



26 May 2022

Dear Bondholder

Infratil Limited (Infratil) has announced that it is making a new offer of 8 year unsecured, unsubordinated, re-setting fixed rate infrastructure bonds (2030 Bonds). The bonds will mature on 15 June 2030.

Information about the offer and the 2030 Bonds is available on Infratil's website [www.infratil.com/for-investors/our-bonds/](http://www.infratil.com/for-investors/our-bonds/) where you can download a copy of the Indicative Terms Sheet.

### **Offer structure**

The offer comprises two separate parts:

- A firm offer of up to NZ\$50,000,000 of 2030 Bonds (with the ability to accept oversubscriptions of up to NZ\$15,000,000 at Infratil's absolute discretion) which have been reserved for New Zealand clients of the Joint Lead Managers, approved financial intermediaries and other primary market participants invited to participate in the bookbuild process (Firm Offer). The Firm Offer is now open and will close on 2 June 2022.
- An exchange offer of up to NZ\$93,696,000 of 2030 Bonds under which all New Zealand resident holders of the IFT190 bonds maturing on 15 June 2022 (2022 Bonds) will have the opportunity to exchange some or all of their maturing 2022 Bonds for 2030 Bonds (Exchange Offer). The Exchange Offer will open following the Firm Offer on 3 June 2022 and close on 13 June 2022. All eligible holders of the 2022 Bonds who submit a valid application will have their applications satisfied in full up to a maximum of the number of 2022 Bonds they hold. There is no ability to apply for additional 2030 Bonds under the Exchange Offer.

The timing of the Exchange Offer is designed to ensure eligible holders of the 2022 Bonds can have certainty on the initial interest rate applicable to the 2030 Bonds when they elect whether or not to participate in the Exchange Offer. Eligible applicants can be certain that their application will be satisfied in full up to the amount of their existing investment.

The offer is being made as an offer of debt securities of the same class as existing quoted debt securities pursuant to the Financial Markets Conduct Act 2013. The Bonds are expected to be quoted on the NZX Debt Market under the ticker code IFT320.

### **Interest Rate**

The interest rate for the 2030 Bonds will be fixed for four years and then reset on a fixed basis on 15 June 2026 for a further four years until the 2030 Bonds mature.

The interest rate for the first four years will be the higher of:

- (a) the Minimum Interest Rate of 5.75% per annum; and
- (b) the sum of the Issue Margin and the 4-year swap rate determined on 2 June 2022 when the Firm Offer closes.

The Issue Margin will be set following a bookbuild process on 2 June 2022. The Indicative Issue Margin for the 2030 Bonds is 2.05% to 2.25% per annum. In any case, the interest rate for the first four years will not be less than the Minimum Interest Rate of 5.75% per annum.

The interest rate for the second four years will be the 4-year swap rate on the Rate Reset Date (15 June 2026) plus the Issue Margin. There is no minimum interest rate for the second four year period.

Full details of the offer, including on how the interest rate for the 2030 Bonds will be calculated and reset, is set out in the Indicative Terms Sheet that is available to download on Infratil's website.

The Issue Margin and the interest rate for the first four years will be announced by Infratil on 2 June 2022 via NZX and will be available on Infratil's website [www.infratil.com/for-investors/our-bonds/](http://www.infratil.com/for-investors/our-bonds/) together with the Final Terms Sheet.

### How do I apply?

- If you want to participate in the **Firm Offer** you should contact a Joint Lead Manager, your financial adviser or any primary market participant for information on how to acquire the 2030 Bonds. You can find a primary market participant by visiting [www.nzx.com/services/market-participants/find-a-participant](http://www.nzx.com/services/market-participants/find-a-participant).
- If you would like to participate in the **Exchange Offer** the online portal will be available at [www.infratilbondexchangeoffer.com](http://www.infratilbondexchangeoffer.com) from 8.30am on 3 June 2022. To complete your online application, you will need your CSN/Holder Number and the unique Entitlement Number for the Exchange Offer. Your online acceptance details are:
  - CSN/Holder Number:     [•]
  - Entitlement Number:     [•]

We strongly encourage you to use the online portal to avoid missing out due to postal delays, or due to issues processing manual applications. The online portal will be available until the Exchange Offer closes at 5.00pm on 13 June 2022.

If you are unable to complete the online application please go to Infratil's website [www.infratil.com/for-investors/our-bonds/](http://www.infratil.com/for-investors/our-bonds/) and download a copy of the Indicative Terms Sheet which includes an application form for completion, or alternatively contact Link Market Services on [applications@linkmarketservices.co.nz](mailto:applications@linkmarketservices.co.nz) or call 09 375 5998 if you have any questions on how to participate in the Exchange Offer. You must return a completed application form so that it is received by the Registrar no later than 5.00pm on 13 June 2022.

If you are interested in further information we suggest that you contact your usual financial adviser or one of the joint lead managers whose details are contained within the Indicative Terms Sheet.

Yours sincerely

Tom Robertson  
Infratil Treasury and Risk Manager