

# PUKEREWA FOREST INVESTMENT

	Calendar Year	2025	2026	2027	2028	2029	2030	2031	TOTAL
<b>EXPENDITURE</b>									
Land LP contributions (refer to Land LP Cashflow below)		15,511	131,869	80,413	239,952	233,730	236,400	(2,821,080)	(1,883,203)
<b>Other Expenditure</b>									
Management		14,200	14,200	14,200	14,200	14,200	14,200	14,200	99,400
Investor Admin Fee		7,920	7,920	7,920	7,920	7,920	7,920	7,920	55,440
Trustees Fees		3,900	3,900	3,900	3,900	3,900	3,900	3,900	27,300
Financial Audit		4,500	4,500	4,500	4,500	4,500	4,500	4,500	31,500
Forest Audit		1,300	1,300	1,300	1,300	1,300	1,300	1,300	9,100
Insurance		17,530	16,730	14,530	12,420	10,190	7,850	5,920	85,170
Investment Update & Valuation		2,040	2,040	2,040	2,040	2,040	2,040	2,040	14,280
Mapping & Inventory		600	600	600	1,100	1,700	1,700	1,700	8,000
Forest Management Certification		3,010	3,010	3,010	3,010	3,010	3,010	3,010	21,070
Legal & Other Professional Fees		18,657	2,000	2,000	2,000	2,000	2,000	2,000	30,657
Borrowing Costs & Bank Fees		100	100	100	100	100	100	100	700
Investor Meeting Costs		100	100	100	100	100	100	100	700
Filing Fees & Disbursements		4,660	4,660	4,660	4,660	4,660	4,660	4,660	32,620
Industry Subscriptions & Levies		14,686	8,841	29,456	29,926	30,014	30,072	17,836	160,830
<b>TOTAL EXPENDITURE</b>		<b>108,714</b>	<b>201,770</b>	<b>168,729</b>	<b>327,128</b>	<b>319,364</b>	<b>319,753</b>	<b>(2,751,894)</b>	<b>(1,306,436)</b>
<b>RECEIPTS</b>									
<b>Capital Receipts</b>									
Net Current Assets		269,400							269,400
Sale of NZUs								164,880	164,880
<b>Income Receipts</b>									
Interest		1,000	1,000	1,000	1,000	1,000	1,000	1,000	7,000
Harvest (refer to Collective Harvest Cashflow below)		1,405,729	810,730	2,778,663	2,726,844	2,722,516	2,721,539	1,652,884	14,818,906
<b>TOTAL RECEIPTS</b>		<b>1,676,129</b>	<b>811,730</b>	<b>2,779,663</b>	<b>2,727,844</b>	<b>2,723,516</b>	<b>2,722,539</b>	<b>1,818,764</b>	<b>15,260,186</b>
<b>NET CASHFLOW</b>		<b>1,567,415</b>	<b>609,959</b>	<b>2,610,934</b>	<b>2,400,716</b>	<b>2,404,153</b>	<b>2,402,786</b>	<b>4,570,658</b>	<b>16,566,622</b>
<b>CASHFLOW FOR EACH INVESTMENT UNIT</b>	185	<b>8,473</b>	<b>3,297</b>	<b>14,113</b>	<b>12,977</b>	<b>12,995</b>	<b>12,988</b>	<b>24,706</b>	<b>89,549</b>

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

## 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
<b>EXPENDITURE</b>									
<b>Forestry Expenditure</b>									
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
<b>Other Expenditure</b>									
Rates		23,900	23,900	23,900	23,900	23,900	23,900	23,900	167,300
<b>TOTAL EXPENDITURE</b>		<b>23,900</b>	<b>203,189</b>	<b>123,903</b>	<b>369,726</b>	<b>360,139</b>	<b>364,253</b>	<b>356,301</b>	<b>1,801,411</b>
<b>RECEIPTS</b>									
<b>Capital Receipts</b>									
Sale of Land & Improvements								3,069,000	3,069,000
<b>Income Receipts</b>									
Sale of Second Rotation Trees								1,634,111	1,634,111
<b>TOTAL RECEIPTS</b>								<b>4,703,111</b>	<b>4,703,111</b>
<b>NET CASHFLOW</b>		<b>(23,900)</b>	<b>(203,189)</b>	<b>(123,903)</b>	<b>(369,726)</b>	<b>(360,139)</b>	<b>(364,253)</b>	<b>4,346,810</b>	<b>2,901,700</b>
<b>LAND LP CASHFLOW ALLOCATION:</b>									
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
<b>100.0%</b>		<b>(23,900)</b>	<b>(203,189)</b>	<b>(123,903)</b>	<b>(369,726)</b>	<b>(360,139)</b>	<b>(364,253)</b>	<b>4,346,810</b>	<b>2,901,700</b>

# 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 Report<sup>1</sup>. 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.

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<sup>1</sup> 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.