

## **Information in respect of The Neil Group Limited and subsidiary companies status under the Overseas Investment Act 2005 (OIA) in relation to the Project land.**

The Neil Group Limited is a 100% owned subsidiary of the Oregon Group Limited which in turn is owned by the Tiong family of Malaysia. The Neil Group Limited was acquired by Oregon Group Limited in 1993 and as the ultimate ownership is offshore it is defined as an Overseas Person for the purposes of the Overseas Investment Act 2005.

Oregon group Limited is the holding company for a number of trading subsidiaries including Ernslaw One Limited, WPI Limited, Innova Products Limited, NZ King Salmon Investments Limited and The Neil Group Limited. Total assets of the Oregon Group stand at around \$2 billion based upon current asset valuations, which include major forest holdings, development property and manufacturing plants.

The Neil Group Limited is primarily involved in land subdivision and has around 1,000 lots, or the equivalent in industrial land, under development at any one time. In addition, the Company holds between 1,500 and 2,000 residential lots as raw land value for its future development pipeline which is being readied for development through planning and design work. As well as buying land for its own developments, the Company also engages with other organisations in Joint Venture land subdivision developments.

The Neil Group Limited holds a Standing Consent from the Overseas Investment Office (OIO) issued in 2022 to acquire, for the development of new housing, land parcels that are not deemed otherwise sensitive under the Act. The Standing Consent allows for up to fifteen transactions within its three-year life and to date none of those transactions have been used. This is the second Standing Consent that The Neil Group has held with all ten transactions under the first Standing Consent now having been used. The Standing Consent which the Company currently holds allows for an interest to be acquired in development land for either increased housing or other normal business use. A copy of the Standing Consent is attached for your information

Since the introduction of the OIO Act in 2005 The Neil Group Limited has had all its applications for land acquisitions that required approval, approved by the OIO. The approval process requires the Neil Group to obtain independent certification of the OIO status for any land parcel in which the Company seeks to acquire an interest either by direct acquisition or through a Joint Venture arrangement. The certification determines whether or not the land is sensitive and therefore whether an application is required under the Act.

A summary of the land purchases made by the Company in chronological order is attached for information and highlights both the introduction of the legislation and the changes that have been made to it by way of the approval process (if any) which the Company has had to meet.

The Totara Road project is proposed on land which has been purchased under an unconditional contract by Maraetai Land Developments Limited (MLDL) and also on land which is already owned by Neil Construction Limited (NCL), a subsidiary of the Neil Group Limited.

MLDL is not an Overseas Person under the Act as the shareholding is owned by a New Zealand resident and is therefore not subject to the Act. Where The Neil Group enters into a Joint Venture with MLDL on land which is deemed sensitive, then it will require OIO approval to do so either by relying on its Standing Consent or by applying for a specific consent if the land is deemed to be otherwise sensitive.

Prior to MLDL acquiring the land forming part of this project, that land was subject to agreements between the former land-owners of the two properties and NCL as purchaser, conditional upon NCL obtaining OIO approval for the parcels being acquired. That approval was granted subject to certain conditions around the timing of development and gaining of subdivision consent approvals. Due to Auckland Council not rezoning this part of Whenuapai as they had originally planned to do following the adoption of the Whenuapai Structure Plan in 2016, NCL was unable to comply with the OIO conditions and subsequently withdrew from purchasing the land. MLDL then negotiated new agreements with the land-owners and purchased the properties on an unconditional basis with deferred settlement terms.

An updated OIA assessment of the two MLDL Totara Road properties, in terms of NCL taking an interest in them, identifies them as sensitive under the OIA as they are both described in the valuation role as 'lifestyle' properties. The northern most of the two properties has not yet had an esplanade reserve vested in Council which would occur on future subdivision. As a result this property is coastal and would therefore be deemed 'otherwise sensitive' under the OIA. This in turn will require NCL to again apply for an OIO consent for the property and given that the northern most property is contiguous to the second property then it is likely NCL will be required to obtain OIO approval to take an interest in both properties as a result of a Joint Venture agreement with MLDL. An application to that effect is now being prepared for lodgement with the OIO.