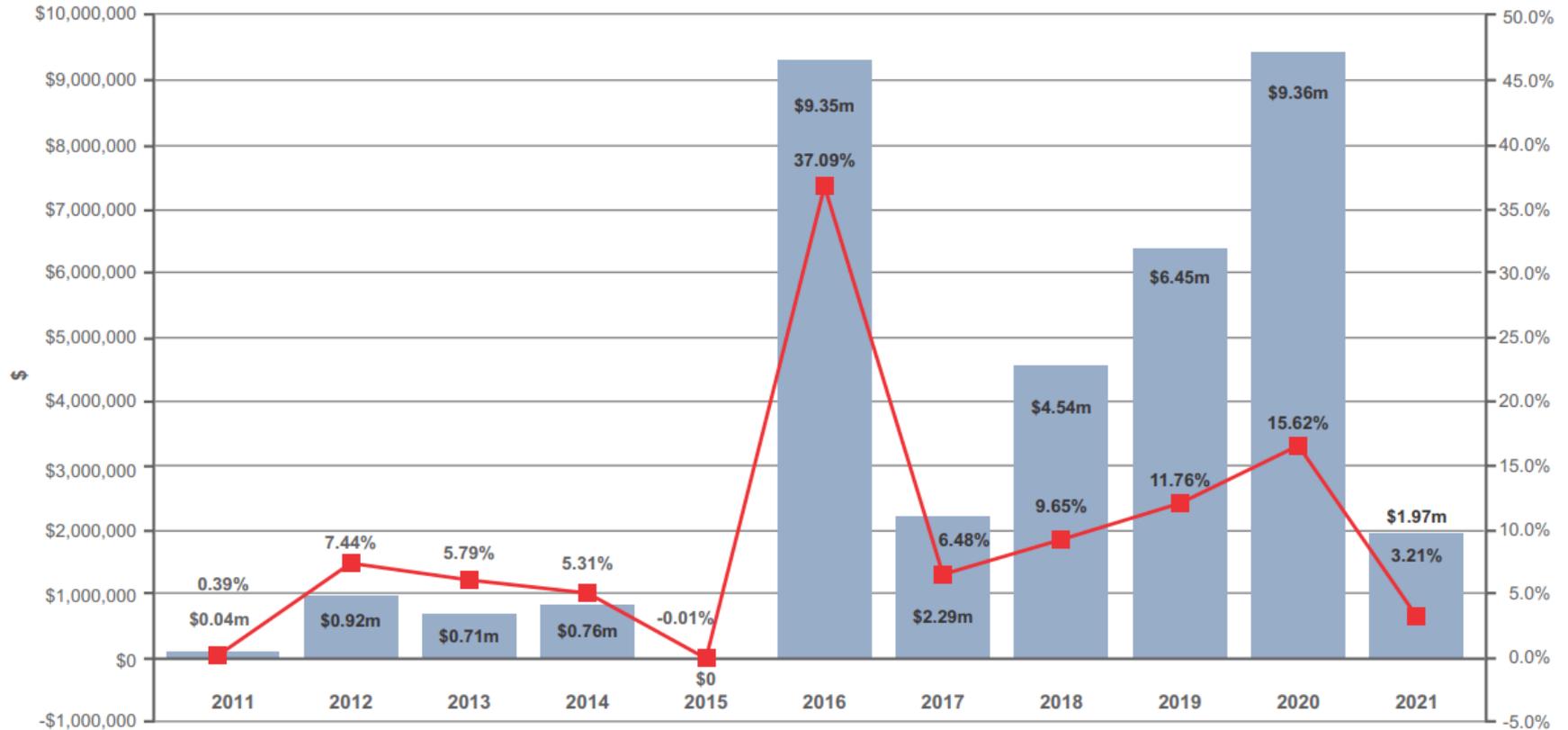


Note: Gross dividend yield based on average capital

# Financials – Key Highlights

- Profit
  - 2021 profit \$1.97m (2020: \$9.36m)
  - Main contributions
    - Increase in value of PIP SE Fund investment \$2.86m
    - Distribution income \$2.0m (2020: \$3.79m)
    - UoW loss on sale \$2.96m
    - Net gain \$0.55m
- Financial Position
  - SHF \$64.5m (2020: SHF \$62.8m)
  - Shares on issue 41m
  - NAV per share \$1.47 (2020:\$1.53)

# Profit & ROE Comparison



2021 impacted by loss on sale of UoW (Covid-19) and PIP sale process costs

# University of Wollongong Student Accommodation PPP Termination

- Public Infrastructure Partners LP and the UoW reached agreement on the termination of the UoW Student Accommodation PPP in Q1 2021
- NZSIF received settlement proceeds paid in two tranches over Q1 and Q2 2021

## Estimated Return

- IRR 15% with a money multiple of 2.1x

# Public Infrastructure Partners SE LP

- PIP SE Fund was established to fund three school expansions within Schools 1 and Schools 2
- All of PIP Fund's LPs offered a pro-rata share of the PIP SE Fund
- NZSIF committed its full share to PIP SE Fund and 45% has been contributed to date
- Entitlements to invest that were not taken up by existing PIP Fund LPs were taken-up by PIP III LP
- The three school expansions underway are at Hobsonville Primary, Wakatipu High School and Rolleston College
- PIP SE is expected to provide returns to investors consistent with the original schools' investments

# Sale of PIP Fund

- The process to sell the PIP Fund was formally called off in Q1 2021
- The sales process was significantly interrupted by Covid-19
- The Investment Manager will talk to a renewed sales process in 2022

# NZSIF Outlook

- All PIP Fund investments are contributing cash flows
- NZSIF expects to make quarterly distributions as cash flows permit
- PIP SE LP continues to make progress with the three school expansion projects

# Formal Business

- **Financial Reports**  
to receive and consider the Annual Report, the Financial Statements and the Auditor's Report for the financial year ended 31 March 2021
- **Resolution - Auditors Appointment and Remuneration**  
to resolve that KPMG be reappointed as auditors of the company and that the Directors be authorised to fix the auditor's remuneration for the ensuing year

# Q&A



New Zealand  
Social Infrastructure  
Fund Limited

Annual Report  
For the year ended 31 March 2021



Melbourne Convention & Exhibition Centre



Wakatipu High School



Hobsonville Schools



Auckland Prison



Bendigo Healthcare Accommodation

# PIP Fund Presentation

Steven Proctor and Jeff Hoffman will now present for the Investment Manager

# Q&A on Investment Manager's Presentation

# For Further Information

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