

## **LGFA launches fixed rate sustainable financing bond offer**

31 March 2026

New Zealand Local Government Funding Agency Limited (**LGFA**) announced today that it is offering NZ\$650 million unsecured, unsubordinated, fixed rate sustainable financing bonds maturing on 15 May 2034 (**Sustainable Financing Bonds**) to institutional and New Zealand retail investors, with the ability to accept up to NZ\$200 million of oversubscriptions at LGFA's discretion. The offer amount of NZ\$650 million includes NZ\$150 million of Sustainable Financing Bonds reserved for subscription by LGFA.

The Coupon/Interest Rate for the Sustainable Financing Bonds will be set by LGFA, taking into account the Issuance Yield, on the Rate Set Date (1 April 2026). LGFA expects the Coupon/Interest Rate to be 5.00% per annum. The Issuance Yield will be the sum of the Margin and the Base Rate on the Rate Set Date. The Margin will be set following a bookbuild on the Rate Set Date. The Coupon/Interest Rate, Issuance Yield, Margin and Issue/Settlement Price for the Sustainable Financing Bonds will be announced by LGFA via NZX shortly thereafter.

The indicative Margin range for the Sustainable Financing Bonds is 0.77% to 0.80 % per annum.

### **Other information**

The offer will close at 10:00 am on 1 April 2026, with the Sustainable Financing Bonds expected to be issued on 8 April 2026.

LGFA does not intend to offer any additional tranches of the Sustainable Financing Bonds until its May 2026 tender, currently scheduled for the week commencing 11 May 2026.

The Sustainable Financing Bonds are expected to be quoted on the NZX Debt Market.

Full details of the Sustainable Financing Bond offer is contained in the Series Notice **attached**. The offer will be 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 notice required by the Financial Markets Conduct Regulations 2014 has been provided to NZX.

There is no public pool for the Sustainable Financing Bonds, which will be reserved for the Joint Lead Managers, institutional investors and other primary market participants invited to participate in the bookbuild (other than the NZ\$150 million reserved for subscription by LGFA).

## Joint Lead Managers



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ENDS

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