

BAYWOOD FOREST INVESTMENT

	Calendar Year	2025	2026	2027	2028	2029	2030	2031	TOTAL
EXPENDITURE									
Land LP contributions (refer to Land LP Cashflow below)		8,389	71,319	43,490	129,774	126,409	127,853	(1,525,730)	(1,018,497)
Other Expenditure									
Management		7,200	7,200	7,200	7,200	7,200	7,200	7,200	50,400
Investor Admin Fee		6,850	6,850	6,850	6,850	6,850	6,850	6,850	47,950
Trustees Fees		4,000	4,000	4,000	4,000	4,000	4,000	4,000	28,000
Financial Audit		3,300	3,300	4,500	4,500	4,500	4,500	4,500	29,100
Forest Audit		1,300	1,300	1,300	1,300	1,300	1,300	1,300	9,100
Insurance		15,040	15,450	12,220	9,650	6,910	4,300	2,000	65,570
Investment Update & Valuation		1,760	1,760	1,760	1,760	1,760	1,760	1,760	12,320
Mapping & Inventory					940	880	890		2,710
Forest Management Certification		1,500	1,500	1,500	1,500	1,500	1,500	1,500	10,500
Legal & Other Professional Fees		8,343	2,000	9,579	2,000	2,000	2,000	2,000	27,922
Borrowing Costs & Bank Fees		550	550	100	100	100	100	100	1,600
Investor Meeting Costs		100	100	100	3,600	100	100	100	4,200
Filing Fees & Disbursements		6,680	6,680	6,680	6,680	6,680	6,680	6,680	46,760
Industry Subscriptions & Levies		6,567	3,954	13,172	13,382	13,421	13,448	7,976	71,920
TOTAL EXPENDITURE		71,579	125,963	112,451	193,236	183,610	182,481	(1,479,765)	(610,445)
RECEIPTS									
Capital Receipts									
Net Current Assets		29,380							29,380
Sale of NZUs								4,520	4,520
Income Receipts									
Carbon Lease and Other Income		55,040	55,040	55,040	40,550	26,980	13,270		245,920
Interest		150	150	1,000	1,000	1,000	1,000	1,000	5,300
Harvest (refer to Collective Harvest Cashflow below)		628,611	362,541	1,242,557	1,219,385	1,217,449	1,217,012	739,133	6,626,689
TOTAL RECEIPTS		683,801	417,731	1,298,597	1,260,935	1,245,429	1,231,282	744,653	6,911,809
NET CASHFLOW		612,222	291,768	1,186,146	1,067,699	1,061,819	1,048,802	2,224,418	7,522,254
CASHFLOW FOR EACH INVESTMENT UNIT	160	3,826	1,824	7,413	6,673	6,636	6,555	13,903	47,014

The Cashflow has been prepared subject to the Principal Assumptions as set out below

COLLECTIVE HARVEST CASHFLOW - PANIKAU GROUP

	Calendar Year	2025	2026	2027	2028	2029	2030	2031	TOTAL
Total m3 Harvested		50,000	30,100	100,284	101,884	102,184	102,384	60,723	547,560
EXPENDITURE									
Road Formation		917,154	514,853	1,563,311	1,706,522	1,725,145	1,691,740	991,407	9,110,131
TOTAL EXPENDITURE		917,154	514,853	1,563,311	1,706,522	1,725,145	1,691,740	991,407	9,110,131
RECEIPTS									
Harvest		2,951,495	1,688,123	5,584,531	5,652,751	5,665,110	5,630,291	3,383,425	30,555,727
TOTAL RECEIPTS		2,951,495	1,688,123	5,584,531	5,652,751	5,665,110	5,630,291	3,383,425	30,555,727
NET CASHFLOW		2,034,341	1,173,270	4,021,220	3,946,229	3,939,966	3,938,552	2,392,018	21,445,595
COLLECTIVE HARVEST CASHFLOW ALLOCATION:									
Baywood	30.9%	628,611	362,541	1,242,557	1,219,385	1,217,449	1,217,012	739,133	6,626,689
Pukerewa	69.1%	1,405,729	810,730	2,778,663	2,726,844	2,722,516	2,721,539	1,652,884	14,818,906
	100.0%	2,034,341	1,173,270	4,021,220	3,946,229	3,939,966	3,938,552	2,392,018	21,445,595

LAND LP CASHFLOW - PANIKAU GROUP

	Calendar Year	2025	2026	2027	2028	2029	2030	2031	TOTAL
	Hectares Planted		69.5	38.8	134.1	130.4	132.0	128.9	633.7
EXPENDITURE									
Forestry Expenditure									
Land Preparation			16,584	9,250	31,988	31,101	31,481	30,746	151,149
Establishment			140,229	78,217	270,485	262,986	266,204	259,985	1,278,106
Tending			22,476	12,537	43,354	42,152	42,667	41,671	204,856
Other Expenditure									
Rates		23,900	23,900	23,900	23,900	23,900	23,900	23,900	167,300
TOTAL EXPENDITURE		23,900	203,189	123,903	369,726	360,139	364,253	356,301	1,801,411
RECEIPTS									
Capital Receipts									
Sale of Land & Improvements								3,069,000	3,069,000
Income Receipts									
Sale of Second Rotation Trees								1,634,111	1,634,111
TOTAL RECEIPTS								4,703,111	4,703,111
NET CASHFLOW		(23,900)	(203,189)	(123,903)	(369,726)	(360,139)	(364,253)	4,346,810	2,901,700
LAND LP CASHFLOW ALLOCATION:									
Baywood	35.1%	(8,389)	(71,319)	(43,490)	(129,774)	(126,409)	(127,853)	1,525,730	1,018,497
Pukerewa	64.9%	(15,511)	(131,869)	(80,413)	(239,952)	(233,730)	(236,400)	2,821,080	1,883,203
100.0%		(23,900)	(203,189)	(123,903)	(369,726)	(360,139)	(364,253)	4,346,810	2,901,700

Summary of Principal Assumptions in the Collective Harvest Cashflow

The Cashflow Projection has been derived from the Cashflow Projection included in the latest annual Financial Report¹. This prospective financial information will form the basis of future assumptions for financial reporting purposes if collective harvest is approved by investors.

The financial years for the Investments were aligned to enable the projection. Baywood Year Ending March 2026 and Pukerewa for the Year Ending December 2025 are aligned as Calendar Year 2025.

Actual revenues, costs and timing will vary from the projections because of changes over time to the work program and prices. The changes may be material.

General Notes to the Projection

The Cashflow projection reflects our current estimate of the cost of the work to be done or services provided, year by year through to harvest, based upon log prices. In the Cashflow, 1 Unit refers to 200 shares.

The “Collective Harvest Panikau Group” has stumpage revenue projected for the harvest of the m3 set out each year. Each forest’s share from the Panikau Group Collective Harvest Cashflow is shown in the “Harvest” line of each forest’s individual cashflow.

The Land LP Cashflow has costs for re-establishing the forest following each year’s harvest and other land holding costs. It is assumed investors receive payment for the re-established treecrop, plus sale of the land, in the final year. Each forest’s share from the Land LP Cashflow is shown in the “Land LP Contributions” line of each forest individual cashflow.

Harvest assumptions include —

- The log volumes and grades are based on the latest pre harvest inventory.
- A sales scenario based upon the Port of Gisborne and local Mills as the point of sale has been used, and therefore assumes demand will exist at harvest time at this destination. Other scenarios will produce different stumpage outcomes.
- Log prices after the first financial year are Forest Enterprises’ 36-month average log prices.
- Harvesting and Transportation costs are based upon the costs currently being paid by Forest Enterprises for current harvesting.
- The weighted average split between hauler and ground-based logging has been used for all forests.

Other assumptions (in addition to the harvest assumptions) include —

- It is assumed that the Land will be sold in the final year of harvest, and the value used is the August 2024 Valuation.
- Replanting of the areas harvested has been assumed to occur in the winter following harvest and the replanted treecrop sold at the conclusion of harvest (in addition to the Land). The cashflow above includes the annual \$40 Investor Administration Fee, charged once per investor per year.

¹ Future Distributions in the Cashflow Projection should be taken as a guide only. Prospective financial information, by its nature, is inherently uncertain. It involves predictions of future events that cannot be assured as well as risks and uncertainties which are often beyond the control of the Manager. These risks and uncertainties include, but are not limited to, the non-occurrence of anticipated events or alternatively events occurring that were not anticipated. Various risk factors and the management thereof may influence the future success. Accordingly, actual results may vary from the prospective financial information, and those variations may be significantly more or less favourable. The Manager does not guarantee the achievement of the prospective financial information.