



Channel

Infrastructure NZ

# Offer of New Shares

1 for 12.12 accelerated renounceable  
entitlement offer of New Shares

OFFER DOCUMENT  
25 NOVEMBER 2024

This Offer Document is an important document. You should read it carefully and in full before deciding what action to take with respect to your Entitlements. If you have any doubts as to what to do, please consult your broker, financial, investment or other professional adviser. 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 OR TO UNITED STATES WIRE SERVICES.**

For more information and to apply for New Shares, go to [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel)

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# Important Notice

## General information

This Offer Document has been prepared by Channel Infrastructure NZ Limited ("**Channel Infrastructure**") in connection with the Offer, being a fully underwritten 1 for 12.12 pro rata accelerated renounceable entitlement offer of New Shares.

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

The Offer is made in Australia in reliance on the Australian Securities and Investments Commission ("**ASIC**") Corporations (Foreign Rights Issues) Instrument 2015/356 (as modified by ASIC Instrument 24-0901) or otherwise to persons to whom the Offer can be made without a formal disclosure document under Chapter 6D of the Australian Corporations Act 2001 (*Cth*) ("**Corporations Act**").

This Offer Document is not a product disclosure statement, prospectus or other disclosure document for the purposes of the FMCA, the Corporations Act or any other law, and has not been lodged with the Financial Markets Authority or ASIC. Because the Offer Document has been prepared under the New Zealand disclosure exclusion and in reliance on the ASIC relief set out above, it does not contain all of the information that an investor would find in a product disclosure statement, prospectus or other disclosure document, or which may be required in order to make an informed investment decision about the Offer or Channel Infrastructure.

## Additional information

Channel Infrastructure is subject to continuous disclosure obligations under the NZX Listing Rules. You can find market releases by Channel Infrastructure at [www.nzx.com](http://www.nzx.com) under the code "CHI". An investor presentation providing further information in relation to the Offer and Channel Infrastructure was released to NZX on 25 November 2024. That investor presentation includes a non-exhaustive summary of certain key risks associated with an investment in Channel Infrastructure. You are encouraged to read Channel Infrastructure's market releases, including the investor presentation and Channel Infrastructure's most recent financial statements, before making an investment decision in respect of the Offer.

Channel Infrastructure may, during the period of the Offer, make additional releases to the NZX. You are encouraged to monitor market releases during the Offer period. To the maximum extent permitted by law, no release by Channel Infrastructure to the NZX will permit an applicant to withdraw any previously submitted application without Channel Infrastructure's prior consent.

## Market risk

The market price for the Shares may change between the date the Offer opens, the date you apply for New Shares under the Offer, and the date on which New Shares are allotted to you. Accordingly, the price paid for New Shares under the Offer may be higher or lower than the price at which Shares are trading on the NZX Main Board at the time New Shares are issued under the Offer. The market price of New Shares following allotment may be higher or lower than the Offer Price. Any changes in the market price of Shares will not affect the Offer Price.

## Offering 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 or 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 or Australia except to Institutional Investors or as Channel Infrastructure may otherwise determine in compliance with applicable laws, rules and regulations.

Neither the Entitlements nor the New Shares have been, or will be, registered under the US Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be issued or transferred to, or taken up by, and the New Shares may not be offered or sold to persons in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such

persons hold Existing Shares and are acting for the account or benefit of a person in the United States), except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction of the United States.

Further details on the offering restrictions that apply are set out under the heading "Overseas Shareholders" in the "Terms of the Offer" section of this Offer Document.

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. Channel Infrastructure disclaims all liability to such persons.

## Changes to the Offer

Subject to the NZX Listing Rules and applicable law, Channel Infrastructure reserves the right to alter the dates set out in this Offer Document.

Additionally and subject to applicable law, Channel Infrastructure 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 of New Shares at its absolute discretion.

## No guarantee

No guarantee is provided by any person in relation to the New Shares to be issued under the Offer.

No warranty or representation is given by any person as to the future performance of Channel Infrastructure or any return on investment made under the Offer. Historic performance does not mean that similar returns will be achieved in the future.

## Decision to participate in the Offer

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

Before deciding whether to invest in New Shares, you must make your own assessment of the risks associated with an investment in Channel Infrastructure (including the non-exhaustive summary of certain key risks associated with an investment in Channel Infrastructure set out in the investor presentation released to NZX on 25 November 2024) and consider whether such an investment is suitable for you having regard to publicly available information.

You should make your decision as to whether to invest in New Shares based on your personal circumstances. Please read this Offer Document carefully and in full before making that decision. You are encouraged to take your own professional advice before you invest.

## Forward-looking statements

The investor presentation released to NZX on 25 November 2024 and this Offer Document include certain "forward-looking statements". These forward-looking statements are based solely on Channel Infrastructure's current expectations, estimates, beliefs, assumptions and projections about Channel Infrastructure, the industry and environment in which it operates, the outcome and effects of the Offer and use of proceeds from the Offer.

These forward-looking statements include forecast financial information and guidance, statements about Channel Infrastructure's expectations about the performance of its business, statements about the future performance of Channel Infrastructure, and statements about the timetable, conduct and outcome of the Offer and the use of proceeds from the Offer. Forward-looking statements can generally be identified by the use of forward-looking words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "will", "could", "may", "target", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward-looking statements.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, many of which are beyond the control of Channel Infrastructure, its directors and management, are difficult to predict and may involve significant elements of subjective judgement and assumptions as to future events which may not be correct and could cause actual results to differ materially from those expressed in the

forward-looking statements. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

The forward-looking statements made in the investor presentation and this Offer Document relate only to events as of the date of this Offer Document. Channel Infrastructure undertakes no obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Offer Document except as required by law or any appropriate regulatory authority.

## **Disclaimer**

The Lead Manager and Underwriter have not been responsible for the preparation of, and to the maximum extent permitted by law accept no liability in connection with, this Offer Document.

## **Privacy**

Any personal information provided by you via the online application will be held by Channel Infrastructure or the Registrar at the addresses set out in the Directory. In addition, Channel Infrastructure and/or the Registrar 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, Australia or overseas. The information will be used for the purposes of administering your investment in Channel Infrastructure.

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

## **If you have questions**

If you have questions about the New Shares or the Offer, you should discuss these with an appropriate professional adviser. If you have any questions about how to apply for New Shares online, please contact the Registrar (see the Directory for the Registrar's contact details).

## **Times, currency and laws**

Unless otherwise stated, all references in this Offer Document to times and dates are to times and dates in New Zealand, all references to currency are to New Zealand dollars, and all references to legislation and regulations are to New Zealand legislation and regulations.

This Offer Document, the Offer and any contract arising out of acceptance of the Offer are governed by the laws of New Zealand and each applicant for New Shares submits to the exclusive jurisdiction of the courts of New Zealand.

## **Defined terms**

Capitalised terms used in this Offer Document have the specific meaning given to them in the Glossary of this Offer Document.

# Letter from the Chair

Monday, 25 November 2024

Dear Shareholder,

On behalf of the Board of Channel Infrastructure NZ Limited, it is my pleasure to invite all Eligible Shareholders to participate in the pro rata accelerated renounceable entitlement offer of new fully paid shares in Channel Infrastructure at the Offer Price of NZ\$1.60 per New Share (the "Offer").

Over the course of 2024, Channel Infrastructure has entered into three new storage contracts that are expected to significantly improve revenue and drive earnings per share accretion. This includes today's announcement that Channel Infrastructure has entered into a 15-year contract to develop a bitumen import terminal for Higgins, a subsidiary of Fletcher Building Limited, at Marsden Point. Further detail of these growth initiatives can be found in Channel Infrastructure's investor presentation released to NZX today.

To help fund these growth initiatives, Channel Infrastructure is undertaking an underwritten equity raise of approximately NZ\$50 million.

The Board is determined to ensure that the Offer is fair to all shareholders and give as many shareholders as possible (subject to legal restrictions) the opportunity to participate on a pro rata basis, while also ensuring that those shareholders that cannot participate have the opportunity to realise value for their Entitlements. Accordingly, the Board has determined to undertake the Offer by way of an underwritten pro rata accelerated renounceable entitlement offer.

## Details of the Offer

Under the Offer, if you are an Eligible Shareholder you have the opportunity to subscribe for 1 New Share at an Offer Price of NZ\$1.60 for every 12.12 Shares you own at 5.00pm on Tuesday, 26 November 2024.

The Offer Price of NZ\$1.60 represents:

- a 10.1% discount to Channel Infrastructure's closing share price of NZ\$1.78 on NZX on Friday, 22 November 2024 (being the last trading day before the Offer was announced); and
- a 9.4% discount to the Theoretical Ex-Rights Price of NZ\$1.77<sup>1</sup>

You can choose to take up your Entitlements 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. Eligible Retail Shareholders who take up all of their Entitlements may also apply for additional New Shares not taken up by other retail Shareholders.

Any Entitlements that are not taken up will be offered for sale through two Bookbuilds run by the Lead Manager. There will be a Bookbuild in respect of the Institutional Entitlement Offer and a separate Bookbuild in respect of the Retail Entitlement Offer. Eligible Retail Shareholders who apply for additional New Shares may be allocated New Shares from the Retail Bookbuild in accordance with the allocation policy set out on pages 17-18 of this Offer Document. The price for those additional New Shares will be the clearing price for the Retail Bookbuild, which will be at, or above, the Offer Price.

Any proceeds in excess of the Offer Price under the Bookbuilds (i.e. a Premium) will be paid (net of any applicable withholding tax) on a pro rata basis to those Eligible Shareholders who do not take up all of their Entitlements or who are not eligible to do so.

<sup>1</sup> The Theoretical Ex-Rights Price ("TERP") is the theoretical price at which Channel Infrastructure shares should trade immediately after the ex-date of the Offer. The TERP is a theoretical calculation only and the actual price at which Channel Infrastructure shares trade immediately after the ex-date for the Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to Channel Infrastructure's closing price of \$1.78 on Friday, 22 November 2024.

## How to participate in the Offer

To participate in the Offer, please complete an online application at [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel) before 5.00pm NZDT on Monday, 9 December 2024. The New Shares offered under the Retail Entitlement Offer are expected to be allotted on or around Monday, 16 December 2024. They will rank equally with existing Shares at that date.

Instructions on how to make payment can be found on the Offer website at [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel).

## Seek professional advice and read information carefully before you invest

We encourage you to read the Offer Document and seek investment advice from a suitably qualified professional adviser before you consider investing in New Shares. If you have any questions about the Offer or an investment in New Shares, you should raise those questions with your professional adviser.

We also encourage you to read through all of Channel Infrastructure's recent announcements, particularly the investor presentation and other materials released on 25 November 2024 at [www.nzx.com](http://www.nzx.com) under the ticker code "CHI" or available on Channel Infrastructure's website at [www.channelnz.com](http://www.channelnz.com). In particular, you should read and consider pages 25 to 27 of the investor presentation for a non-exhaustive summary of certain key risks associated with Channel Infrastructure and the Offer before making an investment decision. You can also access information, including the investor presentation and announcements regarding the Offer on the Offer website at [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel).

If you have any questions about the process for participating in the Offer, please call the Channel Infrastructure Investor Information Line on 0800 650 034 (toll free within New Zealand) from 8.30am to 5.00pm Monday to Friday.

Reflecting their commitment to Channel Infrastructure, I am pleased to confirm that all directors who hold Shares and the CEO and CFO of Channel Infrastructure intend to subscribe for at least their pro rata entitlements under 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,



James Miller

Chair

Channel Infrastructure NZ Limited

# Key Details

<b>Issuer</b>	Channel Infrastructure NZ Limited
<b>The Offer</b>	A pro rata accelerated renounceable entitlement offer of 1 New Share for every 12.12 Existing Shares held by an Eligible Shareholder on the Record Date, with fractional entitlements being rounded down to the nearest New Share.
<b>Offer Price</b>	\$1.60 per New Share.
<b>Record Date</b>	5.00pm on Tuesday, 26 November 2024.
<b>Existing Shares currently on issue</b>	378,756,041 Existing Shares.
<b>Maximum number of New Shares being offered</b>	31,250,498 New Shares (subject to rounding).
<b>Offer size</b>	The approximate amount to be raised under the Offer is \$50 million.
<b>New Shares</b>	The same class as Existing Shares and ranking equally with Shares on issue on the date that the relevant New Shares are allotted.
<b>Entitlements</b>	<p>Eligible Shareholders are entitled to subscribe for 1 New Share for every 12.12 Existing Shares held as at the Record Date at the Offer Price.</p> <p>Eligible Shareholders may take up <b>all</b> or <b>some</b> or <b>none</b> of their Entitlements.</p> <p>You do not pay for your Entitlements. Rather, if you are an Eligible Shareholder and you choose to take up all or part of your Entitlements, you must pay for the New Shares that are allotted to you.</p> <p>The Offer is a pro rata offer of New Shares. If you take up <b>all</b> of your Entitlements, your percentage holding of Shares in Channel Infrastructure will not reduce. However, if you <b>do not</b> take up all of your Entitlements, or you are an Ineligible Shareholder, your percentage holding of Shares in Channel Infrastructure will reduce following completion of the Offer.</p> <p>Entitlements cannot be transferred or traded on the NZX Main Board.</p> <p>Your Entitlements may have value. If you do nothing, you will not be able to subscribe for any New Shares. Rather, the Lead Manager will seek to sell the New Shares attributable to your Entitlements through the applicable Bookbuild and any Premium realised for your Entitlements in the Bookbuild will be paid (net of any applicable withholding tax) to you. However, there is no guarantee that the applicable Bookbuild will result in any Premium and, accordingly, if you do not take up your Entitlements you may not realise any value for them.</p>
<b>Eligible Retail Shareholders</b>	<p>You are an Eligible Retail Shareholder if, on the Record Date:</p> <ul style="list-style-type: none"> <li>• you are recorded in Channel Infrastructure's share register as a Shareholder;</li> <li>• your address is shown in Channel Infrastructure's share register as being in New Zealand or Australia;</li> <li>• you are not in the United States and not acting for the account or benefit of a person in the United States; and</li> <li>• you are not an Institutional Shareholder.</li> </ul>
<b>Retail Entitlement Offer</b>	If you are an Eligible Retail Shareholder, you can take the actions set out in the section entitled "Actions to be taken by Eligible Shareholders" in this Offer Document.
<b>How to apply – Eligible Retail Shareholders</b>	Applications must be made online at <a href="http://www.shareoffer.co.nz/channel">www.shareoffer.co.nz/channel</a> , and payment must be made by direct credit, by 5.00pm on Monday, 9 December 2024.
<b>Institutional Entitlement Offer</b>	The Lead Manager will seek to contact Institutional Shareholders to inform them of the terms and conditions of participation in the Institutional Entitlement Offer, to confirm their Entitlements under the Institutional Entitlement Offer, and to confirm the application process.



**Bookbuilds**

New Shares attributable to Entitlements not taken up by Eligible Shareholders or which would have been issued to Ineligible Shareholders had they been eligible to participate in the Offer will be offered for sale through Bookbuilds run by the Lead Manager.

There will be a Bookbuild for the Institutional Entitlement Offer and a separate Bookbuild for the Retail Entitlement Offer.

Any Premium realised for those Entitlements in the Bookbuilds will be paid (net of any applicable withholding tax) to those Shareholders who do not take up all of their Entitlements or who are ineligible to do so by virtue of being an Ineligible Shareholder, in proportion to their holdings of the Entitlements offered under the Bookbuilds.

There is no guarantee that there will be any Premium realised for the Entitlements offered for sale in the Bookbuilds. The Premium realised (if any) in the Institutional Bookbuild may be different from the Premium realised (if any) in the Retail Bookbuild.

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**Underwriting**

The Offer is fully underwritten by the Underwriter.

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# Important Dates

## Institutional Entitlement Offer and Institutional Bookbuild

This timetable is relevant to participants in the Institutional Entitlement Offer and Institutional Bookbuild. Eligible Retail Shareholders should refer to the important dates for the Retail Entitlement Offer and Retail Bookbuild set out in the "Retail Entitlement Offer and Retail Bookbuild" table on the following page.

KEY EVENT	DATE <sup>1</sup>
Trading halt commences on the NZX Main Board (pre-market open)	Monday, 25 November 2024
Institutional Entitlement Offer conducted	Opens at 10.00am and closes at 6.00pm on Monday, 25 November 2024
Institutional Bookbuild conducted	Opens at 10.00am and closes at 3.00pm on Tuesday, 26 November 2024
Record Date	5.00pm on Tuesday, 26 November 2024
Announce results of Institutional Entitlement Offer and Institutional Bookbuild (pre-market open)	Wednesday, 27 November 2024
Trading halt lifted by open of trading on the NZX Main Board, and trading of Shares on the NZX Main Board recommences	
Settlement of, and allotment of New Shares issued under, Institutional Entitlement Offer and Institutional Bookbuild and commencement of trading of allotted New Shares on the NZX Main Board	Tuesday, 3 December 2024
Expected date for payment of any Premium achieved in the Institutional Bookbuild	Monday, 9 December 2024

<sup>1</sup> The dates set out in the timetables in the "Important Dates" section of this Offer Document (and any references to them in this Offer Document) are subject to change and are indicative only. All dates and times refer to New Zealand daylight time. Channel Infrastructure reserves the right to amend the timetables (including by extending the closing dates for the Offer or accepting late applications for New Shares, 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.

## Retail Entitlement Offer and Retail Bookbuild

This timetable is relevant to participants in the Retail Entitlement Offer and Retail Bookbuild. Eligible Institutional Shareholders should refer to the important dates for the Institutional Entitlement Offer and Institutional Bookbuild set out in the "Institutional Entitlement Offer and Institutional Bookbuild" table on the previous page.

KEY EVENT	DATE
Record Date	5.00pm on Tuesday, 26 November 2024
Retail Entitlement Offer opens	10.00am on Thursday, 28 November 2024
Retail Entitlement Offer closes (last day for online applications)	5.00pm on Monday, 9 December 2024
Announce results of Retail Entitlement Offer (pre-market open)	Wednesday, 11 December 2024
Trading halt commences on the NZX Main Board (pre-market open)	Wednesday, 11 December 2024
Retail Bookbuild conducted	Open at 10.00am and close at 3.00pm on Wednesday, 11 December 2024
Announce results of Retail Bookbuild (pre-market open)	Thursday, 12 December 2024
Trading halt lifted by open of trading on the NZX Main Board, and trading of Shares on the NZX Main Board recommences	
Settlement of, and allotment of New Shares issued under, Retail Entitlement Offer and Retail Bookbuild and commencement of trading of allotted New Shares on the NZX Main Board	Monday, 16 December 2024
Expected despatch of holding statements for New Shares issued under the Retail Entitlement Offer	Wednesday, 18 December 2024
Expected date for payment of any Premium achieved in the Retail Bookbuild	Friday, 20 December 2024

Applications for New Shares under the Retail Entitlement Offer must be made via the online application process as soon as possible, so as to be received by Channel Infrastructure prior to the closing of the Retail Entitlement Offer. For further information about that process, go to: [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel).

# Actions to be taken by Eligible Shareholders

## Actions available to Eligible Retail Shareholders

If you are an Eligible Retail Shareholder, you may:

1. take up all or part of your Entitlements;
2. take up all of your Entitlements and apply for more; or
3. do nothing.

If you do not take up all of your Entitlements (including if you do nothing in respect of the Offer), New Shares attributable to any Entitlements not taken up will be offered for sale in the Retail Bookbuild. You will not be able to subscribe for New Shares in respect of the portion of your Entitlements not taken up. Any Premium realised for those New Shares in the Retail Bookbuild will be paid (net of any applicable withholding tax) on a pro rata basis to those Eligible Retail Shareholders who do not take up all of their Entitlements and to Ineligible Retail Shareholders.

### Option 1: Take up all or part of your Entitlements

If you are an Eligible Retail Shareholder and wish to take up all or part of your Entitlements, you need to apply online at [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel) before 5.00pm on Monday, 9 December 2024. You will be required to enter your CSN/Holder number which you hold your Shares under.

Payment for your New Shares must be by way of direct credit. More detail on payment options is included in the online application process. For further information about that process, go to: [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel).

### Option 2: Take up all of your Entitlements and apply for more

If you take up all of your Entitlements, you can also apply for Additional New Shares (being New Shares which are attributable to Entitlements which are not taken up by Eligible Retail Shareholders and the Entitlements attributable to Ineligible Retail Shareholders). Any applications for Additional New Shares will go into the Retail Bookbuild, which will also involve Institutional Investors.

If you apply for Additional New Shares:

- You will need to pay for both your Entitlements and the dollar amount of Additional New Shares that you are applying for.
- The number of Additional New Shares you will receive under the Retail Bookbuild will depend on the allocation made to you and the Bookbuild Price for the Retail Bookbuild.
- Any Additional New Shares allocated to you will be issued at the Bookbuild Price for the Retail Bookbuild. The Bookbuild Price for the Retail Bookbuild will be equal to or above the Offer Price.<sup>1</sup>

For further information about the Retail Bookbuild, including the allocation policy that will apply to the allocation and scaling of applications for Additional New Shares under the Retail Bookbuild, see the "Terms of the Offer" section of this Offer Document.

If you have a relationship with an NZX Firm, you may also participate in the Retail Bookbuild through that firm if it has been invited to participate in the Retail Bookbuild.

### Option 3: Do nothing

If you do not take up all of your Entitlements, New Shares attributable to your Entitlements not taken up by you will be offered for sale through the Retail Bookbuild. You will not be able to subscribe for New Shares in respect of your Entitlements.

<sup>1</sup> It is possible that you may be able to buy Shares on the NZX Main Board at a lower price than the Bookbuild Price for the Retail Bookbuild before, on, or after settlement of the Retail Entitlement Offer.

## **Your shareholding in Channel Infrastructure will be diluted if you do not take up all of your Entitlements**

The Offer is a pro rata offer to Eligible Shareholders. Eligible Shareholders who take up all of their Entitlements will not have their percentage shareholding in Channel Infrastructure reduced by the Offer. Eligible Shareholders who do not take up any of their Entitlements, and Ineligible Shareholders, will have their percentage shareholding in Channel Infrastructure diluted by approximately 7.6% as a result of the Offer.

## **There is no guarantee that the Retail Bookbuild will achieve a Premium**

There is no guarantee that any Premium will be achieved in the Retail Bookbuild. Any Premium achieved in the Retail Bookbuild may be different from any Premium achieved in the Institutional Bookbuild. The ability to sell New Shares attributable to Unexercised Retail Entitlements in the Retail Bookbuild and the ability to obtain any Premium will be dependent on various factors, including market conditions.

It is expected that the Premium (if any) will be paid to you (net of any applicable withholding tax) on or about Friday, 20 December 2024 and will be paid in accordance with the direct credit payment instructions provided by you to Channel Infrastructure.

## **If you are an Institutional Shareholder**

The Lead Manager will seek to contact Institutional Shareholders to inform them of the terms and conditions of participation in the Institutional Entitlement Offer, to confirm their Entitlements under the Institutional Entitlement Offer, and to confirm the application process.

Eligible Institutional Shareholders may take up all or part of their Entitlements, take up all of their Entitlements and apply for Additional New Shares under the Institutional Bookbuild, or do nothing.

## **If you are an Ineligible Shareholder**

Ineligible Shareholders are unable to participate in the Offer and cannot take up their Entitlements.

New Shares attributable to the Entitlements that Ineligible Shareholders would have received if they were Eligible Shareholders will be offered for sale in the applicable Bookbuild and Ineligible Shareholders will receive the Premium (if any) in respect of the New Shares attributable to the Entitlements they would have received if they were Eligible Shareholders. There is no guarantee that there will be any Premium achieved in the relevant Bookbuild. Any Premium achieved in the Retail Bookbuild may differ from any Premium achieved in the Institutional Bookbuild.

# Terms of the Offer

## The Offer

The Offer is an offer of New Shares to Eligible Shareholders under a pro rata accelerated renounceable entitlement offer. The Offer comprises the Institutional Entitlement Offer, the Institutional Bookbuild, the Retail Entitlement Offer and the Retail Bookbuild. These are described below.

The maximum number of New Shares being offered under the Offer is 31,250,498 New Shares (subject to rounding). Channel Infrastructure will raise a total of approximately \$50 million through the Offer, which is fully underwritten by the Underwriter.

## Entitlements

Under the Offer, Eligible Shareholders are entitled to subscribe at the Offer Price for 1 New Share for every 12.12 Existing Shares held on the Record Date.

Entitlements will not be quoted and cannot be traded on the NZX Main Board or privately transferred. Ineligible Shareholders and Eligible Shareholders who do not take up all of their Entitlements may receive some value in respect of their Unexercised Entitlements if a Premium is achieved under the Bookbuild under which the Unexercised Entitlements are sold (i.e. the Institutional Bookbuild in respect of Unexercised Institutional Entitlements and the Retail Bookbuild in respect of Unexercised Retail Entitlements). There is no guarantee that any Premium will be achieved under a Bookbuild. Any Premium under the Institutional Bookbuild may be different from any Premium under the Retail Bookbuild.

## Offer Price and applications

The Offer Price is \$1.60 per New Share.

The Offer Price must be paid in full on application. Payment of the Offer Price for the Retail Entitlement Offer must be made in accordance with the online application process. For further information about that process, go to: [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel).

Channel Infrastructure may accept late applications for New Shares under the Offer and late application monies, but it has no obligation to do so. Channel Infrastructure may accept or reject (at its discretion) any application for New Shares which it considers is not completed correctly, and may correct any errors or omissions on any application.

An application for New Shares under the Offer may not be withdrawn without Channel Infrastructure's prior consent once submitted. No cooling-off rights apply to applications for New Shares under the Offer.

Application monies received will be held in a trust account with the Registrar until the corresponding New Shares are allotted or the application monies are refunded. If any application for New Shares is not accepted, all applicable application monies will be refunded. Interest earned on the application monies will be for the benefit, and remain the property, of Channel Infrastructure and will be retained by Channel Infrastructure whether or not the issue of New Shares takes place.

Any refunds of application monies (without interest) will be made within 10 business days of allotment of New Shares under the Offer (or the date that the decision not to accept an application is made, as the case may be). Refunds will not be paid for any difference arising solely due to rounding or where the aggregate amount of the refund payable to the relevant Entitlement holder is less than \$5.00.

## Purpose of the Offer

The proceeds of the Offer will provide funding for the three new growth contracts secured in 2024 and help position Channel Infrastructure to participate in additional on-strategy growth opportunities should they eventuate.

## Fractional entitlements

Fractional entitlements will be rounded down to the nearest New Share. Entitlements are not rounded up to a minimum holding.

## The Institutional Entitlement Offer

The Institutional Entitlement Offer opens at 10.00am and closes at 6.00pm on Monday, 25 November 2024 (subject to Channel Infrastructure's right to modify these dates or times).

### *Eligibility under the Institutional Entitlement Offer*

The Institutional Entitlement Offer is only open to Eligible Institutional Shareholders. The Institutional Entitlement Offer does not constitute an offer to any person who is not an Eligible Institutional Shareholder (including any Ineligible Institutional Shareholder, Eligible Retail Shareholder or Ineligible Retail Shareholder).

Channel Infrastructure and the Lead Manager will determine (in their sole discretion) 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 Entitlement Offer. In doing so, they may have regard to a number of matters, including legal and regulatory requirements and logistical and registry constraints. Channel Infrastructure and the Lead Manager will agree on which Shareholders will be treated as Ineligible Institutional Shareholders. The determination of which Shareholders will be treated as Institutional Shareholders and Ineligible Institutional Shareholders remains the responsibility of Channel Infrastructure.

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

### *Application for Entitlements under the Institutional Entitlement Offer*

The Lead Manager will seek to contact Institutional Shareholders to inform them of the terms and conditions of participation in the Institutional Entitlement Offer, to confirm their Entitlements under the Institutional Entitlement Offer, and to confirm the application process. Applications for New Shares by Eligible Institutional Shareholders can only be made in accordance with that process.

An Eligible Institutional Shareholder who takes up all of their Entitlements may apply for Additional New Shares under the Institutional Bookbuild. The Lead Manager will advise Eligible Institutional Shareholders of the process for doing so.

### *The Institutional Bookbuild*

New Shares that are attributable to Unexercised Institutional Entitlements will be offered under the Institutional Bookbuild to Institutional Investors (including Eligible Institutional Shareholders who take up all of their Entitlements under the Institutional Entitlement Offer and wish to apply for Additional New Shares).

The Institutional Bookbuild is expected to take place on Tuesday, 26 November 2024.

The Bookbuild Price for the Institutional Bookbuild will be equal to or above the Offer Price.

### *Settlement of the Institutional Entitlement Offer and the Institutional Bookbuild*

Settlement of the Institutional Entitlement Offer and the Institutional Bookbuild will occur in accordance with arrangements advised by the Lead Manager. Each investor in New Shares under the Institutional Entitlement Offer and the Institutional Bookbuild remains responsible for ensuring its own compliance with the Takeovers Code and other applicable law, rules and regulations.

## The Retail Entitlement Offer

The Retail Entitlement Offer opens at 10.00am on Thursday, 28 November and closes at 5.00pm on Monday, 9 December 2024 (subject to Channel Infrastructure's right to modify these dates or times).

### *Eligibility under the Retail Entitlement Offer*

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

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

### *Applications for Entitlements under the Retail Entitlement Offer*

Applications for New Shares by Eligible Retail Shareholders can only be made via an online application at [www.shareoffer.co.nz/channel](http://www.shareoffer.co.nz/channel).

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 or part or none of their Entitlements. Eligible Retail Shareholders who have taken up all of their Entitlements may apply for Additional New Shares as described under the heading "Applications to take up Additional New Shares" below.

Any person outside New Zealand or Australia who takes up an Entitlement in the Retail Entitlement Offer (and therefore applies for New Shares) through a New Zealand or Australian resident nominee, and their nominee, will be deemed to have represented and warranted to Channel Infrastructure that the Offer can be lawfully made to their nominee pursuant to this Offer Document. None of Channel Infrastructure, the Lead Manager, the Underwriter, the Registrar 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 the Retail Entitlement Offer.

### *Applications to take up Additional New Shares*

Eligible Retail Shareholders who have taken up all of their Entitlements 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 form and should specify the dollar amount of Additional New Shares they wish to apply for at the Bookbuild Price for the Retail Bookbuild. Any applications for Additional New Shares will go into the Retail Bookbuild. Further information about the Retail Bookbuild is set out below.

You must pay in full for the Entitlements and any Additional New Shares for which you have applied.

Any Additional New Shares applied for by, and allocated to, an Eligible Retail Shareholder will be issued at the Bookbuild Price for the Retail Bookbuild. The Bookbuild Price for the Retail Bookbuild will be equal to or above the Offer Price. Once the Bookbuild Price for the Retail Bookbuild has been determined, the application monies in respect of an application for Additional New Shares by an Eligible Retail Shareholder will be divided by the Bookbuild Price for the Retail Bookbuild to calculate the number of Additional New Shares applied for by that Eligible Retail Shareholder (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 all of their Entitlements will be determined by Channel Infrastructure and the Lead Manager as part of the Retail Bookbuild process in accordance with the allocation policy set out below under the heading "Allocation policy".

The number of New Shares allocated to an Eligible Retail Shareholder under the Retail Bookbuild may be less than the dollar amount of Additional New Shares for which that Eligible Retail Shareholder has applied. 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 for any difference arising solely due to rounding or where the aggregate amount of the refund payable to the relevant Eligible Retail Shareholder is less than \$5.00.

If the demand under the Retail Bookbuild is insufficient to achieve a Bookbuild Price equal to or above the Offer Price in respect of all of the New Shares offered in the Retail Bookbuild:

- all valid applications by Eligible Retail Shareholders for Additional New Shares will be allocated in full at the Offer Price (subject to the terms of this Offer Document); and
- the Underwriter will subscribe for any remaining New Shares offered in the Retail Bookbuild at the Offer Price (subject to the terms of the Underwriting Agreement).

Eligible Retail Shareholders who do not take up all of their Entitlements will not be eligible to apply for Additional New Shares.

### *Illustrative example of how the price for Additional New Shares will be determined*

Eligible Retail Shareholders who take up all of their Entitlements may also apply for Additional New Shares. Those Shareholders will not know the price of those Additional New Shares at the time the application is made, so will need to apply for a dollar value worth of Additional New Shares.

To help explain how the price for the Additional New Shares works, an example, which is provided for illustrative purposes only, is set out below:



- An Eligible Retail Shareholder has taken up all its Entitlements and applied for \$10,000 of Additional New Shares.
- The outcome of the Retail Bookbuild is that the Bookbuild Price is \$1.75.
- This Shareholder will be taken to have applied for 5,714 Additional New Shares (being \$10,000 divided by \$1.75, rounded down to the nearest Share).
- The number of Additional New Shares allocated to the Eligible Retail Shareholder will depend on the application of the allocation and scaling policy set out below under the heading "Allocation policy".

#### *The Retail Bookbuild*

New Shares that are attributable to Unexercised Retail Entitlements will be offered under the Retail Bookbuild to Institutional Investors (which may include Institutional Shareholders whether or not they take up all of their Entitlements under the Offer) and Eligible Retail Shareholders who take up all of their Entitlements and apply for Additional New Shares.

The Retail Bookbuild is expected to take place on Wednesday, 11 December 2024.

The Bookbuild Price for the Retail Bookbuild will be equal to or above the Offer Price.

#### *Institutional Investors may apply to participate in the Retail Bookbuild*

Institutional Investors may participate in the Retail Bookbuild by contacting the Lead Manager who will provide details as to the process to be undertaken in relation to participation in the Retail Bookbuild.

## **Bookbuilds and distribution of Bookbuild proceeds**

The Lead Manager's ability to conduct the Bookbuilds, to sell New Shares in the Bookbuilds, and to obtain any Premium under a Bookbuild will be dependent upon various factors, including market conditions.

The price for the New Shares under a Bookbuild may not be the highest price available, but will be determined having regard to a number of factors, including having binding and bona fide offers which, in the reasonable opinion of the Lead Manager will, if accepted, result in all New Shares offered in the Bookbuild being sold.

The proceeds (if any) from each New Share issued under each Bookbuild will be paid as follows:<sup>1</sup>

- Channel Infrastructure will receive the Offer Price for all New Shares issued under the Bookbuild; and
- any Premium realised by the Bookbuild will be paid to:
  - a) each relevant Eligible Shareholder who did not take up all of their Entitlements; and
  - b) each relevant Ineligible Shareholder (who will be deemed to hold the number of Entitlements they would have received if they were Eligible Shareholders for the purpose of calculating the amount of any Premium payable to them),in proportion to their holdings of Unexercised Entitlements.

Allocations and any necessary scaling of New Shares under each Bookbuild will be determined by Channel Infrastructure and the Lead Manager in accordance with the allocation policy set out below under the heading "Allocation policy".

## **Allocation policy**

Allocations and scaling of New Shares under each Bookbuild will be determined by Channel Infrastructure and the Lead Manager in accordance with the following principles:

- The primary goal is to maximise the clearing price. However, as noted above, the clearing price may not be the highest price available.
- The allocation of New Shares will be determined in a manner which is in the interests of Channel Infrastructure having regard to a number of factors including the pro rata shareholding held on the Record Date, the size of bids received, the opportunity to introduce new, reputable Institutional Investors to Channel Infrastructure's share

<sup>1</sup> For clarity, the Institutional Bookbuild will seek to sell the Entitlements of Eligible Institutional Shareholders who did not take up all of their Entitlements and the deemed Entitlements of Ineligible Institutional Shareholders and the Retail Bookbuild will seek to sell the Entitlements of Eligible Retail Shareholders who did not take up all of their Entitlements and the deemed Entitlements of Ineligible Retail Shareholders.

register, the potential to improve Share trading liquidity after the Offer, and whether the Eligible Shareholders or Institutional Investors have provided support as sub-underwriters.

- In respect of the Retail Bookbuild, to the extent that Eligible Retail Shareholders apply for a greater number of New Shares than are allocated to Eligible Retail Shareholders under the Bookbuild, those applications will be scaled on a pro rata basis in proportion to their shareholdings on the Record Date.

Channel Infrastructure may, at its discretion, allocate New Shares from the Institutional Bookbuild and Retail Bookbuild to senior executives of Channel Infrastructure at the clearing price for the relevant Bookbuild. It is currently anticipated that any such allocation would not exceed \$300,000 of New Shares in aggregate. The board of Channel Infrastructure considers that to do so is in the best interests of Channel Infrastructure and is fair and reasonable to existing Shareholders because it demonstrates that those senior executives are supportive of, and committed to, the company and its strategy, it assists to align the interests of senior executives with those of Shareholders, and the price for the New Shares (the clearing price for the relevant Bookbuild) will be at or above the Offer Price.

## Payment of Premium

Any Premium realised by a Bookbuild will be paid (net of any applicable withholding tax) in New Zealand dollars in accordance with the direct credit payment instructions provided by the relevant Shareholder to the Registrar (if any). No interest will be paid in respect of any Premium payable. If you do not have a bank account on file with the Registrar, payment will be withheld until a bank account is provided to the Registrar.

## 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 Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees and custodians with registered addresses in the eligible jurisdictions, irrespective of whether they participated under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement 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 Existing Shares as nominees or custodians will receive a letter from Channel Infrastructure. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement 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 Entitlement Offer (whether they accepted their Entitlement or not);
- Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- Shareholders who are not eligible under applicable securities laws to receive an offer under the Retail Entitlement Offer.

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

## Overseas Shareholders

The Offer is only open to (a) Eligible Shareholders and (b) in respect of the Bookbuilds Institutional Investors who are not Shareholders. Channel Infrastructure has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders and the Institutional Entitlement 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 relevant jurisdictions.

This Offer Document is only being sent by Channel Infrastructure to Eligible Shareholders. The distribution of this Offer Document (including an electronic copy) outside New Zealand or Australia may be restricted by law, except as set out below. Any failure to comply with such restrictions may contravene applicable securities law. Channel Infrastructure disclaims all liability to such persons.

#### *Australia*

The offer of New Shares under the Offer is being made in Australia in reliance on ASIC Corporations (Foreign Rights Issues) Instrument 2015/356 (as modified by ASIC Instrument 24-0901) or otherwise to persons to whom the Offer can be made without a formal disclosure document under Chapter 6D of the Corporations Act.

This Offer Document is not a prospectus, product disclosure statement or any other formal disclosure document for the purposes of Australian law or the Corporations Act and is not required to, and does not, contain all the information which would be required in a disclosure document under Australian law or the Corporations Act. It may contain references to dollar amounts which are not Australian dollars, may contain financial information which is not prepared in accordance with Australian law or practices, may not address risks associated with investment in foreign currency denominated investments and does not address Australian tax issues.

Channel Infrastructure is a company which is incorporated in New Zealand and the relationship between it and its investors will be largely governed by New Zealand law.

This Offer Document has not been, and will not be, lodged or registered with ASIC or the Australian Securities Exchange and Channel Infrastructure is not subject to the continuous disclosure requirements that apply in Australia. Prospective investors should not construe anything in this Offer Document as legal, business or tax advice nor as financial product advice for the purposes of Chapter 7 of the Corporations Act.

#### *Hong Kong*

WARNING: This Offer Document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this Offer Document or to permit the distribution of this Offer Document or any documents issued in connection with it. Accordingly, the Entitlements and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Entitlements and 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 Entitlements or the New Shares that 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 Offer 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 of the contents of this Offer Document, you should obtain independent professional advice.

#### *Singapore*

This Offer Document and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Offer Document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements or the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore ("SFA")) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore or (iii) as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Offer Document has been given to you on the basis that you are (i) an existing holder of Shares, (ii) an “institutional investor” (as defined in Section 4A of the SFA) or (iii) an “accredited investor” (as defined in Section 4A of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this Offer Document immediately. You may not forward or circulate this Offer Document to any other person in Singapore. Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlements or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

#### *Nominees and custodians*

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 jurisdiction outside New Zealand and Australia, except to professional investors in Hong Kong (as defined in the SFO and any rules made under that ordinance) and institutional investors and accredited investors in Singapore (each as defined under Section 4A of the SFA), in each case as set out above.

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 Offer.

## **Underwriting Agreement**

The Offer is underwritten. A summary of the principal terms of the Underwriting Agreement is set out below:

- The Underwriter will subscribe for any New Shares that are not subscribed for by Eligible Shareholders or Institutional Investors under the Offer at the Offer Price, in accordance with the terms of the Underwriting Agreement.
- The Underwriter, together with the Lead Manager, will be paid an agreed fee for their services in connection with the Offer.
- The Underwriter may terminate its obligations under the Underwriting Agreement, including by reason of events that have, or are likely to have, a material adverse effect on Channel Infrastructure, the Shares or the Offer. These may be as a result of events specific to Channel Infrastructure or as a result of external events, such as material or fundamental changes in financial, economic and political conditions in certain countries or financial markets. The Underwriter may also terminate the Underwriting Agreement where certain conditions to the Underwriting Agreement or its underwriting obligations have not been satisfied or waived.
- Channel Infrastructure provides certain undertakings to the Underwriter, including that for a period commencing on the date of the Underwriting Agreement and ending three months after the date on which the New Shares under the Retail Entitlement Offer and Retail Bookbuild are allotted, Channel Infrastructure must:
  - not issue or allot any equity securities or other securities, or grant any options in respect of such securities, other than pursuant to certain limited exceptions; and
  - carry on its business in the ordinary course,other than with the Underwriter’s consent (which may not be unreasonably withheld or delayed). During the same period, Channel Infrastructure also must not acquire or dispose of any substantial assets or business without first consulting with the Underwriter.
- Channel Infrastructure has agreed to indemnify the Underwriter and its affiliates against certain losses related to the Offer.
- Channel Infrastructure has given warranties in the Underwriting Agreement, including warranties relating to the content and accuracy of the Offer Document, compliance by Channel Infrastructure with relevant laws, the existence of no litigation that may be material in the context of the Offer and the valid issue and allotment of New Shares.
- The Underwriter has the power to appoint sub-underwriters.
- The Underwriting Agreement contains other termination events, representations, warranties and indemnities that are customary for an offer of this nature.

## Terms and ranking of New Shares

New Shares are the same class as Existing Shares, which are quoted on the NZX Main Board. A New Share will rank equally with, and have the same voting rights, dividend rights and other entitlements as, Shares in Channel Infrastructure at the date on which the New Share is allotted under the Offer.

## Dividend policy

Channel Infrastructure's current dividend policy, which is available at [www.channelnz.com/investor-centre/dividends/](http://www.channelnz.com/investor-centre/dividends/), is a pay-out of 60-70% of normalised free cash flow, being adjusted for net cash generated from operations less maintenance capex, excluding conversion costs and growth capex. The dividend policy is subject to the Channel Infrastructure board of directors' due consideration of the company's medium-term asset investment programme; a sustainable financial structure for Channel Infrastructure, recognising the targeted investment grade rating; and the risks from short and medium-term economic and market conditions and estimated financial performance.

## Quotation on the NZX Main Board

It is a term of the Offer that Channel Infrastructure will take any necessary steps to ensure that the New Shares are, immediately after issue, quoted on the NZX Main Board. The New Shares have been accepted for quotation on the NZX Main Board and will be quoted upon completion of allotment procedures. The NZX Main Board is a licensed market operated by NZX which is a licensed market operator regulated under the FMCA. However, NZX accepts no responsibility for any statement in this Offer Document.

It is expected that trading on the NZX Main Board of the New Shares issued under:

- the Institutional Entitlement Offer and Institutional Bookbuild will commence on Tuesday, 3 December 2024; and
- the Retail Entitlement Offer and Retail Bookbuild will commence on Monday, 16 December 2024.

## Securities transaction statements

Security transaction statements for New Shares allotted under the Offer will be issued and sent as soon as practicable after the New Shares are allotted. Applicants under the Offer should ascertain their allocation of New Shares before trading in the New Shares. Applicants can do so by contacting the Registrar, whose contact details are set out in the "Directory" section.

Shareholders selling New Shares prior to receiving a security transaction statement do so at their own risk. None of Channel Infrastructure, the Lead Manager, the Underwriter, the Registrar nor any of their respective directors, officers, employees, agents or advisers accepts any liability or responsibility should any person attempt to sell or otherwise deal with New Shares before the security transaction statement showing the number of New Shares allotted to the applicant is received by the applicant for those New Shares.

After allotment New Shares can be traded on the NZX Main Board by instructing a NZX Firm.

# Glossary

TERM	DEFINITION
<b>Additional New Shares</b>	New Shares which, as applicable: <ol style="list-style-type: none"> <li>a) are attributable to any Unexercised Institutional Entitlements which, as applicable, can be or are applied for by Eligible Institutional Shareholders who take up all of their Entitlements;</li> <li>b) are attributable to any Unexercised Retail Entitlements which, as applicable, can be or are applied for by Eligible Retail Shareholders who take up all of their Entitlements.</li> </ol>
<b>Bookbuild</b>	The Institutional Bookbuild or the Retail Bookbuild.
<b>Bookbuild Price</b>	The price per New Share determined through a Bookbuild, which may be equal to or above the Offer Price.
<b>Channel Infrastructure</b>	Channel Infrastructure NZ Limited (company number 65859).
<b>Corporations Act</b>	The Australian Corporations Act 2001 ( <i>Cth</i> ).
<b>Eligible Institutional Shareholder</b>	A person who: <ol style="list-style-type: none"> <li>a) on the Record Date was recorded in Channel Infrastructure's share register as being a Shareholder; and</li> <li>b) is an Institutional Investor (or the nominee or custodian for an Institutional Investor), 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.</li> </ol>
<b>Eligible Retail Shareholder</b>	A person: <ol style="list-style-type: none"> <li>a) who, on the Record Date, was recorded in Channel Infrastructure's share register as being a Shareholder;</li> <li>b) whose address is shown in Channel Infrastructure's share register as being in New Zealand or Australia;</li> <li>c) who is not in the United States and not acting for the account or benefit of a person in the United States; and</li> <li>d) who is not an Institutional Shareholder.</li> </ol>
<b>Eligible Shareholder</b>	An Eligible Retail Shareholder or an Eligible Institutional Shareholder.
<b>Entitlement</b>	A right to subscribe for 1 New Share for every 12.12 Existing Shares held on the Record Date at the Offer Price, issued pursuant to the Offer.
<b>Existing Share</b>	A Share on issue on the Record Date.
<b>FMCA</b>	The Financial Markets Conduct Act 2013.
<b>Ineligible Institutional Shareholder</b>	A person who: <ol style="list-style-type: none"> <li>a) on the Record Date, was recorded in Channel Infrastructure's share register as being a Shareholder; and</li> <li>b) is not an Institutional Investor but, if the Shareholder's address was shown in Channel Infrastructure's share register as being in New Zealand, Australia, Hong Kong or Singapore or any other jurisdiction contemplated by paragraph (d) of the definition of Institutional Investor, would in the opinion of Channel Infrastructure be an Institutional Investor.</li> </ol>
<b>Ineligible Retail Shareholder</b>	A Shareholder who is not an Institutional Shareholder or an Eligible Retail Shareholder.

TERM	DEFINITION
<b>Ineligible Shareholder</b>	Shareholders other than Eligible Shareholders.
<b>Institutional Bookbuild</b>	The bookbuild process conducted by the Lead Manager under which New Shares attributable to Unexercised Institutional Entitlements are offered to Institutional Investors (including Eligible Institutional Shareholders who take up all of their Entitlements under the Institutional Entitlement Offer and wish to apply for Additional New Shares).
<b>Institutional Entitlement Offer</b>	The offer of New Shares to Eligible Institutional Shareholders.
<b>Institutional Investor</b>	<p>A person:</p> <ul style="list-style-type: none"> <li>a) in New Zealand: <ul style="list-style-type: none"> <li>i. in relation to the Institutional Entitlement Offer, who Channel Infrastructure considers is a wholesale investor as defined in the FMCA; and</li> <li>ii. in relation to a Bookbuild, who the Lead Manager invites to participate in the Institutional Bookbuild or the Retail Bookbuild;</li> </ul> </li> <li>b) in Australia, who Channel Infrastructure considers is a person to whom an offer of shares for issue may be lawfully made without a formal disclosure document under Part 6D.2 of the Corporations Act (as modified by any applicable regulatory instrument), including in accordance with applicable exemptions in sections 708(8) (sophisticated investors), 708(10) (experienced investors) or 708(11) (professional investors) of the Corporations Act;</li> <li>c) in Hong Kong, who Channel Infrastructure considers is a "professional investor" as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong and any rules made under that ordinance;</li> <li>d) in Singapore, who Channel Infrastructure considers is an "institutional investor" or an "accredited investor" as defined in section 4A of the Securities and Futures Act 2001 of Singapore;</li> <li>e) in any other jurisdiction, who Channel Infrastructure is satisfied the offer of New Shares may be made to under all applicable laws without the need for any registration, lodgement, offer document or other formality (other than a formality with which Channel Infrastructure is willing to comply),</li> </ul> <p>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.</p> <p>In addition, for the purposes of participating in the Bookbuilds, Channel Infrastructure may treat its senior executives as Institutional Investors.</p>
<b>Institutional Shareholder</b>	Eligible Institutional Shareholders and Ineligible Institutional Shareholders.
<b>Lead Manager</b>	Forsyth Barr Limited.
<b>New Share</b>	A Share in Channel Infrastructure offered under the Offer of the same class as Existing Shares and ranking equally in all respects with, Channel Infrastructure's Shares at the date on which the Share is allotted under the Offer.
<b>NZX</b>	NZX Limited.
<b>NZX Firm</b>	An entity designated as an NZX Firm under the Participant Rules of NZX.
<b>NZX Listing Rules</b>	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.
<b>NZX Main Board</b>	The main board equity security market operated by NZX.
<b>Offer</b>	The accelerated renounceable entitlement offer of New Shares detailed in this Offer Document, comprising the Institutional Entitlement Offer, the Institutional Bookbuild, the Retail Entitlement Offer and the Retail Bookbuild.
<b>Offer Document</b>	This document.

<b>TERM</b>	<b>DEFINITION</b>
<b>Offer Price</b>	\$1.60 per New Share.
<b>Premium</b>	The amount per New Share, if any, by which the Bookbuild Price exceeds the Offer Price.
<b>Record Date</b>	5.00pm on Tuesday, 26 November 2024.
<b>Registrar</b>	Computershare Investor Services Limited.
<b>Retail Bookbuild</b>	The bookbuild process conducted by the Lead Manager under which New Shares attributable to Unexercised Retail Entitlements are offered to Eligible Retail Shareholders who took up all of their Entitlements under the Retail Entitlement Offer and who applied for Additional New Shares under the Retail Entitlement Offer and Institutional Investors (which may include Eligible Institutional Shareholders whether or not they took up all of their Entitlements under the Institutional Entitlement Offer).
<b>Retail Entitlement Offer</b>	The offer of New Shares to Eligible Retail Shareholders.
<b>Share</b>	A fully paid ordinary share in Channel Infrastructure.
<b>Shareholder</b>	A registered holder of Shares.
<b>Takeovers Code</b>	The Takeovers Code set out in the schedule to the Takeovers Regulations 2000.
<b>Underwriter</b>	Forsyth Barr Group Limited.
<b>Unexercised Entitlements</b>	Unexercised Institutional Entitlements and Unexercised Retail Entitlements.
<b>US Securities Act</b>	US Securities Act of 1933, as amended.
<b>Unexercised Institutional Entitlements</b>	Entitlements that are not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer together with those Entitlements of Ineligible Institutional Shareholders.
<b>Unexercised Retail Entitlements</b>	Entitlements that are not taken up by Eligible Retail Shareholders under the Retail Entitlement Offer together with those Entitlements of Ineligible Retail Shareholders.



# Directory

<b>Issuer</b>	<b>Channel Infrastructure NZ Limited</b> Marsden Point Whangarei New Zealand
<b>Share Registrar</b>	<b>Computershare Investor Services Limited</b> Level 2, 159 Hurstmere Road Takapuna Auckland 0622 New Zealand  Telephone: 0800 650 034 Email: <a href="mailto:channel@computershare.co.nz">channel@computershare.co.nz</a> Website: <a href="http://www.computershare.com/nz">www.computershare.com/nz</a>
<b>Lead Manager</b>	<b>Forsyth Barr Limited</b> Level 23 Shortland & Fort 88 Shortland Street Auckland 1010 New Zealand
<b>Underwriter</b>	<b>Forsyth Barr Group Limited</b> Level 23 Shortland & Fort 88 Shortland Street Auckland 1010 New Zealand
<b>Legal Advisers</b>	<b>Harmos Horton Lusk Limited</b> Level 33, Vero Centre 48 Shortland Street Auckland 1010 New Zealand



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