

INGHAMS

PORTFOLIO SCHEME

Product Disclosure Statement

Offer of interests in the Inghams Portfolio Scheme | 28 May 2019 | Issued by Silverfin Capital Limited

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.business.govt.nz/disclose. Silverfin Capital Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.



1. KEY INFORMATION SUMMARY

WHAT IS THIS?

This is an offer of interests in the Inghams Portfolio Scheme ('Scheme'). Your money will be pooled with other investors' money and invested. Silverfin Capital Limited ('Silverfin') invests the money in the six properties at 2 and 16 Banks Road and 7473-7481 State Highway 27, Matamata, 594-668 Waiheke Road, Waitoa, 111 Pohlen Road, Matamata, 207 Mowbray Road, Matamata, 25 Okauia Springs Road, Matamata and 903 Leslie Road, Tapapa (each a 'Property' and together the 'Properties') and takes fees. The assets and fees are described in this document. By investing in this scheme, you are relying on the investment decisions of Silverfin and returns from the assets that the scheme invests in. There is a risk that you may lose some or all of the money you invest.

WHO MANAGES THIS SCHEME?

Silverfin is the manager of the Scheme. See 'About Silverfin Capital Limited and others involved in Inghams Portfolio Scheme' on page 50 for more information.

WHAT ARE YOU INVESTING IN?

This is a managed investment scheme. This has been structured as a long-term investment in commercial and agricultural real estate.

The investments in the Scheme will be used to acquire and manage the six Properties.

The Properties have one tenant – Inghams Enterprises (NZ) Pty Limited ('Tenant').

The Scheme has no fixed term. This means that there is no set date for the sale of the Properties or on which your investment will be returned. However, a decision to sell the Properties in the future and return funds to investors can be made by way of a 75% vote in favour by investors (reducing to 50% vote in favour after five years).

The Scheme will use the funds raised by this offer combined with a limited recourse bank funding facility from Bank of New Zealand ('BNZ') to help fund the purchase of the Properties. The table following sets out the loan from BNZ, combined with the investor subscriptions required to finance the Properties' purchase price and the associated costs to establish the Scheme (all in New Zealand dollars and GST exclusive):

Purchase Price	\$86,000,000
Establishment Costs	\$3,600,000
Total	\$89,600,000
Funded by	
Subscriptions from Investors (932 interests @ \$50,000)	\$46,600,000
Bank Loan	\$43,000,000
Total	\$89,600,000

The BNZ bank loan is an interest only facility that will be secured primarily by way of first registered mortgage over the Properties for an initial term of 36 months, subject to annual review before extension.

Investment strategy

The Scheme's investment strategy is to acquire and hold the Properties on a fully leased basis.

Investment Objectives

The Scheme's investment objectives are to invest in the Properties as a long-term hold with a view to delivering the following key deliverables:

- providing a cash return of 8.25% per annum before tax;
- maintaining full occupancy of the Properties;
- maintaining the Loan to Value Ratio ('LVR') for Scheme borrowing at or below 55%;
- maintaining the interest cover ratio for Scheme borrowing at a level not less than 2.5 times;
- maintaining Net Tangible Assets ('NTA') of not less than 90% of NTA when the Properties were acquired; and
- preserving the investment made by the holders of interests in the Scheme.

KEY TERMS OF THE OFFER

Brief description of the managed investment products	Interests in a managed investment scheme investing in real property
Price per interest	\$50,000
Number of interests offered	932
Intended offer opening date	28 May 2019
Intended offer closing date	19 July 2019
Liability for further payments	Investors will only be liable to make further payments to the Scheme if there are insufficient funds to meet any obligation of the Scheme and a special resolution of investors resolving to make those payments is passed.
Minimum subscription	The minimum subscription is \$46,600,000 (932 interests of \$50,000).



HOW YOU CAN GET YOUR MONEY OUT

Interests in the Scheme are not redeemable.

Silverfin does not intend to quote the interests in the Scheme on a market licensed in New Zealand. However, those financial products will be able to be traded on the Syndex platform. This means that you can sell your investment on Syndex if there are interested buyers. You may receive less than the amount that you invested.

KEY DRIVERS OF RETURNS

The key current and future drivers of financial performance are:

Rental Income – rent received from the Tenant and any rental increases provide annual rental receivable and potential growth that should have a positive impact on returns. Returns to investors could be affected if

the Tenant vacates, or upon renewal or re-leasing the Properties, if the rent is less than the initial contract rent.

Capital Value – increases or decreases in market rental rates will have an impact on the capital value of the asset. This may have a positive or negative impact on the capital value of investors' investments.

Finance – as a significant expense of the Scheme is interest payable to BNZ, the financial performance of the Scheme will be affected by interest rates. Silverfin intends to carefully manage the interest rate risk by applying a combination of fixed interest rates and/or floating rates as appropriate.

Silverfin's strategies and plans for these matters are described in section 2 of this Product Disclosure Statement ('PDS') ('What Inghams Portfolio Scheme invests in').

INGHAMS PORTFOLIO SCHEME'S FINANCIAL INFORMATION

	14Aug 2019 (settlement date)	31 Mar 2020 (forecast)	31 Mar 2021 (forecast)	31 Mar 2022 (forecast)	31 Mar 2023 (forecast)	31 Mar 2024 (forecast)
Gearing ratio (maximum 55%) The 'gearing ratio' is how much the Scheme owes (interest bearing debt) as a portion of what it owns (assets). The higher the ratio, the higher the risk to the Scheme as it indicates that a higher portion of the Scheme's assets will need to be applied to repay its debt.	49.95%	49.62%	49.63%	49.58%	49.47%	49.30%
Interest cover ratio (minimum 2.5 times) The 'interest cover ratio' tells you how much of the Scheme's income is used to pay interest on its loans. The higher the ratio, the more comfortably the Scheme's income can cover any interest owing.	N/A	3.08 times	3.23 times	3.29 times	3.35 times	3.41 times
Forecast cash return	8.25% projected pre-tax return for the first four full 12-month periods ending 31 March 2021, 2022, 2023 and 2024, paid monthly. This projected return of 8.25% p.a. is also forecast for the 7 months and 17 days to 31 March 2020 (on an annualised basis). This return is not guaranteed and the actual distribution rate may vary.					
Valuation of the Properties	\$86,000,000 as at 21 May 2019					

Valuation

An independent valuation of the Properties on a market value basis has been provided by Carl Waalkens, Director – Valuation and Advisory Services, Registered Practising Valuer, BProp, MPINZ, together with Nick Thacker, Director – Valuation and Advisory Services, Registered Practising

Valuer, BBS (VPM), MPINZ, Bayleys Valuations Limited ('Bayleys') at a value of \$86,000,000 plus GST (if any) as at 21 May 2019. The valuation has been undertaken in accordance with the International Valuation Standards and PINZ Valuation and Property Standards. The valuation was prepared using both a capitalisation approach and a discounted cash flow analysis.

KEY RISKS OF THIS INVESTMENT

Investments in managed investment schemes are risky. You should consider whether the degree of uncertainty about Inghams Portfolio Scheme's future performance and returns is suitable for you. The price of these interests should reflect the potential returns and the particular risks of these interests. Silverfin considers that the most significant risk factors that could affect the value of the interests in the Scheme are:

Tenant Default/Cancellation Risk: The Scheme will invest exclusively in the Properties with a single tenant (rather than in a diversified portfolio of assets, like many other managed investment schemes do). If the Tenant does not trade well or experiences significant financial problems resulting in non-payment of their rent or operating expenses, this could affect investors' returns. If a lease is cancelled, rental income would cease and

costs would be incurred in re-leasing, with a vacancy period likely.

Interest rates: The Scheme will fund a significant proportion of the Properties' purchase price through a bank loan. As a result (and unlike many other managed investment schemes), the main expense of the Scheme will be interest payable. Any significant upward movement may affect investors' returns.

Liquidity: Property syndicates are relatively illiquid and an investor may not be able to sell its interest in the Scheme prior to the sale of the Properties. Investors may not be able to sell their interest for the same amount as they paid for it.

This summary does not cover all of the risks. You should also read section 7 of the PDS ('Risks to returns from Inghams Portfolio Scheme').

WHAT FEES WILL YOU PAY?

The table below summarises the fees and expenses that you will be charged to invest in this scheme. Further information about fees is set out in section 8 of the PDS ('What are the fees?').

Establishment costs (one off fees and expenses charged to the Scheme on its establishment)

Silverfin and associated person's fees

Offeror's fee	1,505,000
Brokerage fee	932,000
Accountancy fee	10,000
Underwrite fee [^]	364,000
Silverfin and associated person's total fees for establishment of the Scheme	\$2,811,000

Other fees and expenses

Legal fees [^]	160,000
Marketing and issue costs [^]	220,000
Bank fees	43,000
Supervisor's fee	12,000
Audit fees	20,000
Valuation fees [^]	39,000
Inspection fees [^]	16,000
Underwrite fees [^]	186,000
Other fees, contingency, and working capital [^]	93,000
Total other persons' fees and expenses	\$789,000
Total fees and expenses for establishment of the Scheme	\$3,600,000

[^] These amounts are reasonable estimates. The actual amount charged to the Scheme will reflect the amount invoiced by the relevant third party.

Ongoing fees and expenses payable for the duration of the Scheme

Silverfin's and its associated person's aggregate fees for accounting periods to-

31 March 2020 (being seven months and 17 days) are estimated to be ongoing fees and expenses of \$159,675 plus GST and establishment costs of \$2,811,000 plus GST which, in total, as a percentage of net asset value is estimated to be 6.90%
31 March 2021 are estimated to be \$246,500 plus GST which as a percentage of net asset value is estimated to be 0.57%
31 March 2022 are estimated to be \$246,500 plus GST which as a percentage of net asset value is estimated to be 0.57%
31 March 2023 are estimated to be \$246,500 plus GST which as a percentage of net asset value is estimated to be 0.57%
31 March 2024 are estimated to be \$246,500 plus GST which as a percentage of net asset value is estimated to be 0.57%

Other persons' aggregate fees and expenses (including interest payments) for the accounting periods to-

31 March 2020 (being seven months and 17 days) are estimated to be ongoing fees and expenses of \$1,176,799 plus GST and establishment costs of \$789,000 plus GST which, in total, as a percentage of net asset value is estimated to be 4.57%
31 March 2021 are estimated to be \$1,823,080 plus GST which as a percentage of net asset value is estimated to be 4.24%
31 March 2022 are estimated to be \$1,823,760 plus GST which as a percentage of net asset value is estimated to be 4.24%
31 March 2023 are estimated to be \$1,824,452 plus GST which as a percentage of net asset value is estimated to be 4.24%
31 March 2024 are estimated to be \$1,825,155 plus GST which as a percentage of net asset value is estimated to be 4.24%

HOW WILL YOUR INVESTMENT BE TAXED?

The Scheme will be a portfolio investment entity (PIE) subject to meeting eligibility requirements.

The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (PIR). This can be 0%, 10.5%, 17.5% or 28%. See section 9 of the PDS ('Tax') on page 49 for more information.

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2 WHAT INGHAMS PORTFOLIO SCHEME INVESTS IN

KEY FEATURES OF THE SCHEME

The key features of the Scheme are set out in this section.

DESCRIPTION OF THE PROPERTIES

Number of Properties in the portfolio	Six
Portfolio weighted average lease term (WALT)*	20 years
Portfolio occupancy	100%
Total combined land area	186.08 ha
Total combined annual rent	\$5,751,683

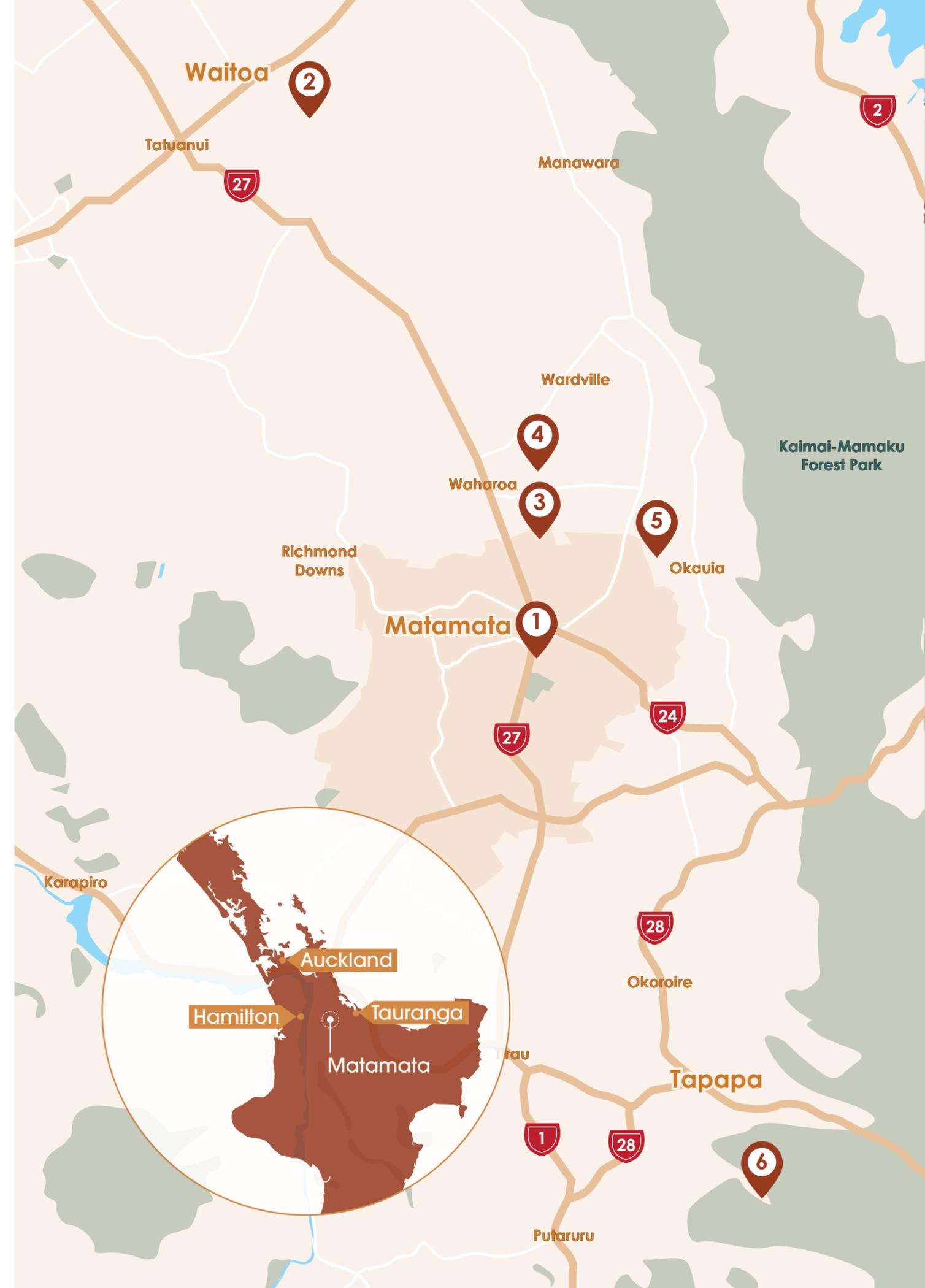
Note: There is a CPI rent review scheduled for 18 July 2019. Silverfin expects the CPI increase to be approximately 1.5% which will increase the total rent to \$5,837,961 as at 18 July 2019.

*Consisting of the remaining 10 year initial term which can be extended at any time by the Scheme for a further 10 year period by serving notice on the Tenant.

Property Address	Property Type	Net Lettable Area	Land Area	Net Annual Rent
1 2 and 16 Banks Road, and 7473-7481 State Highway 27, Matamata	Hatchery	4,398 sqm	8.37 ha	\$422,015
2 594-668 Waiheke Road, Waitoa	Processing plant and irrigation land	15,172 sqm	62.55 ha	\$3,152,345
3 111 Pohlen Road, Matamata	Breeder farm	25,665 sqm	24.25 ha	\$615,239
4 207 Mowbray Road, Matamata	Breeder farm	6,768 sqm	3.44 ha	\$188,820
5 25 Okauia Springs Road, Matamata	Breeder farm	13,482 sqm	20.23 ha	\$395,790
6 903 Leslie Road, Tapapa	Breeder farm	25,111 sqm	67.23 ha	\$977,474
		90,596 sqm	186.08 ha	\$5,751,683

LEGAL DESCRIPTIONS

Property	Legal Description
2 and 16 Banks Road, Matamata and 7473-7481 State Highway 27, Matamata	An estate in fee simple being: <ul style="list-style-type: none"> Lot 1 DP South Auckland 22046, comprised in record of title SA20B/540; Lot 2 DP South Auckland 5018, comprised in record of title SA1429/64; Lot 1 DP South Auckland 5018, comprised in record of title SA1429/65; and Part Lot 1 DP South Auckland 16966, comprised in record of title SA22A/769.
594-668 Waiheke Road, Waitoa	An estate in fee simple being: <ul style="list-style-type: none"> Lot 2 DP 446379, comprised in record of title 562237; and Section 19 Block IV Maungakawa Survey District, comprised in record of title SA1049/235.
111 Pohlen Road, Matamata	An estate in fee simple being Lot 1 DP South Auckland 42073, comprised in record of title SA37C/231.
207 Mowbray Road, Matamata	An estate in fee simple being Lot 1 DP South Auckland 26666 and Lot 1 DP South Auckland 39731, comprised in record of title SA35C/434.
25 Okauia Springs Road, Matamata	An estate in fee simple being Lot 2 DP South Auckland 36707, comprised in record of title SA32B/885.
903 Leslie Road, Tapapa	An estate in fee simple being Section 6 Block VIII Patetere North Survey District, comprised in record of title SA41B/801.



THE TENANT

The sole tenant of the Properties is Inghams Enterprises (NZ) Pty Limited, which is an Australian-incorporated company registered in New Zealand as an overseas company and is a wholly-owned subsidiary of the Australian company, Inghams Group Limited.

Ingham's are farmers, producers and distributors of poultry and stockfeed products across Australia and New Zealand. Ingham's was founded as a family business in 1918 by Walter Ingham in Liverpool, New South Wales. After their father's death in 1953, Walter's sons, Bob and Jack Ingham, expanded the business through a combination of organic growth and acquisitions and after 80 years of family ownership Bob Ingham sold the business in March 2013 to TPG, an investment firm with over \$70 billion of assets under management, for approximately \$869 million. In November 2016, Ingham's was taken public and listed on the Australian Stock Exchange (ASX:ING). As of May 2019, Inghams Group Limited had a market capitalisation of approximately AU\$1.6 billion. The parent company does not guarantee the Tenant's obligations under the lease.

Based in the Waikato region, the Tenant has been operating as a fully integrated chicken company since 1990, when Ingham's purchased the complete operations of Harvey Farms in New Zealand. Over the

past 25 years, Ingham's New Zealand operations have expanded to become one of New Zealand's largest poultry companies.

Today the Ingham's Group is the largest integrated poultry producer in Australasia. Ingham's has a comprehensive network of processing and distribution facilities across Australia and New Zealand, processing over 4 million birds per week with a workforce of 8,000. The Ingham's Group also holds strong market positions across the Australian turkey, Australian stockfeed and the New Zealand dairy feed industries.

Animal welfare

Ingham's internal Animal Welfare Council oversees the welfare of all Ingham's animals across the Ingham's network. All of Ingham's Australian meat chickens are barn-raised, cage free, free of hormones, and bred on farms accredited by the Royal Society for Prevention of Cruelty to Animals (RSPCA) against the Approved Farming Scheme standards. Ingham's free-range farms are accredited to the higher standards of the Free Range Egg and Poultry Australia by the Free Range Accreditation Board, while those in New Zealand are accredited by the Royal New Zealand Society for the Prevention of Cruelty to Animals.

LOCATION

The portfolio consists of six strategically located properties within the Matamata and Waitoa region. All six sites lie within a 60km radius of each other, a key feature of the portfolio and integral to the operation of the successful poultry supply chain.

The Properties are also located within close proximity to a large number of contract broiler farms as well as to Port of Tauranga, which is their main source of feed.

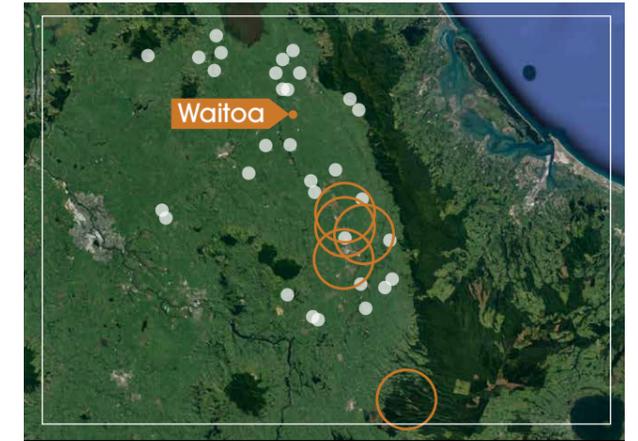
The network of Properties are shown indicated by the orange circles on the image adjacent and the contract broiler farmers are shown by the white circles on the image adjacent. The image adjacent demonstrates the 'interconnectedness' between the various facilities involved in the supply chain.

There are 37 existing consented contract broiler farms forming part of the wider Ingham's supply chain (but not part of the portfolio of Properties that will be owned by the Scheme). Silverfin considers this to be a significant advantage for Ingham's (and indirectly for the Scheme), because there are substantial challenges in establishing greenfield poultry farms. In part, this is because sites that are sufficiently proximate to processing plant capacity, export market access and State Highway access that are of an appropriately flat gradient and with access to water are uncommon. In addition, there are practical challenges associated with resource consenting for these types of facilities, including sites that are large enough to provide a sufficient buffer to mitigate odour, noise and amenity effects.

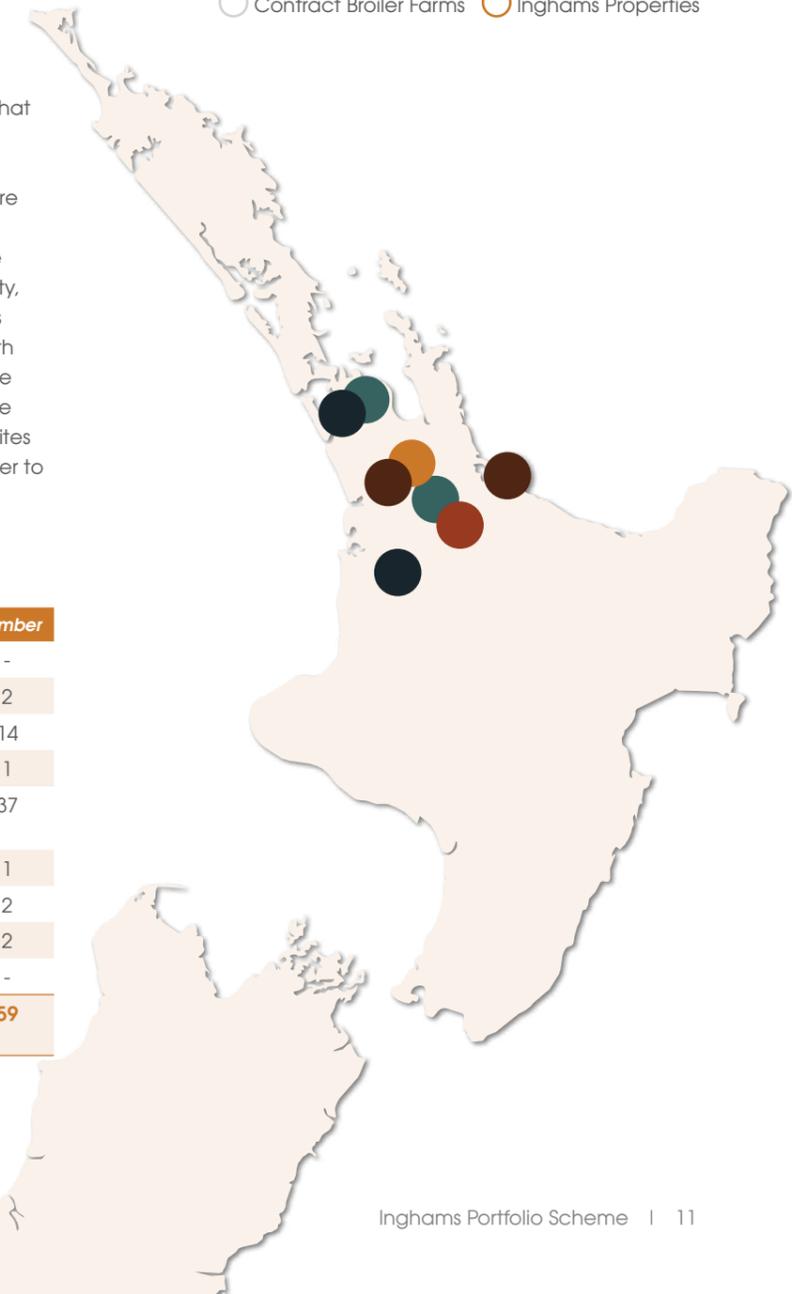
Ingham's overall facility numbers are as follows (not all will be acquired by the Scheme):

TYPE	Number
Quarantine	-
Feedmill	2
Breeding farms	14
Hatchery	1
Broiler farming <i>(predominately operated by contracted third parties)</i>	37
Primary processing	1
Further processing	2
Distribution centre	2
Rendering	-
TOTAL <i>(As at September 2018)</i>	59

- Feedmill
- Further Processing
- Hatchery
- Distribution
- Processing



○ Contract Broiler Farms ○ Inghams Properties



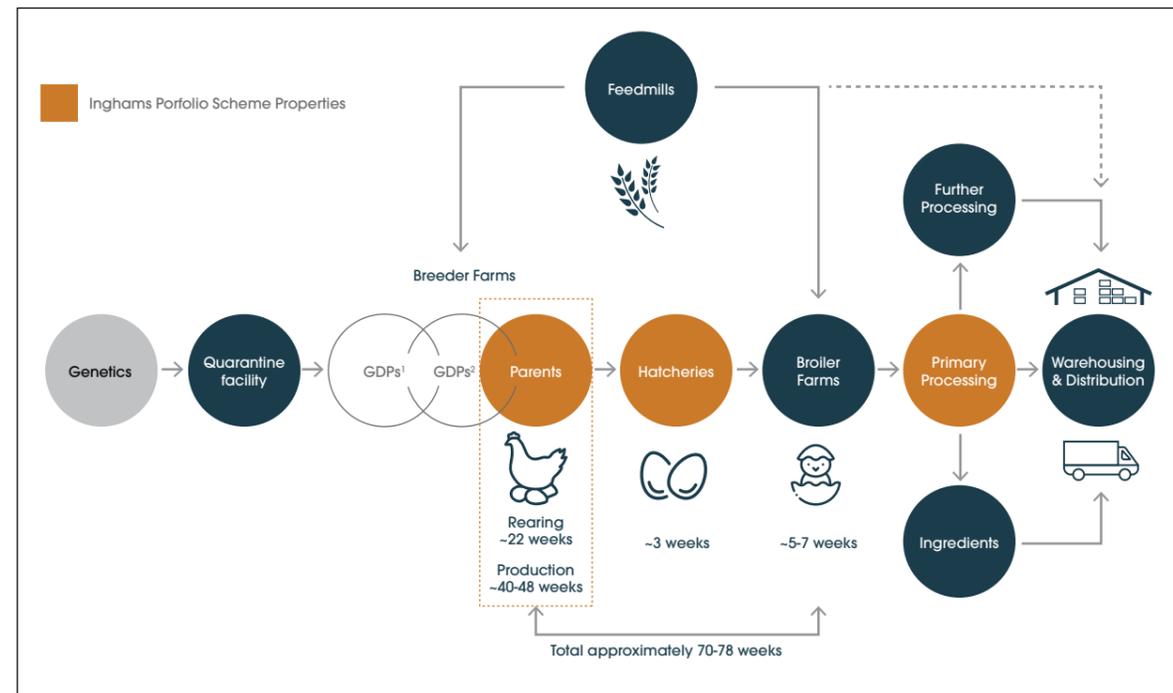
The Ingham's poultry supply chain is complex and is detailed in the diagram below:

The steps and facilities involved in the poultry supply chain are as follows:

1. Ingham's purchase chicks from a third-party supplier of genetic stock to supply to the raising farms.
2. Raising farms grow chicks into breeding chickens and roosters that are sent to the breeder farms at 22 weeks old.
3. Breeder farms produce eggs which are delivered to the hatchery.

4. The hatchery incubates and hatches chicks.
5. One day old chicks are transported to third party contract broiler farms to grow chickens to an age of 5-7 weeks old (either barn raised or free range).
6. Fully grown chickens are then transported to the processing plant.

The portfolio consists of six Properties supporting key links in the supply chain and includes four breeder farms and raiser farms (steps 2 and 3 above), one hatchery (step 4 above), and one processing plant (step 6 above). Notably the processing plant and hatchery are Ingham's only such facilities in New Zealand.



PROPERTY DESCRIPTIONS



HATCHERY

2 and 16 Banks Road and 7473-7481 State Highway 27, Matamata

The Property at 2 and 16 Banks Road and 7473-7481 State Highway 27, Matamata serves as a hatchery in the Ingham's supply chain network on a 8.37 ha site. The hatchery receives eggs from the breeder farms, incubates and hatches chicks and delivers the chicks to the contract broiler farms.

The premises on site total 4,398 sqm and comprise a hatchery building, two dwellings used for Ingham's' employee occupation and numerous ancillary buildings. The hatchery building was constructed in the 1980s and

extended considerably in the late 1990s with a smaller addition in 2010. The internal construction of the original building comprises a mixture of concrete block, seratone and plasterboard walls on a timber frame with recent refurbishments adding insulated aluminium panels to some ceilings and wall partitions. Externally the building comprises a concrete floor and foundation, RSJ portal frame, concrete block skirting wall with Colorsteel cladding above and a painted iron roof with a three-meter stud height. Ducted ventilation and temperature-controlled systems are provided throughout the building.



111 Pohlen Road, Matamata



903 Leslie Road, Tapapa



207 Mowbray Road, Matamata



25 Okauia Springs Road, Matamata

BREEDER FARMS AND RAISER FARMS

111 Pohlen Road, 207 Mowbray Road, 25 Okauia Springs Road, Matamata and 903 Leslie Road, Tapapa

The Properties at 111 Pohlen Road, Matamata; 207 Mowbray Road, Matamata; 25 Okauia Springs Road, Matamata and 903 Leslie Road, Tapapa serve as breeder farms and raiser farms in the Ingham's supply chain network. The farm buildings can be relatively easily converted to support either a raiser farm or a breeder farm depending on Ingham's requirements. Each farm consists of multiple breeder sheds, along with other office and amenity buildings as outlined below:

- 111 Pohlen Road – A 24.25 ha site with three blocks of breeding sheds, several storage sheds, office,

amenities buildings and three dwellings utilised by the farm employees all totalling circa 25,665 sqm net lettable area (NLA).

- 207 Mowbray Road – A 3.44 ha site with a single block of six breeding sheds, a workshop with associated office building, storage shed and barn, cooler room and lunch room and amenities block. The site also features a three-bedroom dwelling utilised by the farm employees all totalling circa 6,768 sqm NLA.
- 25 Okauia Springs Road – A 20.23 ha site with eight breeder sheds across six separate blocks,

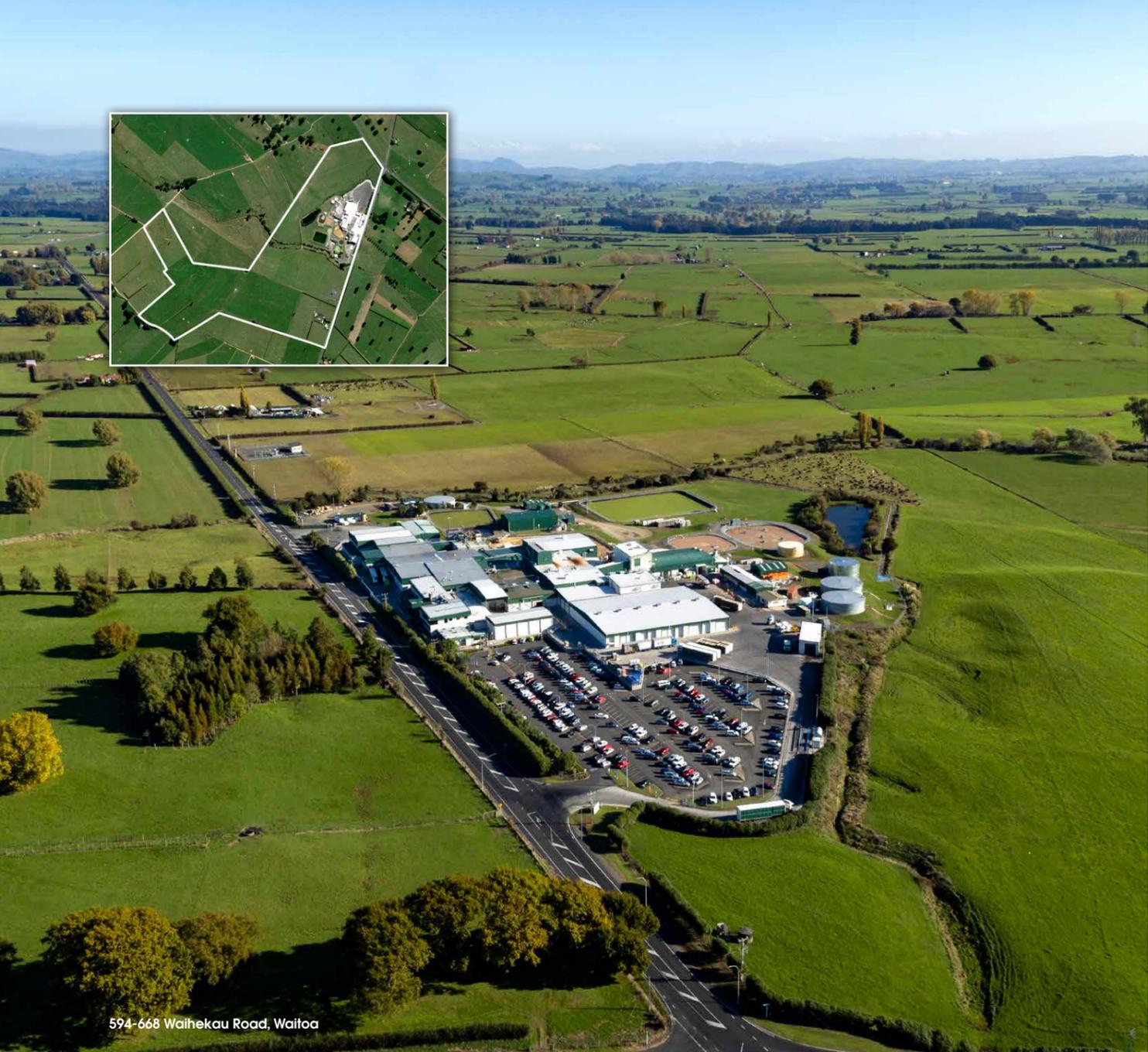
storage sheds, office and amenities building and a three-bedroom brick dwelling utilised by the farm employees all totalling circa 13,482 sqm NLA.

- 903 Leslie Road – A 67.23 ha site with sixteen breeder sheds across four blocks, each block includes handling and access tunnels, egg storage, fumigation and loading rooms and a site office. The site also features a main office, vehicle storage shed, implement shed and two dwelling utilised by the farm employees all totalling circa 25,111 sqm NLA.

The Pohlen Road, Mowbray Road and Okauia Springs Road breeder farms were constructed circa 1985 and all

have concrete floors and foundations, RSJ portal frame and timber trusses, galvanised metal cladding and metal clad gable roofs. The Leslie Road breeder farm is of similar construction to the others and was originally constructed in 1990 with two further blocks constructed in 2002 and 2003.

A number of the breeder farms have an amount of vacant land that is typically maintained in short grass. The vacant land on each breeder farm is currently used for grazing purposes and serves as a natural bio-hazard protection barrier and provides land for future expansion.



594-668 Waihekau Road, Waitoa

PROCESSING PLANT

594-668 Waihekau Road, Waitoa

The Property at 594-668 Waihekau Road, Waitoa comprises of a 62.55 ha site and serves as the processing plant in the Ingham's supply chain network together with a significant section of vacant land (circa 32 ha out of the 62.55 ha) that is currently utilised for irrigation purposes and grazing.

The processing plant was constructed in the 1980s and it has been extended and refurbished over the years with considerable alterations that doubled the facility size in 2004. There are a number of buildings and improvements with a total NLA of circa 15,172 sqm. The main building comprises the processing facility including live bird reception, plant rooms, ofal collection area, immersion

area and packaging room. Construction is of reinforced concrete floor and foundations, steel portal frame, Colorsteel lined insulated wall panels and Colorsteel roof cladding with a six-meter stud height. There are two cool store buildings comprising of reinforced concrete flooring and foundations, RSJ portal frame and Colorsteel lined insulated wall and roof panels with stud heights of 6.5m and 8.5m. Other buildings of note include the engine/plant room, office and ground floor cafeteria, laboratory, drystore, water treatment facilities and production chiller.

The plant is currently processing upwards of 150,000 birds per day.

STATEMENT OF INVESTMENT POLICY AND OBJECTIVES AND INVESTMENT STRATEGY

Silverfin has adopted a Statement of Investment Policy and Objectives ('SIPO') for the Scheme which sets out its investment policies, objectives and strategies for the Scheme in respect of its investment in the Properties as well as the policies it will apply in respect of its management and its investment performance monitoring benchmarks. A copy of the SIPO is available on the offer register at www.business.govt.nz/disclose.

The investment strategy of the Scheme is to acquire and hold the Properties on a fully leased basis.

The Scheme's investment objectives are to invest in the Properties as a long term hold with a view to delivering the following key deliverables to investors:

- Provide investors with a cash return of 8.25% per annum before tax on the investor's original investment. The cash return does not take into account any increase or decrease in the value of the Properties or any other non-cash items;
- Maintain full occupancy of the Properties;
- Maintain the LVR for Scheme borrowing at or below 55%;
- Maintain the interest cover ratio for Scheme borrowing at a level not less than 2.5 times (i.e. the income from the Properties is at least 2.5 times the interest cost);
- Maintain NTA of not less than 90% of NTA when the Properties were acquired; and
- Preserve the investment made by the holders of interests in the Scheme.

Silverfin will strategically manage the Scheme, recommending to investors where necessary development, expansion or disposal options to ensure that the Properties remains current in the market and to maximise their potential. Any such recommendation will be subject to the approval of investors in accordance with the Deed of Participation constituting the Scheme (if required under the Deed of Participation) and would be reflected in a change to the SIPO.

Set out below is an outline of key investment policies that Silverfin will follow in the management of the Scheme:

- **Liquidity and cash flow management:** the Scheme needs to be structured and managed to ensure it can meet any reasonable level of operating expense. Liquidity and cash flow requirements are considered prior to making investor distributions, ensuring that a reasonable level of cash is available. This is based on Silverfin's directors' assessment, with the support of appropriate professional advisers as required;

- **Leverage and hedging policy:** the debt in the Scheme will be no more than 55% of the gross asset value of the Properties. Hedging may be considered during the course of the investment's life for the purposes of providing certainty over interest to be paid and managing volatility in interest rates;
- **Interest rate policy:** Silverfin adopts and frequently reassesses the appropriate interest rate policy for the Scheme depending on the following factors: economic and market conditions, overall Scheme risk profile, WALE (weighted average lease expiry), cash flow impacts, the condition of the Properties and any requirements for structural repairs, maintenance or capital works, flexibility requirements of the Scheme, and prevailing market interest rates;
- **Distribution:** to provide investors with monthly cash distributions equal to a minimum pre-tax cash return of 8.25% per annum, subject to adjustment where required to reflect the Scheme's circumstances (note that PIE tax will be deducted from distributions, where applicable);
- **Conflicts of interest:** all conflicts of interest are required to be disclosed and recorded and any potential related party transactions will be addressed appropriately. This is complemented by restrictions placed on Silverfin, its directors and staff when investing or trading in any Silverfin-managed scheme;
- **Interest cover:** net operating income is maintained at not less than 2.5 times the interest payments; and
- **Capital expenditure:** to monitor the general condition of the sites and the buildings and to ensure ongoing routine repairs and maintenance for the buildings and other relevant services are undertaken as required with a high level of workmanship.

The SIPO (including the investment strategy) may be amended by Silverfin in consultation with the supervisor of the Scheme, being Trustees Executors Limited. Where a change requires investor approval (for example, if it relates to a proposed major development or expansion of a Property) Silverfin will follow the process in the Deed of Participation to seek that approval, and the change will not take place unless and until that approval is obtained. If investor approval is not required, Silverfin will provide investors with one month's written notice before implementing and adopting the change (unless Silverfin and the Supervisor agree that the change is not material).

MANAGEMENT OF THE SCHEME

The Scheme will be managed by Silverfin who will conduct the day to day facilities and property management services for the Properties. Silverfin will ultimately be responsible and liable for all management functions, but may appoint a local management agency to assist it. See section 10 of this PDS ('About Silverfin Capital Limited and Others involved in Inghams Portfolio Scheme') for further information.

The key personnel of Silverfin are:



MILES BROWN

Miles is the Chief Executive Officer of Silverfin. He is an experienced property professional with a successful property career of 25 years with employment in multinational corporations in New Zealand, Asia and Europe.

Prior to Silverfin, Miles spent 14 years at Kiwi Property Group Limited in several roles including Head of Transactions and General Manager of Commercial Portfolio as part of the key executive team of the \$3 billion fund.

Miles holds a Bachelor of Property and Master of Business Administration.

Miles, in conjunction with the Chief Financial Officer and property team, oversees all aspects of the Scheme and the Properties as part of his role.



JULIAN KOPPENS

Julian is the Chief Financial Officer at Silverfin, and has both a business management degree and law degree. As an experienced Chartered Accountant and finance professional Julian has 20 years' experience including 14 years at KPMG.

Julian will provide financial oversight for the Scheme and in particular be responsible for overseeing all of the compliance reporting requirements.

PURPOSE OF OFFER & ALLOCATION OF FINANCE

The purpose of the offer is to raise funds, which together with bank financing, will allow the Scheme to purchase the Properties.

The money raised together with the bank financing will be allocated as follows (GST exclusive):

Purchase Price	\$86,000,000
Establishment Costs <i>(including \$93,000 other fees, contingency and working capital)</i>	\$3,600,000
TOTAL	\$89,600,000
Funded by	
Bank Loan	\$43,000,000
Investor Subscriptions	\$46,600,000
TOTAL	\$89,600,000

The above costs relate to the SIPO and the objectives and strategy of the Scheme as follows:

Purchase price

The sole intention of the investment strategy is to acquire the Properties for long term hold.

Establishment costs

The establishment costs (one off fees and expenses charged to the Scheme on its establishment) are:

Silverfin and associated person's fees	
Offeror's fee	1,505,000
Brokerage fee	932,000
Accountancy fee	10,000
Underwrite fee [^]	364,000
Silverfin and associated person's total fees for establishment of the Scheme	\$2,811,000

Other fees and expenses

Legal fees [^]	160,000
Marketing and issue costs [^]	220,000
Bank fees	43,000
Supervisor's fee	12,000
Audit fees	20,000
Valuation fees [^]	39,000
Inspection fees [^]	16,000
Underwrite fees [^]	186,000
Other fees, contingency, and working capital [^]	93,000
Total other persons' fees and expenses	\$789,000
Total fees and expenses for establishment of the Scheme	\$3,600,000

The offeror's fee reflects Silverfin's identification of the Properties and negotiation with the vendor of acceptable terms, as well as managing of the subsequent syndication process through to settlement of the transaction.

The brokerage, marketing, underwriting and bank fees are necessary to ensure the successful completion of the offer and raising the funds without which the investment strategy will not be able to be implemented. The brokerage fee may be on-paid by Silverfin to a third-party broker as appropriate.

The legal fees relate to the establishment of the Scheme structure, the negotiation and finalisation of the transaction documentation, financing and settlement of the Properties.

All other fees primarily relate to due diligence on the Properties and the investment in order to determine whether the investment strategy is feasible.

Fees marked (^) are Silverfin's best estimates, based on its experience and the information known to it all at the date of this PDS, and they may be subject to change. All other amounts are fixed fees and cannot be increased. Details of the fees and expenses incurred by the Scheme will be included in the Scheme's annual report, however investors will not be specifically notified of such change.

APPLICATION OF FUNDS, MINIMUM SUBSCRIPTION, AND UNDERWRITE

Upon settlement of the purchase of the Properties all money raised, along with the bank borrowings, will be applied to settle the Properties and pay the establishment costs. The use of the money raised will not change before settlement or as a result of the amount raised (as a fixed sum is sought).

The minimum subscription is for \$46,600,000 (932 interests), to be raised from investor subscriptions. The offer is partially underwritten up to a total of \$20,200,000 (404 interests).

This means that a minimum of \$26,400,000 (528 interests) needs to be subscribed for by investors other than the underwriters in order for the Scheme to proceed.

Silverfin may arrange further underwriters as the offer proceeds. The underwrite fees specified in this PDS are Silverfin's reasonable estimate of the maximum underwrite fees that will be payable, even if further underwriters are arranged.

One of the underwriters is the Silverfin Underwrite Investment Fund, an entity associated with Silverfin.

FACTORS THAT MAY AFFECT THE FINANCIAL PERFORMANCE OF THE SCHEME AND STRATEGIES TO ADDRESS THOSE FACTORS

FACTORS AFFECTING FINANCIAL PERFORMANCE	STRATEGY TO ADDRESS
Changes in Interest Rates	Silverfin intends to manage the interest rate risk with a combination of short-term and long-term interest rate swap agreements and/or floating rates.
The ability of the Tenant to meet its obligations to pay the rental	The Tenant, Inghams Enterprises (NZ) Pty Limited, is a wholly-owned subsidiary of Australian listed company Inghams Group Limited. Whilst not guaranteed by the parent company the Tenant is a subsidiary of a major multinational company. As a result, Silverfin considers the likelihood of the Tenant defaulting to be low. However, if the Tenant failed to meet its rental obligations this would have a detrimental effect on distributions made by the Scheme.
Lease renewal	The initial term of each lease expires on 17 July 2029. Both the Scheme and Tenant have the right to renew each lease for a further term of 10 years making a 'term certain' lease expiry of 17 July 2039. The Tenant has a further five rights of renewal for terms of 10 years each from 18 July 2039. If the Tenant does not renew, significant additional re-leasing costs may be incurred and the rent received from a new tenant may be lower than that paid by the Tenant. Silverfin will actively manage the relationship with the Tenant to achieve lease renewals and to extend the Tenant's commitment to the site.

NATURE OF RETURNS AND KEY FACTORS THAT DETERMINE RETURNS

Investors may receive the following returns in respect of their interest:

- Distributions of operating cash flows of the Scheme relative to their respective interests; and
- Any gains which result from the net sale proceeds of the Properties exceeding the purchase price for the Properties and the establishment costs.

The key factors that will affect the returns are listed below. The policies and objectives above guide Silverfin to manage these in response to changing economic settings.

Rental income – The Tenant's lease has annual rental increases by way of CPI (Consumer Price Index) with the next rent increase being scheduled for 18 July 2019. This will have a positive impact on the returns to investors.

In addition, the lease has rent reviews to market in July 2038, 2048, 2058, 2068, and 2078 (in each case, one year prior to the renewal dates) The rent payable from the market review date will be the lower of the market rent and the rent payable immediately prior to the market review date. However, the new rent cannot be less than 95% of the rent payable immediately prior to the market rent review date.

Capital value – Increases and or decreases in market rental rates and market yields for commercial properties will have an impact on the capital value of the asset. This may have a positive or negative impact on the capital value of investors' investments.

Finance – the acquisition of the Properties will be funded in part by bank financing from BNZ for \$43,000,000. A significant expense of the Scheme is interest payable to the bank, meaning the financial performance of the Scheme will be affected by interest rates. BNZ have offered loan terms at an interest rate of 2.1% above BKBM rates for a 36-month term. The indicative floating interest rate at the date of this PDS is 3.80% (being BKBM of 1.70% plus the bank margin of 2.10%). However, Silverfin has assumed an interest rate of 4.0% in preparing the financial modelling for the Scheme. Silverfin intends to manage the interest rate risk with a combination of fixed interest rates and/or floating rates as appropriate.

Operational costs – The lease is effectively a triple-net lease with the Tenant meeting all operating expenses and capital expenses up to a certain threshold.

Capital costs – In certain circumstances, the Scheme may be required to fund expenses of a capital or structural nature for repairs or the cost of expansion works. Where this occurs additional improvements rent would be payable by the Tenant. However, if the additional rent is not sufficient to cover the full cost of works then returns to investors could be affected.

ACQUISITION OF KEY PROPERTY

Property valuation

An independent valuation of the Properties on a market value basis has been provided by Carl Waalkens, Director – Valuation and Advisory Services, Registered Practising Valuer, BProp, MPINZ, together with Nick Thacker, Director – Valuation and Advisory Services, Registered Practising Valuer, BBS (VPM), MPINZ, Bayleys at a value of \$86,000,000 plus GST (if any) as at 21 May 2019. The valuation has been undertaken in accordance with the International Valuation Standards and PINZ Valuation and Property Standards. The valuation was prepared using both a capitalisation approach and a discounted cash flow analysis.

A copy of the valuation report can be found on the offer register at www.business.govt.nz/disclose by searching 'Inghams Portfolio' under offers.

The valuation is based upon the key assumptions:

- Due to the sensitive nature of Ingham's business operations, Bayleys were unable to inspect all the components on each site. Instead, Bayleys were

provided with various plans and scheduling building areas which they have adopted for valuation purposes. The valuation assumes these are correct.

- That the Scheme exercises its 'mutual' 10 year right of renewal under the leases such that the assumed expiry date of the leases is 17 July 2039.

The valuation report also includes certain other assumptions made by Bayleys in undertaking the valuation. Silverfin does not believe the key assumptions above or any of the other assumptions in the valuation are unreasonable, based on its management's significant experience obtaining and considering valuation advice.

The valuation report has been made available to investors by Bayleys for the purposes of the scheme and for use by prospective investors on a non-reliance basis. It contains important information that prospective investors should read.

Bayleys has consented in writing to the PDS including information from, and references to, the valuation in the form and context in which they are included and agreed and acknowledged that the register will include the valuation.

REAL PROPERTY

This section summarises important information comprised in:

- the leases of the Properties;
- the records of titles for the Properties and all interests registered on the records of title; and
- the Land Information Memorandums issued by the Matamata Piako District Council and South Waikato District Council.

THE LEASES	
There is one lease per Property. The six leases have identical terms with the exception of property-specific details and rent.	
Tenant	Inghams Enterprises (NZ) Pty Limited.
Guarantees	Nil.
Properties	2 and 16 Banks Road and 7473-7481 State Highway 27, Matamata, 594-668 Waihekau Road, Waitoa, 111 Pohlen Road, Matamata, 207 Mowbray Road, Matamata, 25 Okauia Springs Road, Matamata and 903 Leslie Road, Tapapa.
Term	25 years 'term certain' (represented by an initial term of 15 years expiring 17 July 2029, with a further right of renewal of 10 years that can be exercised by either the Scheme or Tenant at any point in time before the expiry of the initial term).
Commencement Date	18 July 2014.
Rights of Renewal	Five options of 10 years each (in addition to the first 'mutual' 10 year right of renewal option detailed above).
Renewal Dates	18 July 2039, 18 July 2049, 18 July 2059, 18 July 2069 and 18 July 2079.
Rent	\$5,751,683 plus GST per annum (in total) Note: There is a CPI rent review scheduled for 18 July 2019. Silverfin expects the CPI increase to be approximately 1.5% which will increase the total rent to \$5,837,961 as at 18 July 2019.

Outgoings		This lease is effectively a 'triple net lease' and all usual outgoings are recoverable from the Tenant in addition to the rent. The Scheme is not permitted to charge any management expenses to the Tenant.
Rent Review	CPI	The rent may be adjusted on the basis of increases and decreases in the Consumer Price Index on every anniversary of the commencement date from 18 July 2015 (except for the market rent review dates).
	Market	Market rent reviews are due to occur on the 24th, 34th, 44th, 54th and 64th anniversaries of the commencement date of the current term (being 18 July 2038, 18 July 2048, 18 July 2058, 18 July 2068 and 18 July 2078). We note that the market rent review dates are one year prior to the renewal dates. The market rent cannot be less than 95% of the rent payable immediately prior to the market rent review date. The market rent will be the lower of the market rent and the rent payable immediately before the market rent review date.
Maintenance and Repair Obligations		Tenant responsibilities include: (a) to keep the Properties in good and tenantable repair and promptly repair any damage caused by the Tenant; and (b) to carry out all capital repairs (refer to below). The Scheme must not do any works, alterations or extensions to the building or the land unless the works are required by law and the Tenant has failed to carry out the works within a reasonable time.
Capital Repairs		The Tenant must carry out all capital repairs where the cost of doing so is less than the threshold amount of \$250,000 (excluding GST) for breeder farms and \$500,000 (excluding GST) for the processing plant and hatchery. Where the costs of the capital repairs are more than the threshold amount then the Tenant may require the Scheme to reimburse the costs that are above the threshold amount. Improvements rent is payable by the Tenant in these circumstances. The improvements rent is 9.25% of the development costs and financing costs associated with the capital costs, and it is payable by the Tenant on a monthly basis in addition to the rent. The Tenant is not required to carry out capital repairs in the last five years of the term, unless the Tenant has exercised its right of renewal. The Scheme (through Silverfin) and the Tenant must meet once every 12 months to discuss any capital repairs that are expected to be required in the next 12 months. Discussion of capital repairs does not oblige the Tenant to undertake the capital repair. The Tenant must not serve a capital repairs notice in the first five years of the initial term if the Scheme has funded more than \$2 million (excluding GST) in each year. Otherwise, the Scheme must fund the capital repairs. After the first five years of the initial term, the Scheme is not required to pay for funding costs associated with funding capital repair if the funding costs exceed 9.25% per annum. Otherwise the Scheme must for a period of not less than six months use its reasonable endeavours to procure funding on terms and conditions acceptable to the Tenant, acting reasonably. If it is unsuccessful, the Scheme must at its cost attempt to procure funding for a further three months. If the Scheme is not able to procure funding, the Tenant must fund the capital repairs, revise the capital repairs, or not proceed with its plans. If the capital works are funded by the Scheme, the Scheme has the ability to extend the lease in line with the provisions for expansion works as detailed below.

<p>Expansion Works</p>	<p>The Scheme (through Silverfin) and the Tenant must meet once every 12 months to discuss any expansion works that are expected to be required in the next 12 months. Discussion of expansion works does not oblige the Tenant to undertake the expansion works.</p> <p>The Tenant may, after consultation with the Scheme, serve an expansion works notice on the Scheme to upgrade or extend an existing building or construct a new building.</p> <p>The Tenant must pay for the expansion works if the cost of those works is less than the threshold amount of \$3 million (exclusive of GST). If the cost of expansion works exceeds the threshold amount, the Scheme must fund the cost that is above the threshold amount. Improvements rent is payable by the Tenant in these circumstances.</p> <p>The improvements rent is 9.25% of the development costs and financing costs associated with the expansion works, and it is payable by the Tenant on a monthly basis through to expiry of the lease.</p> <p>The improvements rent is subject to annual rent review (to the Consumer Price Index).</p> <p>If at practical completion of expansion works that are funded by the Scheme, and term of the lease is less than:</p> <p>(a) 10 years, for expansion works costing less than \$5 million (exclusive of GST);</p> <p>(b) 15 years, for expansion works costing between \$5 million and \$15 million (exclusive of GST); or</p> <p>(c) 25 years, for expansion works costing more than \$15 million (exclusive of GST);</p> <p>the Tenant must elect to either:</p> <p>(a) extend the term so that the unexpired portion is at least 10 years, 15 years or 25 years, as the case may be from the date of practical completion of the expansion works; or</p> <p>(b) if the Tenant has sufficient rights of renewal, irrevocably exercise its right of renewal so that such new leases provide for an aggregate of 10 years, 15 years or 25 years, as appropriate.</p> <p>After the first five years of the initial term, the Scheme is not required to pay for funding costs associated with funding expansion works if the funding costs exceed 9.25% per annum. Otherwise the Scheme must for a period of not less than six months use its reasonable endeavours to procure funding on terms and conditions acceptable to the Tenant acting reasonably. If it is unsuccessful, the Scheme must at its cost attempt to procure funding for a further three months. If the Scheme is not able to procure funding, the Tenant must either fund the expansion works, revise the expansion works, or not proceed with its plans.</p>	<p>Insurance Requirements</p>	<p>The Tenant insures the Properties and must maintain the following insurance policies:</p> <ul style="list-style-type: none"> • public and products liability insurance for at least \$20,000,000 for any one event (or for any greater amount determined by the Scheme and the Tenant in consultation); • full replacement and reinstatement (including consequential losses) for a reasonable amount having regard to the value of the improvements; and • loss of rent and outgoings for a period of 18 months.
<p>Right of last Refusal</p>	<p>If the Scheme intends to dispose of a Property and a third party buyer has confirmed that it wishes to purchase the Property, the Scheme must:</p> <p>(a) obtain a contract signed by the third party buyer which provides that it is subject to the Tenant's right of last refusal and permits disclosure of the contract to the Tenant; and</p> <p>(b) offer to sell the Property to the Tenant.</p> <p>If the Tenant does not accept the Scheme's offer, then the Scheme is free to sell the Property to a third party buyer on the terms and conditions of the third party buyer's contract for a period of six months after the date on which the offer was made to the Tenant.</p> <p>Where the Tenant accepts the Scheme's offer, that acceptance may be subject to Overseas Investment Act approval. Where the Tenant does not obtain Overseas Investment Act approval, the Scheme is free to sell the Property to a third party buyer on the terms and conditions of the third party buyer's contract for a period of six months after the date on which the offer was made to the Tenant.</p>	<p>Make Good Obligations</p>	<p>The Tenant has limited reinstatement obligations. Prior to the end of the lease, the Tenant must return all keys and access cards, remove any stock, personal effects and business records and remove all rubbish.</p> <p>The Tenant may leave its property and alterations and additions in the Properties at the end of the lease. If the Tenant removes its property or any alterations and additions, it must leave the parts of the building used for removing property in a clean and good condition.</p>
		<p>Contamination</p>	<p>The Tenant must remediate any contamination caused by the Tenant.</p> <p>The Scheme must not do anything that causes or exacerbates contamination on the Properties or adjoining land. Unless the contamination is caused by the Tenant, the Scheme must clean up any contamination which is a result of the Scheme's negligence or default.</p>
		<p>Damage and Destruction</p>	<p>The rent, outgoings and improvements rent (if any) (or a fair proportion of each of them) will abate where:</p> <p>a) a Property is destroyed or damaged and the Property is unfit for occupation or inaccessible; or</p> <p>b) the Tenant is unable to gain access to the Property due to an emergency.</p> <p>Where a Property cannot be reinstated within six months of the damage or destruction occurring, the Tenant must notify the Scheme, within 60 business days of becoming aware of the damage / destruction, of its decision to either terminate the lease or require the Property to be reinstated by the Tenant, at the Scheme's cost. Where the Tenant fails to give notice within 60 business days of becoming aware of the damage / destruction, either party may terminate the lease. Where the Tenant fails to reinstate the Property within 18 months of the date of damage or destruction, the Scheme may terminate the lease.</p>
		<p>Restrictions on dealings with the Properties</p>	<p>The Scheme must not, without the Tenant's prior consent, transfer, assign or otherwise dispose of the Properties after the Tenant has issued an expansion works notice and prior to the Scheme complying in full with its payment obligations with respect to that expansion works notice.</p> <p>The Scheme must not, without the Tenant's consent, which may be withheld in its absolute discretion, transfer, assign or otherwise dispose of the Properties or its rights and obligations under the lease if that would result in there being more than two different persons as landlord of the Properties or that would result in 594 Waiheka Road, Waitoa and 668 Waiheka Road Waitoa each having a different person as landlord. If the Landlord does so, the rent and the improvements rent will immediately and permanently reduce by 50%.</p> <p>The Scheme must not grant an interest in the premises which is concurrent or superior to the lease. If the Scheme does so, the rent and the improvements rent will be immediately and permanently reduced by 50%. The Scheme does not intend to grant such an interest.</p>

TENANT STANDING

The Tenant, Ingham Enterprises (NZ) Pty Limited, is wholly owned by Inghams Group Limited, an Australian company that is listed on the ASX. The financial statements of the Tenant can be viewed on the New Zealand Companies Office website and the Australian parent's financial statements can be downloaded from the investor centre on the Ingham's website.

Silverfin has reviewed the financial statements of the Tenant and the Australian parent and believes both companies are in a very sound financial position with consistently strong financial results. Note that Inghams Group Limited does not guarantee the Tenant's obligations under the lease.

Silverfin is not aware of any failure by the Tenant to meet its material obligations under the Lease. The lease is available on the offer register at www.business.govt.nz/disclose.



TITLE

The titles can be summarised as follows:

Property	Legal Description
2 and 16 Banks Road, Matamata and 7473-7481 State Highway 27, Matamata	An estate in fee simple being: <ul style="list-style-type: none"> - Lot 1 DP South Auckland 22046, comprised in record of title SA20B/540; - Lot 2 DP South Auckland 5018, comprised in record of title SA1429/64; - Lot 1 DP South Auckland 5018, comprised in record of title SA1429/65; and - Part Lot 1 DP South Auckland 16966, comprised in record of title SA22A/769
594-668 Waiheke Road, Waitoa	An estate in fee simple being: <ul style="list-style-type: none"> - Lot 2 DP 446379, comprised in record of title 562237; and - Section 19 Block IV Maungakawa Survey District, comprised in record of title SA1049/235
111 Pohlen Road, Matamata	An estate in fee simple being Lot 1 DP South Auckland 42073, comprised in record of title SA37C/231
207 Mowbray Road, Matamata	An estate in fee simple being Lot 1 DP South Auckland 26666 and Lot 1 DP South Auckland 39731, comprised in record of title SA35C/434
25 Okauia Springs Road, Matamata	An estate in fee simple being Lot 2 DP South Auckland 36707, comprised in record of title SA32B/885
903 Leslie Road, Tapapa	An estate in fee simple being Section 6 Block VIII Patetere North Survey District, comprised in record of title SA41B/801

The following Properties are subject to registered leases in favour of the Tenant:

- that land comprised in freehold records of title SA1429/64, SA1429/65, SA20B/540 and SA22A/769, as comprised in leasehold record of title 663012 being approximately 8.3710 hectares (more or less); and
- that land comprised in freehold records of title 562237 and SA1049/235, as comprised in leasehold record of title 663013, being approximately 62.5526 hectares (more or less).

There are a number of mortgages on the titles, which will be discharged at settlement and removed from the titles and replaced with the mortgage to BNZ entered into on behalf of the Scheme.

Anderson Lloyd have prepared a table summarising the instruments registered on the records of title for the Properties in their legal due diligence report, which is available upon request from Silverfin. Anderson Lloyd's review of the instruments registered on the records of title has not identified any material information not set out above.

LAND INFORMATION MEMORANDUM (LIM)

The material information from the LIMs is summarised as follows:

Building warrants of fitness (BWOFF)

The BWOFFs for 25 Okauia Springs Road and 2 and 16 Banks Road and 7473-7481 State Highway 27, Matamata expired on 20 February 2019.

The sale and purchase agreement for the Properties includes a warranty from the vendor that the Properties will have BWOFF on or prior to settlement. Further, the leases provide that the Tenant must comply with all requirements of any authorities at its cost, which would extend to obtaining BWOFF. As such, Silverfin expects new BWOFFs will be in place by settlement.

Code compliance certificates (CCCs)

CCCs have not issued for a building consent at 903 Leslie Road, two building consents at 2 Banks Road and 16 Banks Road and 7473-7481 State Highway 27, 10 building consents at 594 Waiheke Road and one building consent at 111 Pohlen Road.

The majority of the CCCs which relate to works occurring prior to commencement of the leases are not material in that they relate to minor works. In respect of the outstanding CCC for 111 Pohlen Road (where the relevant works are valued at \$600,000) the vendor has agreed to vary the sale and purchase agreement to provide that it will use all reasonable endeavours to obtain the CCC or a certificate of acceptance for these works, and if one of these certificates cannot be obtained on or prior to settlement, a retention of \$100,000 will be held for a period of 12 months from settlement to cover any costs the Scheme reasonably incurs in respect of obtaining a CCC or certificate of acceptance if neither of these are obtained prior to the expiry of such period.

BUILDING INSPECTION REPORT

A property inspection report has been obtained for each of the six Properties from Foster Maintain Limited ('Foster'). The report comments that the portfolio as a whole is in fair to good condition, with exception to 207 Mowbray Road where there is some weathering and decay to the exposed timber framing. The Tenant has advised Silverfin that it intends to upgrade this Property in the near future, at its cost.

Routine maintenance and upgrading to the roof, gutters, doors and cladding will be required at the Properties in the medium to long term, as is typical for buildings of their nature and age.

Under the existing leases, the Tenant is responsible for ensuring the Properties remain in a good and tenable condition and is required to promptly repair any damage caused by the Tenant. The Tenant is also required to carry out capital works at their cost up to threshold amounts of \$250,000 (excluding GST) for the breeder farms at 111 Pohlen Road, 207 Mowbray Road, 25 Okauia Springs Road and 903 Leslie Road and \$500,000 (excluding GST)

There are four building consents at 594 Waiheke Road which were obtained after commencement of the leases, which also relate to works of high value, however the Tenant is required to obtain CCC for these works pursuant to the terms of the leases. Accordingly, Silverfin is comfortable that all risks associated with the outstanding CCCs have been considered or ameliorated.

Cycleway extension

25 Okauia Springs Road adjoins a route planned for an extension to the Hauraki Trail cycleway. A memorandum of agreement for the acquisition of 40.5 square metres of land from Lot 2 DP 36707 of this Property has been entered into by the vendor and the Matamata Piako District Council. The acquisition has not been formally completed yet.

Contamination

The LIM and other records of the relevant authorities indicate that some of the Properties may be contaminated or used for activities that could result in contamination.

The Tenant is required to remedy any contamination it causes pursuant to the leases. As it appears that no detailed contamination surveys were undertaken prior to or close to the date on which the leases commenced, it will likely be difficult for the Tenant to claim that any contamination was not caused by the Tenant (in its capacity as Tenant as opposed to as previous owner), particularly as time elapses. Therefore, Silverfin is comfortable with the risk associated with this issue.

Anderson Lloyd has reported fully on the LIMs in their due diligence report, which is available upon request from Silverfin. Anderson Lloyd's review of the LIMs has not identified any material information not set out above.

for the hatchery and processing plant at 2 and 16 Banks Road and 7473-7481 State Highway 27 and 597-668 Waiheke Road. An improvement rent is chargeable for any costs incurred by the Scheme for capital works that exceed that amount. Silverfin expects the majority of maintenance items identified by Foster will fall well within the threshold amounts. Further details on maintenance and capital works responsibilities are contained in the lease information on page 23.

Foster has confirmed that visually there was no evidence of asbestos at the Properties with the exception of the processing plant at 594-668 Waiheke Road where an asbestos report was available. The report was reviewed by Foster who confirmed the asbestos was well contained.

The Foster report is available on the offer register at www.business.govt.nz/disclose.

Foster has consented in writing to the PDS including information from, and reference to, its report in the form and context in which it is included, and agreed and acknowledged that the register will include its report.

SEISMIC REPORTS

Seismic reports were not obtained for the breeder farms at 111 Pohlen Road, 207 Mowbray Road, 25 Okauia Springs Road and 903 Leslie Road as the buildings are typically single storey, lightweight structures (poultry sheds) that do not have extensive human occupation.

Initial Seismic Assessment Reports were obtained from structural engineers, Stiles and Hooker, for the hatchery (2 and 16 Banks Road and 7473-7481 State Highway 27) and the processing plant (594-668 Waiheke Road). The hatchery has a rating of 85% National Building Standard

(NBS) for the older structure and 100% NBS for the newer structure. The processing plant has a rating of 95% NBS for the portal framed buildings and 110% NBS for the shear wall buildings.

The Stiles and Hooker Initial Seismic Assessment Reports are available on the offer register at www.business.govt.nz/disclose.

Stiles and Hooker has consented in writing to the PDS including information from, and reference to, its report in the form and context in which it is included, and agreed and acknowledged that the register will include its report.

BANK LOAN

Silverfin has received a finance proposal from BNZ as lender. The proposal outlines the terms on which the bank is prepared to loan to the Scheme, together with the conditions precedent to providing that funding, the bank's security requirements and covenants.

The key terms of the loan offer are:

Amount	Facility of up to \$43,000,000.
Security (anticipated):	<ul style="list-style-type: none"> Registered first and only mortgages over the Properties; A first ranking general security agreement providing BNZ with a perfected security interest in all present and after acquired property of the Scheme; Assignment of all current and future lease agreements relating to the secured property; and Deeds of assignment over all material contracts.
Loan Term:	3 years from initial draw down.
Interest Rate:	BKBM rate plus a margin of 2.10%. As at the date of the bank loan offer the BKBM rate was 1.70%, to provide a total interest rate of 3.80%.
Capital Works Funding:	BNZ have confirmed in principle that they would be comfortable providing an additional facility of between \$10m to \$20m for any required capital works subject to certain conditions being met, including that the LVR stays within the 55% LVR head room, there is a satisfactory valuation supporting the additional facility, and the lease term is extended as contemplated. Any further funding would be subject to various approvals, including potentially by investors.
Guarantees:	The recourse of the bank lender under the loan facility will be limited to the Scheme and its assets with no personal guarantees being given by any party including investors, and investors normally being under no obligation to fund any shortfall beyond the value of their interests (the main exception being that Silverfin could be empowered under the Deed of Participation to recover any shortfall from investors if approved by special resolution).
Establishment fee:	\$43,000 plus the bank's solicitors' legal costs.
LVR Covenant:	The loan to value ratio is to be no greater than 55%.
Interest Cover:	Not less than 2.5 times the interest cost.
Principal Payments:	The loan is initially interest only with no principal repayments required during the loan term.
Review Event	If notice to vacate is given by the Tenant.

As the above borrowings for the Scheme will be due before the Scheme is likely to be wound up, Silverfin considers that refinancing is likely to be needed. Silverfin will enter into refinancing discussions with the existing lender and other banks well ahead of the loan expiry date.

Amounts owing to BNZ and all other liabilities of the Scheme will rank ahead of investors on a winding up of the Scheme.

The loan is a limited recourse loan, which means that investors would not be liable to make any payments to BNZ beyond the extent of their interest in the Scheme.

3 KEY DATES AND OFFER PROCESS

OFFER OPENS
28 May 2019

SILVERFIN MUST HAVE RECEIVED ADEQUATE ANTI-MONEY LAUNDERING IDENTIFICATION DOCUMENTATION AND APPLICATION FORMS FROM INVESTORS
19 July 2019

OFFER CLOSES
19 July 2019

INTERESTS ARE ISSUED TO INVESTORS
14 August 2019

SETTLEMENT OF THE ACQUISITION OF THE PROPERTIES
14 August 2019

The above dates may change. In particular, Silverfin reserves the right to close the offer or extend the offer at any time prior to the date specified above, and with the agreement of the vendor of the Properties, may extend the settlement date specified above. Silverfin will close the offer earlier if all interests have been subscribed for.

4 TERMS OF THE OFFER

How can investments be made?

Investors may acquire an interest in the Scheme with a minimum subscription of \$50,000, and multiples of \$50,000 thereafter. Subscriptions must be completed on the application form contained at the back of this PDS. Subscriptions may only be made before the closing date and there is no continuous offer of interests in the Scheme. Silverfin reserves the right to accept or reject any application in whole or in part without giving any reason.

To ensure all potential investors are dealt with equitably, Silverfin operates a 'first in, first served' approach in relation to the acceptance of applications. If the Scheme is oversubscribed, the criteria for assessing which applications will not be accepted will be based on the date the subscription funds were received, with the funds that were received last being the first to be returned. Completed application forms and any other required information must also have been received by Silverfin. One interest will be returned per applicant until the oversubscription is resolved.

How can I withdraw my investment from the Scheme?

An investment in the Scheme is not redeemable upon demand and the Scheme has no fixed term.

Investors are able to transfer their interests in accordance with the Deed of Participation and interests will be able to be traded on the Syndex independent secondary sales trading platform. This means that you could sell your investment to a third party on Syndex if there are interested buyers. However, Syndex is a relatively recently established market and you may not find a buyer or you may receive less than the amount you invested.

Syndex is a registry designed to provide an independent trading platform for the sale and purchase of interests in syndicates. For further information on Syndex refer to: www.syndex.exchange.

You can also sell your interest to any third party without Syndex involvement provided you comply with the terms of the Deed of Participation.

There is no guarantee there will be willing buyers for the interests.

Silverfin charges a sale fee of 2% of the interest sale price for facilitating the sale of an interest prior to termination of the Scheme. Third party costs (e.g. legal fees) reflecting costs actually incurred may be payable in addition to this fee.

The Scheme may be terminated by investors passing a special resolution (within the first five years) or ordinary resolution (at any time thereafter) to that effect. A special resolution is a resolution passed by a 75% majority of interests entitled to vote. An ordinary resolution is a resolution passed by a 50% majority of interests entitled to vote. It could also be terminated in other circumstances set out in the Deed of Participation.

If the Scheme is to be terminated, Silverfin will arrange for the Properties to be sold and the proceeds after the payment of all Scheme liabilities, costs and expenses will be divided amongst investors in proportion to their interests.

The Deed of Participation is available on the offer register at www.business.govt.nz/disclose

What is the minimum investment?

\$50,000 and multiples of \$50,000 thereafter.

What are the returns?

Silverfin is projecting a pre-tax cash return for the Scheme as follows:

5.22% for the 7 months and 17 days ending 31 March 2020 (annualised 8.25%) and 8.25% per annum for the four years ending 31 March 2021, 2022, 2023 and 2024.

Distributions are funded from operating cash flows. This return is not guaranteed and the actual distribution rate may vary. Silverfin reserves the right to withhold distributions as may be necessary to cover any shortfall or anticipated shortfall as they, acting in a competent managerial capacity, may deem prudent, for example in the case of a major tenant default. See section 7 of the PDS ('Risks to returns from Inghams Portfolio Scheme') for more information.

Each month the amount available for distribution is calculated by deducting the Properties' and Scheme operating costs from the gross income (including operating expenses amount available to be recovered) which results in net funds. The amount available for distribution is proportionally applied to investors' interests.

When are distributions paid

Distributions will usually be paid monthly in arrears, with payments being made on the 20th of the month and on the 20th of each subsequent month or the next working day thereafter. The first distribution is expected to be paid on 20 September 2019, pro-rated for the 17 day period from settlement to 31 August 2019. PIE tax will be deducted from distributions, where applicable.

Key dates

Please see section 3 of this PDS ('Key dates and offer process').

Underwrite

The offer is partially underwritten up to a total of \$20,200,000 (404 interests).

Silverfin may arrange further underwriters as the offer proceeds. The underwrite fees specified in this PDS are Silverfin's reasonable estimate of the maximum underwrite fees that will be payable, even if further underwriters are arranged.

Minimum amount to be raised

\$46,600,000 (being 932 interests of \$50,000). This includes any interests that are subscribed for by underwriters.

No retail offer outside New Zealand

Applications will not be accepted from persons located outside New Zealand, unless Silverfin has been satisfied that the investor is a wholesale investor (or equivalent) in the relevant jurisdiction and all other applicable legal requirements are met.

Description of Interests

Please see section 5 for a description of interests and how the Inghams Portfolio Scheme works.

Circumstances where additional payments may be required

If there are insufficient funds to meet any obligation of the Scheme, investors could be required to make further payments in proportion to their interest in the Scheme, but only where a special resolution of investors resolving to make those payments is passed. A special resolution is a resolution passed by a 75% majority of interests entitled to vote.

If investors do not make additional payments to the Scheme when required, the Scheme may be unable to meet its financial obligations and its creditors, secured or unsecured, could place the Scheme in receivership or liquidation (as applicable).

Additional Information

Additional information with respect to the interests is set out in the Deed of Participation. This document is available on the scheme register.

5 HOW INGHAMS PORTFOLJO SCHEME WORKS

The Scheme is a managed investment scheme and a trust whereby investors are offered the opportunity to gain exposure to the Properties.

An interest is not a share (equity) or a debt security. Investors will not rank as creditors and, accordingly, investors will rank after BNZ bank lending and any other creditors of the Scheme. The Scheme will be managed and administered by Silverfin pursuant to the Deed of Participation. As manager, Silverfin is responsible for offering and issuing interests in the Scheme, managing the Properties, and administering the Scheme. It has a range of specific functions under the Deed of Participation, and is subject to various duties and obligations including to act in the best interests of investors.

Silverfin is able to delegate its functions as manager but remains liable for the performance of the functions delegated or contracted out.

Trustees Executors Limited is the supervisor of the Scheme. It is responsible for supervising the performance by Silverfin of its functions under the Deed of Participation and for supervising the financial position of Silverfin and the Scheme to ascertain that they are adequate. The Supervisor is also responsible for custody of the Scheme's assets (i.e., the Properties). The Supervisor has a range of other functions, duties, and obligations under the Deed of Participation and the Financial Markets Conduct Act 2013.

The Deed of Participation authorises Silverfin to incur financial liability on the Scheme's behalf without prior approval from investors:

- where the liability is either recoverable from tenant(s) or is part of the monthly or recurring operating charges for the Properties;
- where the liability needs to be incurred to comply with leases or is required for a repair that in Silverfin's opinion is necessary to protect the Properties from damage or to maintain essential services to the tenant(s); or
- where the aggregate liability (not including liabilities incurred under sub-clauses a) or b)) does not exceed 0.5% of the Properties' gross asset value, based on the most recent valuation, plus GST in respect of any financial year.

The Deed of Participation also contain other important provisions. Copies of the Deed of Participation are available on the offer register at www.business.govt.nz/disclose.

Investors are encouraged to read the Deed of Participation. By signing the application form and applying for interests investors agree to be bound by the Deed of Participation.

Significant benefits of investing in the Scheme

The significant benefits of the investment are:

- The projected pre-tax cash return of 8.25% per annum through until 31 March 2024.
- The ability to have an investment in property that would not typically be available to investors who are only able to invest \$50,000 or similar amounts.
- The investment in the Scheme is passive with active day to day management (including preparation of accounts, negotiation of leases, payment of distribution and obtaining bank finance) being undertaken by Silverfin.
- Sharing in any capital growth in the value of the Properties if they are sold.

Related party benefits

The offer of Interests in the Scheme is partially underwritten by the Silverfin Underwrite Investment Fund up to a maximum of \$5.2 million. The Silverfin Underwrite Investment Fund is an entity associated with Silverfin. The Silverfin Underwrite Investment Fund will be paid an underwrite fee of \$156,000 to provide this underwrite, regardless of the number of interests it is required to subscribe for and a further fee of 4% of the value of interests subscribed (if any). This fee is consistent with standard market rates. In addition, Silverfin receives management fees from the Silverfin Underwrite Investment Fund.

The Silverfin Underwrite Investment Fund will receive distributions from the Scheme on any interests it subscribes for, for so long as it holds them, as provided for under the Deed of Participation. Its entitlements will be the same as the entitlements of any other investor.

There are no further related party benefits to be given to, or received by, a related party in the future other than the fees and expenses disclosed under section 8 ('What are the fees?').

6 INGHAMS PORTFOLJO SCHEME'S FINANCIAL INFORMATION

SELECTED FINANCIAL INFORMATION

This section provides selected financial information about the Inghams Portfolio Scheme. Full financial statements are available on the offer register at www.business.govt.nz/disclose. If you do not understand this sort of financial information, you can seek professional advice.

The financial statements have been prepared in accordance with NZ GAAP.

Projected Pre-Tax Cash Return	8.25% per annum for the first four full 12 month periods ending 31 March 2021, 2022, 2023 and 2024 and 5.22% pre-tax forecast until 31 March 2020 (being 8.25% when annualised), noting that the first reporting period is 7 months and 17 days to 31 March 2020.
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This return is not guaranteed and the actual distribution rate may vary in accordance with the Deed of

Participation. PIE tax will be deducted from distributions, where applicable.

The purpose of the prospective financial statements is to assist investors in assessing the viability of and return on funds invested. This PDS and the prospective financial information may not be appropriate for any other purpose.

The prospective financial information included in the tables on the following pages has been extracted from prospective financial statements prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42), which are available on the offer register. The prospective financial statements have been subject to a limited assurance engagement and an unmodified opinion has been issued, a copy of which is also included on the offer register.

The principal assumptions on which the prospective financial information is based are set out under the heading 'Principal Assumptions' on page 40.



PROJECTED INVESTOR RETURNS

The Scheme's operations, after payments of all expenses including the fees payable to Silverfin, are projected to provide pre-tax cash returns as follows:

- 5.22% (8.25% per annum) before tax on the investors' original subscription amount for the period of 7 months and 17 days to 31 March 2020 (assuming settlement

takes place on the expected settlement date of 14 August 2019); and

- 8.25% per annum before tax on the investors' original subscription amount for the four years ending 31 March 2021, 2022, 2023 and 2024 being the first four full years of the Scheme.

The table below presents the method for calculating the projected return:

	7 Months and 17 Days ending 31 March 2020	7 Months and 17 Days ending 31 March 2020 (annualised for 12 Months)	12 Months ending 31 March 2021	12 Months ending 31 March 2022	12 Months ending 31 March 2023	12 Months ending 31 March 2024
	\$	\$	\$	\$	\$	\$
Amount invested per interest	50,000	50,000	50,000	50,000	50,000	50,000
Prospective net profit before revaluations and tax	2,255,454	3,563,815	3,824,523	3,924,287	4,034,815	4,143,262
Total number of interests	932	932	932	932	932	932
Prospective net profit before revaluations per interest	2,420	3,824	4,104	4,211	4,329	4,446
Total investor cash return (paid and payable) per interest	2,611	4,125	4,125	4,125	4,125	4,125
Forecast cash return per period (pre-tax)	5.22%	8.25%	8.25%	8.25%	8.25%	8.25%

A cash distribution payment representing an 8.25% pre-tax return per annum is expected to be distributed on a monthly basis in arrears. This amount is set by Silverfin in accordance with the Deed of Participation. The projected cash return for the 7 months and 17 days ending 31 March 2020 includes the April 2020 distribution. Returns are not guaranteed and the actual distribution rate may vary. PIE tax will be deducted from distributions, where applicable.

Investor distributions may include funds from working capital to meet operating cash flow requirements. Working capital is initially funded from investor contributions.



PROSPECTIVE INCOME, EXPENSES AND RETURNS

The table below presents summary prospective financial information.

PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

(in New Zealand Dollars)

	7 Months and 17 Days ending 31 March 2020	12 Months ending 31 March 2021	12 Months ending 31 March 2022	12 Months ending 31 March 2023	12 Months ending 31 March 2024
	\$	\$	\$	\$	\$
Revenue					
Rental income	3,670,000	5,908,436	6,008,880	6,111,029	6,214,917
	3,670,000	5,908,436	6,008,880	6,111,029	6,214,917
Less Expenses					
Administration Expenses					
Accounting fees	20,000	10,000	10,000	10,000	10,000
Assurance review / audit	35,000	15,000	15,255	15,514	15,778
Scheme management fee	149,675	236,500	236,500	236,500	236,500
Compliance costs	23,594	37,280	37,280	37,280	37,280
Supervisor	28,328	25,800	25,800	25,800	25,800
General administration costs	6,329	10,000	10,170	10,343	10,519
Valuation costs	54,000	15,000	15,255	15,514	15,778
Total Administration Expenses	316,926	349,580	350,260	350,952	351,655
Total Expenses	316,926	349,580	350,260	350,952	351,655
Net Operating Revenue	3,353,074	5,558,856	5,658,620	5,760,077	5,863,262
Finance Costs					
Interest on borrowings	1,097,620	1,734,333	1,734,333	1,725,262	1,720,000
Total Finance Costs	1,097,620	1,734,333	1,734,333	1,725,262	1,720,000
Profit before revaluations	2,255,454	3,824,523	3,924,287	4,034,815	4,143,262
Other comprehensive income	-	-	-	-	-
Total Comprehensive income	2,255,454	3,824,523	3,924,287	4,034,815	4,143,262

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

(in New Zealand Dollars)

	Capital	Retained Earnings	Total
	\$	\$	\$
Opening Balance 14 August 2019			
Profit or (loss)/total comprehensive income	-	2,255,454	2,255,454
Investors' capital contribution	43,205,000	-	43,205,000
Less distribution to investors	-	(2,433,095)	(2,433,095)
Balance as at 31 March 2020	43,205,000	(177,639)	43,027,361
Opening Balance 1 April 2020			
Profit or (loss)/total comprehensive income	-	3,824,523	3,824,523
Less distribution to investors	-	(3,844,500)	(3,844,500)
Balance as at 31 March 2021	43,205,000	(197,616)	43,007,384
Opening Balance 1 April 2021			
Profit or (loss)/total comprehensive income	-	3,924,287	3,924,287
Less distribution to investors	-	(3,844,500)	(3,844,500)
Balance as at 31 March 2022	43,205,000	(117,831)	43,087,169
Opening Balance 1 April 2022			
Profit or (loss)/total comprehensive income	-	4,034,815	4,034,815
Less distribution to investors	-	(3,844,500)	(3,844,500)
Balance as at 31 March 2023	43,205,000	72,486	43,277,486
Opening Balance 1 April 2023			
Profit or (loss)/total comprehensive income	-	4,143,262	4,143,262
Less distribution to investors	-	(3,844,500)	(3,844,500)
Balance as at 31 March 2024	43,205,000	371,248	43,576,248

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

(in New Zealand Dollars)

	31 March 2020	31 March 2021	31 March 2022	31 March 2023	31 March 2024
	\$	\$	\$	\$	\$
Equity					
Capital	43,205,000	43,205,000	43,205,000	43,205,000	43,205,000
Retained earnings	(177,639)	(197,616)	(117,831)	72,486	371,248
	43,027,361	43,007,384	43,087,169	43,277,486	43,576,248
Represented by:					
Current assets					
Cash and cash equivalents	630,461	627,004	723,931	922,360	1,224,018
Prepayments	33,929	19,596	5,262	-	-
Total current assets	664,390	646,600	723,193	922,360	1,224,018
Non-current assets					
Investment property	86,000,000	86,000,000	86,000,000	86,000,000	86,000,000
Total Assets	86,664,390	86,646,600	86,723,193	86,922,360	87,224,018
Current liabilities					
Trade and other payables	637,029	639,216	642,024	644,874	647,770
Borrowings	-	-	43,000,000	-	-
Total current liabilities	637,029	639,216	43,642,024	644,874	647,770
Non-Current liabilities					
Borrowings	43,000,000	43,000,000	-	43,000,000	43,000,000
Total Liabilities	43,637,029	43,639,216	43,642,024	43,644,874	43,647,770
Net Assets	43,027,361	43,007,384	43,087,169	43,277,486	43,576,248

PROSPECTIVE STATEMENT OF CASH FLOWS

(in New Zealand Dollars)

	7 Months and 17 Days ending 31 March 2020	12 Months ending 31 March 2021	12 Months ending 31 March 2022	12 Months ending 31 March 2023	12 Months ending 31 March 2024
	\$	\$	\$	\$	\$
Cash flows from operating activities					
Cash provided from:					
Rental receipts	3,670,000	5,908,436	6,008,880	6,111,029	6,214,917
GST received	138,821	2,188	2,221	2,254	2,288
	3,808,821	5,910,624	6,011,101	6,113,283	6,217,205
Cash disbursed to:					
Operating expenses	(282,425)	(349,579)	(349,674)	(350,354)	(351,047)
Interest paid	(945,215)	(1,720,000)	(1,720,000)	(1,720,000)	(1,720,000)
	(1,227,640)	(2,069,579)	(2,069,674)	(2,070,354)	(2,071,047)
Net cash inflow from operating activities	2,581,181	3,841,043	3,941,427	4,042,929	4,146,158
Cash flows from investing activities					
Cash disbursed to:					
Purchase of investment property	(86,000,000)	-	-	-	-
Net cash inflow/(outflow) from investing activities	(86,000,000)	-	-	-	-
Cash flows from financing activities					
Cash provided from:					
Investors contributions	46,600,000	-	-	-	-
Bank loan	43,000,000	-	-	-	-
	89,600,000	-	-	-	-
Cash disbursed to:					
Issue costs	(3,395,000)	-	-	-	-
Bank Finance costs	(43,000)	-	-	-	-
Distributions to investors	(2,112,720)	(3,844,500)	(3,844,500)	(3,844,500)	(3,844,500)
	(5,550,720)	(3,844,500)	(3,844,500)	(3,844,500)	(3,844,500)
Net cash inflow/(outflow) from financing activities	84,049,280	(3,844,500)	(3,844,500)	(3,844,500)	(3,844,500)
Net increase (decrease) in cash held	630,461	(3,457)	96,927	198,429	301,658
Cash and cash equivalents at start of period	-	630,461	627,004	723,931	922,360
Cash and cash equivalents at end of period	630,461	627,004	723,931	922,360	1,224,018
Comprising of:					
Current account	630,461	627,004	723,931	922,360	1,224,018
	630,461	627,004	723,931	922,360	1,224,018



PRINCIPAL ASSUMPTIONS

Below is a brief summary of the principal assumptions on which the above prospective financial information is based. Further information on these assumptions may be found on the offer register at www.business.govt.nz/disclose.

The Scheme

The Scheme is to be established and domiciled in New Zealand.

The Scheme will be a commercial property investor that owns land and buildings located at 2 and 16 Banks Road and 7473-7481 State Highway 27, Matamata; 594-668 Waiheke Road, Waitoa; 111 Pohlen Road, Matamata; 207 Mowbray Road, Matamata; 25 Okauia Springs Road, Matamata and 903 Leslie Road, Tapapa all in New Zealand. The registered office of Silverfin is at Level 12, 41 Shortland Street, Auckland 1010.

Settlement

Pursuant to the Sale and Purchase Agreement, settlement is to occur ten working days after the contract becomes unconditional, which is estimated to be 14 August 2019. Therefore, for the purpose of the financial statements, rental income has been recognised from 15 August 2019 over the year and reported for a period of seven months and 17 days for the period ended 31 March 2020.

The Properties are assumed to be purchased by the Scheme on 14 August 2019 at a purchase price of \$86.0 million.

Establishment Costs

Total establishment costs are expected to be \$3,600,000. The costs include offeror, underwriting, brokerage, legal, accounting and valuation fees as well as financing and marketing costs. The bulk of these costs are deemed to be issue costs.

The establishment costs have been based on quotes received.

Investment Property

The future fair value gain or loss on the Properties cannot be reliably predicted, and accordingly the fair value of \$86,000,000 is assumed. The investment will be the purchase price of \$86,000,000, plus any directly related acquisition costs and any further capital costs incurred during the prospective period. No revaluation adjustment has therefore been reflected in these prospective financial statements.

The Scheme may be responsible for all works of a structural or capital nature subject to the 'threshold amounts' outlined in the Leases section. In the event the Scheme does incur capital costs an additional improvements rent may be payable by the Tenant. It is assumed that no expenses of this nature are incurred by the Scheme.

Rental Income

The cash received from rental receipts is assumed to increase over time due to mechanisms of CPI increases in the lease. CPI of 1.5% per annum has been assumed for the review in July 2019. CPI of 1.7% per annum has been assumed for reviews from 2020 onwards.

For the financial years ending 31 March 2020, 31 March 2021, 31 March 2022, 31 March 2023 and 31 March 2024, it is assumed that there is no vacancy and no Tenant default. It is also assumed that there are no delays in receipt of rental.

All operating costs including rates, insurance premiums, land taxes, utilities and certain maintenance obligations are passed onto, or paid directly by, the Tenant.

Management fees

The annual management fees have been set at 0.275% per annum of the Properties' gross asset value prorated for the first seven months and 17 days at \$149,675 and then \$236,500 for 12 months, plus GST.

Borrowings

The bank loan funding is an interest only facility from BNZ secured by way of first registered mortgage over the Properties for an initial term of 36 months' subject to annual review before extension.

The assumed interest rate over the short term for the Scheme is 4.00% per annum. Silverfin intends to manage the interest rate risk with a combination of fixed interest rates and/or floating rates as appropriate.

The expected Loan to Value ratio (LVR) (based on drawn debt) measured against the fair value valuation is expected to be a maximum of 55%. The interest cover ratio is expected to be a minimum of 2.5 times.

Administration Expenses

Audit fees and valuation fees are based on quotes received.

FINANCIAL MEASURES FOR SCHEME BORROWINGS

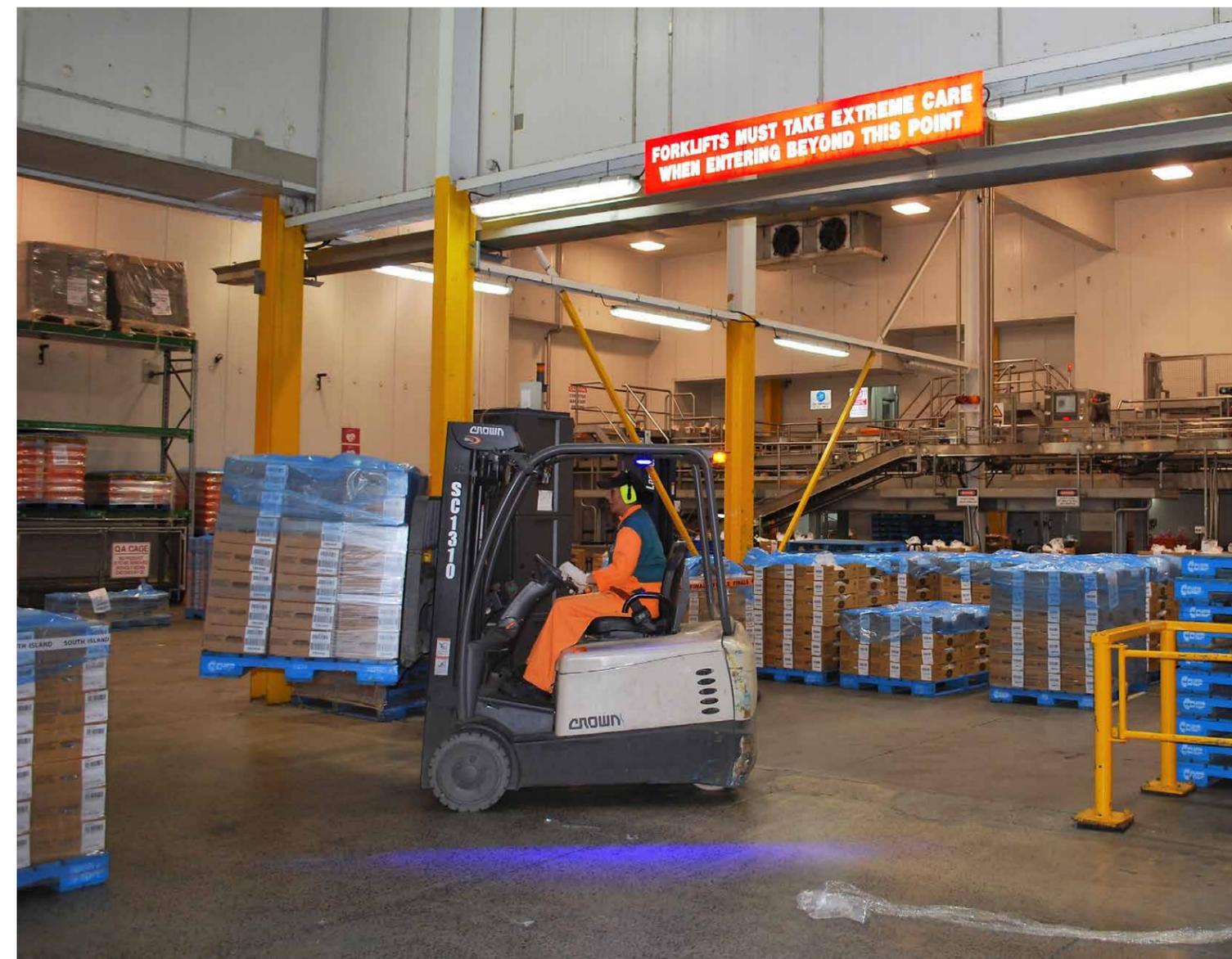
	14 August 2019 (settlement date)	31 March 2020 (end of first financial period)	31 March 2021 (end of second financial year)	31 March 2022 (end of third financial year)	31 March 2023 (end of fourth financial year)	31 March 2024 (end of fifth financial year)
Gearing Ratio	49.95%	49.62%	49.63%	49.58%	49.47%	49.30%
Interest Cover Ratio	N/A	3.08 times	3.23 times	3.29 times	3.35 times	3.41 times

The 'Gearing ratio' is how much the Scheme owes (interest bearing debt) as a portion of what it owns (assets). The higher the ratio, the higher the risk to the Scheme as it indicates that a higher portion of the Scheme's assets will need to be applied to repay its debt.

The 'Interest Cover Ratio' tells you how much of the Scheme's income is used to pay interest on its loans. The higher the ratio, the more comfortably the Scheme's income can cover any interest owing.

BORROWING REPAYMENT DATES

Loan Facility	Repayment Date
BNZ Facility	The loan has a 36-month facility which is subject to annual review and extension of one year.



7 RISKS TO RETURNS FROM INGHAMS PORTFOLIO SCHEME

This section sets out a description of the circumstances that Silverfin is aware of that exist or are likely to arise that significantly increase the risk to returns for investors. The table below sets out particulars of why each circumstance is of particular significance and an assessment of the likelihood of any impact arising, the nature of the impact, and the potential magnitude of that impact.

Circumstance	Description	Why this is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
Tenant – default/cancellation	Dependence has been placed on Inghams Enterprises (NZ) Pty Limited to meet its contractual obligations to continue the payment of rental and outgoings. If the Tenant was to suffer liquidity or other financial problems of a significant nature, or cancel the lease, any resulting failure to pay rental and outgoings or vacancy or re-letting costs would have a serious detrimental impact on the ability of the Scheme to pay returns to investors and/or make interest payments under its banking facility. This may prevent investors from recouping their original investment.	Inghams Enterprises (NZ) Pty Limited is the sole tenant and its rental is the sole source of the Scheme's income.	<p>Assessment of likelihood: Silverfin assesses the likelihood of the Tenant defaulting or cancelling under the lease to be low, based on the identity and financial standing of the Tenant and its parent company Inghams Group Limited (although that entity does not guarantee the lease).</p> <p>Nature: Were the Tenant to default under the lease, there would be significant impacts for the Scheme. A loss of income from the Tenant would severely affect the Scheme's ability to pay distributions and/or make interest payments under its banking facility. It would likely also have an impact on the value of the Properties.</p> <p>Magnitude: In the event of default by the Tenant, the Scheme would suffer a total loss of income until a replacement tenant was found.</p> <p>During any period of rental downtime the Scheme would not be able to maintain forecast financial returns to investors whilst meeting operating expenses and bank interest costs and may not be able to meet bank interest costs.</p>
Interest rates	The return to investors will be subject to interest rate variations on the bank loan (initially a 36-month term, subject to annual review – refer to the summary of the bank loan terms on page 28 of this PDS).	The Scheme will fund 50% of the Properties' purchase price through a bank loan from BNZ. As a result, the principal expense of the Scheme is interest payments. As such, the financial performance of the Scheme will be affected by movement in interest rates.	<p>Assessment of likelihood: Interest rates are unable to be accurately predicted. Silverfin intends to manage the interest rate risk with a combination of fixed interest rates and/or floating rates as appropriate, and will constantly monitor the interest rate management strategy.</p> <p>Nature: If interest rates applicable to the Scheme's banking arrangements were to increase, it may affect the Scheme's ability to maintain the distribution levels forecasted in section 6 ('Inghams Portfolio Scheme's Financial Information'), which is why Silverfin has sought to mitigate the risk through its interest rate strategy.</p> <p>Magnitude: The magnitude of the impact of interest rate changes cannot be accurately predicted (as the rates themselves cannot be accurately predicted). Silverfin has undertaken interest rate sensitivity analysis, as set out in the financial information for the Scheme available on the offer register. However, Silverfin considers that the magnitude of the impact of any change in interest rates can be adequately minimised through its interest rate strategy.</p>

Circumstance	Description	Why this is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
A lack of liquidity	There is no guarantee that there will always be willing buyers for this type of investment. The sale of interests in the Scheme by investors presumes a market for the interests.	The market for interests may be illiquid and a sale of an interest may not be easily achieved. This may impact an investor's ability to recoup their original investment in full.	<p>Assessment of likelihood: The Scheme has a long-term investment horizon, and is structured to provide investors with a long-term investment in commercial property. If an investor wishes to exit their investment in the Scheme, a lack of liquidity may significantly impact the ability of an investor in the secondary market to recoup their original investment in full. Silverfin has entered into an arrangement with Syndex to facilitate trading in interests, subject to willing buyers being available. It is Silverfin's opinion that with the number of users of Syndex growing the liquidity of the secondary market will improve.</p> <p>Nature: A lack of liquidity for interests will likely adversely impact the value of the interests.</p> <p>Magnitude: In Silverfin's view, if investors' investment horizons match those of the Scheme, the impact of a lack of liquidity for interests is unlikely to be significant. However, if an investor was to wish to sell their interests in a period of illiquidity, it may lead to a loss in value for that investor.</p>
Inability to re-finance	The Scheme will borrow from BNZ to fund the purchase of the Properties. Adverse market movements may cause the banking covenants to be breached. If the breach (or any other breach of the banking covenants) is not remedied, or the covenant varied, BNZ may enforce its security and sell the Properties at a below market price due to a forced mortgagee sale. In addition, there is also a risk that the bank loan will not be renewed and alternative funding (if available) may require higher interest payments and/ or payment of the principal amount of the loan. The banking arrangements are relatively short term (on a three-year revolving facility). Those arrangements do not mirror the long-term investment horizon of the Scheme.	A failure to maintain or renew funding may lead to a forced sale of the Properties (or any one of them).	<p>Assessment of likelihood: Based on Silverfin's personnel's experience managing the funding arrangements associated with industrial and commercial property, such as these Properties, Silverfin considers that the likelihood of a breach of banking covenants or Silverfin being unable to secure appropriate funding at the expiry of the initial facility arrangements to be low.</p> <p>Nature: A failure to maintain funding may threaten the ongoing viability of the Scheme. Repayment of principal may affect investors' cash returns. In addition, investors will remain liable for tax on their proportionate share of the income earned by the Scheme, even if the income is not distributed to investors but used to make principal repayments.</p> <p>Magnitude: If this happens the impact would be significant. Silverfin considers the potential magnitude of the impact of changes to the Scheme's funding arrangements will be able to be adequately minimised through active management of the Scheme's finances and banking arrangements. In addition, two other banks expressed interest in funding the Scheme in addition to BNZ, meaning there is likely to be funding alternatives available.</p>

Circumstance	Description	Why this is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
Renewal costs	On the expiry of the leases or on any renewal of the leases, the Scheme is likely to need to incur expenditure/ costs by upgrading or remediating the Properties, or by providing lease inducement payments or rental holidays to the Tenant or any replacement tenant(s).	The Scheme is dependent on its Tenant for its income. A decision to not renew a lease will affect the Scheme's income and result in additional costs to the Scheme to procure a new tenant and prepare the Properties for that incoming tenant.	<p>Assessment of likelihood: Renewal costs are inherent in tenanted assets. However, in the medium to long term, Silverfin believes the likelihood of such costs impacting the returns to investors is low given the remaining term of the lease and the strength of the Tenant covenant. In addition, the location and nature of the Properties and the integral role the Properties play in the Tenant's supply chain leads Silverfin to believe that the Tenant will be long time occupiers of the Properties.</p> <p>Nature: On any renewal, if not renewed, the Scheme would likely incur costs associated with obtaining a replacement tenant(s) or inducing the Tenant to renew. Those costs cannot currently be quantified as these are expected at the end of the lease term and Silverfin cannot determine what level the market will be at. The buildings are of a specialised nature, which mean Silverfin would likely need to target other participants in the poultry industry as replacement tenants. A new tenant would expect an incentive, whether a rent free period, and/ or a contribution to fit out should the tenant require an alternative fit out. Such costs will reduce funds available for the distribution to investors.</p> <p>Magnitude: The costs may be significant, when they arise. However, given the identity of the Tenant and the Tenant's tenure and investment in the Properties. Silverfin does not expect these costs to arise in the medium to long term. That being said, it is prudent for management to build reserves to anticipate such events and Silverfin will build a cash reserve over the remaining 20 year 'term certain' left on the current leases to address risk associated with renewal.</p>

Circumstance	Description	Why this is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
Rental on renewal / re-letting	On re-letting the rental may be reset to market which may be less than the rent paid immediately prior to the re-letting.	The Scheme's primary source of income is rental from the Tenant in respect of the Properties. If rental was to decrease, it will impact the level of distributions available to be made to Investors.	<p>Assessment of Likelihood: Silverfin considers that the likelihood of the rental levels on reletting impacting on the investors returns as low in the medium to long term given the 20 year 'term certain' remaining on the current leases and Silverfin's confidence in the tenant covenant. Silverfin intends to pro-actively manage the rental risk at renewal through early engagement with the Tenant. If the Tenant exercises their right to renew, the rent on renewal will be adjusted by way of CPI however the Tenant may use the renewal as an opportunity to renegotiate. If the Tenant did vacate, given the use of the Properties by the current Tenant, the rental is likely to reduce.</p> <p>Nature: Any reduction in rental levels would reduce the level of funds available for the distribution to investors.</p> <p>Magnitude: Bayleys' estimate that the Properties are currently 5% over rented, however it is difficult to accurately establish market rent due to the specialised nature of the Properties. Silverfin does not believe the above-market rental of the Properties is significant given the remaining lease term and tenant covenant, although at some points during the lease term rent is reviewed to market. Given the strategic importance of the Properties to the Tenant's supply chain, Silverfin will look to actively manage any renewal date rent review to achieve the highest level in the circumstances to minimise the impact on returns.</p>
Damage and destruction – termination of leases	If a Property is destroyed or damaged and is unfit for occupation or inaccessible, and cannot be reinstated within six months of the damage or destruction occurring, the Tenant has the right to terminate the relevant lease.	The Scheme is dependent on its Tenant for its income. If the Tenant terminated a lease it would affect the Scheme's income and result in additional costs to the Scheme to procure a new tenant and prepare the Property for that incoming tenant, in addition to any repair or reinstatement costs.	<p>Assessment of likelihood: Silverfin considers it unlikely that the Tenant would exercise this right to terminate given the difficulties associated with locating alternative sites, particularly with regard to obtaining the necessary resource consents.</p> <p>Nature: If damage occurred, the Scheme would implement repairs and would rely on its insurance to cover the cost of repairs as well as the loss of rents whilst repairs were being completed. In the event that the Tenant chooses to exercise this right to terminate, the Scheme would look to identify a replacement tenant upon completion of the remediation works and would likely incur costs associated with obtaining a replacement tenant. Such costs will reduce funds available for the distribution to investors.</p> <p>Magnitude: It is unlikely (although not impossible) that material damage will occur to more than one property at a time. Therefore, the cost associated with finding a replacement tenant is likely to be confined to a single property. Nevertheless the costs have the potential to be significant if they arose. However, given the nature of the Properties and the importance of each specific property in the Tenant's supply chain, we expect the Tenant would choose to have the damage repaired rather than exercise this right to terminate.</p>

8 WHAT ARE THE FEES?

The fees and expenses charged to the Scheme on its establishment are (exclusive of GST):

Silverfin and associated person's fees		
Offeror's fee	Calculated as 1.75% of the total purchase price of the Properties (\$86 million) plus GST	\$1,505,000
Brokerage fee	These fees are calculated at 2% of the total value of interests sold and may be payable to a third party broker	\$932,000
Accounting fee	Fixed fee for preparation of the prospective financial statements	\$10,000
Underwrite fee	This fee is estimated but is the maximum amount payable. The fee is calculated as a fixed fee of \$156,000 and a further fee of 4% of the value of interests subscribed (if any)	\$364,000
Silverfin and associated person's total fees for establishment of the Scheme		\$2,811,000
Other fees and expenses		
Legal fees	These fees are estimated based on Silverfin's prior experience and quotes received	\$160,000
Marketing and issue costs	These fees are estimated based on Silverfin's prior experience	\$220,000
Bank fee	Fixed fee	\$43,000
Supervisor's fee	Fixed fee	\$12,000
Audit fee	Fixed fee for carrying out a limited assurance engagement on the prospective financial statements	\$20,000
Valuation fees	Fixed fee of \$19,000 for property valuation and estimated fee of \$20,000 for chattels valuation	\$39,000
Inspection fees	These fees are estimated based on Silverfin's prior experience and quotes received	\$16,000
Underwrite fee	This fee is the estimated maximum underwrite fees payable to other persons. Fees are calculated as a fixed base fee plus a further fee of a percentage of the value of interests subscribed (if any), in each case at market rates	\$186,000
Other fees, contingency and working capital	These amounts are estimated based on Silverfin's prior experience	\$93,000
Total other persons' fees and expenses		\$789,000
Total fees and expenses for establishment of the Scheme		\$3,600,000

Disbursements will be in addition to these fees.

The actual amounts charged to the Scheme for the external fees will reflect the amount ultimately invoiced by the relevant third party.

The **offeror's fee** is payable to Silverfin for arranging and establishing the Scheme.

The **brokerage fee** is payable to Silverfin for it to distribute to selling agents being Colliers International New Zealand Limited ('Colliers International') or any others.

The **accounting fees** are payable to Silverfin for the preparation of the prospective financial statements.

The **underwrite fees** are payable to the underwriters for partially underwriting the offer.

Legal fees are payable to the Scheme's solicitors, Anderson Lloyd and Anthony Harper, together with the bank's solicitors for the costs of all of the legal due diligence on the Properties, negotiation of the sale and purchase agreement,

preparing the Scheme documentation, advising on legal compliance, settlement of the purchase, and in connection with the Scheme's financing arrangements, and to the Supervisor's solicitors for their costs in relation to reviewing this PDS, the Deed of Participation and all related documentation. Legal fees also include amounts payable to Deloitte for advice on tax matters.

Marketing and issue costs reflect the costs of both preparing and producing advertisements in relation to the offer and the costs for preparing and printing this PDS.

The **bank fees** are payable to BNZ in connection with its provision of the loan facility to the Scheme.

The **Supervisor's fees** are payable to Trustees Executors Limited for their costs in relation to reviewing and negotiating this PDS, the Deed of Participation and all related documentation.

Audit fees represent KPMG's fee for carrying out a limited assurance

engagement in respect of the prospective financial statements contained on the offer register.

The **valuation fees** are payable to Bayleys for preparing the valuation report on the Properties and to a chattels valuer for preparing a valuation report on the Properties' chattels.

The **inspection fees** for undertaking building surveys are payable to Foster Maintain Limited and Stiles and Hooker Engineers.

The **other fees, contingency, and working capital** allowance covers issue and production expenses, incidental expenses arising in connection with the offer (including but not limited to postage, regulatory costs, registration fees), and the initial working capital to be held by the Scheme for operational matters.

All of the above fees are charged to the Scheme or, alternatively, have been or will be paid by Silverfin and will be reimbursed to Silverfin following settlement.

ANNUAL COSTS

Fee or expense and basis of calculation	Estimate for period ended 31 March 2020		Estimate for period ended 31 March 2021		Estimate for period ended 31 March 2022		Estimate for period ended 31 March 2023		Estimate for period ended 31 March 2024	
	\$	% of net assets								
Silverfin's and associated person's fees and expenses										
Establishment fees and expenses as outlined above	2,811,000	6.53%	-	-	-	-	-	-	-	-
Annual management fee 0.275% per annum of the Properties' gross asset value (prorated and paid monthly in advance)	149,675	0.35%	236,500	0.55%	236,500	0.55%	236,500	0.55%	236,500	0.55%
Accounting fees Fixed annual fee for preparation of financial statements	10,000	0.02%	10,000	0.02%	10,000	0.02%	10,000	0.02%	10,000	0.02%
TOTAL	2,970,675	6.90%	246,500	0.57%	246,500	0.57%	246,500	0.57%	246,500	0.57%

Other fees and expenses

Establishment fees and expenses as outlined above	789,000	1.83%	-	-	-	-	-	-	-	-
Interest charges 4.00% of loan value	1,088,548	2.53%	1,720,000	4.00%	1,720,000	4.00%	1,720,000	4.00%	1,720,000	4.00%
Annual audit fees Fixed annual fee agreed with auditor	15,000	0.03%	15,000	0.03%	15,255	0.04%	15,514	0.04%	15,778	0.04%
Supervisor's fee 0.03% per annum of the Properties' gross asset value (prorated and paid monthly in arrears) subject to a minimum annual fee of \$8,000. In addition, the Supervisor can charge a fee at its standard market rates for any services of an unusual or onerous nature outside the Supervisor's regular services.	28,328	0.07%	25,800	0.06%	25,800	0.06%	25,800	0.06%	25,800	0.06%
Valuation fees Fixed annual fee agreed with the valuer	15,000	0.03%	15,000	0.03%	15,255	0.04%	15,514	0.04%	15,778	0.04%
Syndex fees 0.08% per annum of the Scheme's investor contributions	23,594	0.05%	37,280	0.09%	37,280	0.09%	37,280	0.09%	37,280	0.09%
General Estimate of incidental costs	6,329	0.01%	10,000	0.02%	10,170	0.02%	10,343	0.02%	10,519	0.02%
TOTAL	1,965,799	4.57%	1,823,080	4.24%	1,823,760	4.24%	1,824,452	4.24%	1,825,155	4.24%

All of the fees and expenses outlined above are charged to the Scheme and GST exclusive.

The **annual management fee** is payable to Silverfin for the ongoing management of the Scheme.

Accounting fees are payable to Silverfin for the preparation of the Scheme's financial statements.

Interest charges are payable to BNZ in accordance with the loan and any hedging or swap agreements.

Annual audit fees are payable to the external assurance provider for their audit of the Scheme's financial statements. These fees are assumed to increase at 1.7% per annum.

The **supervisor's fee** is payable to Trustees Executors Limited for custodial and supervisory services to the Scheme.

Valuation fees are payable to an independent valuer for completing the annual valuation of the Properties. These fees are assumed to increase at 1.7% per annum.

Syndex fees are payable to Syndex for registry and exchange fees for the Scheme's registry.

General fees are payable to various parties for other items not covered elsewhere. These are costs for the operation of the Scheme and might include postage, registration fees on the FSPR/Scheme/Offer register or advice from other experts. These fees are assumed to increase at 1.7% per annum.

The Deed of Participation authorises Silverfin to incur financial liability on the Scheme's behalf without prior approval from investors:

- where the liability is either recoverable from tenant(s) or is part of the monthly or recurring operating charges for the Properties;
- where the liability needs to be incurred to comply with leases or is required for a repair that in Silverfin's opinion is necessary to protect the Properties from damage or to maintain essential services to the tenant(s); or
- where the aggregate liability (not including liabilities incurred under sub-clauses a) or b)) does not exceed 0.5% of the Properties' gross asset value, based on the most recent valuation, plus GST in respect of any financial year.



OTHER FEES AND EXPENSES

Fee or expense	Explanation
Interest sale fee	Silverfin charges a sale fee of 2% of the interest sale price for facilitating the sale of an interest prior to termination of the Scheme. Third party costs (e.g. legal fees) reflecting costs actually incurred may be payable in addition to this fee. Third party costs include Syndex's fees where the Syndex platform is used. Syndex's current fee is \$60 per interest, but this is subject to change. This fee and any third party costs are charged directly to the investor selling an interest.
Performance fee	A performance fee is payable to Silverfin on termination of the Scheme if the pre-tax equivalent return per interest is greater than 10% per annum for the period from commencement to the effective date of termination of the Scheme, equal to 20% of the return in excess of 10% per annum.
Development management fees	Silverfin may charge fees at standard market rates for development or capital works, subject to the Supervisor's prior approval of such standard market rates based on such evidence thereof as the Supervisor shall reasonably require.
Other charges	For work not contemplated by the Deed of Participation Silverfin may charge a fee at standard market rates. However, unless approved by Ordinary Resolution no additional fees will be recoverable for leases, renewals, or rent reviews.
Regulatory costs	In the case of any changes to the Financial Markets Conduct Act or to other laws or regulations affecting the operation or management of the Scheme, Silverfin may charge the reasonable costs it incurs (including internal costs at standard market rates) in ensuring compliance with those requirements.
Government costs	In the case of any Government levies payable by Silverfin to make or manage the offer of interests or the Scheme, Silverfin may charge a proportionate share of those levies, shared with any other Schemes it or a related company manages.

Unless stated above these other fees and expenses are charged to the Scheme.

CHANGES TO FEES

Silverfin's fees cannot be changed except by an ordinary resolution of investors. Investors would be notified in writing of any such change.

The Supervisor's fees cannot be changed except by an ordinary resolution of investors. Investors would be notified in writing of any such change.

Other third party fees and expenses (such as those charged by real estate agents, BNZ, legal advisors, auditors, and valuers) are set by the relevant third party and are subject to change. Investors will not be notified of changes, but can obtain details at any time by contacting Silverfin. In addition, the actual amounts incurred in each year will be reflected in that year's financial statements.

9 TAX

Inghams Portfolio Scheme will be a portfolio investment entity subject to meeting eligibility requirements. The amount of tax you pay is based on your prescribed investor rate (PIR). To determine your PIR, go to the flow chart on page 57. If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department. It is your responsibility to tell Silverfin your PIR when you invest or if your PIR changes. If you do not tell Silverfin, a default rate may be applied. If the advised PIR is lower than the correct PIR, you will need to complete a personal tax return and pay any tax shortfall, interest, and penalties. If the default rate or the advised PIR is higher than the correct PIR, you will not get a refund of any overpaid tax.

If an underwriter is required to take up more than 20% of the interests in the Scheme, the Scheme will not be able to register as a PIE until that underwriter's holding is reduced to 20% or below. In the event that the Scheme does not qualify as a PIE, you will receive distributions net of imputation credits calculated at 28%, and dividend withholding tax calculated at 5%, of the net taxable income.

Tax can have significant consequences for investments. If an investor has queries relating to the tax consequences of the investment, the investor should obtain professional advice on those consequences.

DISTRIBUTIONS

Distributions from the Scheme will not separately be subject to tax (however, as outlined below, the Scheme will generally adjust for your PIE tax liability from distributions made to you). Therefore, any distributions received from the Scheme should not be included in your income tax return. Further there will be no non-resident withholding tax on distributions made to non-resident investors.

If the Scheme ceases to be a PIE, or is unable to register as a PIE until the underwriter's investment is below 20% of the interests in the Scheme, then any distributions paid will be taxable and may need to be included in investors' tax returns.

CALCULATION AND PAYMENT OF PIE TAX

Under the multi-rate PIE rules, the Scheme is required to allocate its taxable income to investors and calculate and pay PIE tax at investors' elected PIRs.

The Scheme intends to adjust distributions for investors' PIE tax liabilities (calculated at Investors' elected PIRs, if 10.5% or higher) from distributions made to them.

To ensure equity, the Scheme intends that an investor that is allocated PIE taxable income and subject to PIE tax will also be the recipient of that income (paid by way of a distribution). (Note: while the Scheme will adjust distributions for the PIE tax, the distributions themselves will not be taxable to investors. The adjustment is simply a mechanism to pay the tax liability. Further, the allocated PIE taxable income may be less than the total distributable amount if non-taxable amounts are also distributed.)

Investors that choose a 0% PIR will be allocated PIE taxable income, but will not have any PIE tax adjustment made on their behalf by the Scheme to distributions paid to them. These investors may need to include the allocated PIE taxable income in their tax returns.

Where interests are sold, or otherwise transferred, if the transferor is the investor of record at the distribution (declaration) date, PIE tax will be calculated by the Scheme at the transferor's PIR and PIE tax adjusted from the distribution. The Scheme may refuse to approve a transfer of interests if this will create a misalignment between the allocation of PIE taxable income and its distribution.

Any PIE tax adjustment made to distributions by the Scheme will be final. Therefore, if an investor subsequently changes their PIR, they will need to include the allocated PIE taxable income in their income tax return for the year, if the PIR applied by the Scheme is lower than their correct PIR. If tax has been overpaid as a result it cannot be refunded.

EQUALISATION PAYMENTS

In order to ensure equality among investors where taxable income from the Scheme is not distributed, the Scheme may choose to make an equalisation payment by way of disproportionate distribution to those investors not on a 28% PIR pursuant to the table below, by way of example.

In this example \$1,000 of taxable income is earned by the Scheme and held in the Scheme as retained earnings. Tax is required to be paid on this income at each investor's PIE tax rate. In this instance, a distribution may be made to investors on PIE tax rates of less than 28% to adjust for their PIE tax liability. This will ensure an equitable distribution of post-tax income if and when the retained earnings are distributed.

PIR	Taxable income allocated	PIE tax paid to IRD	Net amount paid to investor	Retained in the scheme
28%	\$1,000	\$280	Nil	\$720
17.5%	\$1,000	\$175	\$105	\$720
10.5%	\$1,000	\$105	\$175	\$720
0%	\$1,000	Nil	\$280	\$720

10 ABOUT SILVERFIN CAPITAL LIMITED AND OTHERS INVOLVED IN INGHAMS PORTFOLIO SCHEME

ABOUT SILVERFIN CAPITAL LIMITED

Silverfin Capital Limited ('Silverfin') is the manager of the Scheme.

Silverfin is licensed under the Financial Markets Conduct Act 2013 as a manager of managed investment schemes (excluding managed funds) that invest in real property or property syndicates/real property proportionate ownership schemes.

Whilst Silverfin was a new entrant to the marketplace in 2016, it was established by experienced syndicator Cheryl Macaulay, former owner and managing director of Commercial Investment Properties Limited, which amalgamated with syndicator KCL Property and was later acquired by listed company Augusta Capital. Silverfin is a business specialising in property syndication and management. Its schemes are structured to provide investors with a cash return from commercial and industrial real estate, without the burdens of private property ownership. Silverfin currently has approximately \$280 million of commercial property assets under management. Cheryl sadly passed away in August 2018. The executive team, led by the Chief Executive Officer Miles Brown, are committed to continuing the strong track record Silverfin has established.

GOVERNANCE

The directors and management of Silverfin have considerable property expertise with experience in property development, facilities and asset management, property investment, business administration and accounting. The directors and management have been involved in commercial property for many years and have extensive experience and knowledge in this area. Silverfin's directors, the management team and their professional partners present a strong well-organised team that provides a broad base of knowledge and experience.

Silverfin's board comprises Alan Paterson as Chairman and independent director, Murray Cleverley and John Bishop as independent directors and Paul Macaulay as a non-independent director.



KEY PERSONNEL:



ALAN PATERSON (CHAIRMAN AND INDEPENDENT DIRECTOR)

Alan Paterson is a senior property partner at Anderson Lloyd, Auckland. He was previously a senior partner at Russell McVeagh (since 1995) and has extensive experience in all areas of property law.

Alan specialises in project development (including retail and mixed-use developments), construction contracts, and major commercial property leasing transactions and has experience in dealing with major overseas investments in property.

With Alan's significant property experience and commercial professional business acumen Alan has been appointed an independent director and Chairman of Silverfin. Alan's focus will be on compliance and ensuring we work closely with our supervisor for retail offerings and external legal advisers in addition to being able to add value to the selection and strategic development of commercial investment properties.



MURRAY CLEVERLEY (INDEPENDENT DIRECTOR)

Murray is a professional director having previously worked in a variety of roles within the health and business sectors. He is strongly community focussed and in 2014 he was awarded a Member of the New Zealand Order of Merit for his service to business and the community. He is managing director of a consulting and management company providing governance services to business, and a Chartered Fellow of the Institute of Directors.



JOHN BISHOP (INDEPENDENT DIRECTOR)

John is an independent director with extensive experience on a number of boards in the finance, insurance, logistics, education, sports and property industries. John was part of the executive management team of ASB Bank. John brings a wealth of property experience to Silverfin, having been a director and chair on the KCL Property Limited board for eight years. He is a Chartered Director of the Institute of Directors and a qualified accountant.



PAUL MACAULAY (NON-INDEPENDENT DIRECTOR)

Paul is a substantial shareholder in Silverfin Capital Limited. Paul is a non-independent director and an experienced businessman who has owned and managed businesses in various industries from farming to tourism. Paul has been involved in property syndication for many years acting as adviser and sounding board to Cheryl Macaulay. Paul will ensure Cheryl's 'investors first' philosophy continues to be front of mind for the Silverfin team.

CONTACT DETAILS

Silverfin can be contacted:

At its registered office: Level 12, AIG Building, 41 Shortland Street, Auckland Central, Auckland 1010

By telephone: 09 216 8626

By email: info@silverfin.nz

By post: Silverfin Capital Limited, PO Box 105527, Auckland 1143 - Attention Miles Brown

WHO ELSE IS INVOLVED?

	Name	Role
Supervisor	Trustees Executors Limited	The Supervisor is responsible for supervising the performance of our functions, acting on behalf of investors, and ensuring the Scheme's assets are appropriately held.
Custodian	Trustees Executors Limited	The Supervisor and Custodian has nominated Silverfin Nominees (Inghams Portfolio) Limited to hold the Scheme's assets.

11 HOW TO COMPLAIN

You can lodge a complaint with us:

Call: 09 216 8626

Email: info@silverfin.nz

Write to: Chief Executive Officer
Silverfin Capital Limited
PO Box 105527
Auckland 1143

We are a member of the Financial Dispute Resolution Scheme ('FDRS'), an approved dispute resolution scheme. If you have complained to us and you have reached the end of our internal complaints process without your complaint being resolved to your satisfaction, the FDRS may be able to consider your complaint. For the FDRS to consider your complaint we must have 'deadlocked' your complaint and other criteria must be met.

Online: www.fdrs.org.nz/making-complaint/make-complaint/make-complaint-line

Call: 0508 337 337

Email: enquiries@fdrs.org.nz

Write to: Financial Dispute Resolution Service
PO Box 2272
Wellington 6140

FDRS will not charge a fee to any complainant to investigate or resolve a complaint.

You can also make a complaint to the Supervisor:

Call: 0800 878 783 during normal business hours

Write to: Trustees Executors Limited
PO Box 4197
Shortland Street
Auckland 1140

The Supervisor is a member of an approved dispute resolution scheme operated by Financial Services Complaints Limited ('FSCL'). If your complaint to the Supervisor has not been resolved, you can refer it to FSCL.

Call: 0800 347 257

Write to: Financial Services Complaints Limited
4th Floor, 101 Lambton Quay
PO Box 5967
Wellington 6145

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

12 WHERE YOU CAN FIND MORE INFORMATION

Further information relating to the Scheme and interests in the Scheme (for example, financial statements) is available on the offer register and the scheme register. A copy of the information on the offer register or scheme register is available on request from the Registrar of Financial Service Providers and from Silverfin.

The offer register can be viewed at www.business.govt.nz/disclose by searching 'Inghams Portfolio' under offers.

No other information relating to the Scheme and interests in the Scheme is available other than the information contained in this PDS, the offer register and the scheme register.

Annual Information

Each year you will be sent the Scheme's audited financial statements for the previous financial year. These will be provided free of charge within four months of each financial year.

On Request Information

You can request the following information on request and free of charge:

- the latest audited financial statements of the Scheme at the time of your request; and
- further copies of this PDS.

Requests for information should be made to by contacting Silverfin:

Call: 09 216 8626

Email: info@silverfin.nz

Write to: Silverfin Capital Limited
PO Box 105527
Auckland 1143

Information about your investment

You can obtain information specific to your investment free of charge through Syndex. If you need help to access Syndex please call Silverfin on 09 216 8626.

13 HOW TO APPLY

Applications can only be made by completing the application form attached to this PDS.

Please ensure that all customer due diligence information is provided, as set out in the application form. Without this information we cannot accept your application.

Payment of the full subscription amount must accompany the application form by either cheque or bank transfer. Details for payments are included in the application form.

Completed application forms must be sent to:

Inghams Portfolio Scheme Applications
Silverfin Capital Limited
PO Box 105527
Auckland 1143

Or via email to: info@silverfin.nz

Applications once made cannot be revoked or withdrawn. Silverfin reserves the right to accept or reject any application in whole or in part without giving any reason.

To ensure all potential investors are dealt with equitably, Silverfin operates a 'first in, first served' policy in relation to the acceptance of applications. If the Scheme is oversubscribed, the criteria for assessing which applications will not be accepted will be based on the date the subscription funds were received, with the funds that were received last being the first to be returned. Completed application forms and any other required information must also have been received by Silverfin. One interest will be returned per applicant until the oversubscription is resolved.

14 GLOSSARY

Term	Definition
Deed of Participation	The Scheme's deed of participation, which is its governing document.
Interest	An interest in the Scheme.
Properties	<p>2 and 16 Banks Road and 7473-7481 State Highway 27, Matamata</p> <p>594-668 Waihekau Road, Waitoa</p> <p>111 Pohlen Road, Matamata</p> <p>207 Mowbray Road, Matamata</p> <p>25 Okauia Springs Road, Matamata</p> <p>903 Leslie Road, Tapapa</p>
Scheme	The Inghams Portfolio Scheme, which is the scheme in which interests are offered in this PDS.
Silverfin	Silverfin Capital Limited, the manager of the Scheme.
SIPO	The Statement of Investment Policy and Objectives for the Scheme adopted by Silverfin that sets out Silverfin's investment policies, objectives and strategies for the Scheme together with its policies for the management of its investment in the Properties and the performance and monitoring thereof.
Supervisor	Trustees Executors Limited, the supervisor of the Scheme.
Tenant	Inghams Enterprises (NZ) Pty Limited.

SUMMARY OF THE PROPERTIES

2 and 16 Banks Road, Matamata and 7473-7481 State Highway 27, Matamata



PROPERTY TYPE	NET LETTABLE AREA	LAND AREA	NET ANNUAL RENT
Hatchery	4,398 sqm	8.37 ha	\$422,015

594-668 Waihekau Road, Waitoa



PROPERTY TYPE	NET LETTABLE AREA	LAND AREA	NET ANNUAL RENT
Processing plant and irrigation land	15,172 sqm	62.55 ha	\$3,152,345

111 Pohlen Road, Matamata



PROPERTY TYPE	NET LETTABLE AREA	LAND AREA	NET ANNUAL RENT
Breeder farm	25,665 sqm	24.25 ha	\$615,239

207 Mowbray Road, Matamata



PROPERTY TYPE	NET LETTABLE AREA	LAND AREA	NET ANNUAL RENT
Breeder farm	6,768 sqm	3.44 ha	\$188,820

25 Okauia Springs Road, Matamata



PROPERTY TYPE	NET LETTABLE AREA	LAND AREA	NET ANNUAL RENT
Breeder farm	13,482 sqm	20.23 ha	\$395,790

903 Leslie Road, Tapapa



PROPERTY TYPE	NET LETTABLE AREA	LAND AREA	NET ANNUAL RENT
Breeder farm	25,111 sqm	67.23 ha	\$977,474

APPLICATION INSTRUCTIONS

Application forms for the Inghams Portfolio Scheme are contained in the following pages 59-74. The instructions below are a summary to assist investors in completing the forms. If you have any questions on the application forms, please contact Silverfin (contact details on the last page of this Product Disclosure Statement).

EXISTING SILVERFIN INVESTORS

- You will need to complete pages 59-62 of the application form
- Ensure all investors sign and date page 59 as follows:
 - joint investors to both sign
 - for a company, two directors must sign unless there is only one
 - for a trust, all trustees to sign
- As an existing investor Silverfin will already have your AML documentation. However, these may have expired since your last investment, and as such we may require current certified ID and proof of your current residential address.

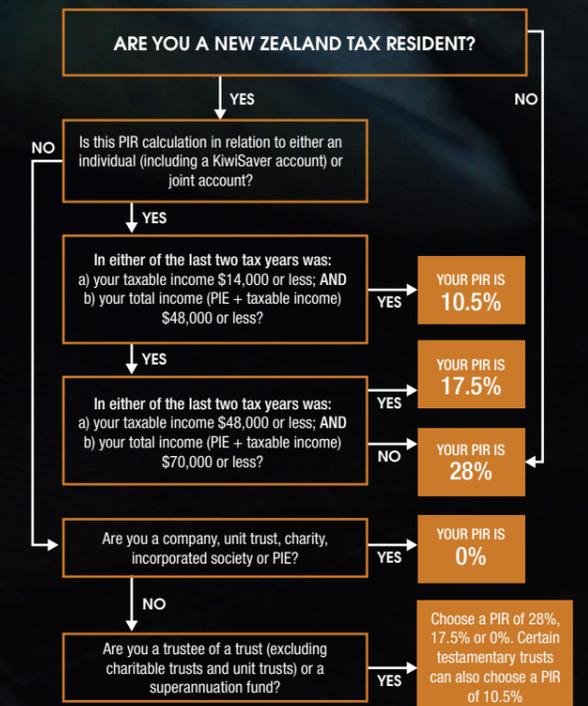
NEW SILVERFIN INVESTORS

- You will need to complete page 63-74 of the application form
- Ensure all investors sign and date page 63 as follows:
 - joint investors to both sign
 - for a company, two directors must sign unless there is only one
 - for a trust, all trustees to sign
- Provide proof of bank account for your monthly distribution payments
- Provide ID and proof of residential address. Page 72 outlines what forms of ID and proof of residential address are accepted. Note that this is required for all investors i.e. joint investors, trustees, company directors and any shareholders holding over 25% (and certain others).
- Page 73 outlines who can certify the above documents
- If you are investing as a trust, we require confirmation of your source of wealth/funds i.e. how did your trust acquire funds for this investment?

WORKING OUT YOUR PRESCRIBED INVESTOR RATE (PIR)

The table below will help you work out your Prescribed Investor Rate. If you are unsure, go to www.ird.govt.nz or talk to your tax adviser.

If a PIR is not selected or you supply an incorrect IRD number, the default rate of 28% will apply.





INGHAMS PORTFOLIO SCHEME

EXISTING SILVERFIN INVESTORS APPLICATION FORM

If you're an existing investor with Silverfin please complete the following pages. For new Silverfin investors please complete pages 63-74 only.

SECTION 1: Application Declaration

PLEASE READ THIS BEFORE SIGNING

By signing this application form you agree and confirm the following:

- 1. The information and documents that you have provided to us are accurate and complete, and you will advise us of any changes to this information or these documents.
2. You have been given, read, and understand the Inghams Portfolio Scheme ('Scheme') Product Disclosure Statement dated 28 May 2019 and understand that additional information about the Scheme (including a copy of the Scheme's deed of participation) is available from Silverfin Capital Limited (as described in the Product Disclosure Statement).
3. You are bound by the Scheme's deed of participation.
4. You understand that once submitted your application is irrevocable (unless Silverfin Capital Limited agrees), but may be accepted or rejected by Silverfin Capital Limited at its absolute discretion.
5. You understand that no particular level of distribution is guaranteed, that the actual distribution rate may vary, and that the differences could be significant.
6. You understand that an investment in the Scheme has risk, that your investment is not redeemable, and that the secondary market for sale of your investment may be limited (meaning that you may not be able to sell your investment for the price you want (or at all) and may receive less than the amount you invested).
7. You understand that no person guarantees the returns from the Scheme or the repayment of your investment.
8. You understand that the Scheme is not a partnership and that you are not the agent of (and have no authority to bind) any other investor.
9. You are not a builder, land developer, land dealer, or an associated person (in terms of the Income Tax Act 2007) of such a person.
10. You will be just and faithful to all other investors in the Scheme and will not, during the term of the Scheme, do anything that may prejudice the interests of the Scheme.
11. You authorise Silverfin Capital Limited and Trustees Executors Limited to disclose information about you and your investment

- to the Financial Markets Authority as may be required from time to time under the Financial Markets Conduct Act 2013 or any other law.
12. You agree that Silverfin Capital Limited may share the information that you provide to us with relevant domestic and foreign tax authorities in accordance with applicable tax laws and regulations, including the Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS).
13. You consent to us disclosing personal information about you to third parties for the purpose of undertaking checks on you to satisfy our obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act) (and related regulations and guidance)
14. You agree to provide Silverfin Capital Limited with any further documents or information that we request from time to time in order to comply with our legal and regulatory obligations.
15. If you have provided your email address, or if you provide it at any later date, you consent to receiving electronic communications (including email) from Silverfin Capital Limited about the Scheme and additional services or other investments that may be of interest to you. You may elect to not receive electronic communications at any time.
16. You acknowledge that the Privacy Act 1993 gives you the right to access and request correction of personal information held by Silverfin Capital Limited, Anderson Lloyd, Trustees Executors Limited and their associated entities and agents. You acknowledge that the information in this application form, and any information provided by you at any later date, will be used by Silverfin Capital Limited to facilitate your investment in the Scheme, may be disclosed to third parties for that purpose, and may also be used to inform you of additional services or other investments that may be of interest to you. You may elect to not receive marketing communications at any time. If you do not provide the information sought Silverfin Capital Limited may be unable to process your application.
17. You have the authority to complete this form.
Unless they are wilfully negligent and / or dishonest, independent trustees are bound by these covenants (and those in the deed of participation) as trustees under the relevant trust in their capacities as trustee and not personally.

SIGNED FOR AND ON BEHALF OF (investing entity name): _____

Joint investors must each sign this form. Where the investing entity is a company or trust, it must be signed by those persons authorised to act on behalf of the company or trust (in the case of a company, two directors must sign unless there is only one director. In the case of a trust, all trustees must sign).

Three signature boxes with labels: Investor(s) signature, Name, Position/Capacity, Date.

SECTION 2: Application Details

APPLICANT(S) TO COMPLETE, BLOCK LETTERS

Investor Name _____

Investor IRD Number: - -

Investor Type (tick one) Trust Company Joint Holder Individual Other

PIR: _____% (refer to page 57 for help to work out your PIR rate)

Investor RWT (tick one)

10.5% Resident Withholding Tax 17.5% Resident Withholding Tax 28% Resident Withholding Tax
 30% Resident Withholding Tax 33% Resident Withholding Tax Resident Withholding Tax Exempt
(please provide certification of exemption)

PRIMARY CONTACT OF INVESTING ENTITY

Name _____ Mobile Ph _____

Daytime Contact Ph _____ Email _____

Postal Address _____

_____ Post code _____

RELEVANT PERSON 1

Name _____ Mobile Ph _____

Daytime Contact Ph _____ Email _____

Postal Address _____

_____ Post code _____

RELEVANT PERSON 2

Name _____ Mobile Ph _____

Daytime Contact Ph _____ Email _____

Postal Address _____

_____ Post code _____

FATCA / CRS DISCLOSURE

Is the Investor (when an individual) or any shareholder or director (when a company), or any trustee or beneficiary (when a trust) a US citizen or resident of the US for tax purposes, or a tax resident of any country other than NZ?

No Yes (If 'Yes', we may require the Investor to complete further forms in order to enable us to comply with FATCA and CRS requirements).

APPLICATION

Number of Interests _____ @ \$50,000ea Cheque Online banking Total Amount \$ _____

Account Name for distributions: _____

BANK	BRANCH	ACCOUNT NUMBER	SUFFIX
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

NOTE: You must enclose a bank encoded deposit slip, bank statement or confirmation from your bank verifying the bank account name and number. The nominated account must be a New Zealand bank account and be in the name of the Investor.

SECTION 3: Nature and Purpose of Investment

Please describe why you wish to acquire interests in the Scheme, how long you intend to hold your interests for and if you may acquire any further interests in another scheme offered by us. Please also provide any other information that may be useful for us to know regarding your intended relationship with us.

Please provide details below: *i.e. why you wish to acquire units in this scheme, how long do you intend to hold units in this scheme, would you consider future investments with Silverfin.*

TRUST INFORMATION REQUIRED

Source of wealth / source of funds

Please provide information about the source of wealth and/or source of funds for the trust and evidence supporting this information.

SECTION 4: Certificate of Non-Revocation of Power of Attorney

Only complete this if you are applying on behalf of someone for whom you hold a Power of Attorney

I, (Name of Attorney) _____

Of (Address of Attorney) (Attorney's Occupation) _____

Hereby certify that I am the Attorney of (Donor) _____

of _____

Given to me by him/her/them (address) _____

(a copy of which is attached to this application form)

(Power of Attorney)

THAT I have executed the application for subscription on the face of this form as Attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me.

THAT at the date of this certificate I have not received any notice or information of the revocation of that Power of Attorney by the death or winding up of the Donor or otherwise.

 Signed (Attorney) _____ Dated _____

SECTION 5: Application Instructions

1. Payment

Payment of the full subscription amount must accompany the application form.

Cheques must be made out in favour of 'Anderson Lloyd' and crossed 'Non-Transferable'.

Online banking can be made to: **Anderson Lloyd Trust Account | Account No: 06-0901-0015250-02**

Please insert "Inghams" and your surname into the reference field

2. Closing Date

5pm on 19 July 2019 or such other date as Silverfin may determine.

3. Delivery

Applications cannot be revoked or withdrawn.

Application forms must be mailed or delivered to Silverfin Capital Limited, Level 12, AIG Building, 41 Shortland Street, Auckland Central, Auckland, PO Box 105527, Auckland 1143

SECTION 6: Application Checklist

1 – Returning Silverfin Investor Application

Signed & Dated (by authorised parties)

2 – Applicant Details

RWT Exemption Certification (if applicable)

Proof of bank account (deposit slip or other evidence)

Specify your PIR rate

3 – Supporting Documents

Power of Attorney (if applicable)

Complete FATCA / CRS self-certification form (if applicable)

Silverfin may in certain circumstances request additional information and/or supporting documents to ensure compliance with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009. If you are asked to provide this information your application will not be processed without it.

If you act on behalf of another party you must provide full details of the relationship between you and the other party and documentary evidence of your authority to act (e.g. power of attorney with appropriate certificate of non-revocation).

END OF EXISTING SILVERFIN APPLICATION FORM



INGHAMS PORTFOLIO SCHEME

NEW SILVERFIN INVESTORS APPLICATION FORM

If you're a new investor with Silverfin please complete the following pages.

For existing Silverfin investors please complete pages 59-62 only.

SECTION 1: Application Declaration

PLEASE READ THIS BEFORE SIGNING

By signing this application form you agree and confirm the following:

1. The information and documents that you have provided to us are accurate and complete, and you will advise us of any changes to this information or these documents.
2. You have been given, read, and understand the Inghams Portfolio Scheme ('Scheme') Product Disclosure Statement dated 28 May 2019 and understand that additional information about the Scheme (including a copy of the Scheme's deed of participation) is available from Silverfin Capital Limited (as described in the Product Disclosure Statement).
3. You are bound by the Scheme's deed of participation.
4. You understand that once submitted your application is irrevocable (unless Silverfin Capital Limited agrees), but may be accepted or rejected by Silverfin Capital Limited at its absolute discretion.
5. You understand that no particular level of distribution is guaranteed, that the actual distribution rate may vary, and that the differences could be significant.
6. You understand that an investment in the Scheme has risk, that your investment is not redeemable, and that the secondary market for sale of your investment may be limited (meaning that you may not be able to sell your investment for the price you want (or at all) and may receive less than the amount you invested).
7. You understand that no person guarantees the returns from the Scheme or the repayment of your investment.
8. You understand that the Scheme is not a partnership and that you are not the agent of (and have no authority to bind) any other investor.
9. You are not a builder, land developer, land dealer, or an associated person (in terms of the Income Tax Act 2007) of such a person.
10. You will be just and faithful to all other investors in the Scheme and will not, during the term of the Scheme, do anything that may prejudice the interests of the Scheme.
11. You authorise Silverfin Capital Limited and Trustees Executors Limited to disclose information about you and your investment

to the Financial Markets Authority as may be required from time to time under the Financial Markets Conduct Act 2013 or any other law.

12. You agree that Silverfin Capital Limited may share the information that you provide to us with relevant domestic and foreign tax authorities in accordance with applicable tax laws and regulations, including the Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS).
 13. You consent to us disclosing personal information about you to third parties for the purpose of undertaking checks on you to satisfy our obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act) (and related regulations and guidance)
 14. You agree to provide Silverfin Capital Limited with any further documents or information that we request from time to time in order to comply with our legal and regulatory obligations.
 15. If you have provided your email address, or if you provide it at any later date, you consent to receiving electronic communications (including email) from Silverfin Capital Limited about the Scheme and additional services or other investments that may be of interest to you. You may elect to not receive electronic communications at any time.
 16. You acknowledge that the Privacy Act 1993 gives you the right to access and request correction of personal information held by Silverfin Capital Limited, Anderson Lloyd, Trustees Executors Limited and their associated entities and agents. You acknowledge that the information in this application form, and any information provided by you at any later date, will be used by Silverfin Capital Limited to facilitate your investment in the Scheme, may be disclosed to third parties for that purpose, and may also be used to inform you of additional services or other investments that may be of interest to you. You may elect to not receive marketing communications at any time. If you do not provide the information sought Silverfin Capital Limited may be unable to process your application.
 17. You have the authority to complete this form.
- Unless they are wilfully negligent and / or dishonest, independent trustees are bound by these covenants (and those in the deed of participation) as trustees under the relevant trust in their capacities as trustee and not personally.

SIGNED FOR AND ON BEHALF OF (investing entity name): _____

Joint investors must each sign this form. Where the investing entity is a company or trust, it must be signed by those persons authorised to act on behalf of the company or trust (in the case of a company, two directors must sign unless there is only one director. In the case of a trust, all trustees must sign).

Investor(s) signature:

Name:

Position/Capacity:

Date:

Investor(s) signature:

Name:

Position/Capacity:

Date:

Investor(s) signature:

Name:

Position/Capacity:

Date:

SECTION 2: Application Details

APPLICANT(S) TO COMPLETE, BLOCK LETTERS

Investor Name _____

Investor IRD Number: - -

Investor Type (tick one) Trust Company Joint Holder Individual Other

PIR: _____% (refer to page 57 for help to work out your PIR rate)

Investor RWT (tick one)

10.5% Resident Withholding Tax 17.5% Resident Withholding Tax 28% Resident Withholding Tax
 30% Resident Withholding Tax 33% Resident Withholding Tax Resident Withholding Tax Exempt
(please provide certification of exemption)

PRIMARY CONTACT OF INVESTING ENTITY

Name _____ Mobile Ph _____

Daytime Contact Ph _____ Email _____

Postal Address _____

_____ Post code _____

RELEVANT PERSON 1

Name _____ Mobile Ph _____

Daytime Contact Ph _____ Email _____

Postal Address _____

_____ Post code _____

RELEVANT PERSON 2

Name _____ Mobile Ph _____

Daytime Contact Ph _____ Email _____

Postal Address _____

_____ Post code _____

FATCA / CRS DISCLOSURE

Is the Investor (when an individual) or any shareholder or director (when a company), or any trustee or beneficiary (when a trust) a US citizen or resident of the US for tax purposes, or a tax resident of any country other than NZ?

No Yes (If 'Yes', we may require the Investor to complete further forms in order to enable us to comply with FATCA and CRS requirements).

APPLICATION

Number of Interests _____ @ \$50,000ea Cheque Online banking Total Amount \$ _____

Account Name for distributions: _____

BANK	BRANCH	ACCOUNT NUMBER	SUFFIX

NOTE: You must enclose a bank encoded deposit slip, bank statement or confirmation from your bank verifying the bank account name and number. The nominated account must be a New Zealand bank account and be in the name of the Investor.

SECTION 3: Nature and Purpose of Investment

Please describe why you wish to acquire interests in the Scheme, how long you intend to hold your interests for and if you may acquire any further interests in another scheme offered by us. Please also provide any other information that may be useful for us to know regarding your intended relationship with us.

Please provide details below: *i.e. why you wish to acquire units in this scheme, how long do you intend to hold units in this scheme, would you consider future investments with Silverfin.*

SECTION 4: Anti-Money Laundering and Countering Financing of Terrorism Act 2009 – customer due diligence

ALL PROOF OF IDENTITY DOCUMENTATION MUST BE CERTIFIED BY A TRUSTED REFEREE OR VERIFIED BY A SILVERFIN STAFF MEMBER

* Please refer to Section 11 for details on how to get your documents certified or verified by a Silverfin Staff member.

To be completed by the Applicant:

What is the source of your funds/wealth? (please tick one)

Please provide evidence for your source (eg Sale and Purchase Agreement, Will, Bank Statement etc).

- Savings Growth Retirement
 Capital Income Business Account
 Recent inheritance (detail) _____
 Recent gift (detail) _____
 Recent sale of investment (detail) _____
 Other (detail) _____

What type of Investor are you? (choose one):

- Individual **Go to Section 5**
 New Zealand company **Go to Section 7**
 Trust **Go to Section 8**
 Politically exposed person **Go to Section 9**

Have you ever invested in any proportionate syndication schemes?

Current investor Previous Investment Never

Do you have a Syndex.Exchange account?

Yes No

Continued on the next page...

* Silverfin may in certain circumstances request additional information and/or supporting documents that verify the source of funds or wealth such as bank statements, sale and purchase agreements, payslips and any other documentation that shows the source of funds or wealth of the customer. Any identity documents must be current, certified/verified, dated and signed by the certifier/verifier within the last three months. If you act on behalf of another party you must provide full details of the relationship between you and the other party and documentary evidence of your authority to act (e.g. power of attorney with appropriate certificate of non-revocation).

SECTION 5: Investor – Individual or Joint

Complete this section if the Investor is an individual or individuals (where the interests are held jointly). Where an Investor is an individual, customer due diligence will be conducted on the following:

- **Investor:** The individual(s).
- **Beneficial owners:** All beneficial owners of the individual, being those individuals on whose behalf the transaction is being conducted.
- **Acting on behalf:** Any persons acting on behalf of the individual(s).
This is an individual who is authorised to act on behalf of an individual in relation to their dealings with Silverfin or is authorised to carry out transactions or other activities on behalf of the individual in relation to its dealings with Silverfin. This includes, for example, a person granted a power of attorney.

All individuals and entities who meet the criteria set out above, will need to be verified by us.

THE PERSONS (IF ANY) WHO ARE BENEFICIAL OWNERS ARE:

FULL NAME*	DOB	RESIDENTIAL ADDRESS	AUTHORISED PERSON	IRD NUMBER
			<input type="checkbox"/> YES <input type="checkbox"/> NO	
			<input type="checkbox"/> YES <input type="checkbox"/> NO	

* All individuals listed will need to have their identity and address verified in accordance with Section 11: Certification / Verification of Documents and Section 10: Acceptable Documents for Individuals.

THE PERSONS (IF ANY) WHO ARE ACTING ON BEHALF ARE:

FULL NAME*	DOB	RESIDENTIAL ADDRESS	AUTHORISED PERSON	IRD NUMBER
			<input type="checkbox"/> YES <input type="checkbox"/> NO	
			<input type="checkbox"/> YES <input type="checkbox"/> NO	

* All individuals listed will need to have their identity and address verified in accordance with Section 11: Certification / Verification of Documents and Section 10: Acceptable Documents for Individuals.

SECTION 6: Certificate of Non-Revocation of Power of Attorney

Only complete this if you are applying on behalf of someone for whom you hold a Power of Attorney

I, (Name of Attorney) _____

Of (Address of Attorney) (Attorney's Occupation) _____

Hereby certify that I am the Attorney of (Donor) _____

of _____

Given to me by him/her/them (address) _____

(a copy of which is attached to this application form)

(Power of Attorney)

THAT I have executed the application for subscription on the face of this form as Attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me.

THAT at the date of this certificate I have not received any notice or information of the revocation of that Power of Attorney by the death or winding up of the Donor or otherwise.

Signed (Attorney) _____ Dated _____

SECTION 7: Investor – New Zealand Company

Complete this section if the Investor is a New Zealand company. When the Investor is a New Zealand company, we are required to undertake customer due diligence on the following:

- 1 COMPANY:** The company itself.
- 2 BENEFICIAL OWNERS:** All "beneficial owners" of the company, being those individuals who satisfy any one of the following criteria:
 - a) Owns more than 25% of the company.**
This is an individual who directly or indirectly owns more than 25% of the company (in aggregate).
 - b) Have effective control of the company.**
The purpose of this limb is to understand the management and governance structure of the company. It requires information to be collected and verified on senior management and any person who can appoint or dismiss those in senior management positions. For example, a director or CEO of a company would be deemed to have effective control.
 - c) On whose behalf the transaction is being conducted.**
This is intended for instances where a company conducts a transaction on behalf of another person. Where this occurs, the person on whose behalf the transaction is being conducted on behalf of must also be identified and verified.
- 3 ACTING ON BEHALF:** Any persons acting on behalf of the company.
This is a person or entity who is authorised to act on behalf of the company in relation to its dealings with Silverfin or is authorised to carry out transactions or other activities on behalf of the company in relation to its dealings with Silverfin.

All individuals and entities who meet the criteria set out above, will need to be verified by Silverfin.

1 COMPANY INFORMATION

Company Name: _____ Company Number: _____

Principal Business Address (PO Boxes are not accepted): _____

Registered Business Address (If different from principal business address. PO Boxes are not accepted): _____

SECTION 7: Investor – New Zealand Company Continued...

2 BENEFICIAL OWNERS OF THE COMPANY

a) >25% direct or indirect shareholding in the company (in aggregate)*.

FULL NAME	DOB	RESIDENTIAL ADDRESS	PARTICULARS OF SHAREHOLDING

b) Effective control of the company*

FULL NAME	DOB	RESIDENTIAL ADDRESS	POSITION

c) Persons on whose behalf is the transaction being conducted*

FULL NAME	DOB	RESIDENTIAL ADDRESS	RELATIONSHIP TO THE INVESTOR

3 PERSONS ACTING ON BEHALF OF THE COMPANY

FULL NAME	DOB	RESIDENTIAL ADDRESS	RELATIONSHIP TO THE INVESTOR AND SOURCE OF AUTHORITY

* All individuals listed will need to have their identity and address verified in accordance with Section 11: Certification / Verification of Documents and Section 10: Acceptable Documents for Individuals.

SECTION 8: Investor – Trust

Complete this section if the Investor is a Trust. When the Investor is a Trust, we are required to undertake customer due diligence on the following:

- 1 **TRUST:** The trust itself.
- 2 **BENEFICIAL OWNERS:** All beneficial owners of the trust, being those individuals who satisfy any one of the following criteria:
 - a) **Own more than 25% of the trust.**
In the context of a trust, this is every beneficiary of a trust unless the trust is a discretionary trust, or a charitable trust, or has more than 10 beneficiaries.
 - b) **Have effective control of the trust.**
The purpose of this limb is to understand who has effective control of the trust, including control over the assets of the trust, the ability to appoint and remove trustees and the ability to amend the trust deed.
 - c) **On whose behalf the transaction is being conducted.**
This is intended for instances where a trust conducts a transaction on behalf of another person. Where this occurs, both the trust and the person who the transaction is being conducted on behalf of must be identified and verified.
- 3 **ACTING ON BEHALF:** Any persons acting on behalf of the trust.
This is an individual who is authorised to act on behalf of the trust in relation to its dealings with Silverfin or is authorised to carry out transactions or other activities on behalf of the trust in relation to its dealings with Silverfin. This may include the trustees of the trust or persons authorised to deal with the trust's assets.

All individuals and entities who meet the criteria set out above, will need to be verified by Silverfin.

1 TRUST INFORMATION

Full name of the Trust: _____

Address of the Trust (PO Boxes are not accepted): _____

Registration number (if applicable): _____

Trust deed and related documents:

Please provide us with a copy of the latest trust deed and any related documents. Related documents could include, for example, documents that vary the terms of the trust deed or appoint or remove trustees of the trust.

SECTION 8: Investor – Trust Continued...

2 BENEFICIAL OWNERS OF THE TRUST

a) Entitled to >25% of the assets of the trust

Select one: Charitable Discretionary Fixed

If the trust is a charitable trust, specify the object or purpose of the trust: _____
 _____ Go to (b)

If the trust is a discretionary trust, specify the class or type of beneficiaries: _____
 _____ Go to (b)

If the trust is a fixed trust, does the trust have more than 10 beneficiaries?

YES, please specify the class or type of beneficiaries: _____
 _____ Go to (b)

NO, please specify the following information for each of the beneficiaries below:

FULL NAME	DATE OF BIRTH

b) Effective control of the trust*

FULL NAME	DOB	RESIDENTIAL ADDRESS	POSITION
			<input type="checkbox"/> Trustee <input type="checkbox"/> Appointer <input type="checkbox"/> Protector <input type="checkbox"/> Settlor <input type="checkbox"/> Other
			<input type="checkbox"/> Trustee <input type="checkbox"/> Appointer <input type="checkbox"/> Protector <input type="checkbox"/> Settlor <input type="checkbox"/> Other
			<input type="checkbox"/> Trustee <input type="checkbox"/> Appointer <input type="checkbox"/> Protector <input type="checkbox"/> Settlor <input type="checkbox"/> Other
			<input type="checkbox"/> Trustee <input type="checkbox"/> Appointer <input type="checkbox"/> Protector <input type="checkbox"/> Settlor <input type="checkbox"/> Other
			<input type="checkbox"/> Trustee <input type="checkbox"/> Appointer <input type="checkbox"/> Protector <input type="checkbox"/> Settlor <input type="checkbox"/> Other

c) Persons on whose behalf is the transaction being conducted?*

FULL NAME	DOB	RESIDENTIAL ADDRESS	RELATIONSHIP TO THE INVESTOR

7.3 PERSONS ACTING ON BEHALF OF THE TRUST**

FULL NAME*	DOB	RESIDENTIAL ADDRESS	SOURCE OF AUTHORITY

* All individuals listed will need to have their identity and address verified in accordance with Section 11: Certification / Verification of Documents and Section 10: Acceptable Documents for Individuals.

** Evidence of authority to act on behalf of the trust will need to be provided.

SECTION 9: Politically Exposed Person (“PEP”) Declaration

A PEP is an individual who holds, or who has held at any time in the preceding 12 months, certain prominent public functions in any overseas country. A PEP generally presents a higher risk for potential involvement in bribery and corruption by virtue of their position and the influence they may hold.

Prominent public functions may include, for example, the following:

- heads of countries or governments;
- government ministers;
- senior judicial or military officials;
- senior foreign representatives;
- ambassadors or high commissioners;
- senior executives of government enterprises; and
- governors of central banks.

The definition of a PEP under the AML/CFT Act also extends to the following persons:

- An immediate family member of a person described in the paragraphs above, including his or her spouse, partner, child or parent.
- An individual with joint beneficial ownership of a legal entity, or any other close relationship, with a person described in paragraphs above, or who has sole beneficial ownership of a legal entity that exists for the benefit of a person described in paragraphs above, according to public or readily available information.

POLITICALLY EXPOSED PERSON DECLARATION

Are you, or any authorised person(s), known associates, immediate family members or beneficial owners of the Investor a Politically Exposed Person (PEP) or do you have any reason to suspect they may be?

No Yes

SECTION 10: Acceptable Documents for Individuals

Please note: if the Investor is a company or trust the persons providing their details in relation to that company or trust must also provide the information required by this section.

A. PROOF OF IDENTITY

Reminder: All documents within Part A are required to be certified or verified in accordance with Section 11: Certification / Verification of Documents.

Option 1 (all documents must be current)

- Appropriate pages of New Zealand or overseas passport, containing your name, date of birth, photograph and signature
- New Zealand firearms licence
- New Zealand certificate of identity (as issued under the Passports Act 1992)
- Overseas government-issued national identity card, containing your name, date of birth, photograph and signature

OR

Option 2

Photocopy of:

- A current New Zealand driver licence (both sides of drivers licence to show expiry date)

AND

Photocopy of one of:

- A current ATM (eftpos) card, credit card or debit card issued by a NZ registered bank, provided your name and signature are on the card
- Bank account statement issued by a NZ registered bank in the 12 months immediately preceding the date of this application
- Statement issued by the Inland Revenue Department in the 12 months immediately preceding the date of this application
- A current SuperGold card
- A New Zealand Identification card
- A New Zealand Defence Forces card
- A New Zealand or overseas full birth certificate
- A New Zealand or overseas citizenship certificate
- A current Community Services card

B. PROOF OF RESIDENTIAL ADDRESS

Photocopy of one of the following documents issued within the last three months (PO Boxes are not accepted):

- Utility bill
- Bank account statement
- Statement issued by the IRD
- Rates bill
- Car registration document
- Insurance policy document
- Rental agency agreement

SECTION 11: Certification / Verification of Documents

WHAT ARE YOU REQUIRED TO DO?

All identification documents presented to Silverfin are required to be either certified by a 'Trusted Referee' or verified by a staff member of Silverfin. This section provides instructions on how documents must be certified or verified.

CERTIFICATION OF DOCUMENTS

Who may certify documents?

In New Zealand, documents may be certified by a 'Trusted Referee'. A Trusted Referee is a person who holds one of the following positions (amongst others):

- A Justice of the Peace.
- A registered medical doctor.
- A lawyer (as defined in the Lawyers and Conveyancers Act 2006).
- A notary public.
- Chartered Accountant (within the meaning of section 19 of the New Zealand Institute of Chartered Accountants Act 1996).

When certification occurs overseas, documents may be certified by a person authorised by law in that country to take statutory declarations or the equivalent in the country.

In addition to the above, the person making the certification must also satisfy the following criteria:

- Is at least 16 years old.
- Is not related to the person presenting the documents.
- Does not live at the same address as the person presenting the documents.
- Is not the spouse or partner of the person presenting the documents.
- Is not involved in the transaction or business that the certification relates to.

How must documents be certified?

A Trusted Referee must sight the original documents and make a statement to the following effect (as applicable):

Photographic documentation: *"I certify that this is a true copy of the original, which I have sighted, and the photo represents a true likeness of the person presenting the document to me for certification".*

Non-photographic documentation: *"I certify that this is a true copy of the original, which I have sighted".*

The Trusted Referee must also include the following information on each document being certified:

- Name.
- Signature.
- Date of Certification (within 3 months of receiving the documents).
- Occupation.

VERIFICATION OF DOCUMENTS

Alternatively, documents may be verified by a Silverfin staff member. In order for us to verify documents, we must meet with you face to face and you must have the original documents on you.

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