



IPO Offer: NEW ZEALAND Rural Land Co.



About NZRLC

New Zealand Rural Land Company (“NZRLC”) is raising capital (\$75m minimum to \$150m maximum) to acquire rural land in New Zealand.

- **Initial focus will be on dairy land**

- NZRLC will be a landlord only (i.e. will not participate in the operational performance of its tenants)

- **A confluence of factors has provided an opportunity for NZRLC to acquire large-scale dairy properties**

- OIO regulations have limited the ability of foreign buyers to acquire NZ rural land
- Bank regulations and appetite have lessened with a reduction in the credit available to dairy operators / farmers
- Some dairy farm balance sheets are relatively stressed with Debt-to-Assets for owner-operator dairy farms growing from 42% in 2009 to 52% in 2018 (with ~24-30% of Dairy farms now classed as highly indebted)

- **Underlying dairy factors and food demand have continued to strengthen and commodity prices for dairy products support attractive returns for dairy operators**

- Farmgate milk price remains attractive for farmers, and land values should be supported by this dynamic alone

- **NZRLC will only acquire property once it has a binding agreement in place with selected, high-quality, large-scale dairy operators**

- Operating history showing strong financial performance and experience in mitigating traditional farming risks
- Strong balance sheets (have 6x annual lease obligations in equity) or an ability to provide other suitable security, and ability to service rent obligations to NZRLC
- Proven calibre of management and governance; and
- Farming practices - sustainability focus, environmental compliance and animal health and welfare.

Lease term will be minimum of 10 years with rights of renewal to be agreed on a case by case basis

- **NZRLC will receive monthly rental payments from its large-scale dairy farm tenants**

- NZRLC will target a lease yield of at least 4.5% with the Board believing it can achieve lease yields in excess of this

- **NZRLC will be externally managed by New Zealand Rural Land Management Limited, which is 50% owned by Allied Farmers**

- Annual management fee of 0.5%
- Transaction fee of 1.25% of Acquisitions or Divestments
- Performance fee of 10% of the NTA per share growth

The Firm Interest for this IPO offer must be submitted by no later than 4:00 PM, Thursday 10th of December 2020.

If you would like to place a firm bid, email us at:

- tony@equity.co.nz
- jason@equity.co.nz
- ricky@equity.co.nz

Or call us at **09 304 0145** from 8:30 AM to 5:30 PM.

PLEASE READ THE FACT SHEET & PRODUCT DISCLOSURE STATEMENT BY CLICKING ON THE BLUE LINKS BELOW, BEFORE YOU DECIDE TO INVEST IN THIS IPO.

[FACT SHEET](#)

[PRODUCT DISCLOSURE STATEMENT](#)

Please note your FIRM INTEREST must be received by us BY Thursday 10th of December NO LATER THAN 4:00 PM.

PLEASE NOTE YOUR FIRM INTEREST MEANS THAT YOU ARE CONTRACTUALLY BOUND TO THE AMOUNT IN NZ DOLLARS YOUR FIRMLY WANT, SUBJECT TO ANY SCALING THAT WE MAY EXPERIENCE.

ALSO NOTE: YOU WILL NEED TO COMPLETE A BROKER APPLICATION FORM, AS WELL AS AN AML ELECTRONIC VERIFICATION PERMISSION FORM. We will inform you when we need these, once we know what allocation we secured in this IPO.

Key Offer Details:

NZX Code: NZL

Issue: A minimum of 60 million Shares are being offered, representing 99.73% of the total number of Shares on issue.

A maximum of 120 million Shares are being offered, representing 99.87% of the total number of Shares on issue.

Issuer: NEW ZEALAND Rural Land Co.

Issue price: NZ \$1.25 per Share.

Minimum Application: 800 Shares representing a minimum application amount of \$1,000.

Brokerage: No brokerage applies to investors.

Scaling: We anticipate scaling and therefore we will give preference to those who apply the earliest.

Key Dates:

Opening Date: 5pm, Monday, 23rd November 2020

Closing Date: 5pm, Friday, 11th December 2020

Allotment of shares: Thursday, 17 December 2020

First day of trading on NZX: Friday, 18 December 2020

Please read the Product Disclosure Statement by clicking on the blue link below before you decide to invest in this IPO.

NEW ZEALAND RURAL LAND CO.
SUSTAINABLE AOTEAROA

Product Disclosure Statement

This is NOT Financial Advice.

No Money Is Sought Now.

Disclaimer:

Investors must consider whether or not an investment in any of the companies highlighted above is suitable for them given their specific investment goals, objectives, tolerance to risk and personal financial circumstances.

Disclosure Statement is available free of charge upon request.

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Disclosure statements can be obtained free of charge by calling us on 0800 437 8489 or by email: offer@equity.co.nz

We Inform. You Decide.

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