

The logo for Allied Farmers, featuring the word "ALLIED" in red on a yellow background and "FARMERS" in white on a blue background.

**ALLIED FARMERS**

SINCE 1889

**ANNUAL SHAREHOLDERS MEETING**

24 November 2021

# Agenda

- 1. Chair's Introduction**
- 2. Presentation to Shareholders**
- 3. Shareholder Discussion**
- 4. Resolutions**

# FY 2021 Result Commentary

## **FY 2021 Result Commentary:**

- Allied Farmers reported a Net Profit After Tax (NPAT) of \$2.021 mln in FY 2021 vs. \$0.767mln in FY 2020.
- The result reflected an improved performance from New Zealand Farmers Livestock (NZFL) and an inaugural half year contribution from New Zealand Rural Land Management (NZRLM) totalling \$1.152mln.
- The decision to acquire 50% of the contracted manager of the New Zealand Rural Land Company (NZL:NZX) was vindicated in the first six months of ownership as it has clearly increased and diversified the company's earnings.

## **Five Year Earnings Summary:**

<b>Financial Year Ending 30 June</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>FY 2017</b>
Allied Farmers Net Profit After Tax (NPAT) - attributable to Allied Farmers shareholders - \$ 000's	2,021	767	1,258	1,535	1,552
Allied Farmers Earnings Per Share – cents per share	7.02	4.30	7.58	9.51	9.61
Allied Farmers Dividend Per Share – cents per share	-	1.2	2.0	2.0	2.0
<b>Comprising:</b>					
NZFL incl. Finance - earnings attributable to Allied Farmers shareholders* - \$ 000's	1,370	1,175	1,764	1,663	1,794
NZRLM - earnings attributable to Allied Farmers shareholders - \$ 000's	1,152	-	-	-	-
Asset Management (Legacy Finance Co's) - \$ 000's	-	-	-	449	30
Allied Farmers Holding Co (Parent)** - \$ 000's	(501)	(408)	(506)	(577)	(272)
Allied Farmers NPAT - attributable to Allied Farmers shareholders - \$ 000's	2,021	767	1,258	1,535	1,552

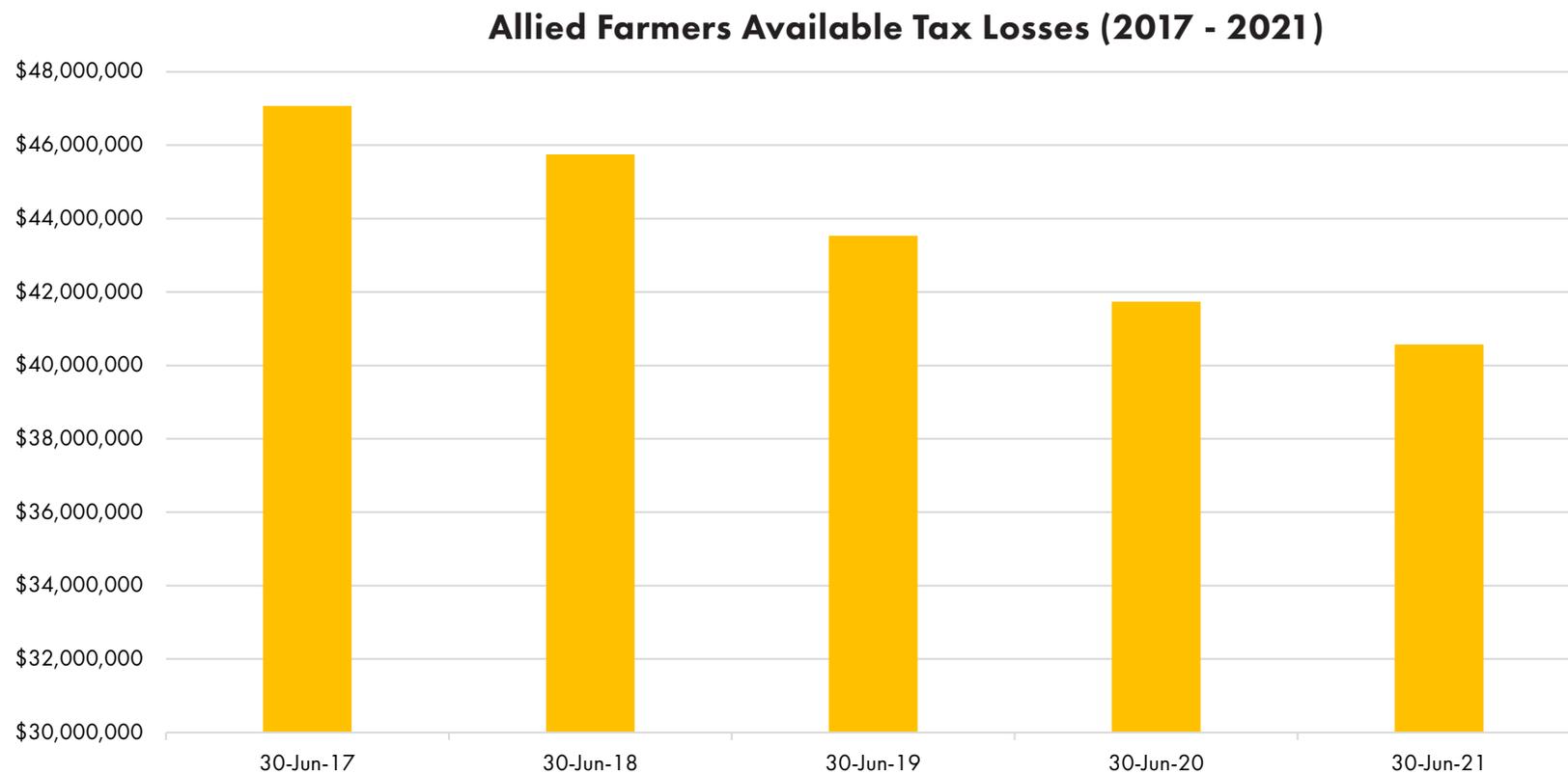
\* Recognises Allied Farmers' 67% NZFL ownership and 52% Redshaw Livestock ownership.

\*\* In FY 2021 from Parent Operations costs of \$812,000 disclosed in Note A1 of the Financial Statements, deferred tax benefits arising from tax losses and refunds are deducted.

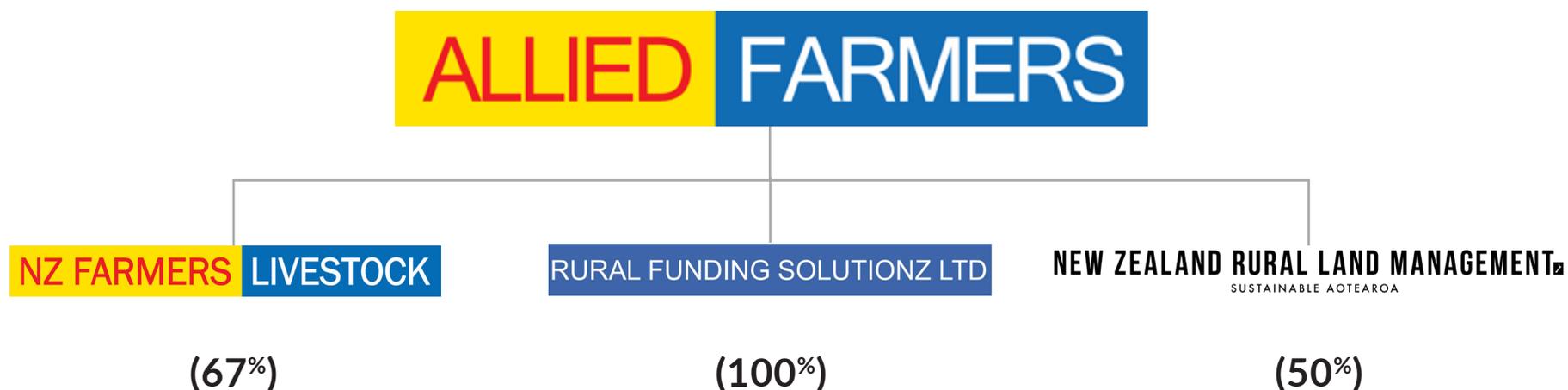
# Tax Losses a Valuable Asset for Shareholders

## **Tax Losses:**

- Allied Farmers had tax losses as at 30 June 2021 which amounted to \$40,568,976.
- Shareholder continuity remains intact and we have recently obtained advice from KPMG to ensure this valuable asset is maintained. (Business continuity is unlikely to apply, so shareholder continuity is critical.)



# Allied Farmers Structure as at 30 June 2021 & Strategic Review

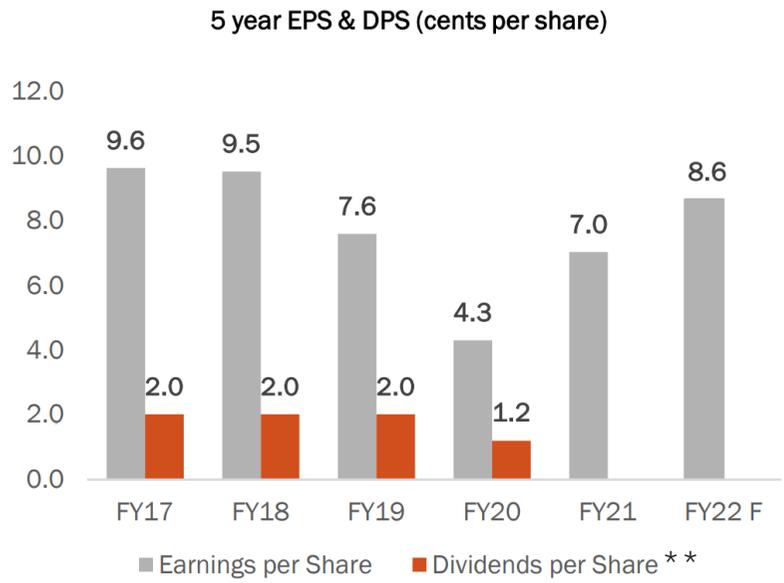
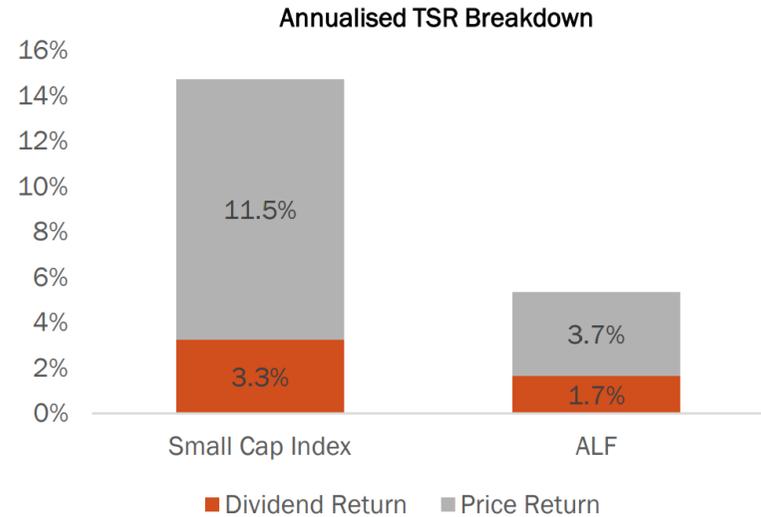


## **Strategic Review:**

- Strategic Review (undertaken with Northington Partners) revealed finance strategy as a standalone operation would not add value for shareholders given the level of scale and investment required. Accordingly, the Directors have decided to wind down Rural Funding Solutionz (RFS) and focus all lending activities through NZ Farmers Livestock Finance Limited (NZFLFL) as has been the case in the past.
- Allied Farmers also has a call option over the other 50% of the New Zealand Rural Land Management (NZRLM) that can be exercised from December 2022. The Independent Directors are naturally turning their minds to this as 2022 approaches.
- As part of their strategic review and advisor to the Directors, Northington Partners also informed as follows...

# Poor Track Record of Historical Performance...

- Up until recently, Allied Farmers had delivered Total Shareholder Returns (TSR) of ~0% since 2017\*.

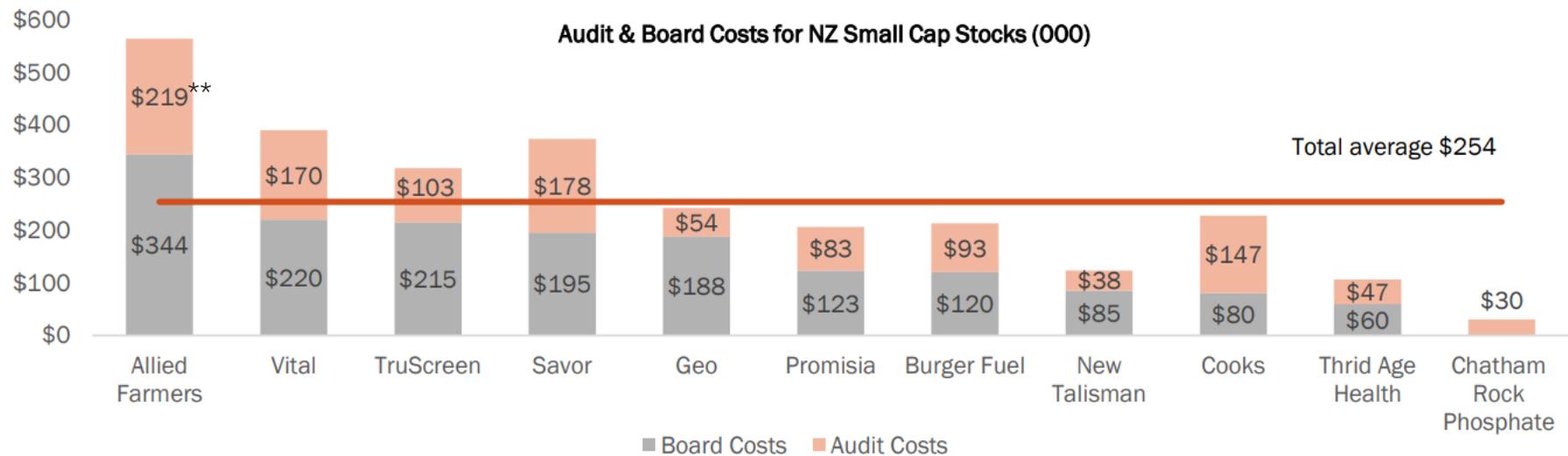


\* Data Source & Analytics: Northington Partners.

\*\* Fully imputed.

# High Overheads at Parent Company also Weighed Heavily...

- Allied Farmers Parent Company costs have been +\$240K higher than the average of its small cap peers\*.
- The costs detailed below are flattered by tax benefits (e.g., actual costs were \$812,000 in FY 2021).



\* Data Source & Analytics: Northington Partners.

\*\* Audit Cost = \$194,000 + Tax Advice ~\$25,000.

# Considerable Change in the Share Register over 2021 has removed an “Overhang” of Sellers and seen a shift in the Register to those Investors Aligned with New Zealand Rural Land Company (NZL:NZX)

## Top 10 Shareholders - 30 June 2020

Rank	Investor Name	Total Shares	% Issued Capital
1	Stockmans Holdings Limited	1,945,519	10.90%
2	Albany Braithwaite Holdings Limited	1,796,395	10.06%
3	Donald Clifton Jacobs	824,781	4.62%
4	Deborah Lee Seerup	685,001	3.84%
5	Geoffrey Richard Field Seerup	685,000	3.84%
6	John Drakley Moore	503,244	2.82%
7	Garry Charles Bluett	312,718	1.75%
8	Ronald Alfred Brierley	303,159	1.70%
9	Glenn Leslie Ballinger	300,000	1.68%
10	Ross Phillip Drew	274,000	1.53%

## Top 10 Shareholders - 30 June 2021

Rank	Investor Name	Total Shares	% Issued Capital
1	Elevation Capital Management Limited	2,750,000	9.55%
2	Stockmans Holdings Limited	2,594,026	9.01%
3	Custodial Services Limited	1,254,369	4.35%
4	Albany Braithwaite Holdings Limited	1,234,953	4.29%
5	Hopeton Trustee Company Limited	1,000,000	3.47%
5	Richard Milsom	1,000,000	3.47%
7	Donald Clifton Jacobs	831,050	2.88%
8	Deborah Lee Seerup	600,001	2.08%
9	Geoffrey Richard Field Seerup	600,000	2.08%
10	New Zealand Depository Nominee	589,774	2.05%

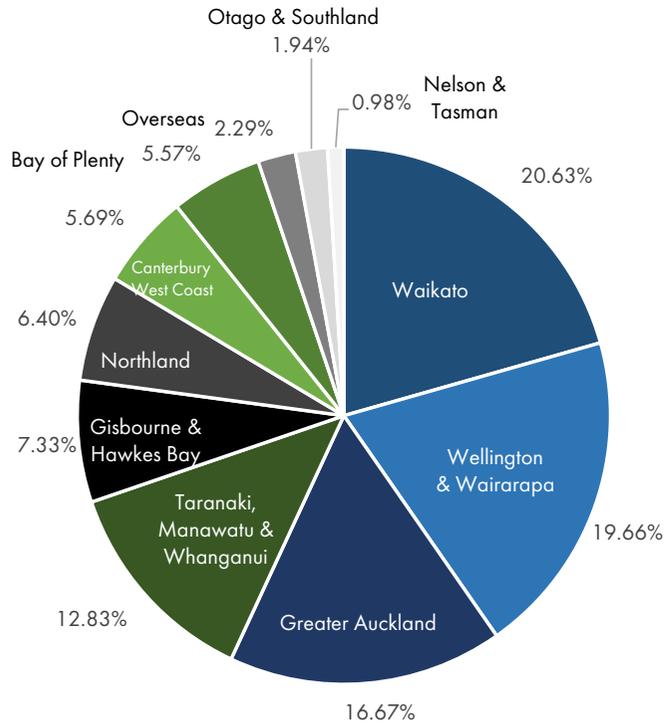
## Top 10 Shareholders - 22 November 2021

Rank	Investor Name	Total Shares	% Issued Capital
1	Elevation Capital Management Limited*	3,125,000	10.85%
2	Custodial Services Limited	1,619,369	5.62%
3	Forsyth Barr Custodians Limited	1,400,008	4.86%
4	Richard Milsom**	1,250,000	4.34%
5	Wairahi Investments Limited	1,000,000	3.47%
5	Hopeton Trustee Company Limited	1,000,000	3.47%
7	Donald Clifton Jacobs	831,050	2.88%
8	DFS Investment Partners Llc	522,185	1.81%
9	Deborah Lee Seerup	500,001	1.74%
10	Geoffrey Richard Field Seerup	500,000	1.74%

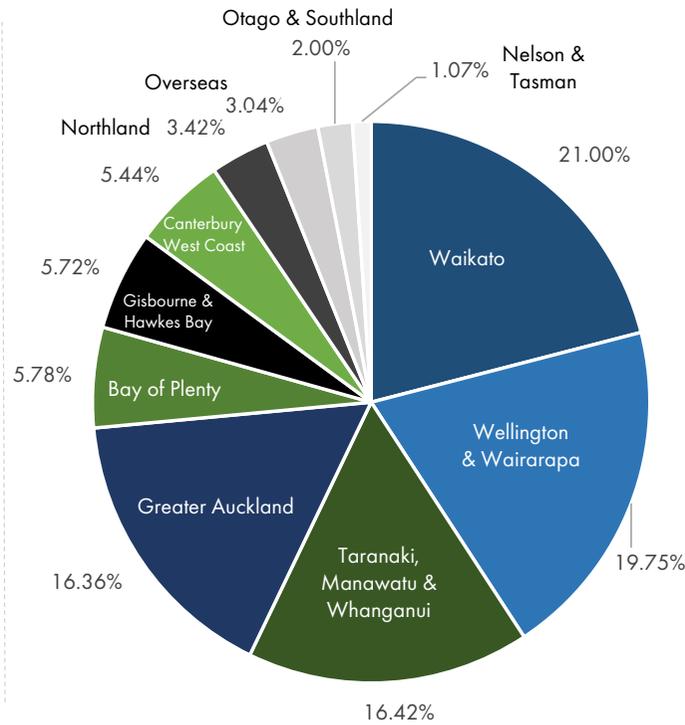
\* Includes non-beneficial interest of 375,000 shares for Elevation Capital clients.

\*\* Includes Richard Milsom & RP Milsom Investments.

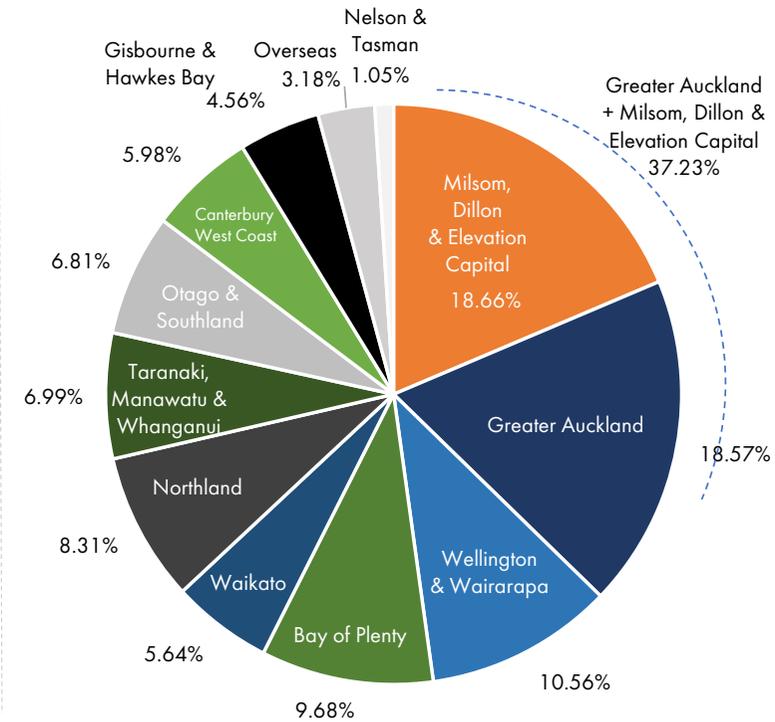
# Change in Share Register by Geographic Location



As at 1 November 2019  
# Shares on Issue:  
17,854,858



As at 1 November 2020  
# Shares on Issue:  
17,854,858



As at 12 November 2021  
# Shares on Issue:  
28,806,434

# Governance Structure & Costs have been Realigned

## Governance & Costs:

- Allied Farmers is actually an investment company and therefore needs a robust but simple governance framework with an increased vigilance on costs.
- Accordingly, Allied Farmers is in the process of restructuring to reduce costs at the parent company level to improve shareholder returns on a go-forward basis.
- To align with its investment company focus and to save costs, Allied Farmers no longer has a Group CEO - Steve Morrison is now singularly focused on NZFL as CEO.
- KPMG have also advised on the amalgamation of a number of legacy subsidiaries having regard to our tax losses. We expect these amalgamations to occur prior to 30 June 2022 as part of our rationalisation plans.
- Allied Farmer's simplified corporate structure\* will be as following by 30 June 2022:



\* Full Corporate Structure in Appendix #1, Pre-Amalgamations.

# Governance Structure



## **Philip Luscombe** **Independent Director**

Philip was appointed a Director of Allied Farmers Limited in December 2005 and is Chair of New Zealand Farmers Livestock Limited. As a former Agricultural Research Scientist, and with a broad farming background, he has extensive experience in the agricultural sector.

He is a shareholder and Chair of the Argyll Dairy Farm group of farms in Otago, a partner in the family dairy farm in Taranaki, and has interests in farm forestry. He is a trustee of The Massey-Lincoln and Agricultural Industry Trust, and is an Independent Director of dairy farming business, Te Rua O Te Moko Limited.

He is a former director of PKW Farms Ltd, Kiwi Cooperative Dairies Limited, Kiwi Milk Products Limited, Dairy Insight, Dexcel, and NZAEL Limited. Mr Luscombe is an independent director. He has the following qualifications: BAgSci(Hons).

## **Mark Franklin** **Independent Chair**

Mark has extensive experience in the infrastructure, energy, and technology sectors in New Zealand, Australia, US and Asia. His Chief Executive roles span 30 years in the Utilities, IT and Telco sectors and have encompassed both start up and consolidation activities.

Mark's current governance roles include: Chair of Auckland Unlimited; Member of the critical Auckland Mayoral Housing Taskforce and the Deputy Mayor Industry Leaders Infrastructure Council; Advisory Board Chair of Utelligent Global and PT Blink; Director of Auckland Chamber of Commerce; Independent Director of Stevenson Group; and, Independent Director of SwimTastic Limited.

Mark's most recent roles were Managing Director of Stevenson Group (which also included extensive rural operations), founding Chief Executive of TZ1, the global carbon registry, and prior to this Chief Executive of Vector.

## **Christopher Swasbrook** **Director**

Chris is one of the founders and directors of New Zealand Rural Land Management and NZX-listed New Zealand Rural Land Company. He is also the founder and managing director of Elevation Capital Management Limited.

He was previously a Partner of Goldman Sachs JBWere Pty, co-head of institutional equities at Goldman Sachs JBWere (NZ) and a foundation broker of the New Zealand Exchange ("NZX"). Before that he was an Individual Full Member of the NZ Stock Exchange ("NZSE"). He has been a board member of the Financial Markets Authority since 2019, the NZX Listing Sub-Committee since 2008, a member of the NZ Markets Disciplinary Tribunal since 2013 and an Advisory Board Member of the Auckland Art Gallery Toi o Tamaki. He is also a director of Bethunes Investments Limited and Swimtastic Limited.

Chris Swasbrook is not an independent director as he is an Associated Person of an Allied Farmers's Substantial Product Holder.

# FY 2022 Operational Update

## ALLIED FARMERS

- The \$1.0 mln bond was repaid in September 2021 which will reduce interest costs at parent company level.
- Board has been reduced in size from 5 to 3.
- Rural Funding SolutionNZ will be wound up and all future lending activities will take place via New Zealand Farmers Livestock Finance Limited.
- Investigating further cost reduction initiatives.
- Unlikely that dividends will be paid until tax losses have been utilised - it makes little sense at present to pay unimputed dividends.
- Buy-backs will most likely be utilised as a mechanism to return capital to shareholders as and when opportunities present themselves.

## NEW ZEALAND RURAL LAND MANAGEMENT LTD

- NZRLM delivered an inaugural profit contribution of \$1.152mln for the period ending 30 June 2021. (This is an attractive return on a \$2.5 mln initial investment for 50% of NZRLM.)
- NZRLM has received a ~\$758,000 transaction fee from NZL upon completion of the recently announced transaction on 10 November 2021.
- NZRLM is now cashflow positive on a monthly basis based on management fees and is adding a new executive resource in December to compliment the existing team.
- NZRLM outlook remains robust inline with NZL's investor update presentation dated 22 November 2021.

## NZ FARMERS LIVESTOCK

- NZFL delivered an earnings contribution of \$1.37mln for the period ending 30 June 2021.
- The outlook for FY 2022 is for a result in excess of the FY 2021 profit.
- Much improved FMEL result, buoyant livestock prices and encouraging early dairy herd sales.
- Livestock profitability normally mainly second half.
- Managing Covid but an area of uncertainty – digital/live auction uptake.
- Indicative saleyards revaluations for NZFL's share have increased to ~\$6.3mln from \$2.6mln - waiting on final valuation reports from Colliers.

# New Zealand Farmers Livestock Saleyards

**NZFL has ownership interests in the saleyards detailed below:**

<b>Saleyard Locations</b>	<b>Ownership</b>
Frankton (Waikato)	50%
Rongotea (Manawatu)	100%
Stratford (Taranaki)	50%
Te Kuiti (King Country)	33%
Raglan (Waikato)	33%

*NZFL also operates from other sales yards around New Zealand being: Morrinsville, Stortford Lodge, Temuka, Matakoho, and various minor and on-farm yards.*

# New Zealand Rural Land Management - Investor Update

**NEW ZEALAND RURAL LAND CO. ▣**

SUSTAINABLE AOTEAROA

## INVESTOR UPDATE

22 November 2021

listed on:



# NEW ZEALAND RURAL LAND CO.

SUSTAINABLE AOTEAROA

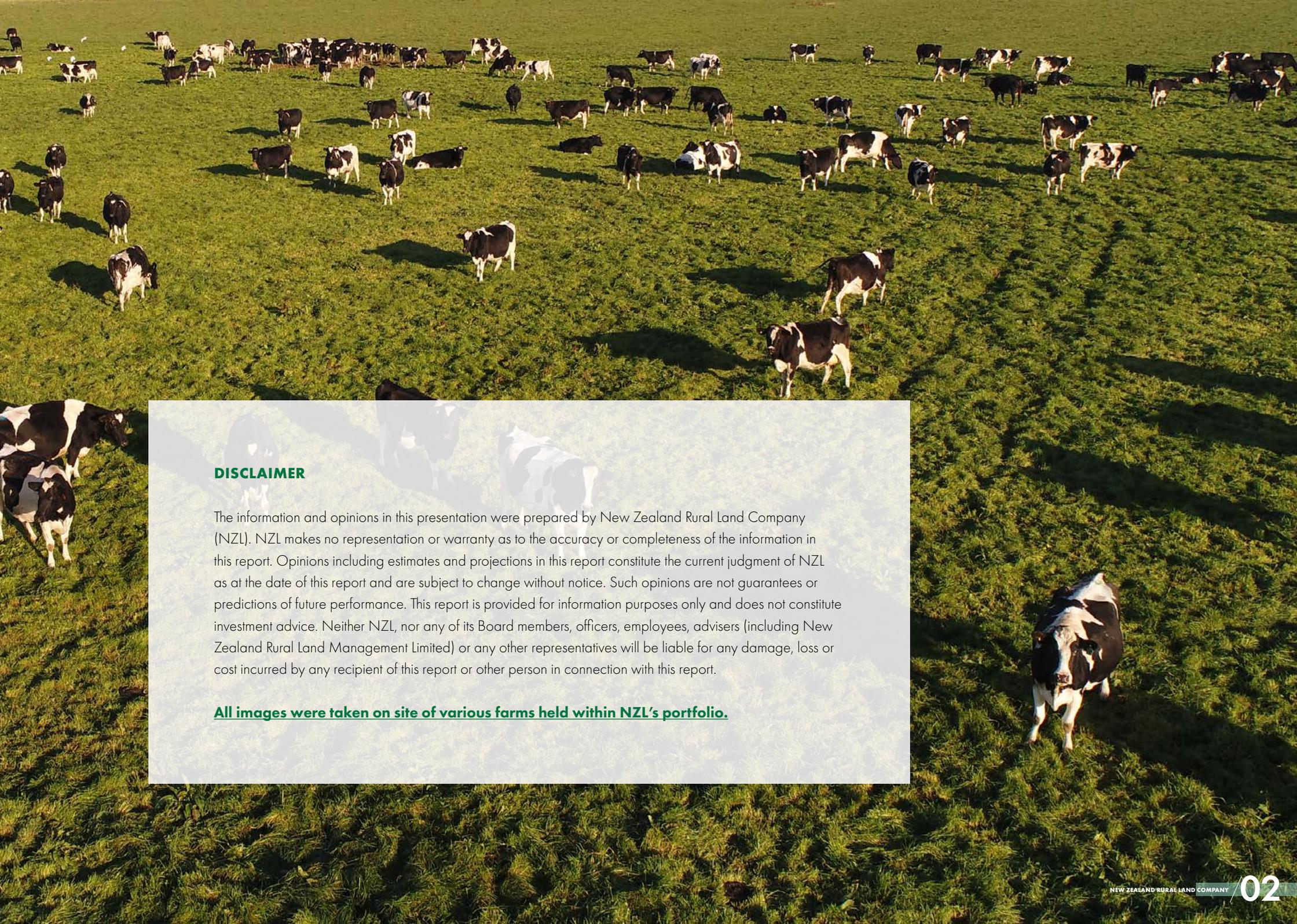
## INVESTOR UPDATE

22 November 2021

[www.nzrlc.co.nz](http://www.nzrlc.co.nz)

listed on:





## **DISCLAIMER**

The information and opinions in this presentation were prepared by New Zealand Rural Land Company (NZL). NZL makes no representation or warranty as to the accuracy or completeness of the information in this report. Opinions including estimates and projections in this report constitute the current judgment of NZL as at the date of this report and are subject to change without notice. Such opinions are not guarantees or predictions of future performance. This report is provided for information purposes only and does not constitute investment advice. Neither NZL, nor any of its Board members, officers, employees, advisers (including New Zealand Rural Land Management Limited) or any other representatives will be liable for any damage, loss or cost incurred by any recipient of this report or other person in connection with this report.

**All images were taken on site of various farms held within NZL's portfolio.**

# NEW ZEALAND RURAL LAND COMPANY

## HIGHLIGHTS

### 01

NZL reported an inaugural net profit after tax of +\$15.115M as at 30 June 2021 after successfully completing an IPO in December 2020 and acquiring \$124.25M of rural land within 6 months. NZL as at 30 June 2021 owned a total of 6,797 Hectares of premium rural land in Canterbury, Otago and Southland.

### 02

NZL's audited Net Asset Value (NAV) was \$1.3968/share as at 30 June 2021. NZL delivered +17.38% NAV growth for the period ending 30 June 2021\*. NZL reiterates its belief that it can continue to deliver NAV growth in the short to medium term driven by a positive macro story. Fonterra is currently forecasting a 2021/2022 milk price between \$7.90 and \$8.90 per kgMS, which is ~30% above the 10 year average.

### 03

NZL expects to pay an inaugural interim dividend of 2.0 cps in February 2022 and follow-up with a final dividend in August 2022 of 2.7 cps, for a total dividend of 4.7 cps in FY22. NZL highlights that it has one of the longest WALTs (10.65 years) and one of the highest forecast dividend yields in the NZ listed property sector.

### 04

On 10 November 2021, NZL completed the acquisition of a large scale dairy asset portfolio in Maniototo, Central Otago totalling ~3,500 hectares. An agreement was also reached for a new long-term tenancy agreement with a gross lease rate >5%. This acquisition increases NZL's total portfolio to 10,812Ha/\$220M total asset value of rural land, all acquired within less than 11 months of listing on the NZX.

### 05

In the near term, NZL is focused on further developing its acquisition pipeline in the rural sector; paying its inaugural dividend in respect of the six month period ending on 31 December 2021; and, embedding its systems and processes across its landholdings and leases alongside continuing to enhance reporting to investors.

\* Opening NAV per Share is \$1.19 which assumes full participation in the NZL rights issue

# NEW ZEALAND RURAL LAND COMPANY

## TIMELINE



**21 December 2020**

Completed \$75M IPO and listed on the NZX.

**23 March 2021**

Announced first \$ 10.24M unconditional acquisition in Southland, New Zealand.

**01 June 2021**

Settled \$ 124.25M of acquisitions in North Otago, South Canterbury and Southland New Zealand.

**04 June 2021**

Announced 2:3 Rights Issue at \$ 1.10 / share.



**10 November 2021**

Settled \$60.64M acquisition in Otago, New Zealand.

**23 September 2021**

Completed rights issue & shortfall placement to raise \$38.8M.

**30 August 2021**

NZL released its inaugural Annual Result for the period ending 30 June 2021.

**01 August 2021**

Completed \$12M acquisition in South Canterbury, New Zealand.

# NEW ZEALAND RURAL LAND COMPANY

## BACKGROUND

New Zealand Rural Land Company (NZL) was incorporated for the purpose of acquiring rural land across New Zealand's agricultural sector and is the only agricultural land based listed property company on the NZX.

 NZL separates land ownership and operations. NZL is a change agent within the agricultural sector seeking to improve capital efficiency for its tenants while offering its investors a clear separation from traditional on-farm risks:



**NO DIRECT EXPOSURE**

to on-farm risks

(via either sharemilker or operational partner)



**NO DIRECT EXPOSURE**

to volatile commodity prices



**LIMITED EXPOSURE**

to environmental risks



**NO DIRECT EXPOSURE**

to animal health risks



**NO DIRECT EXPOSURE**

to farmer co-ops

 NZL as at 22 November 2021 owns 10,812 Hectares (Ha) of premium dairy land in the South Island of New Zealand with some of the most experienced farmers in the country as long-term tenants.

# NEW ZEALAND RURAL LAND COMPANY

## A RURAL LAND OWNER IN A WORLD LEADING AGRICULTURAL ECONOMY



### 1<sup>ST</sup> COUNTRY PARTNER OF THE GLOBAL FARM 2050 INITIATIVE

The Farm 2050 Initiative is a global programme focused on feeding the world's population in a sustainable way.

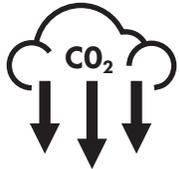
Source: farm2050.com



### 90<sup>M</sup> PEOPLE COULD GET ALL THEIR DAIRY FROM NEW ZEALAND

New Zealand farmers and dairy companies produce the equivalent to two and a half serves of milk per day for around 90 million people each year.

Source: Dairy Companies Association of New Zealand



### 1<sup>ST</sup> NEW ZEALAND DAIRY FARMERS HAVE THE WORLD'S LOWEST CARBON FOOTPRINT

AgResearch found that New Zealand is the most efficient producer at 0.77 kg CO<sub>2</sub>e per kg FPCM - this is 48% less than the average of countries studied.

Source: DairyNZ



### 2<sup>ND</sup> OUT OF 181 COUNTRIES FOR CLIMATE CHANGE READINESS

New Zealand is ranked 2<sup>nd</sup> on the Notre Dame Global Adaptation Country Index. The index summarises a country's economic, governance and social readiness and its exposure, sensitivity and capacity to adapt to the negative effects of climate change.

Source: University of Notre-Dame, ND-GAIN Index 2017

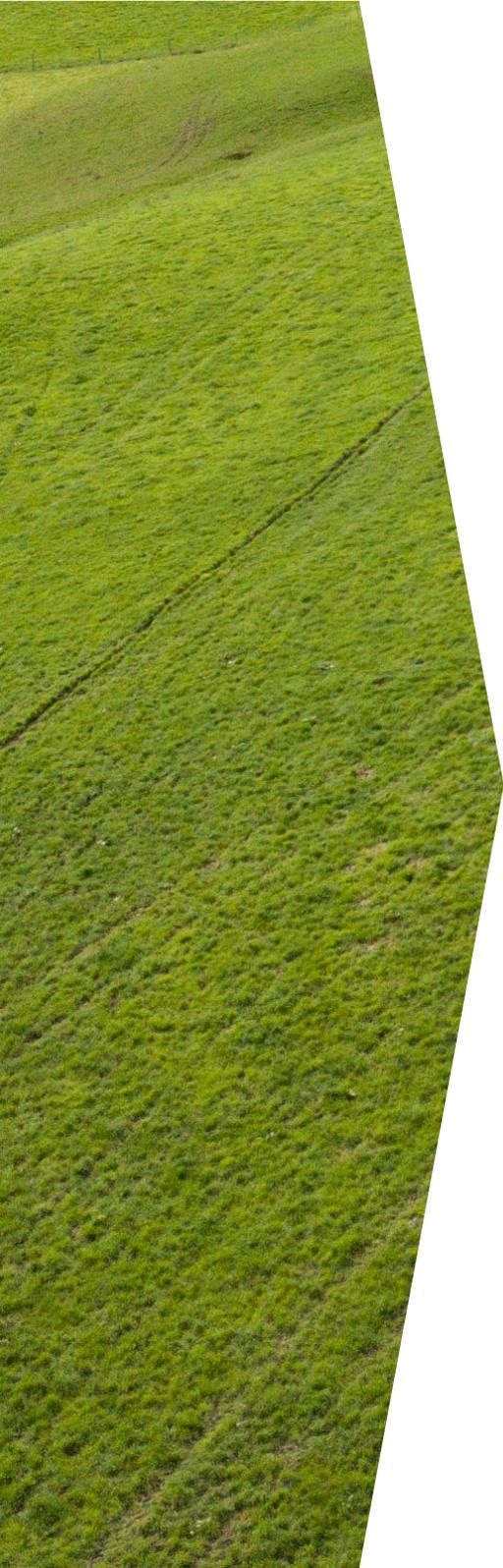


### 100 YEARS OF RESEARCH HAS LED TO WORLD-LEADING DAIRY PRODUCTS

Through innovation New Zealand turns milk into more than 1,500 products and product specifications. Almost a hundred years of research has led to a number of 'firsts' for breakthrough products.

Source: New Zealand Dairy Research Institute: A History of the First Fifty Years, 1927-1977





## **PORTFOLIO UPDATE**

# NEW ZEALAND RURAL LAND COMPANY

## FY22 ACQUISITION - MANIOTOTO

 On 10 November 2021, NZL completed the acquisition of a large scale dairy asset portfolio comprising of six dairy assets in Maniototo, Central Otago totalling approximately 3,500 hectares.

### MANIOTOTO

					
PURCHASE PRICE	LOCATION	TOTAL HA	FARM TYPE	LEASE RATE	TENANT
\$60,640,000	Maniototo, Central Otago	~3,500	Dairy Farm	>5%	WHL Capital Limited

 Within the six farms there is a mixture of productive dairy platforms, support farms, and modern infrastructure. The farms have averaged over 2.4M kilograms of milk solids per annum since 2017 and the assets have been well maintained with investment in infrastructure to mitigate environmental impacts and climate change risks.

 Approximately 70% of the assets are covered by central pivot irrigation (the most efficient irrigation method available to the region). This irrigation platform has been enhanced by the construction of a 1,100,000m<sup>3</sup> dam to increase water reliability.

# NEW ZEALAND RURAL LAND COMPANY

## FY22 ACQUISITION - MAKIKIHI

 On 1 August 2021, NZL completed the acquisition of a 493 Ha Hybrid Dairy Farm. NZL has already entered into a lease of this property with Performance Dairy Limited that will be for 11 years with two 12 year rights of renewal.

### MAKIKIHI ROAD



PURCHASE PRICE

\$12,000,000



LOCATION

Waimate, South  
Canterbury



TOTAL HA

493



FARM TYPE

Hybrid Dairy  
Farm



LEASE RATE

5.34%



TENANT

Performance  
Dairy Limited

 The property has low levels of nutrient leaching, an A Grade Farm Environmental Plan Audit and the ability to easily scale production to take advantage of high milk payout years.

 NZL has also entered a put and call options deed where interests associated with the vendor may call for the repurchase of Makikihi Farm from NZL at any time. In addition, in approximately 2 years' time, NZL will have the option to put the Makikihi Farm to the vendor and require it to purchase it back. In either case the purchase price will be \$12M plus 4.66% per annum.

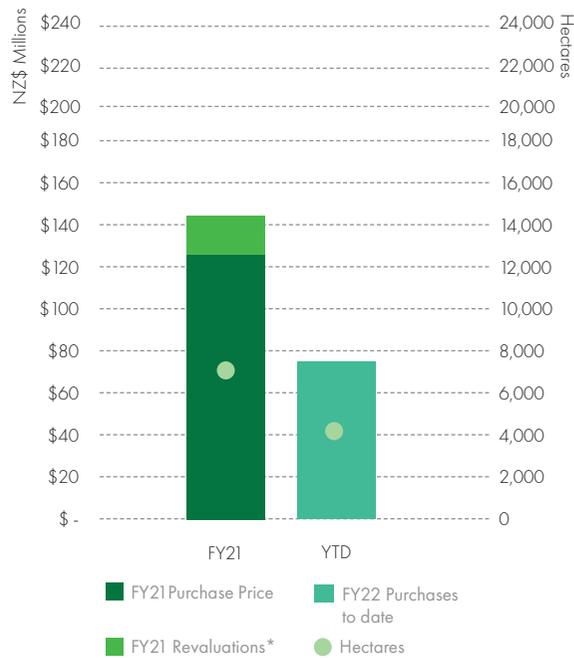


# NEW ZEALAND RURAL LAND COMPANY

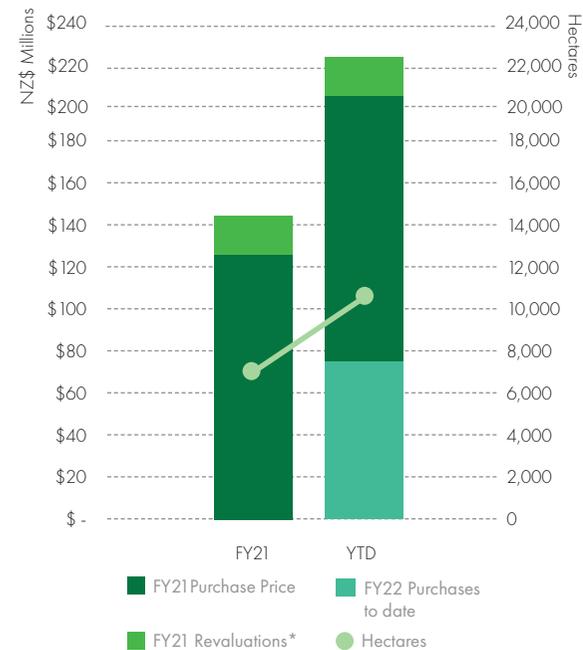
## PORTFOLIO AS AT 22 NOVEMBER 2021

 The charts below detail by Financial Year NZL's rural land portfolio - including revaluations gains/losses (if any).

### NZL'S ACQUISITIONS PER ANNUM (P.A.)



### NZL'S TOTAL (CUMULATIVE) RURAL LAND PORTFOLIO



\*FY21 Revaluations totalled +\$16.525M



# NEW ZEALAND RURAL LAND COMPANY

## PORTFOLIO OVERVIEW AS AT 22 NOVEMBER 2021



LOCATION	OTAGO/SOUTHLAND	CANTERBURY	TOTAL
LAND AREA (HA)	4,482	6,330	10,812
RURAL ASSET CLASS	Dairy	Dairy	Dairy
PURCHASE PRICE <sup>1</sup>	\$83.61M	\$113.68M	\$196.89M
WEIGHTED AVERAGE CAP RATE <sup>2</sup>	5.79%	5.44%	5.56%
WALT (YEARS) <sup>3</sup>	10.43	10.55	10.50
# TENANTS	3	3	5 <sup>4</sup>
OCCUPANCY	100%	100%	100%

<sup>1</sup> Excluding transaction costs

<sup>2</sup> Weighted Average Portfolio Cap Rate Based on Purchase Price excluding Transaction Costs

<sup>3</sup> WALT is weighted by lease value.

<sup>4</sup> One of our tenants lease farms in both Canterbury and North Otago



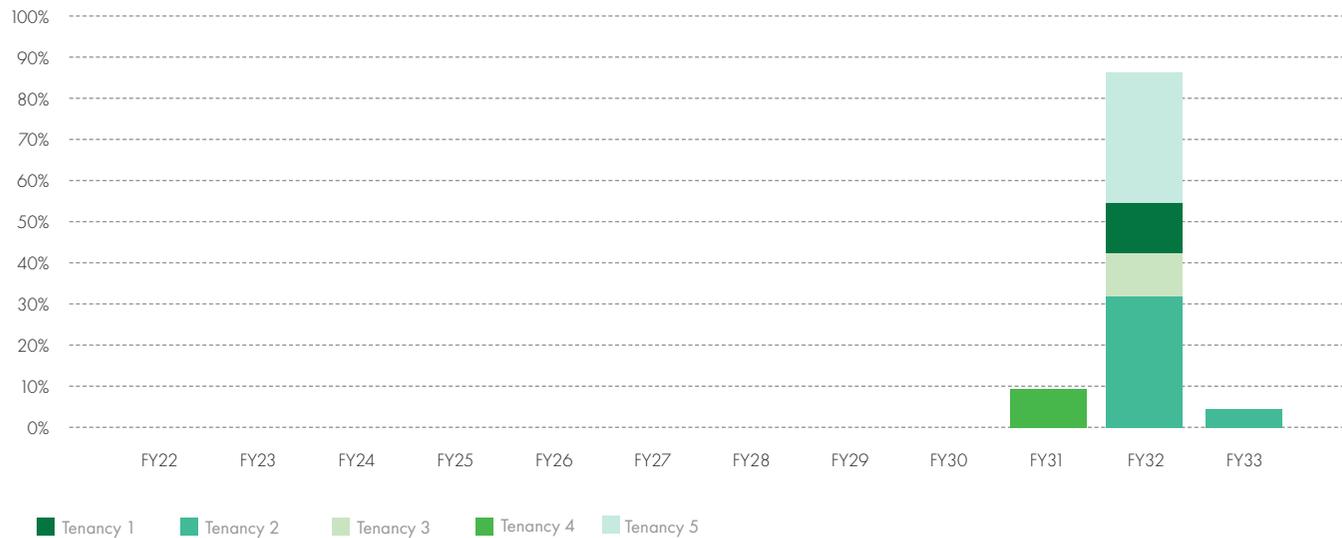
# NEW ZEALAND RURAL LAND COMPANY

## LEASE PROFILES AS AT 22 NOVEMBER 2021

 NZL's WALT (Weighted Average Lease Term) is currently 10.50 years.

 NZL's leases all have 3, 6, and 9 year CPI increases with rights of renewal in years 10 and 11 (tenancy dependent).

### NZL LEASE EXPIRY BY TENANT



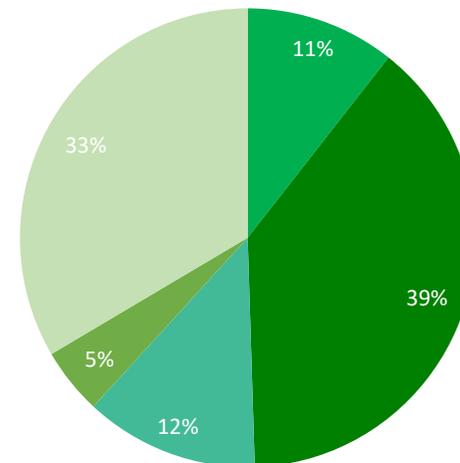
# NEW ZEALAND RURAL LAND COMPANY

## TENANT CONCENTRATION AS AT 22 NOVEMBER 2021

 NZL's current tenant concentration is detailed in the pie chart (right).

 NZL expects its tenant concentration to reduce as it continues to grow its asset and tenant base.

NZL Tenant Concentration as a % of Lease Value



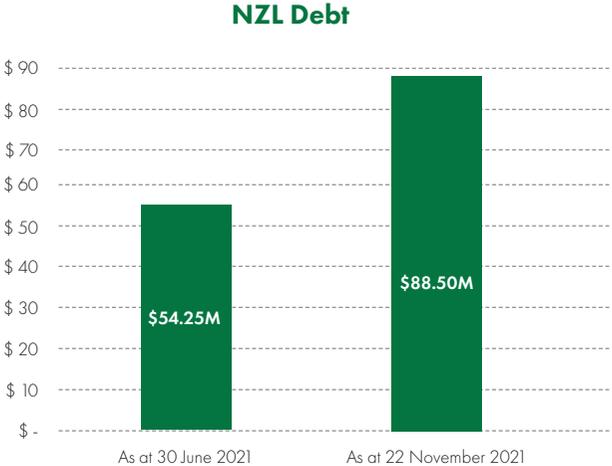
■ Tenancy 1 ■ Tenancy 2 ■ Tenancy 3 ■ Tenancy 4 ■ Tenancy 5

# NEW ZEALAND RURAL LAND COMPANY

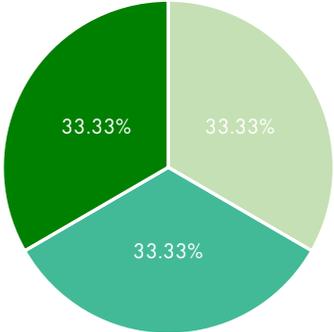
## CAPITAL STRUCTURE OVERVIEW AS AT 22 NOVEMBER 2021

 As at 22 November 2021, NZL's total debt is \$88.50M with Rabobank (NZ).

 NZL's Average Cost of Debt = 2.9% as at 22 November 2021. [NZL has swaps in place for ~27% of its debt facility with Rabobank.]

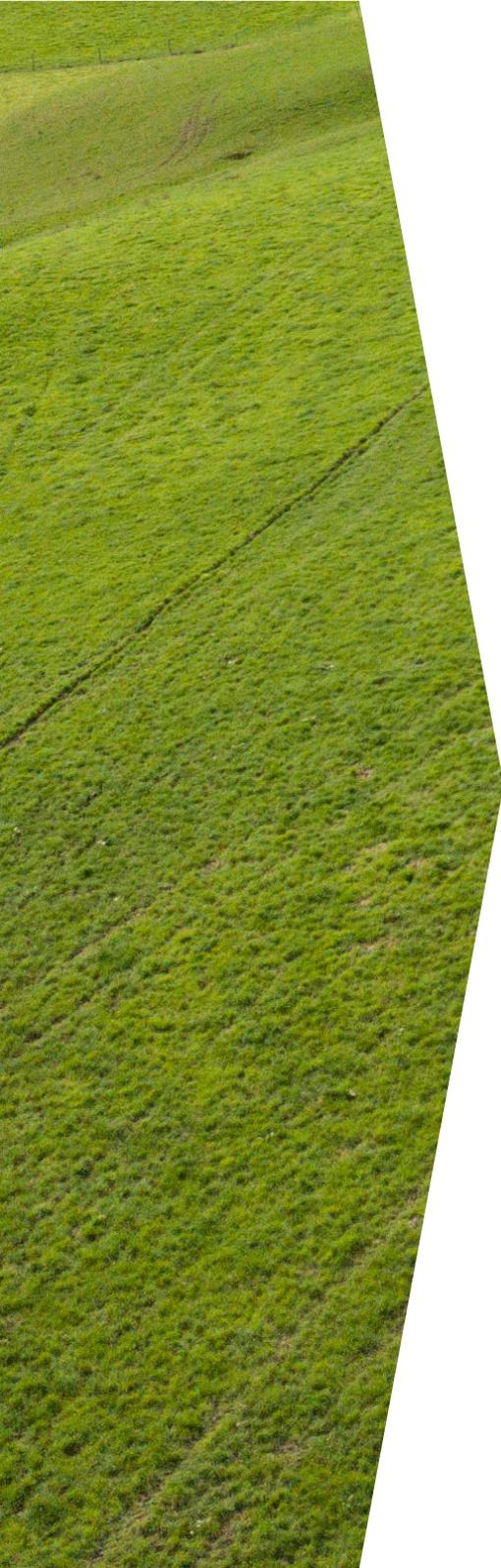


NZL Debt Facility Tranches as at 30 June 2021



■ 2 Year (Facility A) ■ 3 Year (Facility B) ■ 5 Year (Facility C)





## **FFO/AFFO/DIVIDEND FORECASTS**

# NEW ZEALAND RURAL LAND COMPANY

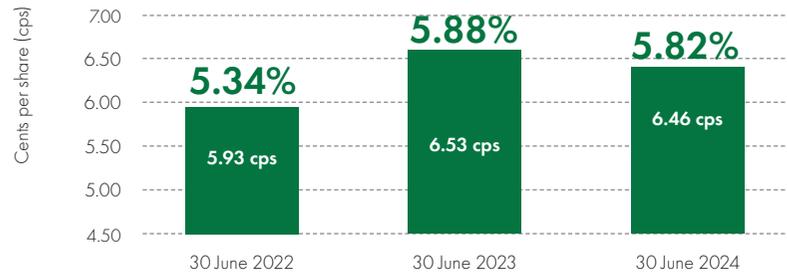
## FFO/AFFO FORECASTS\* BASED ON CURRENT PORTFOLIO



### Forecast Funds from Operations (FFO):

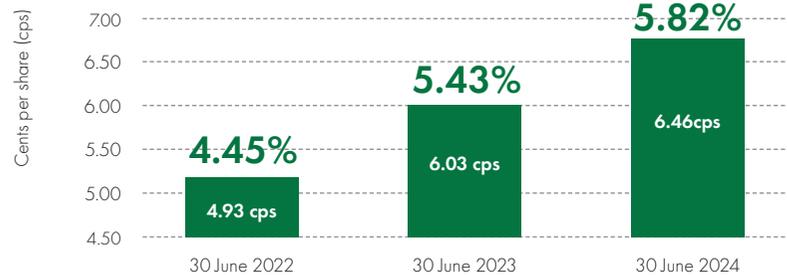
FY2022 to FY2024 FFO is the organisation's underlying and recurring earnings from its operations. This is determined by adjusting statutory net profit for certain non-cash and other items.

#### Forecast FFO / Share\*\* from Current Portfolio



### Forecast Adjusted Funds from Operations (AFFO):

#### Forecast AFFO / Share\*\* from Current Portfolio



\* FFO and AFFO forecasts are sensitive to assumptions for, interest rates (source: Rabobank swap curve indicative rates as at 29 October 2021), operating expenses, repairs and maintenance and maintenance CAPEX. Any variances to budget would have a direct impact on both forecast and reported FFO/AFFO.

\*\* Based on Share Price as at 22 November 2021 of \$1.11 and shares on issue of 96,900,000.

Note: Funds From Operations (FFO) and Adjusted Funds From Operations (AFFO) are non-GAAP financial information and are common property investor metrics, which have been calculated in accordance with the guidelines issued by the Property Council of Australia.



# NEW ZEALAND RURAL LAND COMPANY

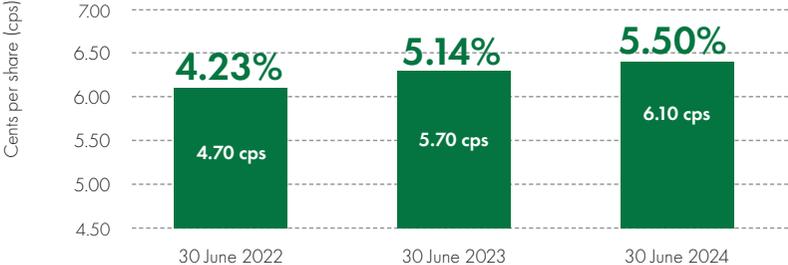
## NET CASH DIVIDEND YIELD FORECASTS BASED ON CURRENT PORTFOLIO

 NZL's dividend policy is to payout 95% of AFFO;

 NZL is currently forecasting a FY22 net cash dividend of 4.70 cps this equates to a net cash dividend yield of 4.23%\* rising to 5.50%\* in FY24;

 Forecast net cash dividends, based on NZL's current portfolio and shares on issue as at 22 November 2021\* are detailed below:

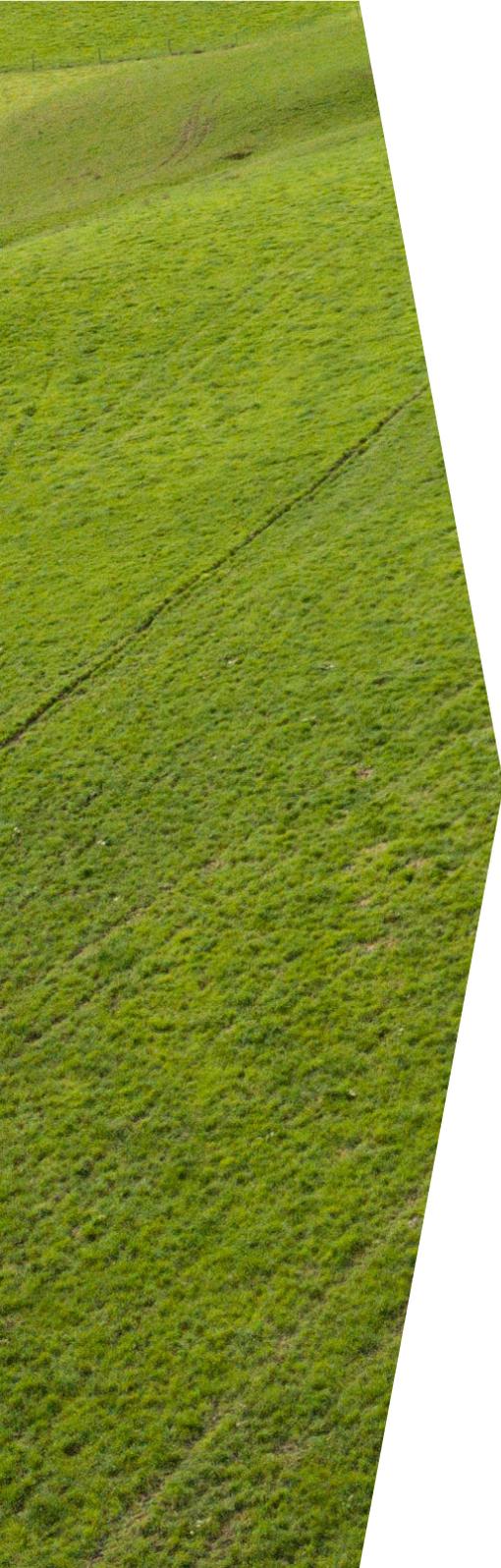
**Forecast Net Cash Dividend & Yield (%) / Share\***



Note: NZL is a listed Portfolio Investment Entity (PIE) meaning that there is no further tax to pay on dividends (for individual tax payers they can choose to include it as taxable income to claim imputation credits if there are any).

\* Based on Share Price as at 22 November 2021 of \$1.11 and shares on issue of 96,900,000.





## **NAV GROWTH**

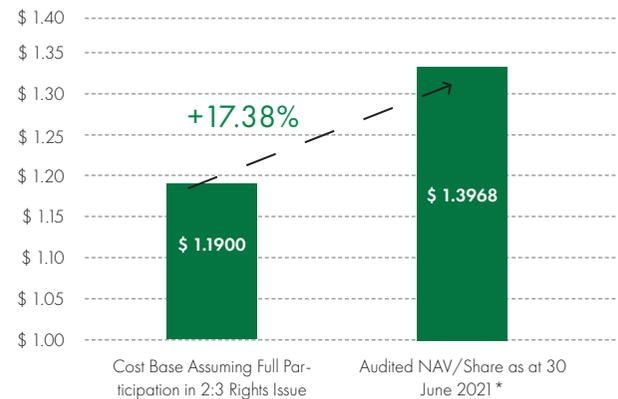
# NEW ZEALAND RURAL LAND COMPANY

## ATTRACTIVE GROWTH IN NET ASSET VALUE (NAV) PER SHARE FOR PERIOD ENDING 30 JUNE 2021 WHICH WE EXPECT TO CONTINUE

 NZL's growth in Audited Net Asset Value (NAV) for the year ending 30 June 2021 highlights a combination of attractive large scale acquisitions and industry tailwinds for high-quality rural properties.

 NZL expects further growth in Net Asset Value based on a continuation of the above factors in FY22.

### Net Asset Value Growth per Share - Assuming Full Rights Issue Participation



\* Based on Audited Financial Statements and 78,930,970 shares on issue.





## **COMPANY & MANAGEMENT STRUCTURE + SHAREHOLDINGS**

# NEW ZEALAND RURAL LAND COMPANY

## KEY PEOPLE AS AT 22 NOVEMBER 2021

### NEW ZEALAND RURAL LAND CO.

SUSTAINABLE AOTEAROA



#### ROB CAMPBELL

*Independent Chair*

Chair – WEL Group Limited  
Chair - Tourism Holdings  
Vice Chancellor - AUT  
Chair - Heath NZ



#### SARAH KENNEDY

*Independent Director*

Director - Comvita NZ  
CEO - Calocurb Limited  
Previously CEO - Designer Textiles International  
Previously Vice President International Farming - Fonterra  
Previously CEO / Member of the Board of Directors - Vitaco Health Limited  
Previously CEO - Healtheries of New Zealand Ltd



#### TIA GREENAWAY

*Independent Director*

Hailing from Ngāiwi Tūwharetoa and Waikato-Tainui  
Leads the Rautaki Māori team for He Pou a Rangī - Climate Change Commission  
Various roles on Iwi and Ahu Whenua Trusts and Committees  
Bachelor of Music  
Masters in Professional Accounting  
Chartered Accountants ANZ



#### CHRISTOPHER SWASBROOK

*Executive Director*

Managing Director – Elevation Capital Management Limited  
Board Member – Financial Markets Authority  
Director – Allied Farmers, Bethunes Investment Limited, Ruapehu Alpine Lifts Limited and Swimtastic Limited  
Previously a Partner of Goldman Sachs JBWere Pty Limited & Co-Head of Institutional Equities at Goldman Sachs JBWere (NZ) Limited

### NEW ZEALAND RURAL LAND MANAGEMENT



#### SHELLEY RUHA

*Independent Chair*

Director - Heartland Bank  
Director - Icehouse  
Director - 9 Spokes  
Previously - Senior Management Team and leader of BNZ Partners - BNZ



#### RICHARD MILSOM

*Executive Director*

Consultant - Elevation Capital Management Limited  
CEO – Bellevue Enterprises Limited – Bovine & Porcine Genetic Improvement & Sustainable Pork Production Company  
Director - WZ Dairies  
INFINZ Board Member  
INFINZ Emerging Leader 2017



#### MARISE JAMES

*Non-Executive Director*

Director - Allied Farmers  
Partner - Baker Tilly Staples Rodway Taranaki,  
Chair - Firstlight Wagyu NZ Limited,  
Previously:  
Founding director - Fonterra Co-operative Group  
Director - FMG Insurance Limited  
Director - Landcorp Farming Limited  
Director - TSB Bank + TSB Trust  
Chaired the Audit Committees of FMG and Landcorp.



#### HAYDEN DILLON

*Consultant*

Managing Partner Findex (Waikato) & Head of Agribusiness New Zealand for Findex.  
Independent Director - Williams Holdings Limited  
Independent Director - Aquila Sustainable Farms Limited and associated Limited Partner Farms.  
Independent Director Rowing New Zealand.  
Trustee - South Waikato Investment Fund  
Chairman - Bioceta Limited  
Previously - Senior Partner Bank Of New Zealand – Waikato  
Previously - Corporate Relationship Manager Food Fibre & Beverage National Australia Bank - Melbourne  
Fellow FINZIA



#### CHRISTOPHER SWASBROOK

*Consultant*

Managing Director – Elevation Capital Management Limited Board Member – Financial Markets Authority (FMA)  
Director – Allied Farmers Limited, Bethunes Investments Limited, New Zealand Rural Land Company Limited, Ruapehu Alpine Lifts and, Swimtastic Limited  
Previously a Partner of Goldman Sachs JBWere Pty Limited & Co-Head of Institutional Equities at Goldman Sachs JBWere (NZ) Limited



#### AGRICULTURAL ENVIRONMENTAL SPECIALIST

*Independent Consultant*

#### RURAL PROPERTY MANAGER

*Rural Property Manager*

#### RURAL VALUER

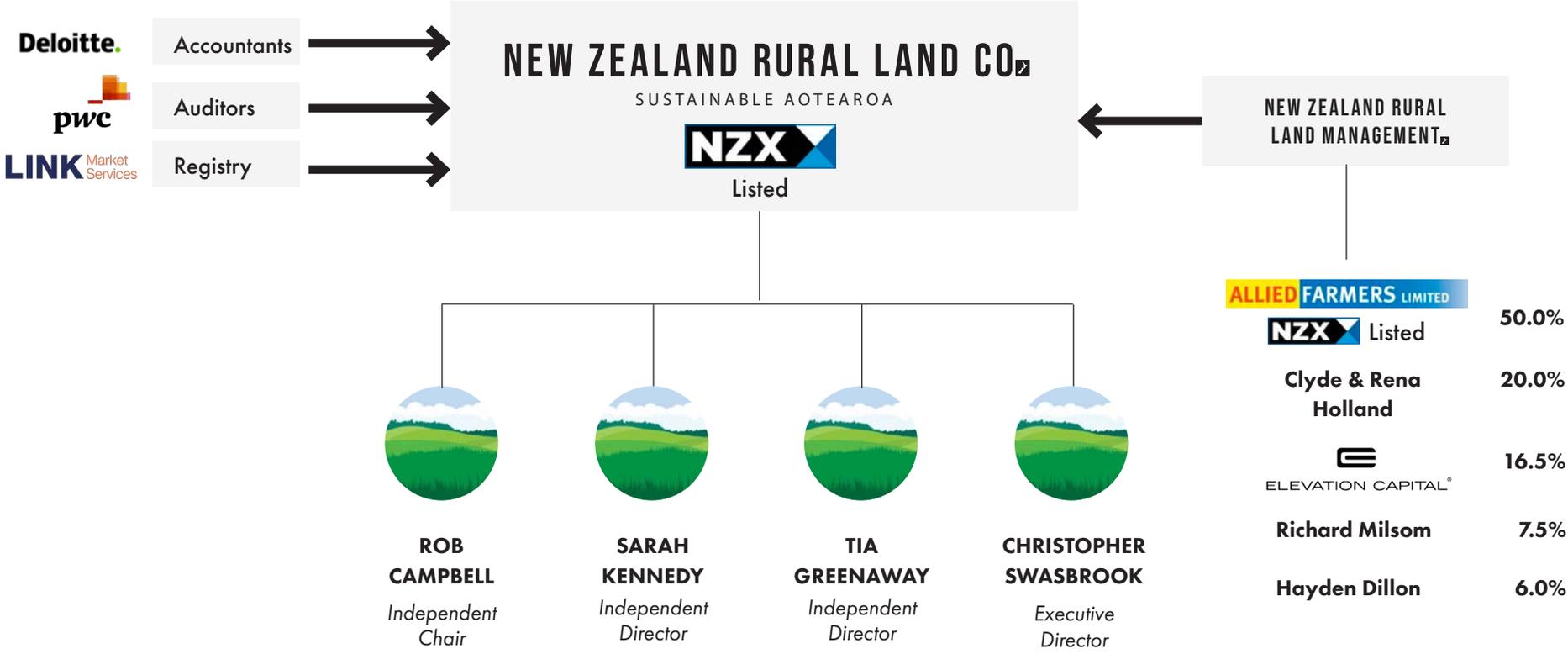
*Independent Consultant*

#### FARM CONSULTANT

*Independent Consultant*

# NEW ZEALAND RURAL LAND COMPANY

## EXTERNALLY MANAGED STRUCTURE



# NEW ZEALAND RURAL LAND COMPANY MANAGER & DIRECTOR OWNERSHIP INTERESTS

## NZL's Director and Manager Shareholding Interests as at 22 November 2021:

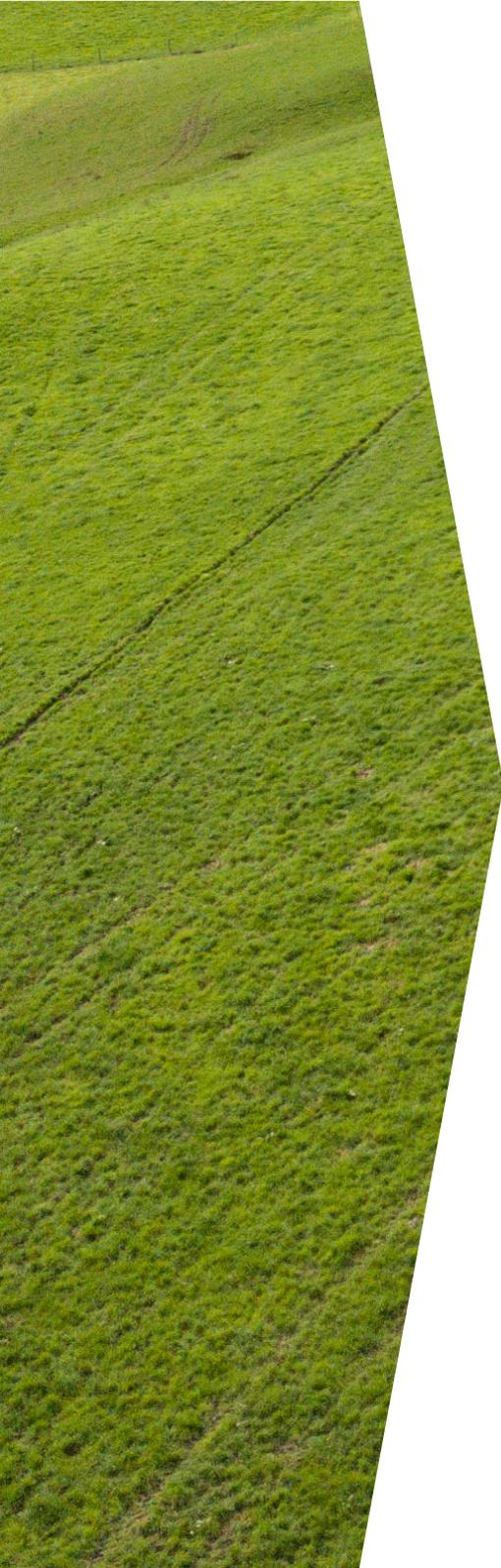
All Directors & Shareholders of the Manager are investors in NZL (including Independent Chair of the Manager - Shelley Ruha).

	# Shares	% Ownership
Clyde & Rena Holland	9,589,329	9.90%
Elevation Capital Management Limited	6,497,280*	6.71%
Allied Farmers	2,081,581	2.15%
Christopher Swasbrook	1,835,000**	1.89%
Richard Milsom	120,000	0.12%
Rob Campbell	116,666	0.12%
Hayden Dillon	100,000	0.10%
Shelley Ruha	80,000	0.08%
Sarah Kennedy	33,000	0.03%
Tia Greenaway	5,000	0.01%
<b>Total</b>	<b>20,457,856</b>	<b>21.11%</b>

\* Elevation Capital Management Limited has clients that hold 6,397,280 shares. Elevation Capital Management Limited does not have discretion on these holdings.

\*\* Elevation Capital Management Limited (Christopher Swasbrook) holds 325,000 NZL shares directly and has discretion (but a non-beneficial interest) for 1,510,000 shares.





## **FOREIGN OWNERSHIP**

# NEW ZEALAND RURAL LAND COMPANY

## FOREIGN OWNERSHIP



### NEW ZEALAND BUYER

NZL is highly advantaged because it is a New Zealand buyer of rural land



### CURRENT LISTED COMPANY FOREIGN OWNERSHIP RULES

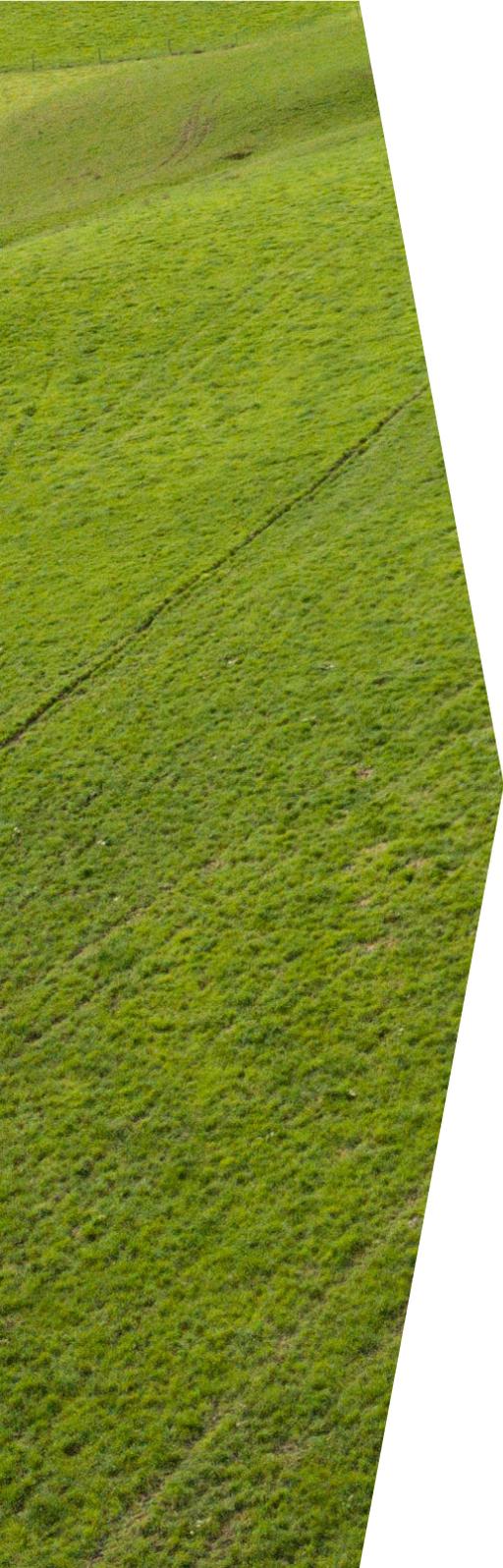
Under the Overseas Investment Amendment Act 2021, NZL can have foreign domiciled shareholders of up to 49.9% of its share register (subject to certain share parcel restrictions). Private companies in NZ are limited to less than 25%.



### CURRENT NZL FOREIGN OWNERSHIP

As at 30 September 2021, NZL has foreign domiciled shareholders amounting to ~26.08% of its share register.





## **INVESTOR CONTACTS**

# NEW ZEALAND RURAL LAND COMPANY

## INVESTOR CONTACTS

### **Christopher Swasbrook**

[chris@nzrlc.co.nz](mailto:chris@nzrlc.co.nz)

+64 21 928 262

Level 4, The Blade

12 St Marks Road

Remuera

Auckland 1050

New Zealand

### **Richard Milsom**

[richard@nzrlm.co.nz](mailto:richard@nzrlm.co.nz)

+64 21 274 2476

Level 4, The Blade

12 St Marks Road

Remuera

Auckland 1050

New Zealand



# NEW ZEALAND RURAL LAND CO.

SUSTAINABLE AOTEAROA

New Zealand Rural Land Company  
Level 4, 12 St Marks Road  
Remuera  
Auckland 1050  
New Zealand

+64 9 379 6493  
info@nzrlc.co.nz  
www.nzrlc.co.nz  
 nzrlc  
 nzrlc

listed on:



# NZ Farmers Livestock Report

**NZ FARMERS LIVESTOCK**

**CEO - Steve Morrison**

# NZ Farmers Livestock Report

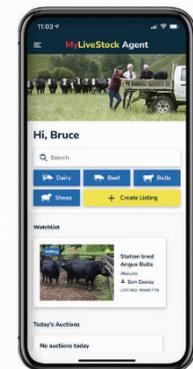
## NZ FARMERS LIVESTOCK

- NZ Farmers Livestock Agency
- MyLivestock Platform and App
- Redshaw Livestock
- Farmers Meat Export
- Livestock Finance – NZFL lead -Bullplan, Lambplan and General
- Associated Auctioneers JV interests (Saleyards Management Ltd)



REDSHAW LIVESTOCK LTD

MyLiveStock



# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*

- **To be the best solution provider to livestock farmers, growing value for them and our investors.**
- **Experienced and growing team**
- **Adding value for clients - every day**
- **Sales/purchase channel & Deal closure**
- **Win-Win business**
- **Moving with (or ahead of) the times**
- **Integrated Finance and FMEL businesses**
- **National Presence**

# MyLiveStock

# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*

- **An Improved Year – still challenging**
- **Improved market conditions**
- **Just behind of budget YTD**
- **Covid 19 – Essential service & Yard operations at L3**
- **Supporting our staff, appreciated the Government support**
- **Worked hard for farmers**
- **Digital & Hybrid auctions building**
- **Agent regulation**
- **Adding value for clients - every day**



# MyLiveStock

# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

Working with Farmers for Farmers

MyLiveStock

Browse Agents App Live Auction Market Reports Sale Calendar Finance About Contact Hi, Aimee!

### Welcome to New Zealand's Livestock Network

Search for something... Search

Dairy Bulls Beef Sheep + Create Listing

The Complete Farmers Toolbox - download the ... Copy link

Sold!

Watch on YouTube

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# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

Working with Farmers for Farmers

### MyLiveStock

Live Auction | Stratford

HELP REFRESH

Store Sale



**PEN NUMBER: 59 (STOPPED)**

The auction will run for approximately 2 minutes, the auctioneer is in control, do not delay your bids.

TALLY	BREED	AGE	TYPE	TOTAL (kg)	AVE (kg)
4	Hereford Friesian	R2yr	Steers	1905.00	476.25
Previous Bid:				Bidder On Location	\$1080.00/head
Current Bid:				Bidder On Location	\$1085.00/head
					<b>BID \$1090.00/head</b>

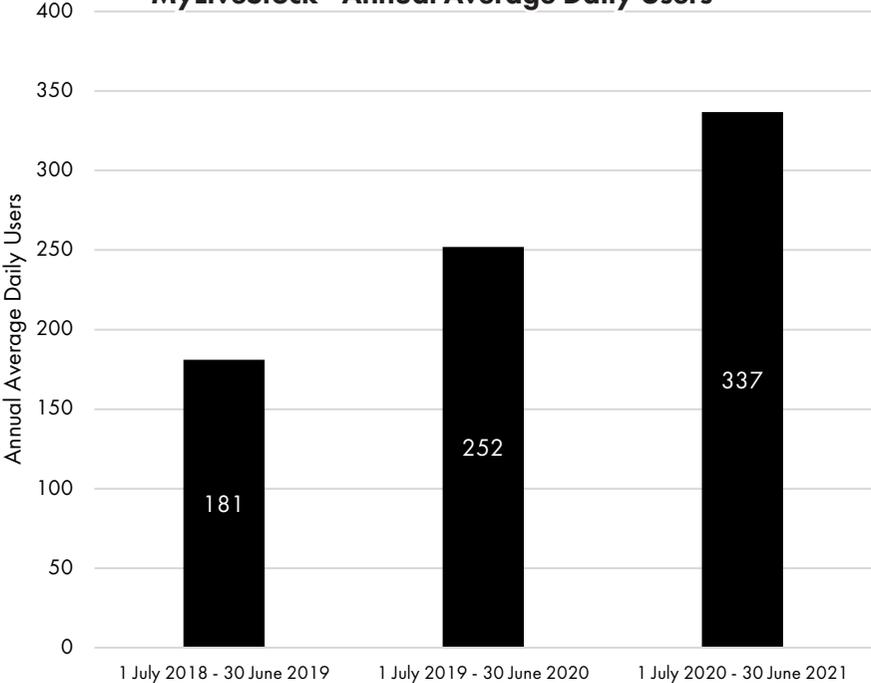
PEN INFORMATION

# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

Working with Farmers for Farmers

MyLiveStock - Annual Average Daily Users



Period	1 July 2018 - 30 June 2019	1 July 2019 - 30 June 2020	1 July 2020 - 30 June 2021
Average Daily User Growth Rate	+7%	+39%	+34%

## NZ FARMERS LIVESTOCK

Working with Farmers for Farmers

## MyLiveStock

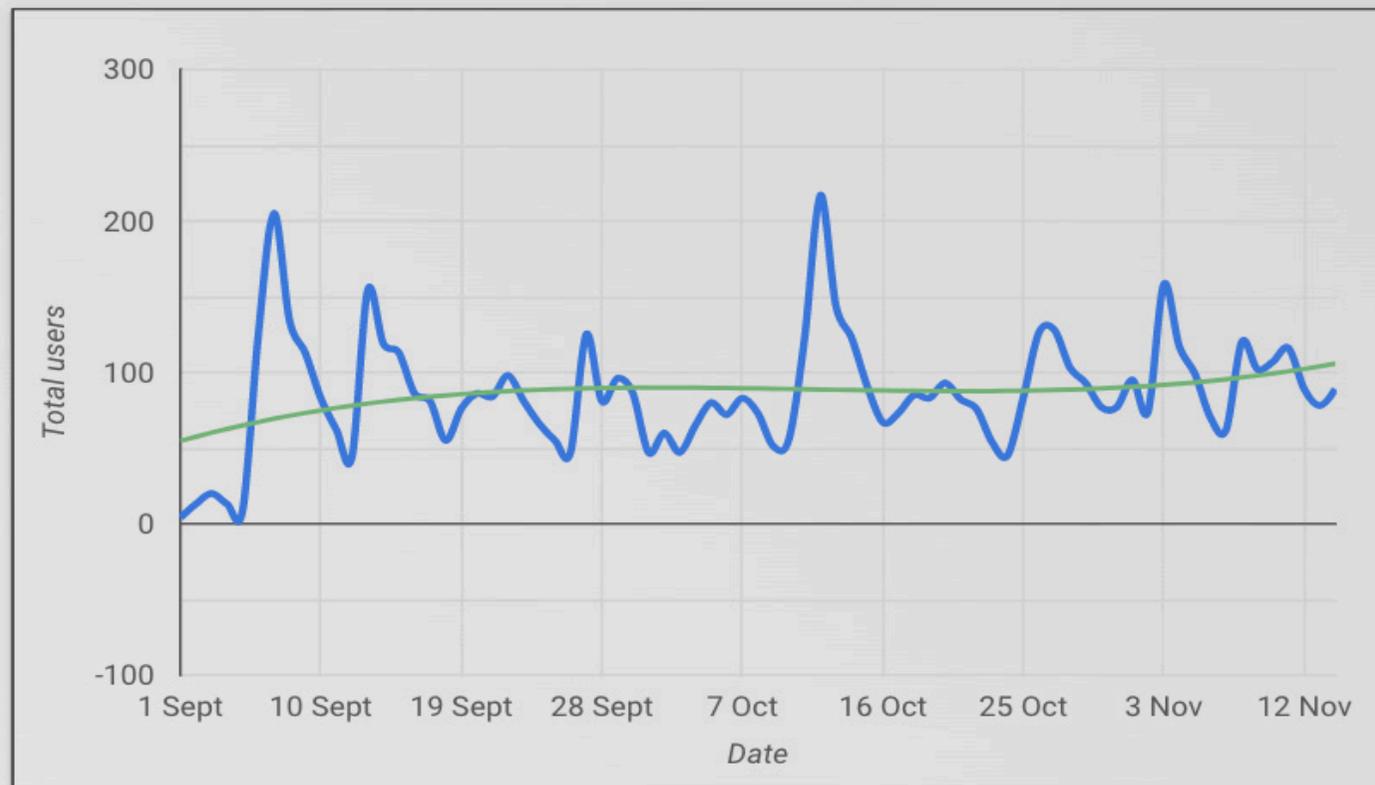
Website | Mobile | App

# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*

MyLivestock Farmer App Users per Day



# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*



# MyLiveStock

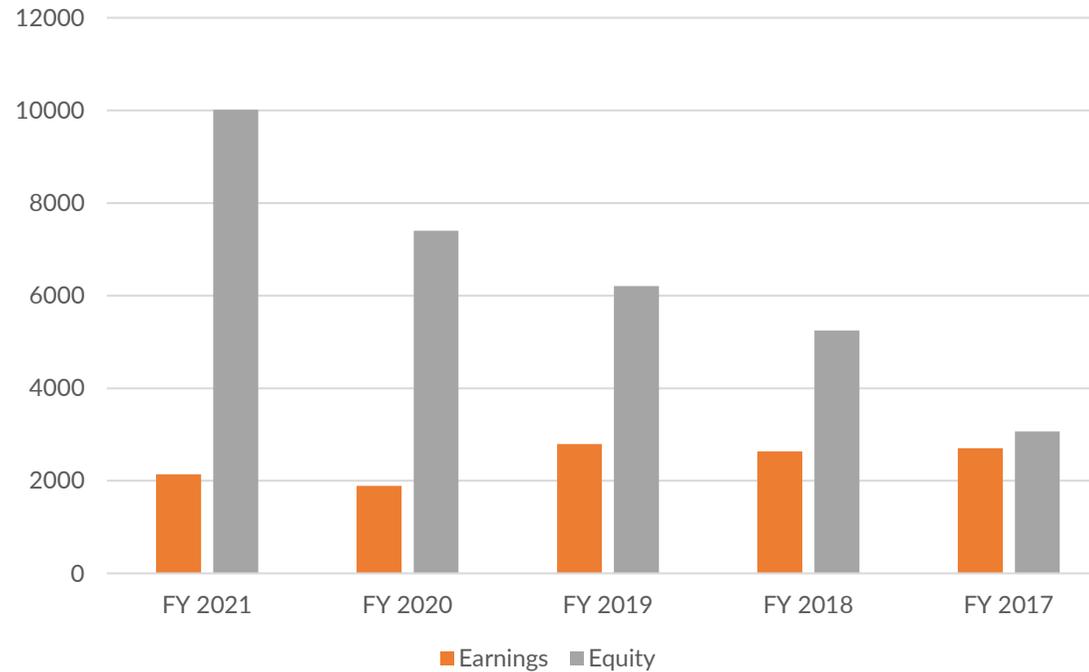
# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*

### Earnings Performance:

NZFL Group Earnings and Equity, \$000s



# MyLiveStock

# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*

### FY2022 Performance – First 4 months:

#### **Livestock**

- Slow livestock start, accelerating in November
- Farmer caution, weather/grass
- Dealing Ok with Bovis and Covid
- Very strong market pricing
- Herd forward sales underway
- Positive - with farmer focus and a good, trained team
- Digital engagement & tools
- Covid

#### **Meat Processing**

- Appreciably ahead of last year and budget
- Market returns up post Covid
- A tough start in the Manawatu & improvement opportunity

#### **Finance**

- Good contribution but NZFLFL book still below target level
- Pleased with Bullplan & Lambplan
- Funding terms constraints/banking options under review
- NZFLFL Book - \$10M goal
- Powerful core business support

# MyLiveStock

# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*

### Health & Safety & Compliance:

- Health and Safety of our staff a key priority – Audit, charter, car-tracking, operational focus
- Compliance - Structure, resource and focus to ensure compliance, animal welfare and risk management



# MyLiveStock

# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*

### Looking Forward:

- Working with farmers for farmers
- Building & supporting teams
- Digital – tools/hybrid auction/information portal, CRM, immediacy
- Developing/refining FMEL business
- Broader farmer finance options
- Building value & contribution
- Ongoing Growth – recruitment, acquisition, yard access
- NZFLL Group EBT
- Redshaws in line with acquisition basis
- Covid Management & Recovery
- Continued bank support



# MyLiveStock

# NZ Farmers Livestock Report

## NZ FARMERS LIVESTOCK

*Working with Farmers for Farmers*

Questions...



# MyLiveStock

# Resolutions



## Resolutions & Other Business:

**Resolution #1:** Director election: That Mark Franklin be elected as a Director of the Company.

**Resolution #2:** Director election: That Christopher Swasbrook be elected as a Director of the Company.

**Resolution #3:** Auditor's fees: That the re-appointment of KPMG as the auditor of the Company be recorded and the Directors be authorised to fix the auditor's remuneration for the ensuing year.

**Other Business:** To consider any other matters that may lawfully be considered at the Meeting.

# Proxy Votes



## Proxy Votes:

		<u>For</u>	<u>Open</u>	<u>Against</u>	<u>Total Valid Available Votes</u>	<u>As a % of Issued Capital</u>	<u>Abstain<sup>1</sup></u>
Resolution 1 MARK FRANKLIN TO BE ELECTED AS DIRECTOR.	Votes	6,025,276	439,470	336	6,465,082	22.44%	2,066
	Holders	47	31	1			1
	Percentage	93.20%	6.80%	.01%			
Resolution 2 CHRISTOPHER SWASBROOK TO BE ELECTED AS DIRECTOR.	Votes	6,030,276	434,470	336	6,465,082	22.44%	2,066
	Holders	48	30	1			1
	Percentage	93.27%	6.72%	.01%			
Resolution 3 AUDITOR'S FEES.	Votes	5,818,134	438,734	208,214	6,465,082	22.44%	2,066
	Holders	45	31	3			1
	Percentage	89.99%	6.79%	3.22%			

**Securities Selected:** ALF

**Valid Proxies Lodged:** 80

**Total Issued Capital:** 28,806,434

# Appendices



## **Appendices:**

**Appendix #1:** Allied Farmers Full Corporate Structure - as at 23 November 2021 - Pre Amalgamations

# Appendix #1: Allied Farmers Full Corporate Structure - as at 23 November 2021 - Pre Amalgamations

