



New Zealand Rural Land Co

The Rural Land Investors

OFFER DOCUMENT

Pro Rata 1 for 3 Accelerated Renounceable Entitlement Offer of New Shares and Warrants

1 March 2023

www.nzrlc.co.nz

listed on:



Offer Document

This Offer relates to a pro rata 1 for 3 accelerated renounceable entitlement offer of New Shares to existing Shareholders of New Zealand Rural Land Company Limited (NZRLC) at an application price of NZD\$1.00 per New Share.

For every 3 New Shares allotted under this Offer, Applicants will receive 1 Warrant. Each Warrant entitles a holder to subscribe for a Share in NZRLC for NZD\$1.20 at any time until 30 November 2025 at the holder's discretion.

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.



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 3 accelerated renounceable entitlement offer of New Shares. In addition, for every 3 New Shares allotted to an Applicant, 1 Warrant will also be allotted for no additional consideration.

The Offer is made under the exclusion in clause 19(1) and 19(1A) 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 www.nzx.com under the ticker code "NZL".

NZRLC may, during the period of the Offer, make additional releases through the NZX Market Announcement Platform. To the maximum extent permitted by law, no release by NZRLC to the market via the NZX Market Announcement Platform 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 and Warrants 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.

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 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 and Warrants 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 and Warrants 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 Warrants 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, I invite you to participate in NZRLC's 1 for 3 accelerated renounceable entitlement offer announced to the market on Wednesday, 1 March 2023. We intend to raise up to NZD\$38.5 million through the Offer to fund the acquisition of a forestry estate with a total area of approximately 2,383 hectares (Forestry Estate).

The acquisition reflects NZRLC's strategy of diversifying its portfolio of rural land assets, which currently comprises 11,710 hectares of dairy farms across Canterbury, Central Otago and Southland. The Forestry Estate will be the first forestry land in NZRLC's portfolio. These assets are all underpinned by long term triple net leases with CPI-linked rental adjustments, positioning us well in a high inflation environment.

THE FORESTRY ESTATE ACQUISITION

NZRLC entered an agreement on 21 October 2022 to acquire the Forestry Estate. The Forestry Estate encompasses approximately 2,383ha of existing pinus radiata forest located in the Manawatū-Whanganui region in the North Island. The purchase cost will be approximately NZD\$63.7 million subject to final costs. The acquisition is scheduled to complete on 15 April 2023.

NZRLC has signed a 20 year lease with New Zealand Forest Leasing Limited for the Forestry Estate which will commence on completion of the acquisition. New Zealand Forest Leasing Limited has significant experience in the forestry industry. Established in 2010, it owns more than 60,000ha of forests and leases a further 43,000ha, being one of the 10 largest freehold landowners in New Zealand.

The Forestry Estate acquisition is expected to be approximately + 17.4% accretive for forecast FY24 AFFO and Dividend Yields on a per share basis¹ for NZRLC shareholders.

FUNDING THE ACQUISITION

NZRLC has indicative approval from its primary funder, Rabobank, to increase its revolving credit facility by approximately NZD\$25.2 million, being approximately 40% of the purchase price in line with NZRLC's gearing policy.

The full proceeds of the Offer will be applied to funding the balance of the purchase price and associated transaction costs, being approximately NZD\$38.5 million. Should NZRLC not raise sufficient funds, it may call on New Zealand Forest Leasing Limited to invest up to NZD\$18.0 million and take an ownership interest in the Forestry Estate.

As NZRLC acquiring 100% of the Forestry Estate is substantially more earnings accretive to NZRLC, the Board's strong preference is to acquire 100% of the Forestry Estate. Please see the Investor Presentation for the Offer for further information in this respect.

Since entering the Forestry Estate acquisition agreements, NZRLC has investigated funding the acquisition in a number of ways but believes a 1:3 pro rata rights issue to be the best option. The Investor Presentation outlines further detail on the options considered. In light of this, the Board considers that the appropriate way to fund the acquisition is by way of a pro rata offer to shareholders. To any extent there is a shortfall, we intend to place the shortfall with wholesale investors following the close of the retail offer.

¹Pro forma FY24 Forecast AFFO adjusted for full year impact of acquisition of 100% of the Forestry Estate assuming a fully subscribed offer.

FURTHER INFORMATION

We also encourage you to read NZRLC's recent announcements, particularly the Interim Results, the Investor Presentation and other materials released in respect of the Offer on Wednesday 1 March 2023 at www.nzx.com under the ticker code "NZL" or available at www.nzrlc.co.nz. In particular, you should read and consider pages 17 to 19 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.

If you have any questions about the Offer, please contact Link Market Services per the details in the Directory or contact your financial adviser or other professional adviser.

NZRLC Directors intend to participate in the rights issue.

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 3 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>For every 3 New Shares allotted to an Applicant, 1 Warrant will also be allotted for no additional consideration.</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>
How to Apply	<p>Applications can be made online at https://nzrlc.rightsoffer.co.nz/ by 5.00pm (NZ Time) on 15 March 2023.</p> <p>Alternatively, if you are not in a position to apply online, please contact Link Market Services at your earliest convenience at applications@linkmarketservices.co.nz or on +64 9 375 5998 to obtain a paper application form.</p>

Details of the Shares Offered	
Description of the New Shares	The New Shares will be the same class as, and ranking equally with, Existing Shares.
Application Price	NZD\$1.00 per New Share
Offer Size	The amount to be raised under the Offer is approximately NZD\$38.5 million
Number of New Shares Being Offered	The maximum number of New Shares that are being offered under the Offer is 38,533,857 New Shares (subject to the application of rounding on the Record Date).
Rights Quotation	No
Accelerated	Yes
Shortfall Facility	New Shares not taken up by shareholders under the Offer will form a Shortfall Facility. Existing shareholders may apply for shares from this facility in addition to their Entitlement at the Application Price.
Shortfall Placements	Any New Shares not taken up by existing shareholders through Entitlements or the Shortfall Facility may be placed to wholesale investors for up to three months following the closing date of the Offer on terms no more favourable than those offered under the Offer.

Details of the Warrants Offered

Description of the Warrants	<p>Warrants may be exercised at the discretion of a Warrant holder during the Exercise Period by paying the Exercise Price to NZRLC. A Warrant holder will receive one fully paid Share for every Warrant they exercise.</p> <p>Application has been made to NZX for the quotation of the Warrants on the NZX Main Board and all the requirements of NZX relating to the quotation that can be complied with on or before the date of this document have been complied with. However, the Warrants have not yet been approved for trading and NZX accepts no responsibility for any statement in this document. NZX is a licensed market operator, and the NZX Main Board is a licensed market under the Financial Markets Conduct Act 2013.</p> <p>If approved for trading, initial quotation of the Warrants on the NZX Main Board is expected to occur on 23 March 2023 under the ticker code "NZLWA".</p> <p>Warrants do not confer a right to receive dividends, vote or receive a proportionate share of the surplus assets of NZRLC in a winding up.</p>
Exercise Price	NZD\$1.20 per Warrant
Exercise Period	At any time on or before the Expiry Date
Number of New Warrants being Offered	The maximum number of Warrants that are being offered under the Offer is 12,844,619 Warrants.
Expiry Date	Sunday, 30 November 2025

Section 4: Important Dates

INSTITUTIONAL OFFER

This timetable is relevant to Eligible Institutional Shareholders who intend to participate in the Institutional Offer.

Key Event	Date
Trading halt commenced on the NZX Main Board (pre-market open)	Wednesday, 1 March 2023
Institutional Offer opens	10:00am (NZ time), Wednesday, 1 March 2023
Institutional Offer closes	5:00pm (NZ time), Thursday, 2 March 2023
Announce results of Institutional Offer	Friday, 3 March 2023
Trading halt lifted on the NZX Main Board (pre-market open)	Friday, 3 March 2023
Settlement of Institutional Offer on the NZX Main Board and commencement of trading of allotted New Shares on the NZX Main Board	Wednesday, 8 March 2023

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.

Key Event	Date
Expected dispatch of the Offer Document	Wednesday, 1 March 2023
Record Date 5:00pm (NZ time)	Friday, 3 March 2023
Retail Offer opens	Monday, 6 March 2023
Retail Offer closes at 5:00pm (NZ time) (last day for online applications)	Wednesday, 15 March 2023
Announcement of the results of the Retail Offer	Friday, 17 March 2023
Settlement of Retail Offer on the NZX Main Board and commencement of trading of allotted New Shares on the NZX Main Board	Wednesday, 22 March 2023

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.

WARRANTS

The timetable below is in relation to the Warrants issued to the subscribers of the New Shares under the Offer. The Warrants will be allotted at the same time as New Shares are allotted.

Key Event	Date
Expected quotation and commencement of trading of Warrants on the NZX Main Board	Thursday, 23 March 2023
Last trading date of Warrants	Wednesday, 26 November 2025
Expiry Date	Sunday, 30 November 2025
Exercise Period	Any time on or before the Expiry Date

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 and Warrants.

Section 5: Details of the Offer

OVERVIEW

THE OFFER

This 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 3 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. In addition, for every 3 New Shares allotted to an Applicant, 1 Warrant will also be allotted for no additional consideration.

The Warrants may be exercised at the discretion of a Warrant holder at any time on or before the Expiry Date of 30 November 2025 by paying the Exercise Price of NZD\$1.20 per Warrant to NZRLC. A Warrant holder will receive one fully paid Share for every Warrant they exercise. Warrants are expected to be quoted on the NZX Main Board under the ticker code "NZLWA" and, if so, may be sold.

It is a term of the Offer that NZRLC will take any necessary steps to ensure that the New Shares and Warrants are, immediately after issue, quoted on the NZX Main Board.

The Offer comprises the following components which, except where otherwise expressly set out in this Offer Document, are offered on identical terms:

- 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. You will not receive any consideration in respect of your lapsed Entitlement.

The maximum number of New Shares that are being offered under this Offer is 38,533,857 New Shares (subject to rounding) and the maximum number of Warrants that are being offered under the Offer is 12,844,619 Warrants (subject to rounding). NZRLC may raise up to NZD\$38.5 million through the Offer².

Where New Shares are issued in connection with the Offer, other than as a result of Eligible Shareholders taking up their Entitlements, NZL may, at its discretion, pay brokerage to third parties in respect of those issuances.

APPLICATION PRICE

The Application Price is NZD\$1.00 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).

²Excludes any proceeds that may be received from the Exercise Price of the Warrants.

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 the Offer is withdrawn, all application monies received will be refunded (without interest) to the relevant Applicants.

PURPOSE OF THE OFFER AND USE OF PROCEEDS

NZRLC is seeking to raise up to NZD\$38.5 million under the Offer. The principal use of proceeds is to partly fund the acquisition of the Forestry Estate and to meet associated transaction costs. Further details of this acquisition are contained in the Investor Presentation.

THE INSTITUTIONAL OFFER

ELIGIBILITY UNDER THE INSTITUTIONAL OFFER

The Institutional Offer is only open to Eligible Institutional Shareholders. NZRLC 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 and Warrants will be made under the Institutional Offer. In exercising their discretion, NZRLC may have regard to a number of matters, including legal and regulatory requirements. NZRLC will determine which Shareholders, if any, will be treated as Ineligible Institutional Shareholders.

NZRLC reserves the right to reject any application for New Shares and Warrants 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

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

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. The number of Warrants to which an Eligible Institutional Shareholder is entitled under its Entitlement will, in the case of fractions of Warrants, 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 form part of the Shortfall Facility. Existing shareholders may apply for shares from this facility in addition to their Entitlement.

Any New Shares not taken up by Eligible Shareholders through Entitlements or the Shortfall Facility will be placed to wholesale investors for up to three months following the closing date of the Offer on terms no more favourable than those offered under the Offer.

SETTLEMENT OF THE INSTITUTIONAL OFFER

Settlement of the Institutional Offer will occur on the Institutional Settlement Date. Each Eligible Shareholder remains responsible for ensuring its own compliance with the Takeovers Code.



THE RETAIL OFFER

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://nzrlc.rightsoffer.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. The number of Warrants to which an Eligible Retail Shareholder is entitled under an Entitlement will, in the case of fractions of Warrants, 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 and Warrants) 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, 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 form part of the Shortfall Facility. Eligible Shareholders may apply for shares from this facility in addition to their Entitlement.

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 Shortfall Facility. Eligible Retail Shareholders may apply for these additional New Shares as directed via the online application platform and should specify the NZD\$ amount of additional New Shares they wish to apply for at the Application Price.

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

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 NZRLC as part of the Shortfall Facility process. Eligible Retail Shareholders who do not take up their Entitlement in full will not be eligible to participate in the Shortfall Facility.

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.

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 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 and Warrants 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. NZRLC 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 NZRLC 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.

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 on the Allotment Date. 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.

A Warrant holder will receive one fully paid Share for every Warrant they exercise. The 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.

QUOTATION ON NZX

NZX is a licensed market operator, and the NZX Main Board is a licensed market under the Financial Markets Conduct Act 2013.

The New Shares have been accepted for quotation by NZRLC and will be quoted on the NZX Main Board on completion of allotment procedures.

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

- the Institutional Offer will commence on Wednesday, 8 March 2023; and
- the Retail Offer will commence on Wednesday, 22 March 2023.

Application has been made to NZX for the quotation of the Warrants on the NZX Main Board and all the requirements of NZX relating to the quotation that can be complied with on or before the date of this document have been complied with. However, the Warrants have not yet been approved for quotation and NZX accepts no responsibility for any statement in this document. If approved for trading, initial quotation of the Warrants on the NZX Main Board is expected to occur on 23 March 2023 under the ticker code "NZLWA".



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.

A dividend of 2.03 cents per share for the six-month period ending 31 December 2022 was announced on 1 March 2023 and will be paid on 10 March 2023. Holders of New Shares will not be entitled to receive this dividend.

Warrants do not confer a right to receive dividends.



Glossary

Allotment Date	In respect of the: <ul style="list-style-type: none"> • Institutional Offer: Wednesday, 8 March 2023; and • Retail Offer: Wednesday, 22 March 2023.
Applicant	An applicant under the Offer
Application Price	NZD\$1.00 per New Share.
Business Day	Has the meaning giving to that term in the NZX Listing Rules.
Eligible Institutional Investor	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 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), • is an Institutional Investor (or the nominee of an Institutional Investor) and is invited to participate in the Institutional Offer.
Eligible Retail Investor	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
Eligible Shareholder	An Eligible Retail Shareholder or an Eligible Institutional Shareholder.
Entitlement	A right to subscribe for 1 New Share for every 3 Existing Shares held at 5.00 pm (NZ time) on the Record Date at the Application Price, issued pursuant to the Offer.
Exercise Price	NZD\$1.20 per Warrant
Existing Share	A Share on issue on the Record Date.
FMCA	The Financial Markets Conduct Act 2013
Forestry Estate	Five forestry properties located in the Manawatu-Whanganui region in the North Island that make up the estate.
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

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Institutional Investor	<p>A person with an address:</p> <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 NZRLC considers is a “sophisticated investor” or “professional investor” within the meaning of sections 708(8) and 708(11) of the Corporations Act 2001 (Cth); 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 and Warrants to Eligible Institutional Shareholders.
Institutional Settlement Date	The date of settlement of New Shares under the Institutional Offer, expected to be Wednesday, 8 March 2023.
Institutional Shareholder	Eligible Institutional Shareholders and Ineligible Institutional Shareholders.
Investor Presentation	The investor presentation for this Offer released to the market on 1 March 2023.
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.
NZRLC	New Zealand Rural Land Company Limited.
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	<p>The pro-rata accelerated renounceable entitlement offer of New Shares detailed in this Offer Document</p> <p>For every 3 New Shares allotted to an Applicant, 1 Warrant will also be allotted for no additional consideration.</p>
Offer Document	This document
Record Date	Friday, 3 March, 2023
Retail Offer	The offer of New Shares and Warrants to Eligible Retail Shareholders.
Share	A fully paid ordinary share in NZRLC.
Shareholder	A registered holder of Shares.

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Shortfall Facility	Any New Shares not taken up by existing shareholders through Entitlements or the Shortfall Facility may be placed to wholesale investors for up to three months following the closing date of the Offer on terms no more favourable than those offered under the Offer.
Takeovers Code	The Takeovers Code set out in the schedule to the Takeovers Regulations 2000
Warrant	A warrant that is convertible into an ordinary share in NZRLC, issued on the terms set out in page 8 of the Offer Document.

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