

NEW ZEALAND RURAL LAND CO.

SUSTAINABLE AOTEAROA

Offer Document

Pro Rata 1 for 5 Accelerated Renounceable Entitlement Offer of New Shares

8 JUNE 2022

www.nzrlc.co.nz



OFFER DOCUMENT

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This Offer Document is an important document. You should read the entire document before deciding what action to take with respect to your Entitlements. If you have any doubt as to what you should do, please consult your broker, financial, investment or other professional advisor.

This Offer Document may not be distributed outside New Zealand or Australia except to certain institutional and professional investors in such other countries and to the extent contemplated in this Offer Document.

Not for distribution or release in the United States.

Joint Lead Managers

Craigs Investment Partners Limited



Wilsons Corporate Finance Limited



NEW ZEALAND RURAL LAND CO

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SECTION 1: IMPORTANT INFORMATION

General Information

This Offer Document has been prepared by New Zealand Rural Land Company Limited (**NZRLC**) in connection with a pro rata 1 for 5 accelerated renounceable entitlement offer of New Shares.

The Offer is made under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013.

This Offer Document is not a product disclosure statement or other disclosure document for the purposes of the FMCA or any other law, has not been lodged with the Financial Markets Authority, and does not contain all of the information that an investor would find in a product disclosure statement or other disclosure document, or which may be required in order to make an informed investment decision about the Offer or NZRLC.

Additional Information Available under NZRLC's Continuous Disclosure Obligations

NZRLC is subject to continuous disclosure obligations under the NZX Listing Rules. You can find market releases by NZRLC at <https://www.nzx.com/> under the ticker code "NZL".

NZRLC may, during the period of the Offer, make additional releases through the Market Announcement Platform (**MAP**). To the maximum extent permitted by law, no release by NZRLC to the market via MAP will permit an applicant to withdraw any previously submitted application without NZRLC's prior consent.

The market price of Shares may increase or decrease between the date of this Offer Document and the Allotment Date of the New Shares. Any changes in the market price of Shares will not affect the Application Price, and the market price of the New Shares following allotment may be higher or lower than the Application Price.

Offer Restrictions

This Offer Document does not constitute an offer, advertisement or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

This Offer Document may not be sent or given to any person who is not an Eligible Shareholder or an Institutional Investor in circumstances in which the Offer or distribution of this Offer Document would be unlawful. The distribution of this Offer Document (including an electronic copy) outside New Zealand and Australia may be restricted by law. In particular, this Offer Document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside of New Zealand and Australia, except to Institutional Investors or as NZRLC may otherwise determine, in compliance with applicable laws.

Without limitation, this Offer Document may not be sent into or distributed in the United States.

If you come into possession of this Offer Document, you should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. NZRLC disclaims all liability to such persons.

Changes to the Offer

Subject to the NZX Listing Rules, NZRLC reserves the right to alter the dates set out in this Offer Document.

Additionally, NZRLC reserves the right to withdraw all or any part of the Offer (either generally or in particular cases) and the issue of New Shares at any time before the Allotment Date at its absolute discretion.

No Guarantee

No guarantee is provided by any person in relation to the New Shares to be issued pursuant to the Offer. Nor is any warranty provided with regard to the future performance of NZRLC or any return on any investments made pursuant to this Offer Document.

Decision to Participate in the Offer

The information in this Offer Document does not constitute a recommendation to acquire or invest in New Shares and nor does it amount to financial product advice. This Offer Document has been prepared without taking into account the particular needs or circumstances of any investor, including an investor's investment objectives, financial and/or tax position.

Privacy

Any personal information provided by Eligible Shareholders via the online application form will be held by NZRLC or Link Market Services at the addresses set out in the Directory of this Offer Document.

NZRLC and/or Link Market Services may store your personal information in electronic format, including in online storage or on a server or servers which may be located in New Zealand or overseas. The information will be used for the purposes of administering your investment in NZRLC.

This information will only be disclosed to third parties with your consent or if otherwise required or permitted by applicable law. Under the New Zealand Privacy Act 2020 you have the right to access and correct any personal information held about you.

Enquiries

Enquiries about the Offer can be directed to your broker/NZX Firm, financial, investment or other professional advisor. If you have any questions about the number of New Shares that comprise your Entitlements, or how to apply using the online form, please contact Link Market Services.

Defined Terms and Times

Capitalised terms used in this Offer Document have the specific meaning given to them in the Glossary of this Offer Document. References to times and dates are to times and dates in New Zealand (unless otherwise specified).

SECTION 2: LETTER FROM THE CHAIR

Dear Shareholder,

On behalf of the Board, it is my pleasure to invite you to participate in New Zealand Rural Land Company Limited's 1 for 5 accelerated renounceable entitlement offer announced to the market on Wednesday, 8 June 2022. We intend to raise approximately NZ\$20.38 million through the Offer to fund the acquisition of two dairy farms, Argyle Downs and Greenhill.

The acquisitions represent a continuation of NZRLC's strategy of broadening its portfolio of high-quality rural land assets which, following the acquisitions, will comprise approximately 11,710 hectares of dairy farms across Canterbury, Central Otago, and Southland. These assets are all underpinned by triple net leases with CPI-linked rental adjustments, resulting in NZRLC being well positioned in a high inflation environment.

REINZ's latest farm price data indicates there has been strong growth in rural land prices since NZRLC's last revaluations (as at 30 June 2021), underpinned by high prices for milk solids, which is expected to support a positive uplift in Net Asset Value for NZRLC's 30 June 2022 revaluations.

NZRLC will continue to investigate opportunities in dairy, free range poultry and dry stock, leveraging our unique position as a scale acquirer of New Zealand rural land, due to restrictions on overseas buyers, and difficulty accessing capital for many domestic buyers.

ARGYLE DOWNS ACQUISITION

NZRLC has an agreement to acquire Argyle Downs Farm, a 564-hectare large scale dairy farm located in Southland, New Zealand.

NZRLC has signed an agreement to lease with a new tenant for an initial rental of > 5%, with CPI-linked rent reviews for an initial term of 11 years. The tenant is led by experienced operators with significant farming experience in New Zealand. This lease will commence on 1 June 2023 with the vendor of Argyle Downs leasing Argyle Downs from settlement until 31 May 2023.

The Argyle Downs acquisition is expected to settle on 15 June 2022. Completion of the acquisition is subject to a final due diligence condition and NZRLC arranging sufficient finance to undertake the acquisition.

GREENHILL ACQUISITION

NZRLC has concurrently signed an agreement to acquire Greenhill Farm, a 366 hectare dairy farm located in Southland, New Zealand.

NZRLC has signed a lease with a new tenant for an initial rental of > 5%, with CPI-linked rent reviews for an initial term of 10 years. The tenant has a history of operational experience and good performance alongside a strong balance sheet supporting the lease, providing NZRLC with confidence as to the tenant's ability to farm in the region and comply with local regulations.

The Greenhill acquisition is expected to settle on 15 June 2022. Completion of the Greenhill acquisition is subject to a final due diligence condition and NZRLC arranging sufficient finance to undertake the acquisition.

The Argyle Downs and Greenhill acquisitions together are expected to be broadly neutral on a pro forma FY22F AFFO per share basis¹ for NZRLC shareholders and improve the quality & diversity of NZRLC's portfolio.

¹ Pro forma FY22F AFFO adjusted for full year impact of acquisitions completed in August and November 2021.

PURPOSE OF THE OFFER

The net proceeds of the Offer will be used to finance the acquisitions, and provide balance sheet headroom. NZRLC's pro forma gearing will reduce from 38.9% to 37.9%² upon the successful completion of the Offer and the acquisitions.

The Board reconfirms NZRLC's recently released AFFO guidance for FY22 of 4.2 cents per Share and second half FY22 distribution guidance of 2.19 cents per Share.

THE OFFER

As an existing shareholder, you have the opportunity to subscribe for 1 New Share at an Application Price of NZ\$1.05 for every 5 Shares you own at 5.00pm on Friday, 10 June 2022.

The Application Price of NZ\$1.05 represents:

- a 6.3% discount to NZRLC's closing share price of NZ\$1.12 on NZX on Tuesday, 7 June 2022 (being the last trading day before the Offer was announced); and
- a 5.3% discount to the Theoretical Ex Rights Price³ of NZ\$1.11.

The Application Price is the same price for both the Institutional Offer and the Retail Offer.

You can choose to take up your Entitlement in whole, in part or not at all. Entitlements cannot be traded or sold on the NZX Main Board, nor can they be traded privately.

In addition to being able to take up their Entitlement, Eligible Retail Shareholders who take up their Entitlement in full may apply for additional New Shares not taken up by other retail shareholders. Any applications for additional New Shares will go into the Bookbuild in respect of the Retail Offer, which will also involve Institutional Investors.

If you do not take up any of your Entitlements and the Offer is fully subscribed, your shareholding in NZRLC will be diluted by 16.7%.

Any New Shares attributable to Entitlements that are not taken up by Eligible Shareholders, or which are attributable to Entitlements that would have been issued to Ineligible Shareholders had they been entitled to participate, will be offered through two Bookbuilds run by the Joint Lead Managers. There will be one Bookbuild in respect of the Institutional Offer and one Bookbuild in respect of the Retail Offer.

Any proceeds in excess of the Application Price under the Bookbuilds (a Premium) will be paid (net of any amounts required to be withheld) on a pro rata basis to those Shareholders who do not take up all of their Entitlements or who are not eligible to do so under each of the Institutional Offer and the Retail Offer, respectively. There is no guarantee that there will be any Premium realised for the Entitlements offered for sale in the Bookbuilds, and the Premium realised (if any) in one Bookbuild may be different from the Premium realised (if any) in the other Bookbuild.

² Assumes the Offer is fully subscribed

³ Theoretical Ex-Rights Price (TERP) is the theoretical price at which NZRLC's Shares should trade at immediately after the ex-date of the Offer. TERP is a theoretical calculation only and the actual price at which NZRLC Shares will trade immediately after the ex-date for the Offer will depend on many factors and may not be equal to TERP. TERP is calculated with reference to NZRLC's closing Share price of NZ\$1.12 on Tuesday, 7 June 2022 (being the last trading day before the Offer was announced).

HOW YOU CAN PARTICIPATE IN THE OFFER

Participation in the Offer is optional. We encourage you to read the Offer Document, the Investor Presentation released to the market with this Offer Document and seek investment advice from a suitably qualified professional adviser before you consider investing in the New Shares.

If you decide to participate in the Offer, please complete an online application at <https://nzl.capitalraise.co.nz/> and pay for your New Shares before 5.00 pm (NZ Time) on Thursday, 23 June 2022.

Instructions on how to make payment can be found on the Offer website at <https://nzl.capitalraise.co.nz/>.

FURTHER INFORMATION

We also encourage you to read NZRLC's recent announcements, particularly the Interim Results released on 22 February 2022 and the Investor Presentation and other materials released in respect of the Offer on Wednesday, 8 June 2022 at www.nzx.com under the ticker code "NZL" or available at nzrlc.co.nz. In particular, you should read and consider pages 28 to 29 of the Investor Presentation ("Key Risks") for a non-exhaustive summary of certain key risks associated with NZRLC and the Offer before making an investment decision. You can also access information regarding the Offer at <https://nzl.capitalraise.co.nz/>.

If you have any questions about the Offer, please contact NZRLC on info@nzrlc.co.nz, our Registry at applications@linkmarketservices.com or contact your financial adviser or other professional advisor.

NZRLC Directors and shareholders associated with our Manager intend to participate in the Offer.

On behalf of the Board, thank you for your continued support, and we welcome your consideration of, and participation in, the Offer.

Yours sincerely,



Rob Campbell
Independent Chair - New Zealand Rural Land Company

SECTION 3: OFFER OVERVIEW

Issuer	New Zealand Rural Land Company Limited
The Offer	<p>A pro rata accelerated renounceable Entitlement offer of 1 New Share for every 5 Existing Shares held by an Eligible Shareholder at 5:00pm (NZ Time) on the Record Date, with fractional Entitlements being rounded down to the nearest Share.</p> <p>This Offer is a pro rata offer. If you take up all your Entitlements your percentage holding in NZRLC will not reduce. However, if you do not take up all your Entitlements, your percentage shareholding will reduce following completion of the Offer.</p> <p>Entitlements of Ineligible Shareholders or Entitlements that are not taken up by Eligible Shareholders will be sold via a bookbuild process, with any surplus subscription monies above the Application Price being returned pro rata to Shareholders who did not participate in the Offer, as further described in this Offer Document.</p>
Application Price	NZ\$1.05 per New Share.
Offer Size	The amount to be raised under the Offer is approximately NZ\$20.38 million
Oversubscriptions	In addition to being able to take up their Entitlement, Eligible Retail Shareholders who take up their full Entitlement may also apply for additional New Shares offered in the Retail Bookbuild. Any applications for additional New Shares will go into the Retail Bookbuild.
New Shares	The same class as, and ranking equally with, Existing Shares.
How to Apply	<p>Applications must be made online at https://nzl.capitalraise.co.nz/ by 5.00pm (NZ Time) on 23 June 2022.</p> <p>Alternatively, if you are not in a position to apply online, please contact Link Market Services at your earliest convenience on +64 9 375 5998 to discuss alternative options.</p>

SECTION 4: IMPORTANT DATES

Institutional Offer

This timetable is relevant to Eligible Institutional Shareholders who intend to participate in the Institutional Offer. Eligible Retail Shareholders should refer to the important dates for the Retail Offer set out in the "Retail Offer" table below.

Key Event	Date
Trading halt commenced on the NZX Main Board (pre-market open)	Wednesday, 8 June 2022
Institutional Offer opens	10:00am (NZ Time), Wednesday, 8 June 2022
Institutional Offer closes	5:00pm (NZ Time), Wednesday, 8 June 2022
Institutional Bookbuild	Thursday, 9 June 2022
Announce results of Institutional Offer	Friday, 10 June 2022
Trading halt lifted on the NZX Main Board (pre-market open)	Friday, 10 June 2022
Settlement of Institutional Offer on the NZX Main Board and commencement of trading of allotted New Shares on the NZX Main Board	Tuesday, 14 June 2022

As set out above, Eligible Institutional Shareholders will have a shorter than usual offer period to accept their Entitlement under the Institutional Offer.

Retail Offer

The timetable immediately below is relevant to participants in the Retail Offer. Institutional Shareholders should refer to the important dates for the Institutional Offer set out in the "Institutional Offer" table above.

Key Event	Date
Record Date 5.00pm (NZ Time)	Friday, 10 June 2022
Retail Offer opens	Monday, 13 June 2022
Retail Offer closes at 5.00pm (NZ Time) (last day for online applications)	Thursday, 23 June 2022
Announce results of Retail Offer	Tuesday, 28 June 2022
Retail Bookbuild	Tuesday, 28 June 2022
Announcement of the results of the Retail Bookbuild	Wednesday, 29 June 2022
Settlement of Retail Offer on the NZX Main Board and commencement of trading of allotted New Shares on the NZX Main Board	Friday, 1 July 2022

Applicants are encouraged to apply via the online application process as soon as possible. No cooling-off rights apply to applications submitted under the Offer and once an application is submitted, it cannot be withdrawn without NZRLC's prior consent.

The dates set out in the tables above (and any references to them in this Offer Document) are subject to change and are indicative only. All times and dates refer to NZ times and dates (unless otherwise specified). NZRLC reserves the right to amend the timetables (including by extending the closing dates for the Offer or accepting late applications, either generally or in particular cases) subject to the NZX Listing Rules. Any extension of the closing dates for the Offer will have a consequential effect on the issue date of New Shares.

SECTION 5: DETAILS OF THE OFFER

Overview

The Offer

The Offer is an offer of New Shares to Eligible Shareholders under a pro rata accelerated renounceable Entitlement offer. Under the Offer, Eligible Shareholders are entitled to subscribe for 1 New Share for every 5 Existing Shares held at 5:00pm (NZ Time) on the Record Date. The New Shares will be the same class as, and will rank equally with, Existing Shares which are quoted on the NZX Main Board. It is a term of the Offer that NZRLC will take any necessary steps to ensure that the New Shares are, immediately after issue, quoted on the NZX Main Board.

The Offer comprises the following components:

- the Institutional Offer; and
- the Retail Offer.

If you are an Eligible Shareholder, you may take up all, part or none of your Entitlements. If you are an Eligible Shareholder and you do not take up all of your Entitlements, your current shareholding will be diluted as a result of the issue of New Shares.

The maximum number of New Shares that are being offered under the Offer is 19,412,401 New Shares (subject to rounding). NZRLC will raise a total of approximately NZ\$20.38 million through the Offer.

Application Price

The Application Price is NZ\$1.05 per New Share.

The Application Price must be paid in full on application. Payment of the Application Price for the Retail Offer must be made online and by direct debit in accordance with the online application process. NZRLC may accept or reject (at its discretion) any online application which it considers is not completed correctly and may correct any errors or omissions in the online application. An application may not be withdrawn without NZRLC's prior consent once submitted.

Application monies received will be held in a trust account with Link Market Services until the corresponding New Shares are allotted or the application monies are refunded. Interest earned on the application monies will be for the benefit, and remain the property, of NZRLC and will be retained by NZRLC whether or not the issue of New Shares takes place. Any refunds of application monies (without interest) will be made within 5 Business Days of allotment (or the date that the decision not to accept an application is made, as the case may be).

Withdrawal

Subject to NZRLC's compliance with all applicable laws, NZRLC reserves the right to withdraw the Offer at any time at its absolute discretion. If any application is not accepted, all applicable application monies will be refunded (without interest) to the relevant Shareholder.

Purpose of the Offer and Use of Proceeds

NZRLC is seeking to raise approximately NZ\$20.38 million under the Offer. The principal use of proceeds is to partly fund acquisitions of rural land in New Zealand. Details of these acquisitions and other use of proceeds is contained in the Investor Presentation.

The Institutional Offer

Purpose of the Offer and Use of Proceeds

NZRLC is offering Eligible Institutional Shareholders the opportunity to subscribe for 1 New Share for every 5 Existing Shares held as at 5:00pm (NZ Time) on the Record Date, at an Application Price of NZ\$ 1.05 per New Share. Eligible Institutional Shareholders may take up all, part or none of their Entitlements.

The Institutional Offer will be conducted on 8 June 2022 (subject to NZRLC's right to modify the Offer dates or times).

Entitlements will not be quoted and cannot be traded on the NZX Main Board or privately transferred.

Eligibility under the Institutional Offer

The Institutional Offer is only open to Eligible Institutional Shareholders. NZRLC and the Joint Lead Managers will determine the Shareholders who will be treated as Eligible Institutional Shareholders for the purpose of determining the Shareholders to whom an offer of New Shares will be made under the Institutional Offer. In exercising their discretion, NZRLC and the Joint Lead Managers may have regard to a number of matters, including legal and regulatory requirements. NZRLC and the Joint Lead Managers will agree on which Shareholders will be treated as Ineligible Institutional Shareholders.

NZRLC reserves the right to reject any application for New Shares under the Institutional Offer that it considers comes from a person who is not an Eligible Institutional Shareholder.

Acceptance of Entitlement under the Institutional Offer

The Joint Lead Managers will seek to contact Eligible Institutional Shareholders to inform them of the terms and conditions of participation in the Institutional Offer and will seek confirmation of their Entitlements under the Offer. Application for New Shares by Eligible Institutional Shareholders can only be made by contact with the Joint Lead Managers.

Entitlements are not rounded up to a minimum holding. The number of New Shares to which an Eligible Institutional Shareholder is entitled under its Entitlement will, in the case of fractions of New Shares, be rounded down to the nearest whole number.

New Shares attributable to the Institutional Offer not taken up by Eligible Institutional Shareholders under the Institutional Offer and the Entitlements of certain Ineligible Institutional Shareholders will be sold under a bookbuild process to Institutional Investors, with any surplus subscription monies above the price for the Offer being returned pro rata to Institutional Shareholders who did not participate in the Institutional Offer, based on their shareholding at the Record Date.

Settlement of the Institutional Offer

Settlement of the Institutional Offer will occur on the Institutional Settlement Date in accordance with arrangements advised by the Joint Lead Managers. Each investor remains responsible for ensuring its own compliance with the Takeovers Code.

The Retail Offer

Overview of the Retail Offer

NZRLC is offering Eligible Retail Shareholders the opportunity to subscribe for 1 New Share for every 5 Existing Shares held as at 5:00pm (NZ Time) on the Record Date, at an Application Price of NZ\$ 1.05 per New Share. This ratio and the Application Price are the same as for the Institutional Offer. Eligible Retail Shareholders will be sent this Offer Document and may take up all, part or none of their Entitlements.

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The Retail Offer opens on 13 June 2022 and closes at 5.00pm (NZ Time) on 23 June 2022 (subject to NZRLC's right to modify these dates and times).

Entitlements will not be quoted and cannot be traded on the NZX Main Board or privately transferred.

Eligibility under the Retail Offer

The Retail Offer is only open to Eligible Retail Shareholders.

The Retail Offer does not constitute an offer to any person who is not an Eligible Retail Shareholder (including any Institutional Shareholder or an Ineligible Retail Shareholder). Any person allocated New Shares under the Institutional Offer is not able to participate in the Retail Offer in respect of those New Shares.

NZRLC reserves the right to reject any application for New Shares under the Retail Offer that it considers comes from a person who is not an Eligible Retail Shareholder.

Acceptance of Entitlement under the Retail Offer

Each Eligible Retail Shareholder's Entitlement to participate in the Retail Offer will be set out in the online application form. Applications for New Shares by Eligible Retail Shareholders can be made via an online application at <https://nzl.capitalraise.co.nz/>. Alternatively, Eligible Retail Shareholders who are not in a position to apply online may contact Link Market Services to discuss alternative options (please refer to the directory for contact details).

Entitlements are not rounded up to a minimum holding. The number of New Shares to which an Eligible Retail Shareholder is entitled under an Entitlement will, in the case of fractions of New Shares, be rounded down to the nearest whole number.

Eligible Retail Shareholders are not obliged to subscribe for any or all of the New Shares to which they are entitled under the Offer. They may take up all, part or none of their Entitlements.

Any person outside New Zealand who takes up an Entitlement in the Retail Offer (and therefore applies for New Shares) through a New Zealand resident nominee, and their nominee, will be deemed to have represented and warranted to NZRLC that the Offer can be lawfully made to their nominee pursuant to this Offer Document. None of NZRLC, the Joint Lead Managers, Link Market Services or any of their respective directors, officers, employees, agents, or advisers accept any liability or responsibility to determine whether a person is eligible to participate in this Offer.

New Shares attributable to the Retail Offer not taken up by Eligible Retail Shareholders under the Retail Offer and the Entitlements of certain Ineligible Retail Shareholders will be sold under a bookbuild process to Institutional Investors (which may include Eligible Institutional Shareholders whether or not they take up their full Entitlements under the Offer), to brokers and to Eligible Retail Shareholders who took up their full Entitlement and have applied for additional New Shares under the Offer (as set out in more detail below under the heading "Application to take up additional New Shares"), with any surplus subscription monies above the price for the Offer being returned pro rata to retail Shareholders who did not participate in the Retail Offer.

Application to Take Up Additional New Shares

Eligible Retail Shareholders who have taken up their full Entitlement may apply for additional New Shares that will be offered for sale under the Retail Bookbuild. Eligible Retail Shareholders may apply for these additional New Shares as directed via the online application platform and should specify the NZ\$ amount of additional New Shares they wish to apply for at the Clearing Price determined through the Retail Bookbuild. Any applications for additional New Shares will go into the Retail Bookbuild.

Payment must be made for both the full Entitlement and any additional New Shares you apply for.

The price for New Shares under the Retail Bookbuild will be the Clearing Price determined through the Retail Bookbuild, which will be:

- equal to or above the Application Price; and
- no more than the volume-weighted average price on the NZX Main Board for an Existing Share on the last trading day prior to the Retail Bookbuild (unless the closing price is less than the Application Price, in which case the Clearing Price for the Retail Bookbuild will be equal to the Application Price).

Once the Clearing Price for the Retail Bookbuild has been determined, the application monies in respect of any applications for New Shares in the Retail Bookbuild by Eligible Retail Shareholders will be divided by the Clearing Price for the Retail Bookbuild to calculate the number of New Shares that those Eligible Retail Shareholders have applied for (subject to scaling), rounded down to the nearest whole New Share.

Allocations and any necessary scaling of additional New Shares applied for by Eligible Retail Shareholders who take up their full Entitlements will be determined by the Joint Lead Managers as part of the Retail Bookbuild process.

The number of New Shares received by an Eligible Retail Shareholder under the Retail Bookbuild will depend on the allocation made and the Clearing Price for the Retail Bookbuild, and may be less than the NZ\$ amount of additional New Shares applied for. If applications for additional New Shares under the Retail Bookbuild are scaled or not accepted, excess application monies will be refunded without interest. Refunds will not be paid where the aggregate amount of the refund payable to a Shareholder is less than NZ\$5.00. Refunds of any additional New Shares will be paid within 5 business days of the applicable Allotment Date.

Eligible Retail Shareholders who do not take up their Entitlement in full will not be eligible to participate in the Retail Bookbuild.

The Institutional Bookbuild and Retail Bookbuild

New Shares that are attributable to Entitlements that are not taken up by Eligible Shareholders under the Offer (together with those attributable to Entitlements of Ineligible Shareholders) will be offered under an Institutional Bookbuild and Retail Bookbuild to Institutional Investors (which may include Eligible Institutional Shareholders whether or not they took up their full Entitlement under the Offer), brokers/NZX Firms acting on behalf of retail clients in New Zealand and Eligible Retail Shareholders who took up their full Entitlement and have applied for additional New Shares under the Offer.

The Clearing Price under the Institutional Bookbuild and Retail Bookbuild will be equal to or above the Application Price. If the Clearing Price for the relevant bookbuild is equal to the Application Price:

- NZRLC will receive the Application Price for all New Shares issued; and
- no cash will be payable to any Shareholder.

If the Clearing Price for the relevant bookbuild is above the Application Price:

- NZRLC will receive the Application Price for all New Shares issued; and
- any premium over the Application Price will be paid pro rata:
 - o in the case of the Institutional Bookbuild, to each Eligible Institutional Shareholder who did not take up their Entitlement in full (with respect to the part of the Entitlement they did not take up only) and each Ineligible Institutional Shareholder; and

- o in the case of the Retail Bookbuild, to each Eligible Retail Shareholder who did not take up their Entitlement in full (with respect to the part of the Entitlement they did not take up only) and each Ineligible Retail Shareholder.

The Clearing Price under the Institutional Bookbuild and the Retail Bookbuild may differ and there is no assurance that any premium over the Application Price will be achieved in either or both bookbuilds. None of NZRLC or the Joint Lead Managers or any of their respective directors, officers, employees, agents, or advisers will be liable for a failure to achieve a Clearing Price that is greater than the Application Price.

Any premium achieved over the Application Price under the Institutional Bookbuild and the Retail Bookbuild will be announced by NZRLC through MAP.

Nominees

If you hold Existing Shares as nominee for more than one person, then you may (depending on the nature of each such person) be an Eligible Institutional Shareholder, Ineligible Institutional Shareholder, Eligible Retail Shareholder or Ineligible Retail Shareholder with regard to the Entitlement of each such person.

Notice to Nominees and Custodians

The Retail Offer is being made to all Eligible Retail Shareholders. Nominees and custodians with registered addresses in eligible jurisdictions, irrespective of whether they participated under the Institutional Offer, may also be able to participate in the Retail Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will receive a letter from NZRLC. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Offer is not available to, and they must not purport to accept the Retail Offer in respect of:

- beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- Eligible Institutional Shareholders who received an offer to participate in the Institutional Offer (whether they accepted their Entitlement or not);
- Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Offer; or
- Shareholders who are not eligible under applicable securities laws to receive an offer under the Retail Offer.

In particular, persons acting as nominees for other persons must not take up Entitlements on behalf of, or send any documents relating to the Retail Offer to, any person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to exercise Entitlements under the Retail Offer.

NZRLC is not required to determine whether or not any registered Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares or Entitlements. Where any Shareholder is acting as a nominee for a foreign person, that Shareholder, in dealing with its beneficiary will need to assess whether indirect participation by the beneficiary in the Retail Offer is compatible with applicable foreign laws. NZRLC is not able to advise on foreign laws.

Overseas Shareholders

The Offer is only open to Eligible Shareholders and persons who NZRLC is satisfied can otherwise participate in the Offer in compliance with all applicable laws. NZRLC has determined that it would be unduly onerous to extend the Retail Offer to Ineligible Retail Shareholders and the Institutional Offer to Ineligible Institutional Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside New Zealand.

This Offer Document is only being sent by NZRLC to Eligible Shareholders. The distribution of this Offer Document (including an electronic copy) outside New Zealand may be restricted by applicable laws. Any failure to comply with such restrictions may contravene applicable securities law. NZRLC disclaims all liability to such persons.

Nominees and custodians may not distribute any part of this Offer Document, and may not permit any beneficial Shareholder to participate in the Offer who is located, in the United States or any other country outside New Zealand except to institutional and professional investors listed in, and to the extent permitted under, this section.

Australia

This Offer Document and the offer of New Shares under the Offer is being made in Australia only to persons who are 'sophisticated investors' or 'professional investors' under the Corporations Act 2001 (Cth) (Act) and to whom the Offer can be made without a disclosure document being required under Chapter 6D of the Act.

This document is not a prospectus, Product Disclosure Statement or any other disclosure document for the purposes of Australian law or the Act and is not required to, and does not, contain all the information which would be required to be included in a prospectus or other disclosure document under Australian law or the Act. It contains references to dollar amounts which are not Australian dollars, may contain financial information which is not prepared in accordance with Australian law or practices, does not address risks associated with investment in foreign currency denominated investments or other risks that may apply to Australian investors and does not address Australian tax issues. NZL is a company which is incorporated in New Zealand and the relationship between it and investors will be largely governed by New Zealand law.

This Offer Document has not been, and will not be, lodged or registered with the Australian Securities and Investments Commission or the Australian Securities Exchange and NZL is not subject to the continuous disclosure requirements that apply in Australia.

Prospective investors should not construe anything in this document as legal, business or tax advice nor as financial product advice for the purposes of Chapter 7 of the Act. Australian investors should seek independent, professional advice from their financial adviser, legal adviser or taxation adviser in relation to the Offer.

Hong Kong

WARNING: *This document does not constitute an offer or sale in Hong Kong of any New Shares and no person may offer or sell in Hong Kong, by means of this document, any New Shares other than to: (a) "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") and any rules made under that ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.*

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under that ordinance.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

NEW ZEALAND RURAL LAND CO

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www.nzrlc.co.nz

Terms and Ranking of New Shares

New Shares will rank equally with, and have the same voting rights, dividend rights and other Entitlements as, Existing Shares in NZRLC quoted on the NZX Main Board. Entitlements will not be quoted and cannot be traded on the NZX Main Board or privately transferred. It is a term of the Offer that NZRLC will take any necessary steps to ensure that the New Shares are, immediately after issue, quoted on the NZX Main Board.

Quotation on NZX

The New Shares have been accepted for quotation by NZRLC and will be quoted on the NZX Main Board upon completion of allotment procedures. The NZX Main Board is a licensed market under the FMCA. It is expected that trading on the NZX Main Board of the New Shares issued under:

- the Institutional Offer will commence on Tuesday, 14 June 2022; and
- the Retail Offer will commence on Friday, 1 July 2022.

Dividend Policy

NZRLC's dividend policy is to pay out 95% of the Adjusted Funds from Operations (**AFFO**) of NZRLC each year. AFFO is a non-GAAP financial measure and is calculated based on NZRLC's net profit after tax and adjusted to:

- add back or deduct any property re-valuations which were included in net profit after tax so they are not taken into account;
- add back depreciation and amortisation;
- deduct maintenance capital expenditure (but not development capital expenditure); and
- add back or deduct any other non-cash adjustments.

The payment of dividends is not guaranteed, is at the discretion of the Board and depends on various factors such as solvency, funding requirements and bank covenant requirements.

An interim dividend of 2.01 cents per share for 2022 was declared on 22 February 2022. A final dividend, if any, will be declared in late August 2022 when the full year result is announced to NZX. Holders of New Shares will be entitled to receive any such final dividend.

GLOSSARY

Allotment Date	In respect of the: <ul style="list-style-type: none"> • Institutional Offer: 14 June 2022; and • Retail Offer: 1 July 2022.
Application Price	NZ\$ 1.05 per New Share.
Business Day	Has the meaning giving to that term in the NZX Listing Rules.
Clearing Price	The price per New Share determined: <ul style="list-style-type: none"> • in respect of the Institutional Bookbuild, through the Institutional Bookbuild process; and • in respect of the Retail Bookbuild, through the Retail Bookbuild process (and on the terms as otherwise set out in this Offer Document). <p>which may be equal to or above the Application Price.</p>
Eligible Institutional Shareholder	A person who, as at 5.00pm (NZ Time) on the Record Date, was recorded in NZRLC's share register as being a Shareholder and: <ul style="list-style-type: none"> • with an address in New Zealand, Australia and Hong Kong or is a person who NZRLC is satisfied the Institutional Offer may be made to under all applicable laws without the need for any registration, lodgement or other formality (other than a formality with which NZRLC is willing to comply), and who is not in the United States and who is not acting for the account or benefit of a person in the United States; and • is an Institutional Investor (or the nominee of an Institutional Investor) and is invited to participate in the Institutional Offer.
Eligible Retail Shareholder	A person who, as at 5.00pm (NZ Time) on the Record Date, was recorded in NZRLC's share register as being a Shareholder and: <ul style="list-style-type: none"> • whose address is recorded in NZRLC's share register as being in New Zealand or Australia; or • who NZRLC considers, in its discretion, may be treated as an Eligible Retail Shareholder, and who is not in the United States and not acting for the account or benefit of a person in the United States and is not an Institutional Shareholder.
Eligible Shareholder	An Eligible Retail Shareholder or an Eligible Institutional Shareholder.
Entitlement	A right to subscribe for 1 New Share for every 5 Existing Shares held at 5.00 pm (NZ Time) on the Record Date at the Application Price, issued pursuant to the Offer.
Existing Share	A Share on issue on the Record Date.
FMCA	The Financial Markets Conduct Act 2013.
Ineligible Institutional Shareholder	A person who, as at 5.00pm (NZ Time) on the Record Date, was recorded in NZRLC's share register as being a Shareholder who is not an Institutional Investor but, if the Shareholder's address was recorded in NZRLC's share register as being in New Zealand, Australia and Hong Kong, would in the opinion of NZRLC be an Institutional Investor (but excluding any person deemed to be an Eligible Institutional Shareholder).

Ineligible Retail Shareholder	A Shareholder who is not an Institutional Shareholder or an Eligible Retail Shareholder.
Ineligible Shareholder	A Shareholder other than an Eligible Shareholder
Institutional Bookbuild	The bookbuild process conducted by the Joint Lead Managers under which New Shares attributable to Entitlements that are not taken up by Eligible Institutional Shareholders, together with New Shares attributable to Entitlements of Ineligible Institutional Shareholders, are offered to Institutional Investors (which may include Eligible Institutional Shareholders, whether or not they took up their full Entitlement under the Offer).
Institutional Investor	A person with an address: <ul style="list-style-type: none"> • in New Zealand, in relation to the Institutional Offer, who is a wholesale investor as defined in the FMCA; • in Australia, who NZX considers is a “sophisticated investor” or “professional investor” within the meaning of sections 708(8) and 708(11) of the Corporations Act 2001 (Cth); • in Hong Kong, who NZRLC considers is a “professional investor” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that ordinance; • in the United States, who NZRLC considers is an “accredited investor” under Regulation D, Securities and Exchange Commission Rule 501 under a personalised offering and not a general solicitation but otherwise not any other persons in the United States and not any other persons who are acting for the account or benefit of a person in the United States; and • who NZRLC is satisfied the Institutional Offer may be made to under all applicable laws without the need for any registration, lodgement or other formality (other than a formality with which NZRLC is willing to comply).
Institutional Offer	The offer of New Shares to Eligible Institutional Shareholders.
Institutional Settlement Date	The date of settlement of New Shares under the Institutional Offer, expected to be 14 June 2022.
Institutional Shareholder	Eligible Institutional Shareholders and Ineligible Institutional Shareholders.
Joint Lead Managers	Craigs Investment Partners Limited and Wilsons Corporate Finance Limited.
New Share	A Share in NZRLC offered under the Offer of the same class as, and ranking equally in all respects with, NZRLC's quoted Shares at the Allotment Date.
NZX	NZX Limited.
NZX Firm	An entity designated as an NZX Firm under the Participant Rules of NZX.
NZX Listing Rules	The listing rules of NZX in relation to the NZX Main Board (or any market in substitution for that market) in force from time to time, read subject to any applicable rulings or waivers.
NZX Main Board	The main board equity security market operated by NZX.
Offer	The Pro Rata Accelerated Renounceable Entitlement Offer of New Shares detailed in this Offer Document, comprising the Institutional Offer and the Retail Offer.
Offer Document	This document.
Record Date	10 June 2022.

Retail Bookbuild	The bookbuild process conducted by the Joint Lead Managers under which New Shares attributable to Entitlements that are not taken up by Eligible Retail Shareholders, together with New Shares attributable to Entitlements of Ineligible Retail Shareholders, are offered to Institutional Investors (which may include Eligible Institutional Shareholders, whether or not they took up their full Entitlement under the Offer), to brokers/NZX Firms acting on behalf of retail clients in New Zealand and to Eligible Retail Shareholders who took up their Entitlement in full and have applied for additional New Shares under the Offer.
Retail Offer	The offer of New Shares to Eligible Retail Shareholders.
Share	A fully paid ordinary share in NZRLC.
Shareholder	A registered holder of Shares.
Takeovers Code	The Takeovers Code set out in the schedule to the Takeovers Regulations 2000.

DIRECTORY

New Zealand Rural Land Company Limited	<p>C/- New Zealand Rural Land Management Limited Level 4, The Blade, 12 St Marks Road Remuera Auckland 1050 New Zealand</p> <p>Telephone: 09 379 6493 Email: info@nzrlc.co.nz</p>
Share Registry	<p>Link Market Services Limited Level 30, PwC Tower 15 Customs Street West Auckland 1010</p> <p>Telephone: 09 375 5998 Email: applications@linkmarketservices.co.nz</p>
Joint Lead Managers	<p>Craigs Investment Partners Limited Level 36, Vero Centre 48 Shortland Street Auckland</p> <p>Wilsons Corporate Finance Limited Level 32, Governor Macquarie Tower 1 Farrer Place Sydney NSW2000 Australia</p>
Legal Advisors to the Issuer	<p>Duncan Cotterill Level 2 50 Customhouse Quay Wellington 6011</p>

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