

# NZ Direct Strategy

*We believe that by utilising our endowments (liquidity, horizon, location) we can access liquidity premiums and diversification*

## **What do we want?**

- Potentially 5-7 investments over time
- Stakes of 20-50% with investment size around \$100m +
- Compatible partners (from our international networks and domestically)
- Ability to take active governance approach
- Defensible competitive advantage
- Able and trustworthy management

## **Target Audiences**

- Private market transactions playing to our competitive advantages
- Crown/state assets
- Collectively owned (e.g. iwi-based)
- Co-operatively owned

# NZ Expansion Capital Strategy

*We believe there is a significant pool of smaller high-growth companies in New Zealand constrained by a shortage of long-term equity and a lack of access to skilled investment management*

## **What do we want?**

- Enterprise value of \$15-50 million
- Credible growth plan typically >20% compound annual revenue growth
- Investments will primarily support expansion through strategic acquisition, technology upgrades, or market expansion
- Defensible Intellectual Property, ongoing profitability growth and positive cash flow
- Opportunity to add operational value
- Sound governance
- Genuine investment liquidity opportunities over a three-to-seven-year timeframe through Initial Public Offering, trade sale or recapitalisation

## **Target Audiences**

- Mid-sized firms, capital constrained, credible growth plans

# Small-medium infrastructure

*We believe there is an opportunity to earn sustainable returns from social infrastructure.*

## What do we want?

- Small to medium projects e.g. schools, hospitals, utilities
- Partnerships with local, regional and central government
- Typically 30+ year concession agreements for design, build, maintenance

## Target Audiences

- Central/local government
- State Enterprises
- Government departments (e.g. Health, Education, Energy)
- Other appropriate entities (e.g. collectively owned iwi assets)

**We have committed \$100m to the Public Infrastructure Partnerships Fund and are keen to progress PPP opportunities**

# Rural land

*Rural land is a relatively under-developed asset class delivering a range of investment exposures. There is strong scope for adding value through active management (the sector cannot be accessed passively).*

## What do we want?

- Global focus considering all activities up to the farm gate in major food-producing regions in the developed world
- Expect to invest up to \$300-500m of the Fund over five years
- Potential to add value through active management

## Target Audiences

- Vendors of New Zealand rural land of suitable scale or capable of being aggregated to achieve scale
- Capital constrained vendors
- Climatic conditions suitable for high yields