

24 July 2024

Dear Shareholder

On 22 July 2024 we announced to the NZX that we had entered into a Scheme Implementation Agreement (“**SIA**”) with Stonepeak Alps BidCo Limited (“**Stonepeak BidCo**”), under which Stonepeak BidCo would acquire all of the shares in Arvida at NZ\$1.70 per share.

Stonepeak BidCo is an indirect subsidiary of funds managed or advised by Stonepeak, a leading alternative investment firm specialising in infrastructure and real assets with approximately US\$71.2 billion of assets under management.

Highlights:

- Arvida has entered into an agreement with Stonepeak BidCo for the sale of 100% of Arvida shares at a price of NZ\$1.70 per share in cash by means of a scheme of arrangement (“**Scheme**”).
- The Arvida Board unanimously recommends that shareholders vote in favour of the Scheme, subject to the Scheme consideration being within or above the independent adviser’s valuation range for Arvida shares and in the absence of a superior proposal.
- The Scheme represents a 65% premium to Arvida’s share price of NZ\$1.03 per share¹.
- Arvida’s Board and executive committee have actively and cooperatively engaged with Stonepeak to facilitate this agreement and are committed to concluding the sale.
- The Scheme is subject to a number of conditions, including New Zealand High Court approval, approval at a special meeting of shareholders of Arvida and consent under the Overseas Investment Act 2005.

Details of Scheme

A copy of the announcement made to NZX together with the SIA is available from our website (www.arvida.co.nz/investors) or the NZX (www.nzx.com/companies/ARV).

The Board has concluded the offer price of NZ\$1.70 per share in cash represents compelling value given the material premium, high certainty to completion, and overall attractiveness to Arvida shareholders.

Key value metrics include:

- a 65% premium to Arvida’s share price of NZ\$1.03 per share on 19 July 2024;
a 82% premium to Arvida’s volume weighted average share price of NZ\$0.94 per share over the 30 trading days prior to this announcement;
- an acquisition multiple of 0.83x based on FY24 Net Tangible Assets of NZ\$2.05 per share; and
- an implied equity value of ~NZ\$1.2 billion.

¹ As at 19 July 2024.

Unanimous Directors' recommendation

The Arvida directors unanimously recommend that Arvida shareholders vote in favour of the Scheme and each director has undertaken to vote all Arvida shares held or controlled by them in favour of the Scheme, subject to:

- I. no Superior Proposal (as defined in the SIA) being received by Arvida; and
- II. the Independent Adviser's Report concluding that the Scheme consideration is within or above the independent adviser's valuation range for Arvida shares.

Grant Samuel has been engaged to prepare the Independent Adviser's Report to assist Arvida's shareholders in assessing the merits of the Scheme.

Certain of our institutional shareholders representing in aggregate ~18% of shares in Arvida have been confidentially appraised and have advised that they are supportive of the offer.²

Timing

Arvida shareholders do not need to take any action at the current time.

A Scheme Booklet containing information relating to the Scheme, the reasons for the Independent Directors' unanimous recommendation and meeting information, together with a copy of the Independent Adviser's Report, is currently expected to be sent to Arvida shareholders in Q3 2024.

The Board encourages shareholders to carefully consider all the materials that will be provided to them and to seek their own professional advice when it comes to the vote; either in person or by proxy.

Arvida shareholders will have the opportunity to vote on the Scheme at a meeting in Q4 2024. If all the conditions are satisfied or, where capable of waiver, waived, the Scheme is expected to be implemented in late Q4 2024. Note that these dates are indicative and subject to change.

Change in Annual Meeting timing

We have advised the NZX that the date for the 2024 Annual Meeting of Shareholders will change to a new date as a consequence the announcement that we have entered the scheme implementation agreement with Stonepeak BidCo.

The meeting was previously scheduled to be held on 16 August 2024 in Auckland. The new meeting date will be advised to shareholders and circulated in due course.

Yours faithfully,



Jeremy Nicoll
Chief Executive

² As at 21 July 2024. At that date, no shareholder has signed a voting agreement or provided a voting intention statement (and, accordingly, the shareholders remain free to deal in, or vote, Arvida shares as they see fit).