



13 September 2023

Infratil Infrastructure Bond Exchange Offer Closes

Infratil Limited today announced that following the successful Exchange Offer for its offer of 7½ year unsecured, unsubordinated, fixed rate infrastructure bonds maturing on 15 March 2031 (**2031 Bonds**) it has allocated \$52,248,000 of 2031 Bonds. The Exchange Offer has now closed.

Combined with the Firm Offer issuance of \$75,000,000 this takes the total Issue Amount to \$127,248,000.

A copy of the Final Terms Sheet for the 2031 Bonds is **attached**.

Arranger and Joint Lead Manager:

Bank of New Zealand

Joint Lead Managers:

ANZ Bank New Zealand Limited

Craigs Investment Partners Limited

Forsyth Barr Limited

Jarden Securities Limited

Tom Robertson

Treasury and Risk Manager, Infratil

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7.5 Year Fixed Rate Bond
Maturing 15 March 2031



Final Terms Sheet

For the offer of Infrastructure Bonds

Arranger and Joint Lead Manager



Joint Lead Managers



Final Terms Sheet

Dated 13 September 2023

This Final Terms Sheet ("**Terms Sheet**") sets out the key terms of the offer ("**Offer**") by Infratil Limited ("**Infratil**") of fixed rate bonds maturing on 15 March 2031 ("**Infrastructure Bonds**").

The Infrastructure Bonds will be issued under the programme trust deed dated 11 November 1999 (as amended or amended and restated from time to time) between Infratil and Trustees Executors Limited as supplemented by a series supplement dated 28 August 2023 (together, "**Trust Deed**"). Unless the context requires otherwise, capitalised terms used in this Terms Sheet have the same meaning given to them in the Trust Deed. This Terms Sheet is an "**Issue Flyer**" for the purposes of the Trust Deed.

Important Notice

The Offer by Infratil is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 ("**FMCA**").

The Offer contained in this Terms Sheet is an offer of Infrastructure Bonds that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as:

- Infratil's fixed rate bonds maturing on 15 September 2023, which have an interest rate of 5.25% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT210;
- Infratil's fixed rate bonds maturing on 15 June 2024, which have an interest rate of 5.50% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT230;
- Infratil's fixed rate bonds maturing on 15 December 2024, which have an interest rate of 4.75% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT260;

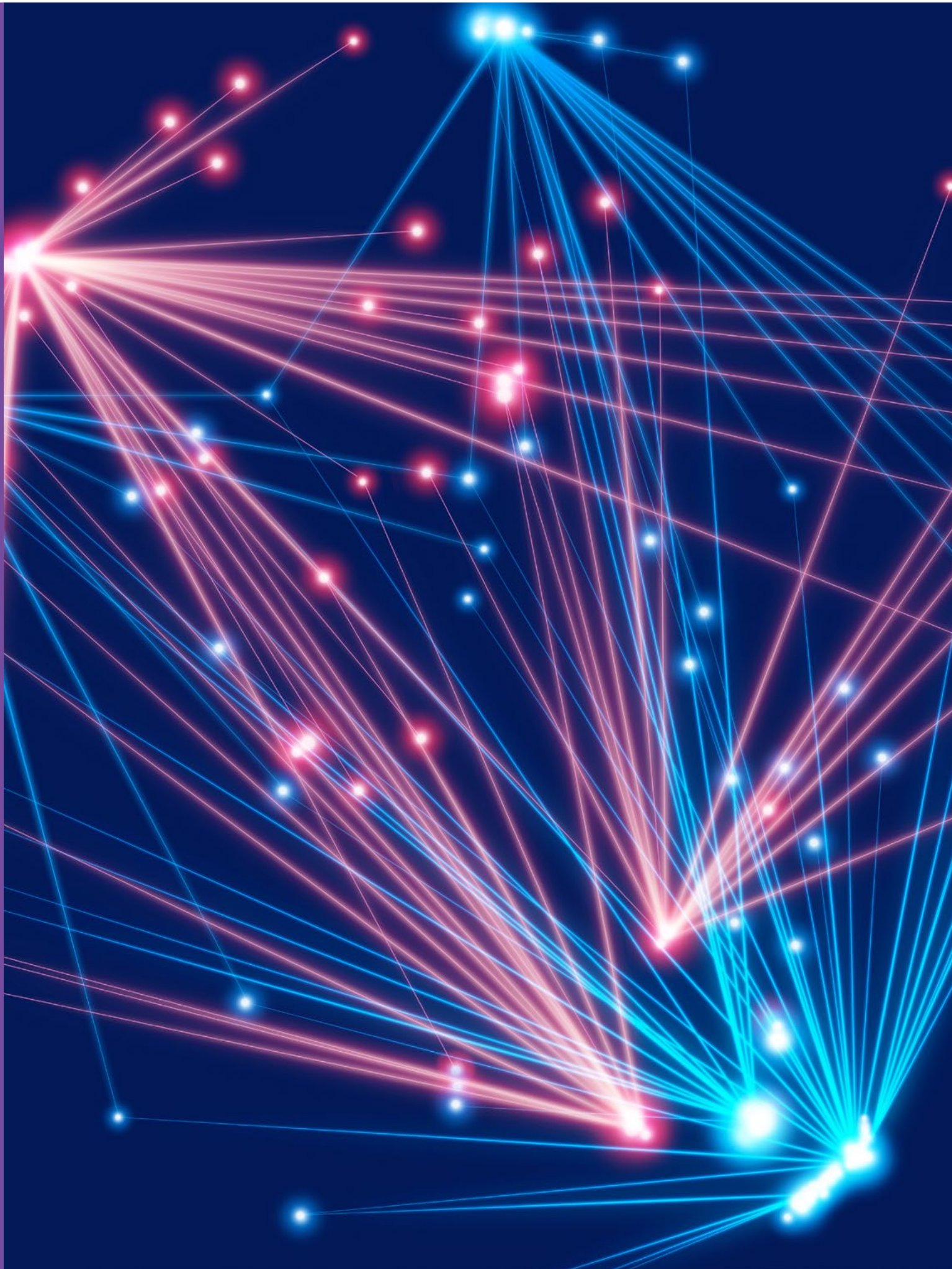
- Infratil's fixed rate bonds maturing on 15 June 2025, which have an interest rate of 6.15% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT250;
 - Infratil's fixed rate bonds maturing on 15 March 2026, which have an interest rate of 3.35% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT300;
 - Infratil's fixed rate bonds maturing on 15 December 2026, which have an interest rate of 3.35% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT280;
 - Infratil's fixed rate bonds maturing on 15 December 2027, which have an interest rate of 3.60% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT310;
 - Infratil's bonds maturing on 15 December 2028, which have a current interest rate of 4.85% per annum (rate reset after five years on 15 December 2023) and which are currently quoted on the NZX Debt Market under the ticker code IFT270;
 - Infratil's fixed rate bonds maturing on 31 July 2029, which have an interest rate of 6.90% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT330;
 - Infratil's bonds maturing on 15 December 2029, which have a current interest rate of 7.89% per annum (further rate reset on 15 December 2023 and annually thereafter) and which are currently quoted on the NZX Debt Market under the ticker code IFTHC; and
 - Infratil's fixed rate bonds maturing on 15 June 2030, which have a current interest rate of 5.93% per annum (rate reset on 15 June 2026) and which are currently quoted on the NZX Debt Market under the ticker code IFT320,
- (together the "**Quoted Bonds**").

Accordingly, the Infrastructure Bonds are the same class as the Quoted Bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014.

Infratil is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited ("**NZX**") for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/IFT.

The Quoted Bonds are the only debt securities of Infratil that are currently quoted and in the same class as the Infrastructure Bonds that are being offered. The Quoted Bonds with ticker code IFT330 have been quoted on the NZX Debt Market for less than 3 months.

Investors should look to the market price of the Quoted Bonds referred to above to find out how the market assesses the returns and risk premium for those bonds.



Key Terms of the Infrastructure Bonds

Issuer:	Infratil Limited.
Description:	Infrastructure Bonds are unsecured, unsubordinated debt securities of Infratil to be issued pursuant to the Trust Deed.
Issue Amount:	\$127,248,000
Firm Offer and Exchange Offer:	The Offer consists of two separate parts. Under the first part ("Firm Offer"), Infratil is offering Infrastructure Bonds to New Zealand clients of the Joint Lead Managers, approved financial intermediaries and other primary market participants invited to participate in the bookbuild. Under the second part ("Exchange Offer"), Infratil is offering New Zealand resident holders of its IFT210 fixed rate bonds maturing on 15 September 2023 ("2023 Bonds") the opportunity to exchange all or some of their 2023 Bonds for Infrastructure Bonds offered under this Terms Sheet. You will receive one new Infrastructure Bond for each 2023 Bond exchanged under the Exchange Offer. Once you submit a completed application for the Exchange Offer you will no longer be able to sell or otherwise transfer your 2023 Bonds designated in that application. There is no public pool for Infrastructure Bonds under the Offer. See "How to Apply" on page 8.
Use of Proceeds:	Infratil intends to use the net proceeds of the Offer for general corporate purposes, including to refinance the 2023 Bonds and to repay a portion of Infratil's existing bank debt bridge facilities put in place to fund the acquisition of One New Zealand.
Terms Particular to the Firm Offer	
Firm Offer Issue Amount:	The Firm Offer issue amount has been set at \$75,000,000 of Infrastructure Bonds.
Firm Offer Applications:	The Firm Offer has now closed. The Firm Offer was open to all New Zealand resident investors, but only if the investor receives a firm allocation from a Joint Lead Manager, approved financial intermediary or other primary market participant invited to participate in the bookbuild.
Firm Offer Opening Date:	28 August 2023.
Firm Offer Closing Date:	11.00am, 1 September 2023.
Terms Particular to the Exchange Offer	
Exchange Offer Issue Amount:	The Exchange Offer issue amount has been set at \$52,248,000 of Infrastructure Bonds.
Exchange Offer Applications:	The Exchange Offer was available to New Zealand resident holders of the 2023 Bonds. Infratil will issue one Infrastructure Bond for each 2023 Bond exchanged.
Exchange Offer Opening Date:	4 September 2023.
Exchange Offer Closing Date:	5.00pm, 13 September 2023.

**Terms Common to the Firm Offer and the
Exchange Offer**

Firm Offer and Exchange Offer Issue Amount:	The sum of the Firm Offer Issue Amount and the Exchange Offer Issue Amount has been set at \$127,248,000 of Infrastructure Bonds.
Rate Set Date:	1 September 2023.
Issue Date:	15 September 2023.
Expected Date of Initial Quotation on the NZX Debt Market:	18 September 2023.
Maturity Date:	15 March 2031.
Interest Rate:	7.08% per annum. The Interest Rate has been set as the greater of: (a) the sum of the Issue Margin and the Base Rate determined on the Rate Set Date; and (b) the Minimum Interest Rate. The Issue Margin was set by Infratil in consultation with the Joint Lead Managers (identified below) at 2.40% per annum. The Base Rate on the Rate Set Date was 4.68% per annum. Accordingly, the sum of the Issue Margin and the Base Rate on the Rate Set Date (being 7.08% per annum) applies to the Infrastructure Bonds as the Interest Rate.
Minimum Interest Rate:	7.05% per annum.
Issue Margin:	2.40% per annum.
Base Rate:	The mid-market rate for a New Zealand dollar interest rate swap of a term matching the period from the Issue Date to the Maturity Date as determined by Infratil in consultation with the Arranger (identified below) on the Rate Set Date in accordance with market convention with reference to Bloomberg page ICNZ4 (or any successor page), in each case expressed on a quarterly basis (and rounded to 2 decimal places, if necessary, with 0.005 being rounded up).
Interest Payment Dates:	15 March, 15 June, 15 September and 15 December of each year until and including the Maturity Date (commencing on 15 September 2023). Although the first Interest Payment Date is 15 September 2023, because that is the same date as the Issue Date, no interest will have accrued and no interest will be payable on that date. The first date on which interest will be paid on the Infrastructure Bonds is 15 December 2023.
Interest Payments:	Other than for the first Interest Payment Date (on which no interest will be paid), Infratil will pay interest in arrear in equal amounts on each Interest Payment Date. In addition, if the Infrastructure Bonds are redeemed on a day that is not an Interest Payment Date (see "Right to Redeem Early" and "Early Redemption Events" on page 6), the amount of interest that will be payable to you will be adjusted to reflect the number of days in the interest period in which the interest accrued.

First Interest Payment:

As noted above, although the first Interest Payment Date is 15 September 2023, because that is the same date as the Issue Date, no interest will have accrued and no interest will be payable on that date. The first date on which interest will be paid on the Infrastructure Bonds is 15 December 2023. Interest paid on 15 December 2023 on each Infrastructure Bond will be paid to the Holder of the Infrastructure Bond on the Record Date for that payment (being 5 December 2023).

**Interest Suspension and Dividend
Stopper:**

Infratil may suspend the payment of interest where an Interest Suspension Event exists. If the payment of interest is suspended:

- (a) interest will continue to accrue (without compounding) and will be paid by Infratil when the Interest Suspension Event ceases to exist; and
- (b) Infratil will not pay or make any distribution to shareholders or provide any financial assistance for the acquisition of shares in Infratil.

Interest Suspension Events:

In summary, an Interest Suspension Event may occur if:

- (a) the interest payment would be likely to breach the solvency test in section 4 of the Companies Act 1993;
- (b) the interest payment would be likely to result in a breach of the terms or conditions of other financial indebtedness incurred by Infratil or certain of its subsidiaries; or
- (c) the interest payment would be likely to result in a breach of any other legal obligation by Infratil or certain of its subsidiaries.

Right to Redeem Early:

Infratil has the right to redeem all or some of the Infrastructure Bonds prior to the Maturity Date by giving you no less than 5 Business Days' notice. Infratil may not exercise this right if:

- (a) the Supervisor has declared the Infrastructure Bonds due and payable because an event of default as described in clause 8.1 of the Trust Deed exists; or
- (b) the notice of early redemption is given at a time on or after the day falling 25 Business Days before the Maturity Date.

You have no right of early redemption except following an Early Redemption Event.

Redemption Price:

Redemption on the Maturity Date or following an Early Redemption Event

Each Infrastructure Bond redeemed on the Maturity Date, or earlier following an Early Redemption Event, will be redeemed at an amount equal to its Face Value less all withholding tax or deductions required to be made.

Early Redemption

If an Infrastructure Bond is redeemed early due to Infratil exercising its right to redeem early, it will be redeemed at an amount equal to the greater of:

- (a) its Face Value plus accrued but unpaid interest; and
- (b) the current market price of the Infrastructure Bonds (determined in accordance with clause 6.1(l)(ii) of the Trust Deed),

in each case less all withholdings or deductions required to be made.

Early Redemption Events:

In summary, an Early Redemption Event may occur if:

- (a) an event of default as described in clause 8.1 of the Trust Deed occurs; or
- (b) certain takeover offers are made in respect of the shares in Infratil.

In general terms, the events of default include non-payment for 14 days or more and the occurrence of certain insolvency related events in relation to Infratil.

Liabilities to Assets Covenant:

Infratil has agreed for the benefit of Holders that, on the last day of each financial year and financial half-year of Infratil (and in certain other circumstances), Borrowed Money Indebtedness of the Issuer Group (being Infratil and certain of its 100% owned subsidiaries) will not exceed 50% of Tangible Assets of Infratil and its subsidiaries as at that date.

Ranking of Infrastructure Bonds:

The Infrastructure Bonds are unsecured and unsubordinated debt obligations of Infratil. This means that in a liquidation of Infratil your rights and claims as a Holder:

- (a) will rank **after** the claims of (i) secured creditors of Infratil (if any), and (ii) creditors of Infratil who are preferred by law (e.g. the Inland Revenue Department in respect of unpaid tax);
- (b) will rank **equally** with the claims of all other unsecured, unsubordinated creditors of Infratil; and
- (c) will rank in **priority** to the claims of (i) subordinated creditors of Infratil (if any) (being creditors who have agreed to accept a lower priority in respect of their claims in a liquidation of Infratil), and (ii) shareholders.

Infratil is a holding company with investments in various companies. **Holders have no claims against, or recourse to the assets of, any of those companies.** Infratil's ability to make timely payments on the Infrastructure Bonds is dependent on the returns it receives from its investments, its capital structure and the quality of its management.

In a liquidation of the Infratil group, creditors of Infratil's subsidiaries and associates (including lenders) would have a prior claim to the assets of those companies ranking ahead of the claim of Infratil's liquidator (claiming as shareholder in the companies). Only the residual assets of the companies, after the claims of the companies' creditors have been satisfied, would be available to Infratil's liquidator and therefore Infratil's creditors (including Holders).

No Guarantee:

The Infrastructure Bonds are not guaranteed by any member of the Infratil group or any other person.

Issue Price:

\$1.00 per Infrastructure Bond (being the Face Value).

No subscription moneys are payable by a Holder for Infrastructure Bonds allotted under the Exchange Offer.

Minimum Application Amount:

Infrastructure Bonds having a Face Value of \$5,000 and multiples having a Face Value of \$1,000 thereafter (unless a holder of 2023 Bonds is exchanging all of their 2023 Bonds).

ISIN:

NZIFTD0340L6

Business Day:

A day on which NZX is open for trading. If any Interest Payment Date or the Maturity Date falls on a day that is not a Business Day, the due date for the payment to be made on that date will be on the immediately preceding Business Day, but the amount paid will not be adjusted.

Registrar and Paying Agent:

Link Market Services Limited

Who May Apply:

Firm Offer

The Firm Offer has now closed.

Exchange Offer

All Infrastructure Bonds exchanged or offered under the Exchange Offer are reserved to registered holders of a 2023 Bond who are New Zealand residents.

How to Apply:

Firm Offer

The Firm Offer has now closed.

Exchange Offer

Holders of 2023 Bonds have the option to participate in the Exchange Offer by using an online or printed application form.

If you have provided an email address for investor correspondence, you will receive an email on the Firm Offer Opening Date with an email link. The email link will take you to a Registrar website where you will receive information on how to apply for Infrastructure Bonds in the Exchange Offer using the online application form.

You will be able to apply using the online application form at www.infratilbondexchangeoffer.com from the Exchange Offer Opening Date. You must complete the online application form by no later than 5.00pm on the Exchange Offer Closing Date.

If you have not provided an email address for investor correspondence, you will be mailed this Terms Sheet along with a printed application form to your registered postal address.

If you use a printed application form under the Exchange Offer, you must return a completed printed application form so that it is received by the Registrar at the address below no later than 5.00pm on the Exchange Offer Closing Date:

Link Market Services Limited

email a completed PDF copy to: applications@linkmarketservices.co.nz

or post a printed application form to: Infratil Bond Offer, c/- Link Market Services Limited, PO Box 91976, Victoria Street West, Auckland 1142

or deliver a printed application form to: c/- Link Market Services Limited, Level 30, PwC Tower, 15 Customs Street West, Auckland 1010

Once you submit a completed Exchange Offer application (online or through a printed application form) you will no longer be able to sell or otherwise transfer your 2023 Bonds designated in that application.

Applications may be refused

If Infratil refuses any application under the Exchange Offer due to the applicant being ineligible the 2023 Bonds that are not being exchanged will be redeemed on their maturity date in accordance with their existing terms and conditions.

Brokerage:

Infratil will pay a firm brokerage fee of 1.00% of the aggregate principal amount of Infrastructure Bonds (such fee comprised of a brokerage fee of 0.50% and a firm allocation fee of 0.50%). Such amounts will be paid to the Arranger who will distribute as appropriate to primary market participants and approved financial intermediaries.

NZX Debt Market Quotation:

Infratil will take any necessary steps to ensure that the Infrastructure Bonds are, immediately after issue, quoted.

NZX is a licensed market operator, and the NZX Debt Market is a licensed market, under the FMCA.

NZX Debt Market Ticker Code:

IFT340

Supervisor:

Trustees Executors Limited

Governing Law:

New Zealand

No Underwriting:

The Offer is not underwritten.

Offer in New Zealand only:

The Infrastructure Bonds may only be offered for sale or sold in New Zealand. Infratil has not and will not take any action which would permit a public offering of the Infrastructure Bonds, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand). Infrastructure Bonds may only be offered for sale or sold in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. Any information memorandum, terms sheet, circular, advertisement or other offering material in respect of the Infrastructure Bonds may only be published, delivered or distributed in or from any country or jurisdiction under circumstances which will result in compliance with all applicable laws and regulations.

By subscribing for Infrastructure Bonds, you agree to indemnify Infratil, the Joint Lead Managers and the Supervisor in respect of any loss incurred as a result of you breaching the above selling restrictions.

The above selling restrictions apply in relation to both the Firm Offer and the Exchange Offer.

Non-reliance:

This Terms Sheet does not constitute a recommendation by the Joint Lead Managers, the Supervisor, or any of their respective directors, officers, employees, agents or advisers to subscribe for, or purchase, any of the Infrastructure Bonds.

The Joint Lead Managers and the Supervisor have not independently verified the information contained in this Terms Sheet. In accepting delivery of this Terms Sheet, you acknowledge that none of the Joint Lead Managers, the Supervisor nor their respective directors, officers, employees, agents or advisers gives any warranty or representation of accuracy or reliability and they take no responsibility for it.

Other Information

Any internet site address provided in the Terms Sheet is for reference only and, except as expressly stated otherwise, the content of such internet site is not incorporated by reference into, and does not form part of, this Terms Sheet.

Copies of the Trust Deed are available by visiting www.infratil.com/for-investors/bonds or you may request a copy from:

Infratil Limited

5 Market Lane
Wellington
Attention: Tom Robertson
or

Trustees Executors Limited

Level 11, 51 Shortland Street
Auckland
Attention: David Shaw

Investors should seek qualified independent financial and taxation advice before deciding to invest. In particular, you should consult your tax adviser in relation to your specific circumstances. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations).

For further information regarding Infratil, visit www.nzx.com/companies/IFT.

Directory

Issuer

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Supervisor

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Registrar

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