



To: Pedro Morgan, Lead Advisor

ASSESSMENT REPORT: Aquila Capital SG Holdco Pte. Ltd. and Far North Solar Farm Limited

Date	4 August 2022	Classification	IN CONFIDENCE: Commercially sensitive
OIO reference	202100604	Deadline	5 August 2022

Purpose

We seek your decision on an application for consent to acquire an interest in sensitive land under the Overseas Investment Act 2005 (the Act).

Action sought

1. Review this report.
2. Determine whether to grant consent and, if so, on what conditions.
3. Indicate your decision from page 3.

Assessment timeframe requirements

A decision is required by 4 August 2022 to enable the decision to be communicated to the Applicant in accordance with their commercial deadline of 10 August 2022.

Key information

Applicants	Aquila Capital SG Holdco Pte. Ltd. (Germany (58.26%), Japan (30.02%), Various (11.72%)) and Far North Solar Farm Limited (Australia (70%), New Zealand (30%))
Vendors	Ngaire Dawn O'Higgins (New Zealand (100%))
Land	A leasehold interest of up to 60 years in approximately 15.8555 hectares of land located at 124 Lamb Road, Kaitiaia.
Consideration	\$8,389,572.20
Sensitivity	Is more than 5 hectares of non-urban land Includes residential land
Relevant tests	Investor test: s18A Benefit to NZ test – residential land outcome: s16(1)(d)(ii); farm land benefit test s16A(1C); Farm land offer test: s16(1)(f) National interest test: s16(1)(g)

Timing

4. The Overseas Investment Regulations 2005 specify the total assessment timeframe for this application is 100 days. This application has exceeded the assessment time frame. A decision is due to the Applicant before 10 August 2022 to meet the OIO condition date in the Agreement for Sale and Purchase
5. The statutory assessment time frame for this application has been exceeded due to an application for exemption from the farm land offer criteria being submitted concurrently rather than before the substantive benefit to New Zealand application. The farm land advertising exemption application required extensive discussion with the Applicants and Ministers, with Ministers calling it in for a decision late in the assessment process.

A. Decision

Core tests

6. I determine that:

6.1 The 'relevant overseas person' is (collectively):

Relevant overseas person	Role
Far North Solar Farm Limited (FNSF)	Applicant
Aquila Capital SG Holdco Pte. Ltd. (Aquila)	
Aquila Capital Renewables Asia Pte. Ltd. (ACRA)	100% owner of Aquila
Aquila Capital Holding GmbH	100% owner of ACRA
Roman Rosslenbroich	Individual ultimately holding more than s.9(2)(a) ownership interest in Aquila

6.2 The 'individuals with control of the relevant overseas person' are:

Individuals with control	Role
Roman Rosslenbroich	Director of Aquila Capital, member of Group Portfolio Committee
Dieter Joachim Rentsch	
Alexander Lenz	Director of Aquila, ACRA and the Project GP
Hendrik Rudolph Bohne	Director of ACRA and Aquila
Christian Harry Ohl	Member of the Group Portfolio Committee
Lars Eric Meisinger	Member of the Alternative Investment Fund Management (AIFM) Board
Florian Becker	Member of the AFIM Board and Group Portfolio Committee
Albert Sowa	
Michaela Maria Eder von Grafenstein	

Christian Krebs	Head of Investment ACRA, Director of the Project GP
Christine Poeschl	CFO ACRA
Harald Schönebeck	Member of the AIFM Board
John Telfer	Director of FNSF
Richard Homewood	

6.3 None of the relevant overseas persons and individuals with control of the relevant overseas person have established any of the factors contained in section 18A(4) of the Act.

7. I am satisfied that the investor test in section 18A has been met.

8. I am satisfied, in relation to the benefit to New Zealand test, that:

8.1 the criteria for consent in sections 16 and 16A have been met;

8.2 the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders);

8.3 the benefit will be, or is likely to be, substantial in relation to one of more of the factors of high relative importance for farm land; and

8.4 the conditions relating to residential land to be imposed on the consent in accordance with section 16B will be, or are likely to be, met.

9. I am satisfied, in relation to farm land advertising, that the Applicant is exempt from the criteria as set out in the report (an exemption from the farm land offer criterion was granted on 22 July 2022).

National interest assessment

10. I note that the overseas investment in sensitive land is not a transaction of national interest under section 20A of the Act and the Minister of Finance has not notified it is a transaction of national interest under section 20B of the Act.

Decision about whether to grant or decline consent

11. My ultimate decision is to grant consent subject to the conditions in the Proposed Decision in **Attachment 1**.

s.9(2)(a)

Pedro Morgan

Lead Advisor (Overseas Investment Office)

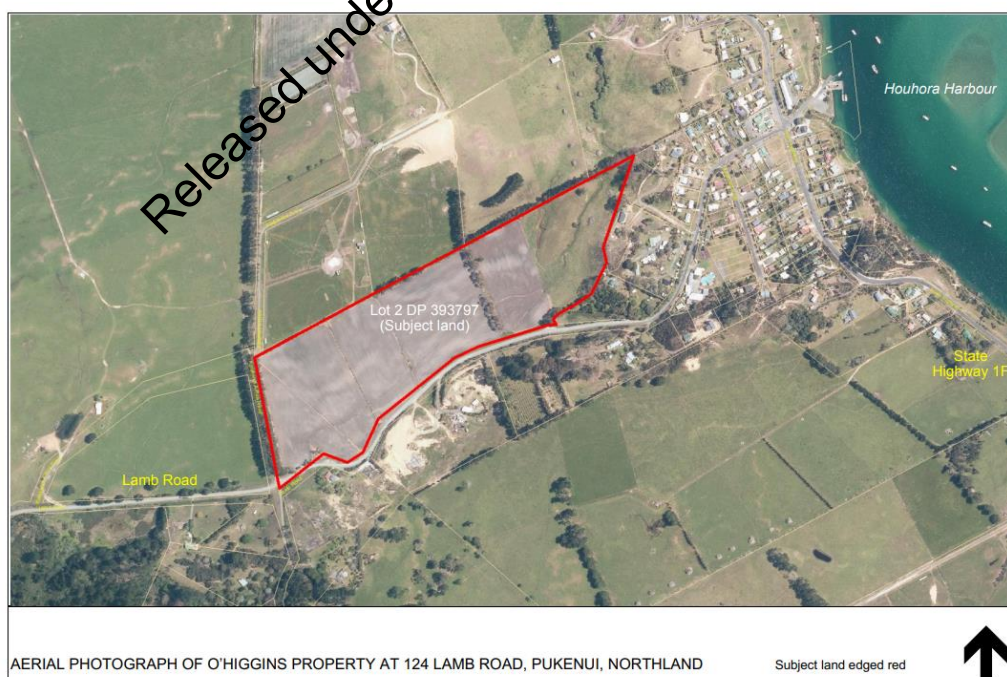
Date: 4 August 2022

B. Background and proposed transaction

12. Aquila Capital SG Holdco Pte. Ltd. and Far North Solar Farm Limited (**Aquila** and **FNSF** or together the **Applicants**) are co-investing in the establishment of a number of solar farm projects in New Zealand. The land to which this application relates is the proposed site for the first solar farm project, known as Pukenui 1.
13. The land will be leased for a term of 30 years with a right of renewal of 30 years. The property is initially being acquired by FNSF but, upon the solar farm achieving certain development milestones, will be transferred to a limited partnership in which each of FNSF and Aquila will hold 50%.
14. The Applicants intend to expend [REDACTED] s.9(2)(b)(ii) a solar farm on the property, due for completion by 2024.
15. This is the first of a planned 10 solar farm developments across New Zealand, together anticipated to amount to approximately 788MW in electricity generation capacity. The proposed total investment is approximately \$1.1 billion, with the project development interdependent.
16. Pukenui 1 is the smallest of the proposed projects, with an anticipated installed capacity of 16MWp.¹

Land

17. The Land consists of approximately 15.8555 hectares at 124 Lamb Road, Kaitia, contained in Record of Title 375274 and depicted in the aerial photograph below.
18. The Land is zoned Lifestyle-residential in the Far North District Plan and has been leased for approximately 20 years for ancillary grazing and cropping.
19. The Vendor is elderly and does not wish to farm the land, nor sell it, and will continue to live in the dwelling on an adjoining title not being leased by the Applicants.



¹ MWp means "megawatt peak". This is used to describe the power delivered by solar or wind plants where the amount of sun or wind may vary. MWp therefore describes the maximum potential output of the plant. It will not always deliver this level of power.

C. Application of the Act

20. The Land is sensitive because it is non-urban land over 5 ha in size² and includes residential land³ so consent is required.⁴ The land also includes farm land. The following criteria for an investment in sensitive land therefore apply to this application:⁵
- The investor test must be met.⁶
 - The benefit to New Zealand test must be met.⁷
 - The farm land must have been offered for sale on the open market⁸, unless exempt.⁹
 - You must also note whether the investment is a transaction of national interest and, if so, whether the Minister of Finance has decided that the investment is contrary to New Zealand's national interest.¹⁰
21. In order to satisfy the benefit to New Zealand test, the decision-maker must:
- determine that the overseas investment will, or is likely to, benefit NZ;¹¹ and
 - determine that benefit will be, or is likely to be, substantial in relation to one of more of the factors of high relative importance for farm land¹² (unless the farm land benefit test is disapplied¹³); and
 - because the Land is residential:
 - determine a residential land outcome;
 - apply conditions of consent for the residential land outcome; and
 - be satisfied that those conditions are likely to be met.¹⁵
22. We assess the investor test in Part D, the benefit to New Zealand test in Part E, the farm land offer test in Part F, and discuss national interest matters in Part G.

D. Applicant and investor test

23. This section describes the Applicant and assesses whether the investor test is met.

Business Activities

Aquila Capital

24. Aquila Capital, the 100% Owner of Aquila, is an investment and asset development company who invests in clean energy and sustainable infrastructure, on behalf of its clients.

² Table 1, Part 1, Schedule 1 of the Act.

³ Table 1, Part 1, Schedule 1 of the Act.

⁴ Under sections 10(1)(a) and 12(a)(i) of the Act.

⁵ Set out in section 16(1) of the Act.

⁶ Section 18A / 16(1)(a) of the Act.

⁷ Section 16(1)(c)(ii). The alternative is the relevant overseas person or each of the individuals with control is a NZ citizen or resident, which is not applicable to the proposed investment.

⁸ Section 16(1)(f) of the Act.

⁹ Section 20(1)(a) or (b) of the Act.

¹⁰ Section 16(1)(g) of the Act.

¹¹ Section 16A(1)(a) of the Act.

¹² Section 16A(1C)(b) of the Act. This criterion applies because the Land is farm land over 5 ha in size.

¹³ Section 16A(1D) of the Act.

¹⁴ Section 16B(3)(a). The Act specifies a range of outcomes to choose from in clause 19, Schedule 2 of the Act.

¹⁵ Section 16A(1)(b) of the Act.

25. Aquila Capital has NZD 21 billion assets under management with wind energy, solar photovoltaic and hydropower assets of more than a total capacity of 12.4 GW. The Aquila Group has more than 600 employees spread across 15 offices worldwide, including in New Zealand (Invercargill).
26. Aquila Group has made a number of previous investments in New Zealand.
- Funds managed by Aquila Group invested in a number of dairy, sheep and beef cattle farms in Canterbury, Southland and the central North Island between 2010 and 2012. We understand that the Aquila funds which made those investments are maturing and at least some of the farms are being sold.
 - Fund managed by Aquila Group invested in a 2000ha forestry conversion in Gisborne in 2020, and a 993ha existing forestry block in Taranaki in 2022.

Far North Solar Farms

27. FNSF was established in 2019 to develop New Zealand's first large scale solar farm operation (Pukenui 1, the subject of this application).
28. FNSF's business operations in New Zealand have included the initial work done to secure the Northland site, pre-development stages of installing a solar farm on the site, and scoping and conducting preliminary negotiations with owners of other prospective sites.

Ownership

Aquila Capital

29. Aquila is a limited liability company incorporated in Singapore. Aquila is ultimately owned by Aquila Capital Holding GmbH, Germany (60%) and Daiwa Energy and Infrastructure Co. Ltd, Japan (40%). We attach the company structure diagram of Aquila in **Attachment 2**.
30. The Applicants have notified us of a pending internal restructure of the Aquila Group. This will result in an intermediary holding company, Aquila Capital Growth APAC Holding GmbH, becoming the 100% shareholder of Aquila. This intermediary will have no decision-making role and is not an ROP for the purposes of this application. We have confirmed that this amounts to corporate dealing and is therefore exempt under Regulation 37 of the Overseas Investment Regulations 2005. We also attach the proposed new structure of Aquila in **Attachment 3**.
31. Funding for Aquila's investment will come from investment funds managed by another entity in the Aquila Group. These funds are said to be backed by first-tier European institutional investors.

Far North Solar Farms

32. FNSF is a limited liability company incorporated in New Zealand. FNSF is ultimately owned by two family trusts:
- Telfer Family Trust, Australia (70%) and
 - BDC Trust, New Zealand (30%).
33. FNSF is the trading entity established to develop and conduct the solar farm. We attach the company structure diagram of FNSF in **Attachment 4**.
34. Each of FNSF and Aquila are overseas persons as more than 25% of their respective shares are held by overseas persons.¹⁶

¹⁶ Section 7(2)(b) of the Act

35.

36.

s.9(2)(b)(ii)

37.

38.

Control

Aquila Capital

39.

40.

41.

s.9(2)(b)(ii)

Far North Solar Farms

42.

s.9(2)(b)(ii)

43.

s.9(2)(b)(ii)

Relevant overseas person and individuals with control

44. We recommend that the 'relevant overseas person' is (collectively):

Relevant overseas person	Role
Far North Solar Farm Limited (FNSF)	Applicant
Aquila Capital SG Holdco Pte. Ltd. (Aquila)	
Aquila Capital Renewables Asia Pte. Ltd. (ACRA)	100% owner of Aquila
Aquila Capital Holding GmbH	100% owner of ACRA
Roman Rosslenbroich	Individual ultimately holding more than s.9(2)(a) ownership interest in Aquila

45. We recommend that the 'individuals with control of the relevant overseas person' (**IWC**)¹⁷ are:

Individuals with control	Role
Roman Rosslenbroich	Director of Aquila Capital, member of Group Portfolio Committee
Dieter Joachim Rentsch	
Alexander Lenz	Director of Aquila, ACRA and the Project GP
Hendrik Rudolph Bohne	Director of ACRA and Aquila
Christian Harry Ohl	Member of the Group Portfolio Committee
Lars Eric Meisinger	Member of the Alternative Investment Fund Management (AIFM) Board
Florian Becker	Member of the AFIM Board and Group Portfolio Committee
Albert Sowa	
Michaela Maria Eder von Grafenstein	
Christian Krebs	Head of Investment ACRA, Director of the Project GP
Christine Poeschl	CFO ACRA
Harald Schönebeck	Member of the AIFM Board
John Telfer	Director of FNSF
Richard Homewood	

Summary of investor test

46. The relevant overseas persons and individuals with control established none of the factors contained in section 18A(4) of the Act.

47. For this reason, our conclusion is that **the investor test has been met**.

¹⁷ Section 15.

E. Investment plan and benefit to NZ test

48. This section describes the proposed investment and our assessment of whether it is likely to meet the benefit criteria in the Act.

Investment plan

49. This is the first of a planned ten solar farms comprising the initial stage of the Applicants planned solar farm developments in New Zealand. Together these initial projects are anticipated to amount to approximately 788MW electricity generation capacity.
50. FNSF has obtained resource consent to develop a solar farm on the Land, which will supply electricity into the local lines network via an adjacent substation. FNSF has also signed a connection agreement with Top Energy Limited to provide electricity generation to the network.
51. The proposed Investment aligns with significant government renewable energies policy. It will contribute to meeting targets and requirements under the National Policy Statement for Renewable Electricity Generation 2011 and Climate Change Response (Zero Carbon) Amendment Act 2019.
52. The Applicants propose to [REDACTED] s.9(2)(b)(ii) which will result in approximately 50 temporary FTE jobs during construction. A further three permanent FTE positions will be created, and two existing FTE retained to manage and operate the solar farm business. Business skills and technology will also be introduced to New Zealand as a result of the development.
53. The energy generation from the Investment is expected to match the annual load of approximately 2000 homes and will result in more reliable summer electricity supply in the region (which often experiences summer outages due to low hydro generation lake levels).

Current state (counterfactual)

54. The land has been leased to a local farming for the past 20 years and used for ancillary grazing and cropping. The owner has no plans to sell or otherwise develop the land.

Farm land benefit test

55. This investment involves the acquisition of farm land exceeding 5 hectares in area. As a result, the farm land benefit test applies unless you decide it need not be met for one of the reasons set out in the Act.¹⁸
56. Accordingly, as required by the Act, we have treated the following factors as having high relative importance:¹⁹
- the economic benefits factor (section 17(1)(a)) and, in particular, the creation or retention of jobs, introduction of technology or business skills, increased export receipts, and increased processing of primary products; and
 - the oversight or participation factor (section 17(1)(f)).

¹⁸ Section 16A(1C)–(1D). You may decide not to apply the farm land benefit test if: the transaction is minor or technical; the transaction does not materially change the level of ownership or control that the relevant overseas person has over the asset; or the farm land has no or limited productive capacity as farm land and will, or is likely to, be used promptly, as a result of the overseas investment, for industrial or commercial development (for example, a supermarket) or for the construction of 1 or more buildings that, taken together, will consist of 20 or more new residential dwellings.

¹⁹ Section 16A(1C)(a).

57. For the farm land benefit test to be met, the applicant must demonstrate, in relation to one or more of those factors of high relative importance, that the benefits of the investment are of a size or nature that represent a substantial benefit to New Zealand.

Summary of benefits

58. The benefits to New Zealand that are likely to result from this investment and our assessment of the relative weight to be given to each are set out in the table below.
59. Factors that we considered were either not relevant to the investment, or the benefit to New Zealand was not sufficient to be relied on, are noted in **Attachment 5**.
60. In applying the benefit to New Zealand criteria, you are required to consider each of the benefit factors, decide which of them are relevant and determine the relative importance of those relevant factors. The weight and relative importance to be given to each factor is a matter to be determined by you as the decision-maker (except where the farm land benefit test requires a factor to be given high relative importance). This report sets out our assessment to guide your consideration, however it is not determinative.

Released under the Official Information Act 1982

Summary assessment: benefit to NZ test

61. This table assesses the benefits to NZ likely to result from the investment and the relative weight to be given to each.

Relevant benefit factors	Applicant's claims: what they intend to do	Current state	OIO analysis: strength/weakness		Proposed special conditions
			Indicative strength	Summary	
Significant government policy	Government Renewable Energies Policy Contributes to meeting targets and requirements under the National Policy Statement for Renewable Electricity Generation 2011 and Climate Change Response (Zero Carbon) Amendment Act 2019.	Government Renewable Energies Policy No change	Strong	Government Renewable Energies Policy Likely to give effect to advancing significant Government policy by enabling an increase in renewable energy production.	Develop and operate a solar farm on the property by 2024.
Economic benefits (High relative importance factor)	Creation of jobs The Pukenui 1 Project will create approximately 50 FTE positions throughout the construction stage (2022-2023) and a further 3 FTE positions for the lifetime of the Pukenui 1 Project, existing FTE retained.	Creation of jobs No employees, occasional contractor use	Strong	Creation of jobs It appears likely that 3 additional permanent FTE will be created, 2 retained, and up to 50 fixed term FTE created during the development phase.	Create a further 3 ongoing FTE roles, including electrical support, accounting and finance and regulatory compliance, by 2024.

Relevant benefit factors	Applicant's claims: what they intend to do	Current state	OIO analysis: strength/weakness		Proposed special conditions
			Indicative strength	Summary	
	Introduction of technology and business skills The Applicants submit that there are no parties operating in NZ at the scale they propose (Pukenui 1 will be 8 times larger than any existing solar farm in NZ), and the projects will result in the introduction of technology and expertise with substantial benefit to NZ.	Introduction of technology and business skills No additional technology or business skills		Introduction of technology and business skills It appears likely that technology and skills relevant to solar farms will be introduced to NZ as a result of the investment.	Nil – benefit will result from development of the solar farm, which will be conditioned elsewhere
	Capital investment The Applicant proposes investing approximately s.9(2)(b)(ii) further in relation to the Pukenui 1 Project, expected to be funded s.9(2)(b)(ii)	Capital investment No additional investment.		Capital investment At least s.9(2)(b)(ii) This represents a substantial benefit to NZ.	Expend at least \$20M on development of a solar farm.

Relevant benefit factors	Applicant's claims: what they intend to do	Current state	OIO analysis: strength/weakness		Proposed special conditions
			Indicative strength	Summary	
	<p>Increase in Electricity Network Productivity – Better Energy Security</p> <p>The Applicants submit that the Far North often experiences summer power outages due to low hydro generation lake levels, and that solar will result in more reliable summer electricity supply.</p> <p>The generation from the Pukenui 1 Project is expected to match the annual load of approximately 2,000 homes, and most of the power will be consumed locally.</p>	<p>Increase in Electricity Network Productivity – Better Energy Security</p> <p>No electricity generation.</p>		<p>Increase in Electricity Network Productivity – Better Energy Security</p> <p>It appears likely that reliability of electricity supply will be improved.</p>	<p>Nil – benefit will result from development of the solar farm, which will be conditioned elsewhere</p>
Environmental Factor	<p>Planting</p> <p>Planting of approximately 1.5 ha and at least 4,620 native trees</p>	<p>Planting</p> <p>No additional planting planned</p>	Weak	<p>Planting</p> <p>Likely to occur, minimal benefit.</p>	<p>Nil</p>
	<p>Water course management and enhancement</p> <p>Removal of diffuse discharges to water through grazing and fertiliser application resulting in improved water quality.</p>	<p>Water course management and enhancement</p> <p>No change.</p>		<p>Water course management and enhancement</p> <p>Likely to occur, minimal benefit.</p>	<p>Nil</p>

Relevant benefit factors	Applicant's claims: what they intend to do	Current state	OIO analysis: strength/weakness		Proposed special conditions
			Indicative strength	Summary	
	Pest control Removal of pest plant species and trapping of pest animal species (rabbits, possums, stoats, rats) for the life of the project.	Pest control No change		Pest control Likely to occur, minimal benefit	Nil

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Consultation and submissions about the investment

62. No third-party submissions were sought or received in relation to this application.

Residential land outcome

63. The most appropriate residential land outcome to require is 'use for non-residential purposes',²⁰ for which conditions must be imposed that require the residential land is not used, nor held for future use, for residential dwellings or long-term accommodation facilities. (See **Attachment 1** for the proposed conditions.)

Conclusion – benefit to NZ test

Key benefits

64. After considering the application, we are satisfied that the investment is likely to result in the benefits considered above. In particular:

- **Advance significant government policy** - Likely to give effect to advancing significant Government policy by enabling an increase in renewable energy production.
- **Capital investment** - s.9(2)(b)(ii) is likely to be spent on development of a solar farm on the property, at least s.9(2)(b)(ii) of which will be introduced into New Zealand.

Proportionality

65. We have undertaken our assessment having regard to the sensitivity of the Land and the nature of the overseas investment transaction, reflecting the proportional nature of the benefit to NZ test. The Land is non-urban land greater than 5 hectares in size used as farm land, and is also residential land under the Act.
66. Taking into account the modest size of the Land and leasehold investment (suggesting proportionately lower benefits may be necessary), the counterfactual use (being leased for cropping) and the resulting expenditure and advancement of significant government policy that will likely result from the proposed development, we consider the overseas investment is likely to benefit New Zealand.

Farm land benefit test

67. In relation to the farm land benefit test, the benefits are likely to be substantial in relation to one or more factors of high relative importance (being oversight and participation and economic benefits). To satisfy this test, one or both of these factors need to be of a size or nature that represent a substantial benefit to New Zealand.
68. We consider in this case that the level of benefit under the economic factor is substantial, particularly when considering the likely benefit resulting from the capital investment and resulting creation and retention of jobs. **The modified benefit test for farm land is therefore met.**

F. Farm land offer test

69. The Applicant was granted an exemption from the farm land offer criterion on 22 July 2022. We are therefore satisfied that section 16(1)(f) does not apply to this transaction.

²⁰ Clause 19(2), row 2, Schedule 2 of the Act.

G. Not a transaction of national interest

70. The investment does not involve a transaction of national interest under the mandatory criteria of the Act.²¹ This is because the investment does not involve a non-NZ government investor or an investment in a strategically important business (as defined in the Act).
71. We have not referred this transaction to the Minister of Finance for him to call it in for a national interest assessment on a discretionary basis.²² He has therefore not declined consent to the transaction.
72. We are directed²³ that the starting point is the assumption that overseas investment is in New Zealand's national interest and that we should only seek the Minister of Finance to exercise his discretion for a national interest assessment if the proposed investment:
- could pose risks to New Zealand's national security or public order
 - would grant an investor significant market power within an industry or result in vertical integration of a supply chain
 - has foreign government or associated involvement that was below the 10 per cent threshold for automatic application of the national interest test, but granted that government (and/or its associates) disproportionate levels of access to or control of sensitive New Zealand assets or
 - would have outcomes that were significantly inconsistent with or would hinder the delivery of other Government objectives
73. We do not consider that this investment engages any of these risk factors.
74. We note that when the combined energy generation capacity of the Applicants proposed projects reaches 250MW, the Investments may then amount to a strategically important business. We have advised the Applicants to seek legal advice and engage with us before this milestone is reached.

Conclusion

75. After considering the application, our view is that:
- the investor test has been met; and
 - the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders); and
 - the benefit is proportionate to the sensitivity of the land and the nature of the transaction; and
 - the benefit will be, or is likely to be, substantial in relation to one of the factors of high relevant importance for farm land; and
 - the conditions relating to residential land to be imposed on the consent will be, or are likely to be, met; and
 - the Land is exempt from the farm land offer test; and
 - the transaction is considered to be a transaction of national interest.
76. Therefore, we consider that the criteria for consent in section 16 have been met and our recommendation is to **grant consent**.

²¹ Under s 20A of the Act.

²² Section 20B of the Act

²³ Supplementary Ministerial Directive Letter (8 June 2020).

s.9(2)(a)

Anita Murrell

Principal Advisor
Overseas Investment Office

Date: 3 August 2022

H. List of Attachments

1. Proposed Decision
2. Intended ownership structure
3. Other benefit factors

Released under the Official Information Act 1982

ATTACHMENT 1 PROPOSED DECISION

Consent for Overseas Person to Acquire Sensitive New Zealand Land

Read this consent carefully - you must comply with all the conditions. If you do not, you may be required to dispose of the land and/or be subject to fines or other penalties.

Consent

Decision date: [date]

The following people have been given the following consent:

Case	202100604
Consent	<p>The Consent Holder, or a person where one or both of the Consent Holders are the only overseas person(s) with an ownership or control interest, may acquire the Land subject to the Conditions set out below.</p> <p>For the avoidance of doubt, this consent may be relied upon more than once (for example, by one Consent Holder acquiring the Land from another Consent Holder).</p>
Consent holder/s	<p>Aquila Capital SG Holdco Pte. Ltd. (Singaporean company number 202130506E)</p> <p>and</p> <p>Fair North Solar Farm Limited (company number 7844136)</p> <p>We will also refer to each Consent holder and the Consent holders together as you.</p>
Land	<p>A Leasehold Interest of up to 60 years in approximately 15.8555 hectares of land located at 124 Lamb Road, Kaitaia, contained in Record of Title 375274 (North Auckland).</p>
Timeframe	<p>You have until 31 August 2023 to acquire the Land.</p>

Conditions

Your Consent is subject to the Special conditions, Standard conditions and Reporting conditions (Conditions) set out below. You must comply with them all. Be aware that if you do not comply with the Conditions, you may be subject to fines or other penalties, and you may also be required to dispose of the Land.

In the Consent and the Conditions, we refer to the Overseas Investment Office as **OIO, us or we**.

Act means the Overseas Investment Act 2005.

Special conditions

You must comply with the following **special conditions**. These apply specifically to this Consent and were considerations that particularly influenced us to give consent:

Details	Required date
Special condition 1: Develop and operate a solar farm	
<p>You must:</p> <ul style="list-style-type: none">a. develop a solar farm on the property.b. expend at least \$20 million on development of the solar farm.c. use, or continue to use, the Land exclusively or nearly exclusively for the operation of a solar farm on the property for the purposes of electricity generation.	<ul style="list-style-type: none">a. By 30 Dec 2024b. By 30 Dec 2024c. At all times
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 2: Job creation	
<p>You must engage the equivalent of 3 ongoing FTE positions for the future operation of the solar farm. This may include a mix of long-term contractors and part-time employees, including for electrical support, site management and security, electricity market operations, accounting and finance, and regulatory and compliance.</p>	By 30 December 2024
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 3: Non-occupation outcome	
<p>None of the following people may occupy the Land for residential purposes:</p> <ul style="list-style-type: none">a. You (and any of your subsidiaries);b. Any overseas person with a more than 25% ownership or control interest in any of the people in (a);c. Any overseas person who occupies the Land other than on arm's length terms;	At all times

Details	Required date
<ul style="list-style-type: none"> d. Any overseas person who has a beneficial interest in, or beneficial entitlement to, the relevant interest in the Land; and e. If (a) is a trust, any beneficiary (direct or indirect) who may benefit under the trust at the trustees' discretion. 	
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	

Standard conditions

You must also comply with the **standard conditions** set out below. These apply to all overseas people who are given consent to acquire sensitive New Zealand land, including you:

Details	Required date
Standard condition 1: Acquire the land	
<p>You must acquire the Land:</p> <ul style="list-style-type: none"> 1. by the date stated in the Consent. If you do not, your Consent will lapse or become invalid and you must not acquire the Land, and 2. using the acquisition, ownership, and control structure you described in your application. Note, only you - the named Consent Holder - may acquire the Land, not your subsidiary, trust, or other entity. 	As stated in the Consent
Standard condition 2: Tell us when you acquire the Land	
<p>You must tell us in writing when you have acquired the Land.</p> <p>Include details of:</p> <ul style="list-style-type: none"> 1. the date you acquired the Land (Settlement), 2. consideration paid (plus GST if any), 3. the structure by which the acquisition was made and who acquired the Land, and 4. copies of any transfer documents and Settlement statements. 	As soon as you can, and no later than two months after Settlement

Details	Required date
Standard condition 3: Allow us to inspect the Land	
<p>Sometimes it will be helpful for us to visit the Land so we can monitor your compliance with the Conditions. We will give you at least two weeks' written notice if we want to do this.</p> <p>You must then:</p> <ol style="list-style-type: none"> 1. Allow a person we appoint (Inspector) to: <ol style="list-style-type: none"> a. enter onto the Land, including any building on it, other than a dwelling, for the purpose of monitoring your compliance with the Conditions (Inspection), b. remain there as long as is reasonably required to conduct the inspection, c. gather information, d. conduct surveys, inquiries, tests, and measurements, e. take photographs and video records, and f. do all other things reasonably necessary to carry out the Inspection. 2. Take all reasonable steps to facilitate an Inspection including: <ol style="list-style-type: none"> a. directing your employees, agents, tenants, or other occupiers to permit an Inspector to conduct an Inspection, b. being available, or requiring your employees, agents, tenants, or other occupiers to be available, at all reasonable times during an Inspection to facilitate access onto and across the Land. This includes providing transport across the Land if reasonably required. <p>During an Inspection:</p> <ol style="list-style-type: none"> a. we will not compel you and your employees, agents, tenants, or other occupiers to answer our questions or to let us look at, copy or take away documents, b. our Inspector will comply with any reasonable instruction and co-operate with any reasonable 	<p>At all times</p>

Details	Required date
health and safety policy or procedure you notify to us before the Inspection.	
Standard condition 4: Remain not unsuitable to Invest in New Zealand	
<p>You, and to the extent that you are not an individual, the Individuals Who Control You must remain not unsuitable to own or control the Assets in accordance with section 18A(1) of the Act.</p> <p>The Individuals Who Control You are individuals who:</p> <ul style="list-style-type: none"> a. are members of your governing body b. directly or indirectly, own or control more than 25% of you or of a person who itself owns or controls more than 25% of you, and c. are members of the governing body of the people referred to in paragraph (b) above. 	At all times
Standard condition 5: Tell us about changes that affect you, the people who control you, or people you control	
<p>You must tell us in writing if any of the following events happens to any of the Consent holders:</p> <ul style="list-style-type: none"> 1. You become aware that you and/or any Individual Who Controls you establishes any of the investor test factors listed in section 18A(4) of the Act. 2. You cease to be an overseas person or dispose of all or any part of the Asset. 3. Your New Zealand Service Address changes. This is the address you provided us in your application as the address which we will send any legal document we need to serve on you. 	Within 20 working days after the change
Standard condition 6: Dispose of the Land if you do not comply with key special conditions	
If all or part of this Standard Condition 6 applies to a special condition, we have said so in that special condition.	

Details	Required date
<p>If we consider you have failed to comply with one of those special conditions in a material way we may require you to dispose of the Land.</p> <p>We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:</p>	
Value the Land: obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer.	Within six weeks of the date of our notice
Market the Land: instruct a licensed real estate agent to actively market the Land for sale on the open market.	Within six weeks of the date of our notice
Dispose of the Land: dispose of the Land to a third party who is not your associate.	Within six months of our notice
Offer without reserve: if you have not disposed of the Land within six months of our notice, offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land.	Within nine months of our notice
Report to us about marketing: tell us in writing about marketing activities undertaken and offers received for the Land.	By the last day of every March, June, September, and December after our notice or at any other time we require
<p>Report disposal to us: send us, in writing, evidence of the following:</p> <ul style="list-style-type: none"> a. that you have disposed of the Land (including copies of sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor), and b. that the purchaser is not your associate. 	Within one month after the Land has been disposed of

Reporting conditions

We need information from you about how your investment plan is tracking so we can monitor your progress against the Conditions.

In addition to Settlement reporting (as set out in Standard Condition 2), you must provide the OIO with reports detailing the progress of the investment. The reports must:

1. be submitted via our [Webform](#) by these dates:
 - a. 28 February 2025
2. contain information about:
 - a. your progress in implementing the special conditions (which can include photographs, maps or aerial imagery as evidence of compliance with relevant conditions),
3. follow the format of the template annual report published on our website

If requested in writing by the OIO, the Consent Holder(s) must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

- a. the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the Consent was granted, or
- b. the conditions of this Consent.

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ATTACHMENT 2 – INTENDED OWNERSHIP STRUCTURE

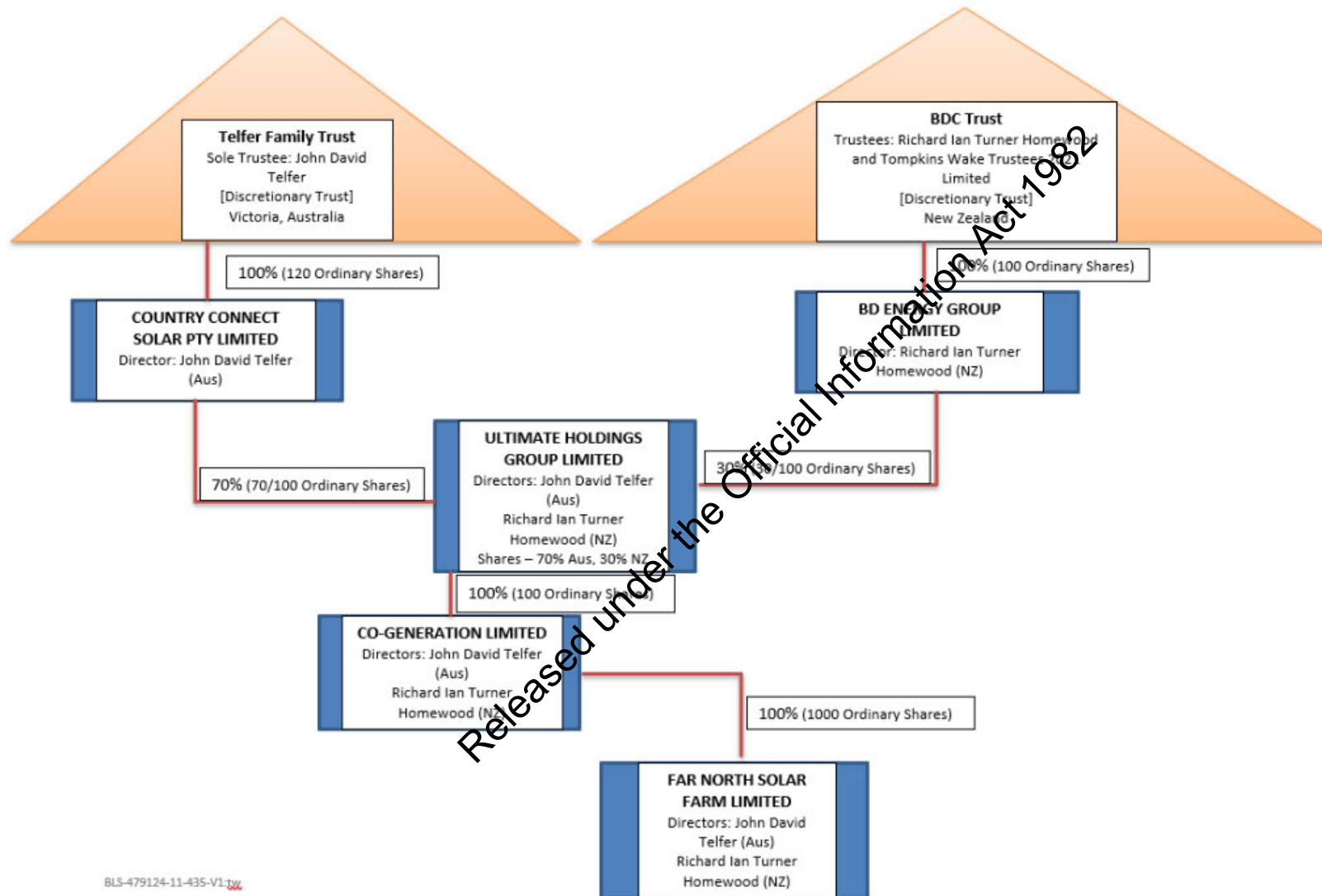
Aquila ownership

s.9(2)(b)(ii)

Aquila proposed ownership structure

s.9(2)(b)(ii)

Far North Solar Farm Ownership Structure



BLS-479124-11-435-V1.tw

ATTACHMENT 3 – OTHER BENEFIT FACTORS

The table below lists other factors in the Act for assessing the benefit of overseas investments.

We considered that the factors below were either not relevant to the investment, or the benefit to New Zealand was not likely or sufficient to be relied on for the purposes of our assessment.

Factor	Reason not relevant or insufficient
Public access	Not relevant – there are no known public access ways over the Land, and no plans to provide these.
Historic heritage	Not met – the archaeological sites on the Land are of low value having been significantly affected by previous farming activity.
Oversight or participation by New Zealanders	Not met – the investment will result in a net reduction in New Zealand ownership.
Consequential benefits	Not met – the claims made are not confirmed.
Extraction of water for bottling	Not relevant – there are no proposals for water bottling.

Released under the Official Information Act 1982