

Stock exchange listings: New Zealand (NZX: AIR) / Australia (ASX: AIZ) / ADR (OTC : ANZLY)

## MARKET ANNOUNCEMENT

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30 March 2022

### **Air New Zealand launches comprehensive recapitalisation package including pro rata renounceable rights offer**

Air New Zealand is launching a comprehensive NZ\$2.2 billion recapitalisation package to help position the airline for recovery. The recapitalisation has been sized with a view to maintaining Air New Zealand's investment grade credit rating (Moody's Baa2 – stable outlook) and to support the execution of Air New Zealand's strategic priorities.

The package includes a \$1.2 billion pro rata renounceable Rights Offer, allowing eligible shareholders an opportunity to buy additional shares in Air New Zealand at a discount relative to the prevailing share price.

Air New Zealand Chair Dame Therese Walsh, said: "While there will still be bumpy skies ahead over the next few years, the moment is right for Air New Zealand to raise equity, recapitalise its balance sheet and repay the loan it received from the Crown during the Covid crisis. This is an important step in refuelling for our recovery. The Rights Offer we are launching today is structured to provide all eligible Air New Zealand shareholders with a fair opportunity to participate."

### **Details of the recapitalisation package**

Air New Zealand's recapitalisation comprises:

- A pro rata renounceable rights offer of ordinary shares to Eligible Shareholders to raise NZ\$1.2 billion (**Rights Offer**). The Crown has committed to supporting the Rights Offer and will participate in the Offer to ensure it holds a 51% shareholding in Air New Zealand on completion of the Rights Offer. The Rights Offer, other than the Crown participation, is underwritten
- NZ\$600m of redeemable shares to be issued to the Crown under the existing subscription agreement previously announced on 14 December 2021 (**Redeemable Shares**)
- A new committed unsecured 4 year Crown Loan of NZ\$400 million (**New Crown Loan**)

## Air New Zealand updates FY22 loss guidance

On 24 February 2022, Air New Zealand announced with its FY2022 interim results that its expectation at that time was that the 2022 financial year will incur a loss before taxation and other significant items that exceeds \$800 million.

Air New Zealand has seen some benefits from the limited period of sales after the Government's recent announcement accelerating the plan to open New Zealand's borders, but a large degree of uncertainty remains.

Air New Zealand now expects its FY2022 full year result to be a loss before other significant items and taxation of less than \$800 million. Beyond FY2022, further losses are expected to be incurred in the near-term with the amount of such losses subject to the level and pace of the return of demand.

## Renounceable Rights Offer

The investor presentation and the offer document for the Rights Offer are **attached**. More details can also be found at the offer website at <https://airnz.rightsoffer.co.nz>. Online applications are strongly encouraged. Eligible shareholders should ensure they read all the offer materials and seek independent advice.

Details of the Rights Offer are:

*To be read in conjunction with the Offer Document; All amounts in this release are in New Zealand Dollars unless stated otherwise and all times are New Zealand time zone unless stated otherwise.*

<b>Rights Offer size and structure</b>	<ul style="list-style-type: none"><li>• \$1.2 billion pro rata renounceable rights offer to eligible shareholders at a ratio of 2 for 1 (<b>Rights Offer</b>)</li><li>• Approximately 2,246 million new fully paid ordinary shares in Air New Zealand (<b>New Shares</b>) will be issued under the Rights Offer, representing approximately 200% of Air New Zealand's existing ordinary shares on issue</li></ul>
<b>Rights Offer price</b>	<ul style="list-style-type: none"><li>• \$0.53 per New Share (<b>Offer Price</b>), representing:<ul style="list-style-type: none"><li>– 61.5% discount to the last traded price on NZX of \$1.375 on 30 March 2022</li><li>– 34.7% discount to Theoretical Ex-Rights Price (TERP)<sup>1</sup> of \$0.81</li><li>– The Australian dollar application price for eligible shareholders has been set at A\$0.49, using the prevailing AUD / NZD exchange rate<sup>2</sup></li></ul></li></ul>
<b>Rights trading<sup>3</sup></b>	<ul style="list-style-type: none"><li>• Eligible shareholders who opt not to take up their rights in full may sell some or all of their rights on the NZX between 4 April 2022 and 26 April 2022</li></ul>
<b>Oversubscriptions</b>	<ul style="list-style-type: none"><li>• Eligible shareholders who take up their rights in full have the opportunity to apply for oversubscriptions at the price determined through the shortfall bookbuild process (<b>Bookbuild Price</b>) as part of the application process. The Bookbuild Price is uncapped and will be at or above the Offer Price</li></ul>

<b>Shortfall bookbuild</b>	<ul style="list-style-type: none"> <li>• Participation in the shortfall bookbuild by eligible shareholders and other eligible investors may be possible via a broker or other platform</li> <li>• See the Offer Document for information about the approach to allocation and scaling</li> <li>• New Shares will be issued at the Bookbuild Price (which is uncapped and will be at or above the Offer Price)</li> </ul>
<b>Ranking</b>	<ul style="list-style-type: none"> <li>• New Shares issued under the Rights Offer will rank equally in all respects with Air New Zealand's existing ordinary shares</li> </ul>
<b>Crown Participation</b>	<ul style="list-style-type: none"> <li>• The Crown has committed to participate for approximately \$602 million of New Shares (<b>Crown Participation</b>), ensuring the Crown will maintain a majority shareholding of 51% in Air New Zealand post-Rights Offer</li> </ul>
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>• The Rights Offer is being underwritten up to an amount equal to the Rights Offer size, less the Crown Participation</li> </ul>
<b>Record Date</b>	<ul style="list-style-type: none"> <li>• The Rights Offer is open to eligible shareholders on the register as at 7:00pm NZT on the <b>Record Date</b> of 5 April 2022</li> </ul>
<b>Use of proceeds</b>	<ul style="list-style-type: none"> <li>• Proceeds from the Rights Offer will be used to repay the existing Crown Loan, strengthen the balance sheet, improve liquidity and help position Air New Zealand for recovery</li> </ul>

<sup>1</sup> TERP is the theoretical price at which an Air New Zealand share will trade immediately after the Rights Offer. It is a theoretical calculation only and the actual price at which Air New Zealand shares will trade will depend on many factors and may differ from TERP

<sup>2</sup> RBNZ published exchange rate as at 3pm on 30 March 2022

<sup>3</sup> Rights purchased on the NZX may only be exercised by purchasers that meet eligibility requirements. In particular, rights may not be exercised by purchasers that are in the United States or who are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States). Potential purchasers of Rights should familiarise themselves with the requirements for exercise, which are set out in the Offer Document. Eligible shareholders holding their shares on ASX would need to contact their broker to trade their rights on the NZX

Key dates related to the Offer can be found in the appendix.

## Redeemable Shares and New Crown Loan

Air New Zealand has submitted a call notice to the Crown to issue \$600 million of Redeemable Shares, to be issued during the Rights Offer.

The total proceeds of the Rights Offer and the Redeemable Share issue will be used to repay the \$850 million outstanding under the existing Crown loan and \$950 million (less transaction costs) will be used to strengthen the airline's balance sheet, improve liquidity and help position Air New Zealand for recovery.

In addition, Air New Zealand intends to raise approximately \$600 million through a debt capital markets issuance, currently intended to be completed by 30 June 2022, subject to market conditions. Upon successful completion, approximately \$400 million of the Redeemable Shares are intended to be repaid, leaving approximately \$200 million of the Redeemable Shares remaining on issue. Under the terms of the Redeemable Shares, the Company cannot issue any further Redeemable Shares to the Crown after the Rights Offer has been completed.

The \$400 million New Crown Loan is not intended to be drawn and is available to

provide additional liquidity if required through the recovery period.

A summary of the key terms of the Redeemable Shares was previously announced on 14 December 2021.

A summary of the key terms of the New Crown Loan is as follows:

<b>Duration</b>	Available until 30 January 2026
<b>Availability</b>	Available to use from the close of the Rights Offer subject to satisfaction of usual conditions.
<b>Type of loan</b>	Unsecured committed revolving standby facility
<b>Initial interest rate (once drawn)</b>	BKBM plus an initial margin of 1.50% per annum, subject to certain performance / compliance-based increases
<b>Line fee</b>	1.00% per annum on the facility limit of \$400 million will be payable for the duration of the facility, subject to certain reporting-based increases
<b>Dividend restriction</b>	Air New Zealand will be unable to pay dividends on its ordinary shares (including the New Shares) if it has drawn under this facility
<b>Financial covenants</b>	There are no financial covenants
<b>Representation Warranties and Undertakings</b>	Typical of such a facility, including regular reporting on operational and financial performance and there are additional reporting and information requirements once the loan has been drawn
<b>NZX Waivers</b>	The entry into the New Crown Loan is being undertaken without shareholder approval in reliance on waivers from the NZX Listing Rules 5.1.1 and 5.2.1, granted by NZX Regulation on 30 March 2022. See <a href="http://www.nzx.com/companies/AIR/announcements">www.nzx.com/companies/AIR/announcements</a>

### Shareholder meeting late 2022 to ratify the entry into the Crown Loans

Air New Zealand obtained waivers from NZX Listing Rules 5.1.1 and 5.2.1 in connection with the issuance of the Redeemable Shares and the existing Crown Loan on 13 December 2021, and a further waiver from those NZX Listing Rules in connection with the entry into the New Crown Loan on 30 March 2022.

There are certain conditions set out in those NZX waivers which mean that Air New Zealand is required to call a shareholders' meeting to ratify the entry into the existing Crown Loan (if the Redeemable Shares or the existing Crown Loan remain in place at the end of 2022) and the entry into the New Crown Loan (if it remains in place at the end of 2022). Air New Zealand now expects that by the end of 2022, there will still be some Redeemable Shares on issue and the New Crown Loan will still be in place. On that basis, Air New Zealand expects to seek these necessary ratifications later in 2022. The Crown has today confirmed to Air New Zealand its intention to vote in favour of those ratification resolutions at such meeting.



## Investor call details

A conference call regarding the announcement will be hosted by Chief Executive Officer Greg Foran and Chief Financial Officer Richard Thomson on Thursday, 31 March 2022 at 10:30am NZ time.

To register for the call and access a dial-in, please use the following link:  
<https://s1.c-conf.com/diamondpass/10021059-dfje333.html>

*Ends.*

This announcement has been authorised for release to NZX and ASX by:

Jennifer Page  
General Counsel & Company Secretary  
Email: [jennifer.page@airnz.co.nz](mailto:jennifer.page@airnz.co.nz)  
Phone: +64 27 9090 691

For investor relations queries please contact:  
Leila Peters  
GM Corporate Finance  
Email: [leila.peters@airnz.co.nz](mailto:leila.peters@airnz.co.nz)  
Phone: +64 21 743 057

For media enquiries, please contact:  
Air New Zealand Communications  
Email: [media@airnz.co.nz](mailto:media@airnz.co.nz)  
Phone: +64 21 747 320

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## Appendix

**Key dates**<sup>1</sup> (all times are NZ time unless otherwise stated).

	DATE 2022
Announcement of the Offer	
Ex-date	4 April 2022 <sup>2</sup>
Rights trading commences on NZX	4 April 2022 <sup>2</sup>
Record Date for determining Rights	7.00 pm 5 April 2022
Rights Offer opens (Offer Document, Acceptance Forms sent to Eligible Shareholders)	6 April 2022
Rights Trading ceases	26 April 2022
Rights Offer closes	5.00 pm 2 May 2022
Shortfall bookbuild	Post-NZX and ASX close on 3 May and on 4 May 2022
ASX settlement	6 May 2022
NZX settlement and NZX and ASX allotment	9 May 2022
Commencement of trading of new shares	9 May 2022

<sup>1</sup> These dates are subject to change and are indicative only. Air New Zealand reserves the right to alter the timetable, subject to applicable laws and the NZX Listing Rules and the ASX Listing Rules. Air New Zealand reserves the right to withdraw the Rights Offer at any time prior to the issue of the New Shares at its absolute discretion.

<sup>2</sup> The Ex Date is two business days following the announcement of the Rights Offer, in reliance on a waiver from NZX Listing Rule 4.17.6(a) granted by NZX Regulation on 30 March 2022. See [www.nzx.com/companies/AIR/announcements](http://www.nzx.com/companies/AIR/announcements)



# Refuelling for our recovery: Market update and recapitalisation

Investor presentation

30 March 2022

Personal use only



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A STAR ALLIANCE MEMBER

# Disclaimer and important notice (1 / 2)

This presentation has been prepared by Air New Zealand Limited (the **Company** or **Air New Zealand**) in relation to the 2-for-1 pro rata renounceable rights offer of new shares in the Company (**New Shares**), followed by a shortfall bookbuild process (the **Rights Offer**).

The Rights Offer is made to eligible shareholders in New Zealand pursuant to the exclusion in clause 19 of schedule 1 of the New Zealand Financial Markets Conduct Act 2013 (the **FMCA**) and in reliance on waivers issued by NZX Regulation in favour of the Company dated 30 March 2022.

The Rights Offer is made to eligible shareholders in Australia pursuant to the provisions of the Australian Corporations Act 2001 (Cth) (the **Corporations Act**) (as modified by Australian Securities and Investments Commission (**ASIC**) Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (ASIC Instrument 2016/84) and ASIC Instrument 22-0225).

## Information

This presentation contains summary information about the Company and its activities that is current as of the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in the Company or that would be required in a product disclosure statement for the purposes of the FMCA or a prospectus or other disclosure document for the purposes of the Corporations Act or the laws of any other jurisdiction. The Company is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (**NZX**) and ASX Limited (**ASX**). This presentation should be read in conjunction with the Company's other periodic and continuous disclosure announcements released to NZX and ASX, which are available at [www.nzx.com](http://www.nzx.com) and [www.asx.com.au](http://www.asx.com.au). No information set out in this presentation will form the basis of any contract.

## NZX and ASX

The Company has been designated as a "Non-Standard" (NS) issuer by NZX and as a New Zealand exempt foreign listing by ASX. The New Shares will be quoted on the NZX Main Board and ASX following completion of the Rights Offer. Application has been made for permission to quote the renounceable rights to subscribe for New Shares (**Rights**) on the NZX Main Board and all NZX requirements have been duly complied with. The NZX and ASX accept no responsibility for any statement in this presentation. NZX is a licensed market operator, and the NZX Main Board is a licensed market under the FMCA.

## Not financial product advice

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To the maximum extent permitted by law, each of the Company, the joint lead managers of the Rights Offer (together, the **Joint Lead Managers**) and their respective related bodies corporate and affiliates including, in each case, their respective shareholders, directors, officers, employees, agents and advisers, as the case may be (**Specified Persons**) disclaims and excludes all liability (whether in tort (including negligence) or otherwise) for any direct or indirect loss, damage or other consequence (whether foreseeable or not) suffered by any person from the use of or reliance on the information contained in, or omitted from, this presentation, from refraining from acting because of anything contained in or omitted from this presentation or otherwise arising in connection therewith (including for negligence, default, misrepresentation or by omission and whether arising under statute, in contract or equity or from any other cause). To the maximum extent permitted by law, no Specified Person makes any representation or warranty, either express or implied, as to the currency, fairness, accuracy, completeness or reliability of the information contained in this presentation, and you agree that you will not bring any proceedings against or hold or purport to hold any Specified Person liable in any respect for this presentation or the information in this presentation and waive any rights you may otherwise have in this respect.

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This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Company. Forward-looking statements can generally be identified by use of words such as 'approximate', 'project', 'foresee', 'plan', 'target', 'seek', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will', 'objective', 'assume', 'guidance', 'outlook' or similar expressions.





# Disclaimer and important notice (2 / 2)

## Forward-looking statements (continued)

This also includes statements regarding the timetable, conduct and outcome of the Rights Offer and the use of proceeds thereof, statements about the plans, objectives and strategies of the management of the Company, statements about the industry and the markets in which the Company operates, statements about the future performance of, and outlook for, the Company's business (including its demand recovery), statements about the Company's fleet plans and passenger numbers, and statements in respect of Covid-19 and of other significant events and conflicts around the world and their impact on the Company. Any indications of, or guidance or outlook on, future earnings or financial position or performance and future distributions are also forward-looking statements. All such forward-looking statements involve known and unknown risks, significant uncertainties, assumptions, contingencies, and other factors, many of which are outside the control of the Company, are difficult to predict, and which may cause the actual results or performance of the Company to be materially different from any future results or performance expressed or implied by such forward-looking statements.

Such forward-looking statements speak only as of the date of this presentation. Except as required by law or regulation (including the NZX Listing Rules and the ASX Listing Rules), the Company undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to the date of this presentation or to update or keep current any of the information contained herein.

Any estimates or projections as to events that may occur in the future (including projections of revenue, capacity, ASK, RASK, EBITDA, ROIC, NPAT, gearing, maintenance of credit rating, expense, earnings and performance) are based upon the best judgement of the Company from the information available as of the date of this presentation. A number of factors could cause actual results or performance to vary materially from the projections, including the risk factors set out in this presentation. Investors should consider the forward-looking statements in this presentation in light of those risks and disclosures.

In particular, investors should be aware that the statements in slide 8 "Air New Zealand is targeting the following post-pandemic recovery financial objectives" and other statements and information regarding post-recovery financial objectives for the financial years to FY25 (collectively, the "outlook information") are forward-looking statements. The outlook information has been prepared by the Company based on an assessment of current economic and operating conditions, including in relation to the impact of the Covid-19 pandemic on the Company's business, the current conflict in Ukraine and its impact on global fuel prices and potential to cause broader macro-economic impacts, and various assumptions regarding future factors, events and actions, including in relation to travel restrictions, the demand environment, fuel and foreign exchange pricing, the competitive environment and general macro-economic drivers. Investors should note that given the significant uncertainties that exist in the current operating conditions, the outlook information may not be achieved. The outlook information assumes the success of the Company's business strategies, the success of which may not be realised within the period for which the outlook information has been prepared, or at all. The outlook

information is subject to a number of risks, including the risks set out in this presentation. Investors should be aware that the timing of actual events, including capacity and demand recovery, the level of costs associated with that recovery, ASK trajectory and fleet outlook, and the magnitude of their impact might differ from that assumed in preparing the outlook information, which may have a material negative effect on the Company's actual financial performance, financial position and cash flows. In addition, the assumptions upon which the outlook information is based are subject to significant uncertainties and contingencies, many of which are outside the Company's control, are not reliably predictable, and it is not reasonably possible to itemise each item. Accordingly, neither the Company nor any other person can give investors assurance that the outcomes discussed in the outlook information will be achieved.

Covid-19, its effect on the global economy and actions taken in response by the New Zealand Government and other governments around the world, have had, and may continue to have, a material adverse effect on the Company, its financial performance and position, liquidity, financial condition and operations. It is likely that there will be further unforeseen negative impacts as Covid-19 continues to spread and further variants emerge. In addition, the Covid-19 pandemic may have also changed behaviours, attitudes and patterns of travel permanently as a result of the technological developments that have occurred and restrictions that have been imposed. It is likely that there will be further unforeseen negative impacts of Covid-19. In addition, the current conflict in Ukraine is creating significant uncertainty and volatility in global fuel prices, and has recently driven significant increases in prices. Increased fuel prices are likely to flow through global supply chains and increase costs, particularly in respect of air travel and airfares, which could further impact Air New Zealand's costs and demand for air travel. Investors should not place undue reliance on assumptions that may change or prove to be inaccurate due to a range of factors outside Air New Zealand's control.

**Investors are strongly cautioned not to place undue reliance on any forward-looking statements, particularly in light of the rapidly changing Covid-19 situation, current economic climate and the significant volatility, uncertainty and disruption caused by the Covid-19 pandemic, as well as the current conflict in Ukraine and its impact on global fuel prices and potential to cause broader macro-economic impacts.**

## General

For the purposes of this Disclaimer and Important Notice, "presentation" means the slides, any oral presentation of the slides by the Company, any question-and-answer session that follows that oral presentation, hard copies of this presentation and any materials distributed at, or in connection with, that presentation.

The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change without notice. The Company reserves the right to withdraw, or vary the timetable for the Rights Offer, without notice.

## Financial information

All dollar values are in New Zealand dollars (\$) or NZD) unless otherwise stated.

The Company's financial information has been prepared in accordance with Generally Accepted Accounting Practice (**GAAP**). It complies with the New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) and other applicable Financial Reporting Standards, as appropriate for profit oriented entities. The Company's financial statements also comply with International Financial Reporting Standards (**IFRS**).

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This presentation includes certain financial measures that are "non-GAAP (generally accepted accounting practice) financial information" under Guidance Note 2017: 'Disclosing non-GAAP financial information' published by the New Zealand Financial Markets Authority, "non-IFRS financial information" under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' and "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Exchange Act of 1934. Disclosure of such non-GAAP financial measures in the manner included in this presentation would not be permissible in a registration statement under the U.S. Securities Exchange Act of 1934. Such financial information and financial measures (including EBITDA, Gearing, Gross Debt, Net Debt, liquidity, RASK, and ROIC) do not have standardised meanings prescribed under NZ IFRS, Australian Accounting Standards ("AAS") or IFRS and therefore, may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with NZ IFRS, AAS or IFRS.

## Pro forma Financial Information

This presentation includes a pro forma balance sheet and Air New Zealand's pro forma liquidity position, which have been adjusted to reflect the impact of the Rights Offer and recapitalisation. The pro forma financial information provided in this presentation is for illustrative purposes only and is not represented as being indicative of the Company's future financial position and/or performance. The pro forma financial information has been prepared by the Company in accordance with the measurement and recognition requirements, but not disclosure requirements, prescribed by NZ IFRS. In addition, the pro forma financial information in this presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission.

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# Air New Zealand is launching a comprehensive recapitalisation package to position it for recovery

## Recapitalisation overview

- \$2.2 billion recapitalisation to repay the Existing Crown Loan and support the execution of Air New Zealand's strategic priorities
- Recapitalisation sized with a view to maintaining Air New Zealand's investment grade credit rating (currently Moody's Baa2 – stable outlook)<sup>1</sup>
- Liquidity,<sup>2</sup> including the New Crown Loan, expected to remain above target minimum liquidity of \$700 million
- Air New Zealand is not subject to any financial covenants on its debt

### \$2.2 billion recapitalisation:

- 1** **\$1.2 billion**  
Rights Offer
- 2** **\$600 million**  
redeemable shares issued, of which ~\$400 million will be refinanced by a proposed ~\$600 million debt capital markets issuance by 30 June 2022 (*subject to market conditions*)<sup>3</sup>
- 3** **\$400 million**  
fully committed 4 year New Crown Loan

### Proceeds will be used to:

**\$850 million**  
repay Existing Crown Loan<sup>2</sup>

**~\$950 million<sup>4</sup>**  
strengthen balance sheet, improve liquidity and help position Air New Zealand for recovery

### With further liquidity available:

**\$400 million**  
(undrawn)

See slide 32 for more details on current and post-recapitalisation liquidity

<sup>1</sup> A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant credit rating agency

<sup>2</sup> See Glossary starting on slide 36 for definition

<sup>3</sup> Approximately \$400 million of the redeemable shares are intended to be redeemed upon successful completion of the proposed debt capital markets issuance, with approximately \$200 million of redeemable shares currently intended to remain on issue after that proposed debt issuance. See slide 32 for the impact of these transactions

<sup>4</sup> Before transaction costs of approximately \$30 million





# Pro rata renounceable Rights Offer to raise \$1.2 billion

## Summary terms – Rights Offer<sup>1</sup>

- \$1.2 billion Rights Offer
- Ratio of 2-for-1
- Rights Offer price of \$0.53 per New Share
- All eligible shareholders<sup>2</sup> as at 7.00pm NZ time on the Record Date of 5 April 2022 are able to participate
- Eligible shareholders who take up their rights in full may apply for oversubscriptions in the shortfall bookbuild<sup>3</sup>
- Eligible shareholders may sell some or all of their rights on the NZX
- Shareholders who do not participate in the Rights Offer may receive some value for their rights through the shortfall bookbuild
- The Crown has committed to participate for ~\$602 million of New Shares (“Crown Participation”), ensuring it will hold a 51% shareholding in the airline on completion of the Rights Offer
- The Rights Offer is underwritten (other than the Crown Participation)

<sup>1</sup> See further details on slide 26 and in the Offer Document

<sup>2</sup> Eligibility criteria are set out in the Offer Document

<sup>3</sup> Participation in the shortfall bookbuild may also be available through a broker or other platform

## Key dates – Rights Offer



Rights trading commences	4 April 2022
Record Date for the Rights Offer	5 April 2022
Rights Offer opens	6 April 2022
Rights trading ceases	26 April 2022
Rights Offer closes	2 May 2022
Commencement of trading of New Shares	9 May 2022



# Recovery is guided by our strategy

Air New Zealand's *Kia Mau* strategy is focused on three clear drivers of value creation, executed through excellence and innovation across four key business enablers

## Profit drivers



### Grow domestic

Profitably grow and enhance our domestic offering, providing New Zealanders with even more choice



### Optimise international

Connecting New Zealanders and our exports to the world through a smaller, more targeted international network and premium leisure product



### Lift loyalty

Increase products and benefits members value from our Airpoints™ programme, supercharging the loyalty ecosystem for the airline

## Enabled by strong culture and focused investment

### Operational Excellence

Operational excellence that aims to provide a seamless travel experience for our customers – do it right, first time, every time

### Serious about Sustainability

Committed to meaningful action to reduce our carbon impact

### Digital Dexterity

Technology focused on delivering a world-class experience for our people and customers while driving efficiencies

### Prioritising People and Safety

Putting people, health and safety first



# Air New Zealand is targeting the following post-pandemic financial objectives

Targeted financial objectives to be read in conjunction with the Key Assumptions and summary of Key Risks set out on slides 10 and 11

<b>Capacity</b>	<p>Targeting ASKs<sup>1</sup> for FY25 that are ~90% of FY19 levels (but with a re-orientated international capacity and a greater proportion of domestic flying)</p> <p><i>See slide 9 for more details</i></p>
<b>EBITDA<sup>1</sup></b>	<p>Targeting to approximate FY19 levels for FY25</p> <p><i>FY19 EBITDA was \$1.18 billion<sup>2</sup></i></p>
<b>Pre-tax Return on Invested Capital (ROIC)<sup>1</sup></b>	<p>Targeting to exceed 10% for FY25</p> <p><i>FY19 ROIC was 10.6%<sup>2</sup></i></p>
<b>Net Profit After Tax (NPAT)<sup>1</sup></b>	<p>Targeting to approximate FY19 levels for FY25<sup>3</sup></p> <p><i>FY19 NPAT was \$276 million<sup>2</sup></i></p>

<b>Gearing<sup>1</sup></b>	<p>Targeting gearing within Air New Zealand's target range of 45% to 55% in the second half of FY25</p> <p><i>While gearing is improved following the recapitalisation, it is expected to remain above the target range of 45% - 55%, before gradually improving as Air New Zealand rebuilds its network as passenger demand returns</i></p>
<b>Credit rating</b>	<p>Air New Zealand's board will seek to maintain an investment grade credit rating</p> <p><i>See slide 24 for more details</i></p>
<b>Dividends</b>	<p>Subject to performance, dividends expected to be considered from FY26</p> <p><i>See slide 24 for more details</i></p>

- 1 See Glossary starting on slide 36 for definitions
- 2 Retrospective restatements have been made to the FY19 financial information following IFRIC agenda decisions being published. See slide 15, footnote 2 for further details
- 3 As a result of increased depreciation charges due to Air New Zealand's aircraft-related capital expenditure program, NPAT may reduce below FY25 levels in FY26

**Investors are strongly cautioned to not place undue reliance on these targeted financial objectives, particularly in light of the ever-changing Covid-19 situation, the current economic climate and the significant volatility, uncertainty and disruption caused by the pandemic, as well as the current conflict in Ukraine and its impact on global fuel prices. Due to the uncertainties going forward created by these factors, these targeted financial objectives should only be regarded as indicative of one possible outcome.**



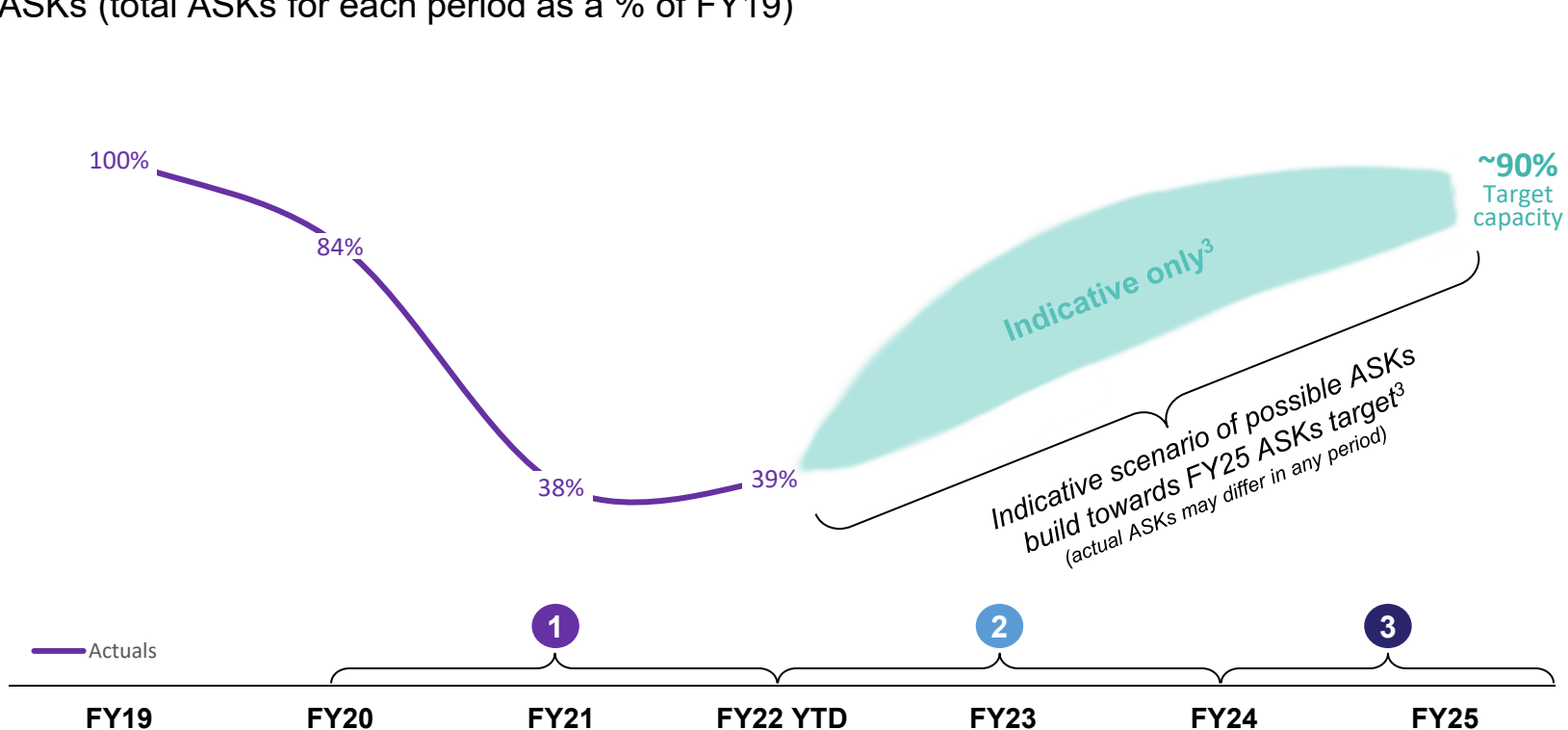


# Planning for network recovery when demand returns

While the operating environment will remain uncertain, by controlling what it can, Air New Zealand is planning its capacity based on available seat kilometres (ASKs)<sup>1</sup> reaching ~90% of pre-Covid levels for FY25

## Target capacity based on current assumptions<sup>2</sup>

ASKs (total ASKs for each period as a % of FY19)



- 1** FY20 – FY22 network impacted by Covid-related travel restrictions
- 2** Increases in ASKs in late FY22 and FY23 are expected to be driven by domestic and short-haul international with a gradual increase in long-haul international flying supported by cargo flights, including under the MIAC scheme<sup>4</sup>, which is expected to phase out by March 2023. Network is expected to remain impacted by Covid-related travel restrictions
- 3** Long-haul international capacity expected to increase over FY24 – FY25 in-line with the anticipated return of passenger demand. Relative to pre-Covid, a smaller, more efficient widebody fleet will focus on North America and key Asian routes






1 See Glossary starting on slide 36 for further details  
 2 YTD as at 27 February 2022 relative to the equivalent period of FY19. Please refer to the Key Assumptions and Key Risks on slides 10 and 11  
 3 Customer demand and therefore ASKs actually flown in future periods are subject to factors outside Air New Zealand's control and, accordingly, this segment of the chart is intended to be indicative of various capacity scenarios that could apply through to the targeted ASKs objective for FY25. The actual capacity scenario could be more variable than indicated, and the target for FY25 may not be reached. Investors should not infer from this segment of the chart that there will be a constant trend of ASKs growth over this period  
 4 See slide 10, footnote 2

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# Key Assumptions underpinning Air New Zealand's FY25 post-pandemic financial objectives

If actual events differ from any of the following Key Assumptions<sup>1</sup>, Air New Zealand's post-pandemic recovery could be impacted, including the airline's ability to achieve its targeted FY25 post-pandemic financial objectives as set out on slide 8

 <b>Travel restrictions assumptions</b>	 <b>Demand environment assumptions</b>	 <b>Fuel and FX<sup>3</sup> assumptions</b>	 <b>Competitive environment assumptions</b>	 <b>Macro-economic drivers assumptions</b>
<ul style="list-style-type: none"> <li>Domestic flying continues uninterrupted and without restriction</li> <li>From the middle of calendar year 2022, international travel (excluding China and Hong Kong where international borders are expected to remain closed) is uninterrupted, with no self-isolation restrictions and testing requirements easing for inbound and outbound customers on Air New Zealand's key routes</li> </ul>	<ul style="list-style-type: none"> <li>By FY25:               <ul style="list-style-type: none"> <li>aggregate passenger demand for domestic, Tasman and Pacific Islands travel will marginally exceed FY19 levels, supported by network growth into those markets; and</li> <li>aggregate passenger demand for long-haul will be slightly lower than FY19 levels (due to fewer ASKs flown overall), and have a more gradual pace of recovery relative to short-haul markets</li> </ul> </li> <li>No long-term structural changes in travel behaviour or trends post-pandemic, including resulting from environmental sustainability concerns, health concerns related to Covid-19, technological changes, or changes in customer preference</li> <li>Until March 2023, the MIAC scheme<sup>2</sup> will support cargo flight revenue to assist targeted revenue recovery (noting the level of support will reduce as passenger demand returns)</li> </ul>	<p>Jet fuel prices are currently elevated due to the conflict in Ukraine.</p> <ul style="list-style-type: none"> <li>Jet fuel price assumptions for FY22 take into account the elevated prices observed in the current calendar year, partially offset by the benefit of the hedging Air New Zealand has in place. Fuel prices are assumed to progressively reduce to ~US\$75 per barrel for FY24<sup>4</sup></li> <li>NZD / USD exchange rate of ~70 cents from FY23 onwards</li> </ul>	<ul style="list-style-type: none"> <li>The competitors that were present in FY19 will progressively re-enter the market through to FY25, with capacity at levels broadly similar to FY19 at that point</li> <li>Otherwise, no major changes in the competitive environment or airfare pricing on Air New Zealand's key domestic and international routes compared to FY19</li> </ul>	<p>The Covid-19 pandemic and conflict in the Ukraine have caused volatility in financial markets and added uncertainty to the outlook for the New Zealand and global economies.</p> <ul style="list-style-type: none"> <li>Economic conditions improve progressively to be generally consistent with the FY19 environment through to FY25</li> <li>Inflation in FY23 is 3.5%, progressively reducing to 2.0% by FY25 (which is within the RBNZ's target inflation range of 1% and 3%)               <ul style="list-style-type: none"> <li>RBNZ's target inflation range is a standard market benchmark and will not always align with Air New Zealand's cost base increases</li> </ul> </li> </ul>

<sup>1</sup> As well as certain other factors outside of Air New Zealand's control, including those identified on slide 11

<sup>2</sup> The New Zealand Government's Maintaining International Air Connectivity (MIAC) scheme provides financial support to selected carriers, including Air New Zealand, when providing air services on key travel routes which have been agreed with the New Zealand Government. See Glossary starting on slide 36 for further details

<sup>3</sup> See Glossary starting on slide 36 for definition

<sup>4</sup> Air New Zealand's fuel hedging policy is centred on a maximum tenor of 12 months, linked to customer booking curves



# Key Risks to post-pandemic financial objectives

Air New Zealand's financial outlook is subject to risks. Key Risks are set out in Appendix D, and certain of these are summarised at a high-level below. Please read the full description in Appendix D. These Key Risks and other risks could materially adversely affect Air New Zealand



## Covid-19 impact significant, ongoing and uncertain

- Unprecedented impact on Air New Zealand, resulting in significant losses to date
- Future losses expected, with gearing increases and equity reductions through until demand returns
- The risks related to Covid-19 are varied and their impact may again be significant as experienced by Air New Zealand over the last 24-months. These risks may include:
  - further New Zealand or overseas travel restrictions beyond those outlined in slide 10
  - new Covid-19 variants / waves affecting Air New Zealand's workforce, customers and suppliers



## Fuel prices uncertain

- Historically, jet fuel costs represent Air New Zealand's second-largest operating expense (approximately 28% of FY19 total operating expenses)
- Future fuel prices are uncertain, especially given the current conflict in Ukraine and risk of increased hostilities involving Russia
- Air New Zealand may be unable to offset fuel price increases through hedging, fare increases or adjustments to its network or cost structure, potentially impacting future profitability



## Level and pace of return of passenger demand uncertain

- Return of overall passenger demand to pre-COVID levels on Air New Zealand's network is not expected until FY25
- Demand could remain lower than expected and for longer than expected for numerous reasons. These could include the potentially wide ranging impacts of the current conflict in Ukraine or other geopolitical developments, customer concerns related to environmental sustainability or health risks of flying related to Covid-19, changes in customer preference (including a reduced need for business travel) or an economic downturn



## Increased competition

- Air New Zealand's profitability could be negatively impacted by increased competition in its key markets
- Competitors may re-enter the New Zealand domestic market, change strategies, or enter new markets where Air New Zealand operates
- If fare prices are constrained by competition, it would make it harder to pass on increased input costs to passengers



## General macro-economic conditions / cost increases / inflation

- Generally, higher inflation increases Air New Zealand's cost base, including the costs of labour, airport services, and other inputs
- Inflation may continue to rise and remain higher than expected for a sustained period. Interest rates may also rise
- Air New Zealand's revenue and profitability will be impacted if it is unable to pass on cost increases to customers or operate more efficiently
- Higher inflation may also impact potential customers' disposable income, impacting demand



## Further Key Risks – see Appendix D

- Cyber security and IT systems
- Foreign exchange volatility
- Capital sufficiency and debt levels
- Ramp up of capacity
- Supply chain issues
- Employee relations
- Environmental sustainability
- Investment in equity capital
- Reliance on Government support for international cargo services
- Ability to pay dividends
- Major shareholder risk



# Positive early signs on international bookings after recent New Zealand Government announcements relaxing travel restrictions

## Phased lifting of travel restrictions throughout 2022<sup>1</sup>

From  
**12 April**

Fully vaccinated Australian citizens / permanent residents, temporary work / student visa holders and up to 5,000 students can enter New Zealand and do not need to self-isolate or enter MIQ

From  
**1 May**

Fully vaccinated travellers from countries who do not need a visa or hold a valid visa can enter New Zealand and do not need to self-isolate or enter MIQ

From  
**July**

New Zealand's borders will open to accredited employer work visa (AEWV) holders

From  
**October**

All other visitors who normally require a visa will be able to enter New Zealand

**Air New Zealand has seen encouraging early signs in recent booking activity<sup>2</sup> since the Government's 28 February 2022 and 16 March 2022 announcements**

### International

- International booking activity increased following the Government announcements regarding the removal of self-isolation restrictions and the proposed phased lifting of travel restrictions as set out above
  - International booking activity was predominantly trans-Tasman (where fewer airlines are currently flying compared to FY19) and North American flights, with Asia and Pacific Islands flight booking activity subdued
  - Air New Zealand believes this increased activity reflects an element of pent-up demand and an increase in booking activity following those announcements
  - Bookings related to the New York City service, announced on 23 March 2022, have been encouraging
  - Booking activity included bookings made with Airpoints™ Dollars and credit redemptions
- Air New Zealand's assumption of a gradual rebuild of its international network through to FY25 is not changed by the bookings during this short booking period

### Domestic

- Domestic bookings remain impacted by Omicron, with booking activity predominantly related to leisure travel
- Air New Zealand is expecting a strong improvement on the level of domestic bookings as concerns around Omicron abate

***The recent booking activity is not necessarily an indication of a consistent trend or trajectory, and medium and longer term trends in bookings are subject to the rapidly changing Covid-19 travel restrictions, the recovery of demand, competition and other factors outside Air New Zealand's control***

<sup>1</sup> Per the New Zealand Government's Covid-19 [website](#) as at 30 March 2022

<sup>2</sup> Booking activity refers to passenger booking travel, which is expected to result in customer revenue up to 12 months from the date of booking (and includes bookings made with cash, Airpoints™ Dollars and credit redemption)



# Air New Zealand updated FY22 loss guidance

- There is a large degree of uncertainty on demand for domestic travel for the remainder of FY22, including in particular, as a result of the economic climate and the significant volatility and potential for disruption caused by the impact of Omicron or other variants, and the current conflict in Ukraine
- Recent clarity on timing for unrestricted travel into New Zealand is helpful, however it is unclear how demand for international air travel will recover. Air New Zealand is planning for international air travel to return gradually through to FY25
- While the recently announced removal of self-isolation restrictions is expected to drive an increase in international passenger demand over time, it is not currently expected to have a material impact on Air New Zealand's FY22 full year result
- On 24 February 2022, Air New Zealand announced with its FY2022 interim results that its current expectation was that the 2022 financial year will incur a loss before taxation and other significant items that exceeds \$800 million
- Air New Zealand has seen some benefits from the limited period of sales after the Government's recent announcement accelerating the plan to open New Zealand's borders (see slide 12), but a large degree of uncertainty remains
- **Air New Zealand now expects its FY22 full year result to be a loss before other significant items and taxation of less than \$800 million**
- **Beyond FY22, further losses are expected to be incurred in the near-term with the amount of the losses subject to the level and pace of the return of demand**
- Air New Zealand currently expects (based on its assumptions, including the Key Assumptions summarised on slide 10 and the Government's proposed phased lifting of travel restrictions as described on slide 12) to have positive cash flows from operating activities<sup>1</sup> from approximately Q1 FY23, subject to demand and booking behaviour

<sup>1</sup> See Glossary starting on slide 36 for definition

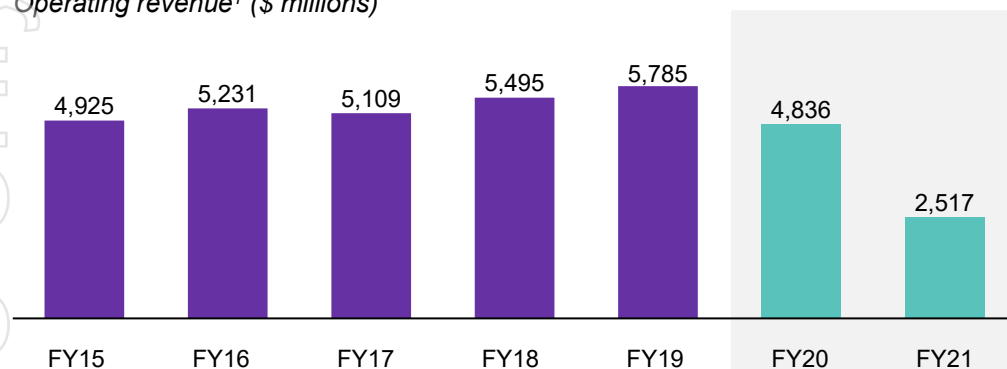


# Response to impact of Covid-19

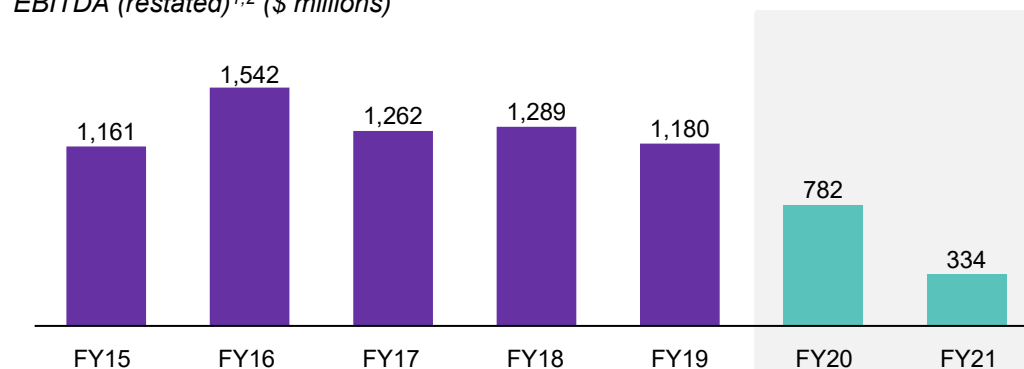
# Air New Zealand's prior financial performance

Air New Zealand believes that its competitive advantages drove strong financial results before the pandemic, but Covid-19 has had a significant adverse impact on the airline

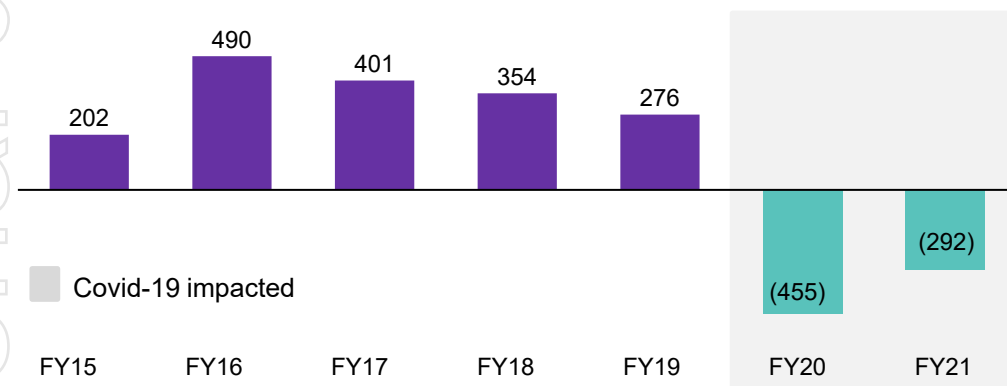
Operating revenue<sup>1</sup> (\$ millions)



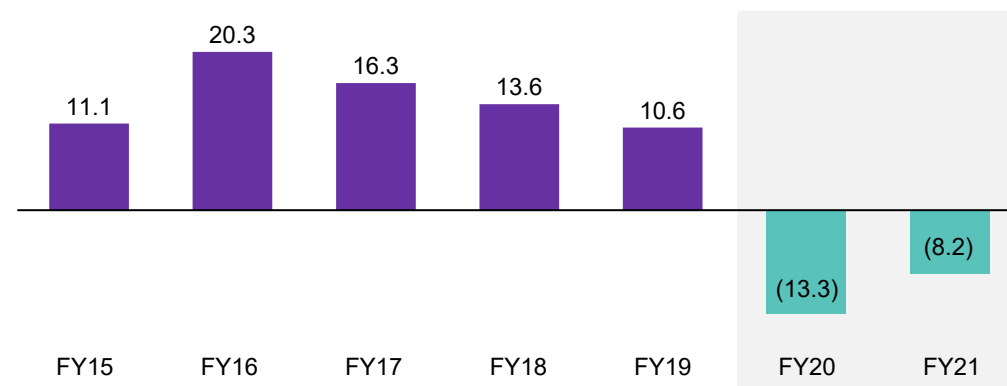
EBITDA (restated)<sup>1,2</sup> (\$ millions)



NPAT (restated)<sup>1,2</sup> (\$ millions)



ROIC (restated)<sup>1,2</sup> (%)



<sup>1</sup> See Glossary starting on slide 36 for definitions

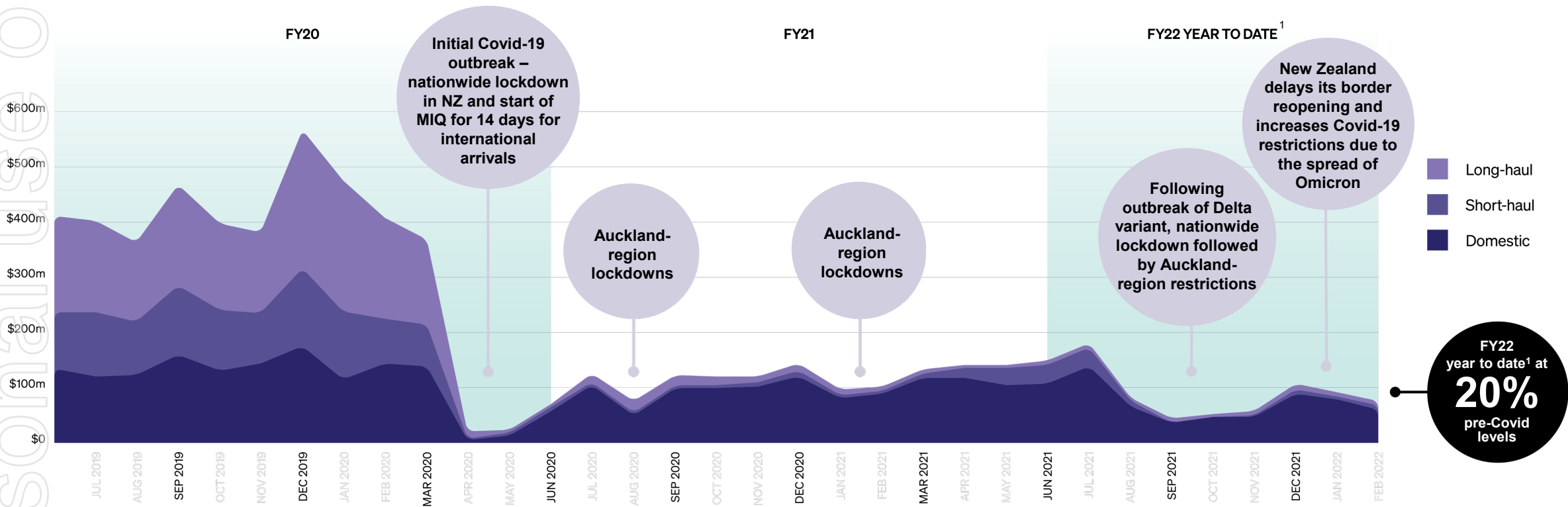
<sup>2</sup> Historical financial line items have been restated following the International Financial Reporting Interpretations Committee (IFRIC) issuing agenda decisions on Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38) and also on Fair Value Hedge of Foreign Currency Risk on Non-Financial Assets (IFRS 9). Such restatements are explained in Air New Zealand's results (see the FY20 Annual Report, note 27 for disclosure on the Fair Value Hedge agenda decision and the FY22 Interim Report, note 7 for disclosure on the Cloud Computing Arrangement agenda decision)





# New Zealand air travel significantly impacted since onset of pandemic

**Passenger revenue**  
for the period 1-Jul-19 to 27-Feb-22

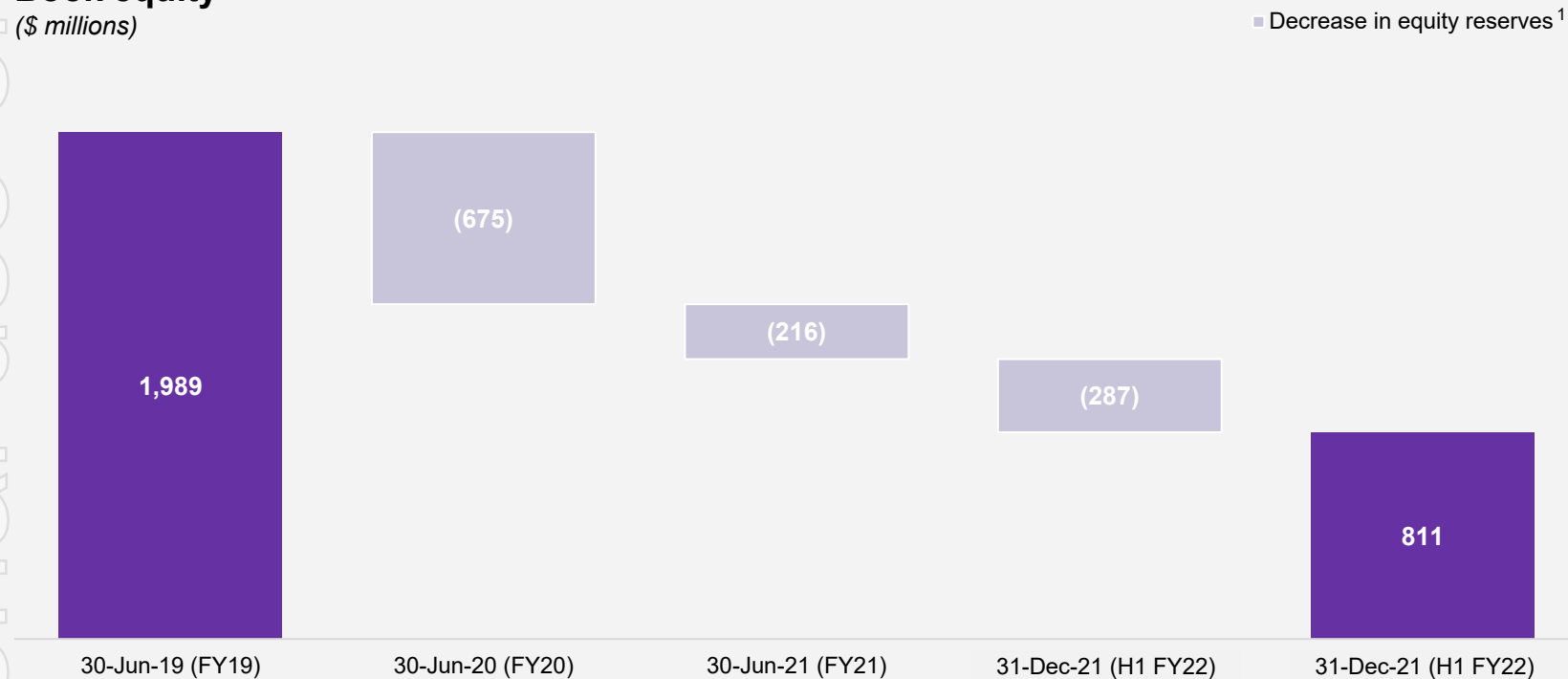


1 Year to date to 27 February 2022



# Air New Zealand's equity position has been, and will continue to be, negatively impacted by Covid-19 related losses

## Book equity (\$ millions)



## Supporting commentary




- Air New Zealand's book equity has decreased by \$1,178 million over the FY19 to H1 FY22 period primarily due to Covid-19 related losses
- Book equity has declined since H1 FY22, in respect of which a \$367 million loss before other significant items and taxation was reported
- Air New Zealand expects a loss before other significant items and taxation less than \$800 million for the full year FY22, which would imply a similar level of loss in H2 FY22<sup>2</sup>
- Book equity will continue to be negatively impacted until Air New Zealand returns to profitability

<sup>1</sup> Decrease in equity reserves includes a net loss after taxation and other reserve movements (such as cash flow hedge reserves)

<sup>2</sup> See slide 13 for additional details

# Air New Zealand acted quickly to minimise cash burn and preserve liquidity

In response to the impact of Covid-19 on passenger demand, Air New Zealand took action across its business to reduce operating costs, defer capital outlays and secure liquidity

 <b>Operating cost initiatives</b>	 <b>Capital management</b>	 <b>Government support</b>
<ul style="list-style-type: none"> <li>• Workforce (as defined by Full Time Equivalents) reduced 33% from ~12,000 in December 2019 to ~8,000 in December 2021</li> <li>• Voluntary furlough scheme offered to select workgroups to reduce labour costs during low demand environment</li> <li>• Pivoted operations to take advantage of domestic and cargo revenue streams<sup>1</sup></li> <li>• Exited non-essential property leases</li> <li>• Modification of vendor and supplier terms</li> <li>• Suspended all short-term incentive schemes in FY20 and FY21</li> <li>• Reduction in Executive and Board remuneration in FY20 and FY21</li> <li>• Consolidation of regional heavy maintenance to Christchurch</li> </ul>	<ul style="list-style-type: none"> <li>• Cancellation of FY20 interim dividend and suspension of future dividends until further notice</li> <li>• Renegotiated aircraft leases and deferred rent on property leases</li> <li>• Exited eight 777-200ERs, taking total widebody aircraft down from 29 to 21 (28% reduction in widebody fleet)</li> <li>• Deferred A321neo and ATR72-600 deliveries</li> <li>• Deferred first delivery of 787 programme from FY23 to FY24 and negotiated additional slide rights</li> <li>• Expenditure deferrals on non-critical infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Negotiated \$2 billion liquidity comprised of Existing Crown Loan and redeemable shares</li> <li>• Obtained confirmation of Crown's participation in Rights Offer</li> </ul> <p>Utilised available Covid-19 support:</p> <ul style="list-style-type: none"> <li>• Awarded government-supported cargo contracts<sup>1</sup> (~\$620 million revenue since May 2020 to facilitate movement of imports / exports)</li> <li>• Obtained wage subsidy support (~\$170 million for NZ employees)</li> <li>• Received support under the aviation relief package (~\$85 million)</li> <li>• Obtained Covid-19 tax related relief of ~\$65 million</li> <li>• Utilised IRD-approved PAYE deferrals from July 2020 to September 2021<sup>2</sup></li> </ul>

<sup>1</sup> Air New Zealand was awarded flights under both the International Air Freight Capacity (IAFC) scheme and the MIAC scheme. Under these schemes the New Zealand Government provides financial assistance to all airlines that are awarded flights, to support the cost of flying. See Glossary starting on slide 36 for further details on both schemes

<sup>2</sup> See Glossary starting on slide 36 for definition of PAYE and IRD



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# Positioning for recovery





# Getting ready for recovery

## We have been taking steps to get ready for customer demand



### Health and safety focus

- Proactive stance on international vaccination requirement since 1 February 2022; domestic vaccination or negative test requirement since 14 December 2021
- 100% operating aircrew and customer-facing employees fully vaccinated
- Rapid antigen test kits available for frontline employees
- Continuation of Covid-19 cleaning protocols for aircraft, lounges and workspaces



### Operational readiness

- Direct flights from Auckland to New York from 17 September 2022, as announced on 23 March 2022<sup>1</sup>
- Recalling appropriate levels of cabin crew and pilots
- Training additional pilots and cabin crew to maintain readiness for expected recovery
- Reactivation of one 777-300ER aircraft initially for cargo flying
- Activation underway for offshore ports across the network



### Customer experience

- Seamlessly integrated Covid-19 vaccination passport into domestic travel app
- Trialling new in-flight product and service offerings across the network
- Reintroduction of credit flexibility for domestic customers and continuation for international bookings
- Increased investment in customer-focused digital solutions, such as Contact Centre technology
- Ongoing investment in loyalty membership products and benefits<sup>2</sup>

<sup>1</sup> See Air New Zealand's [media release](#) for further details

<sup>2</sup> See slide 7 for further details

# Key cost headwinds and tailwinds

Key cost headwinds	Possible mitigants
<b>Elevated fuel price</b>	<ul style="list-style-type: none"> <li>• Young and fuel-efficient fleet</li> <li>• Hedging programme<sup>1</sup></li> <li>• Price and capacity adjustments</li> </ul>
<b>Mix of network reflecting more short-haul flying</b>	<ul style="list-style-type: none"> <li>• Corresponding expected RASK<sup>2</sup> increase due to passenger network mix</li> </ul>
<b>Cost inflation</b>	<ul style="list-style-type: none"> <li>• Labour productivity from mix of flying, in addition to digital and infrastructure investment to assist in mitigating cost increases</li> </ul>
<b>Ramp-up costs</b>	<ul style="list-style-type: none"> <li>• Revenue expected to increase due to increasing demand</li> </ul>

Key cost tailwinds	Drivers
<b>Fuel efficiency of fleet</b>	<ul style="list-style-type: none"> <li>• Exit of 777-200ER fleet and eventual retirement of 777-300ER aircraft</li> <li>• Larger proportion of more efficient 787s and A320 / 321neos</li> </ul>
<b>Ongoing benefit from reshaped labour base</b>	<ul style="list-style-type: none"> <li>• Reduced various workforces following onset of Covid-19</li> </ul>
<b>Fleet simplification</b>	<ul style="list-style-type: none"> <li>• Fewer fleet and engine types driving operational benefits, including maintenance, supply chain and rostering</li> </ul>

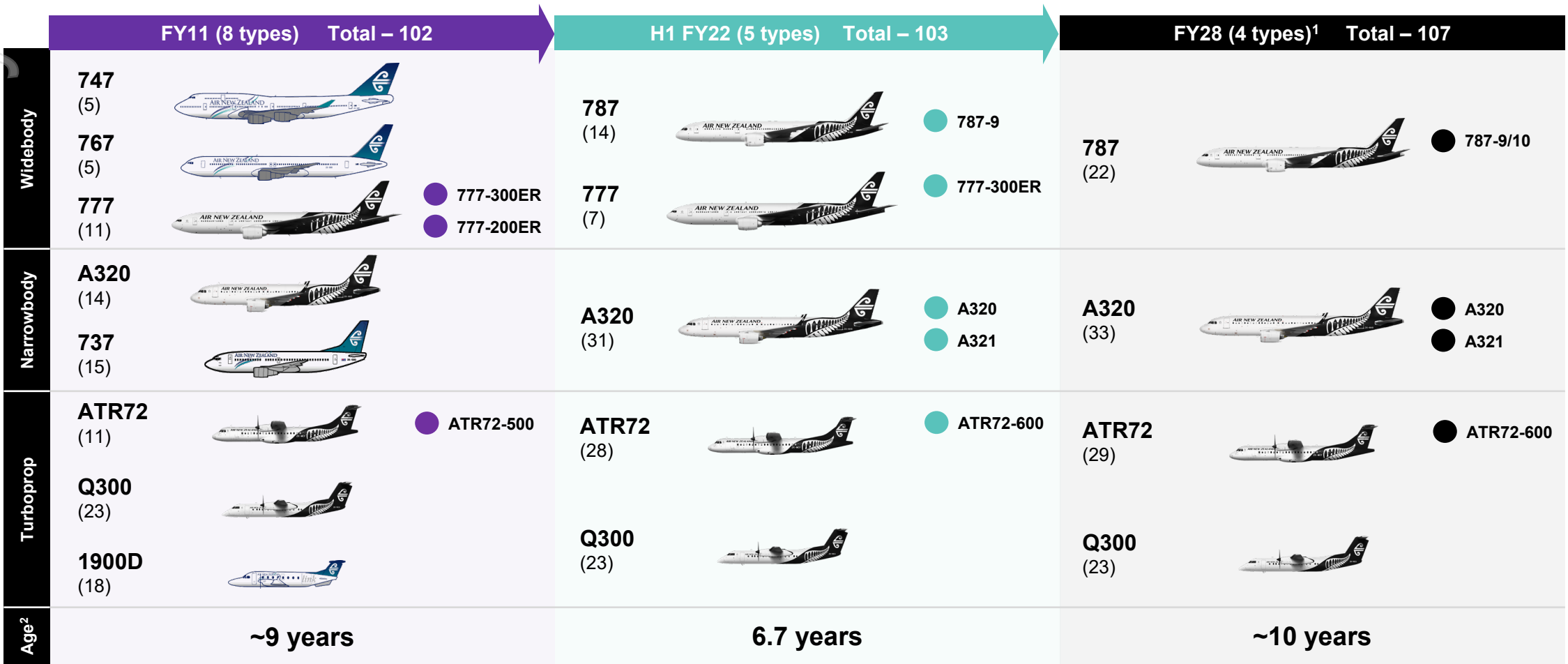
1 See slide 24 for further details

2 See Glossary starting on slide 36 for definition



# Fleet simplification strategy on track

Air New Zealand is simplifying its fleet to drive improved operating cost and capital expenditure outcomes



<sup>1</sup> This represents the expected fleet at the end of the FY28 financial period  
<sup>2</sup> Average seat-weighted fleet age

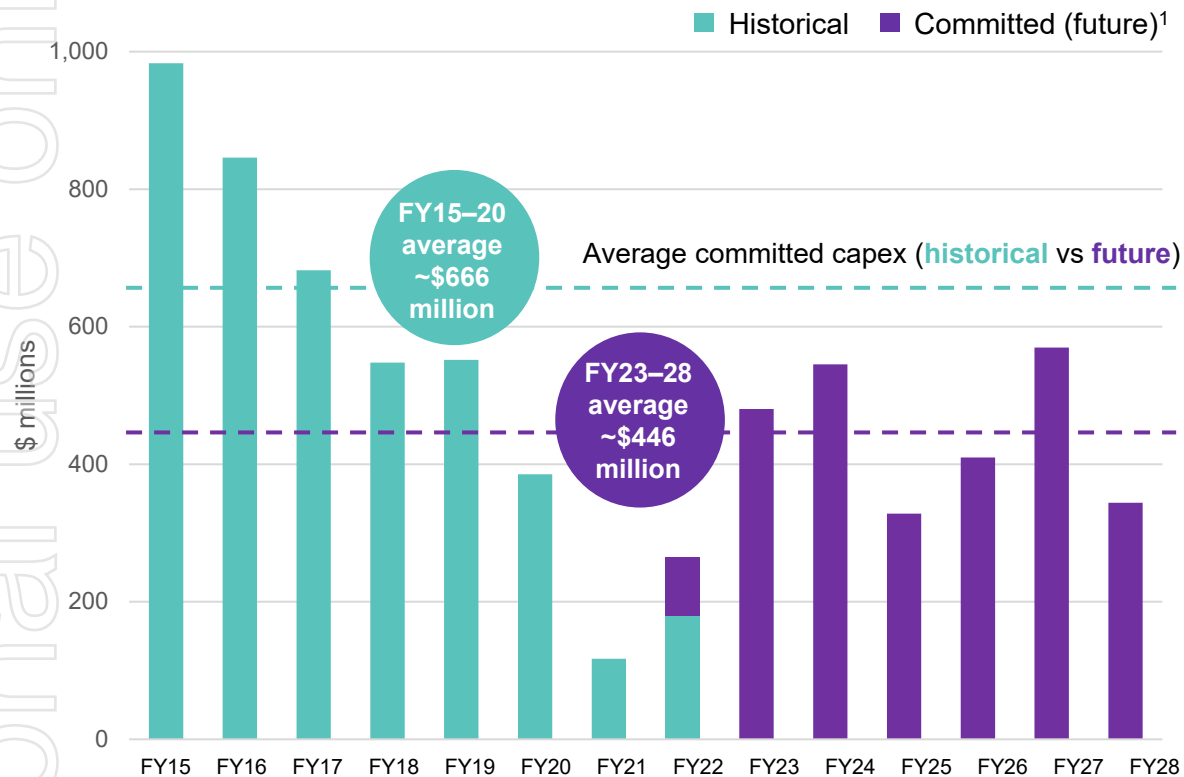


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# Capital expenditure outlook

Optimisation of Air New Zealand's fleet is expected to deliver long-term and sustainable operating cost and capital expenditure advantages

## Historical and future committed aircraft capital expenditure<sup>1</sup>



Note: All references to 787, 777-200ER and 777-300ER refer to Boeing aircraft

<sup>1</sup> Includes progress payments on aircraft and assumes all but one 787 slide rights are exercised

<sup>2</sup> Does not include capital expenditure for potential zero emission aircraft

<sup>3</sup> Refer to slide 22 for fleet size as at H1 FY22

## Aircraft capital expenditure (included in chart to FY28)

- Represents the largest proportion of Air New Zealand's capital expenditure
- Historically, new aircraft deliveries were primarily funded by secured aircraft financing rather than free cash flow
- Aircraft capital expenditure is expected to reduce from FY29 following the replacement of the 777-300ER fleet

## Other capital expenditure (not included in the chart)<sup>2</sup>

- Interior retrofit of 14 existing 787 aircraft<sup>3</sup> anticipated to commence no earlier than mid-FY24 and is expected to be staggered over several years with a total cost expected of approximately \$400 to \$450 million
- Given the focus on investing in digitisation and in infrastructure, Air New Zealand's non-aircraft capital expenditure for this category is anticipated to average approximately \$150 to \$200 million annually, although this expenditure is not generally committed
  - Includes one-off expenditure on a new Auckland engineering hangar and the proposed relocation of the airline's Head Office
- An average of approximately \$150 million annual capital expenditure relating to engine maintenance is also expected to be incurred. Annual expenditure will follow increased aircraft utilisation as demand returns, but once committed and spent, has an enduring benefit of 5+ years

# A long-term capital management framework focused on financial resilience and risk mitigation



## Ensure long-term financial resilience

- Intend to maintain an investment grade rating (currently Baa2 – stable outlook by Moody's)<sup>1</sup> allowing access to diverse and attractive funding sources, supported by the following long-term targets:
  - Gearing range of 45% to 55%
  - Adjusted Gross Debt<sup>2</sup> to EBITDA<sup>2</sup> of 2.0x to 3.3x
- Disciplined capital investment delivering a sustainable pre-tax ROIC
- Dividend policy<sup>3</sup> dependent on financial performance (including medium-term financial outlook for earnings, gearing targets and capital expenditure levels) and the board of directors considering all relevant factors<sup>4</sup>
  - Subject to performance and restrictions under the New Crown Loan and redeemable shares, dividends are expected to be considered from FY26



## Prudent risk management

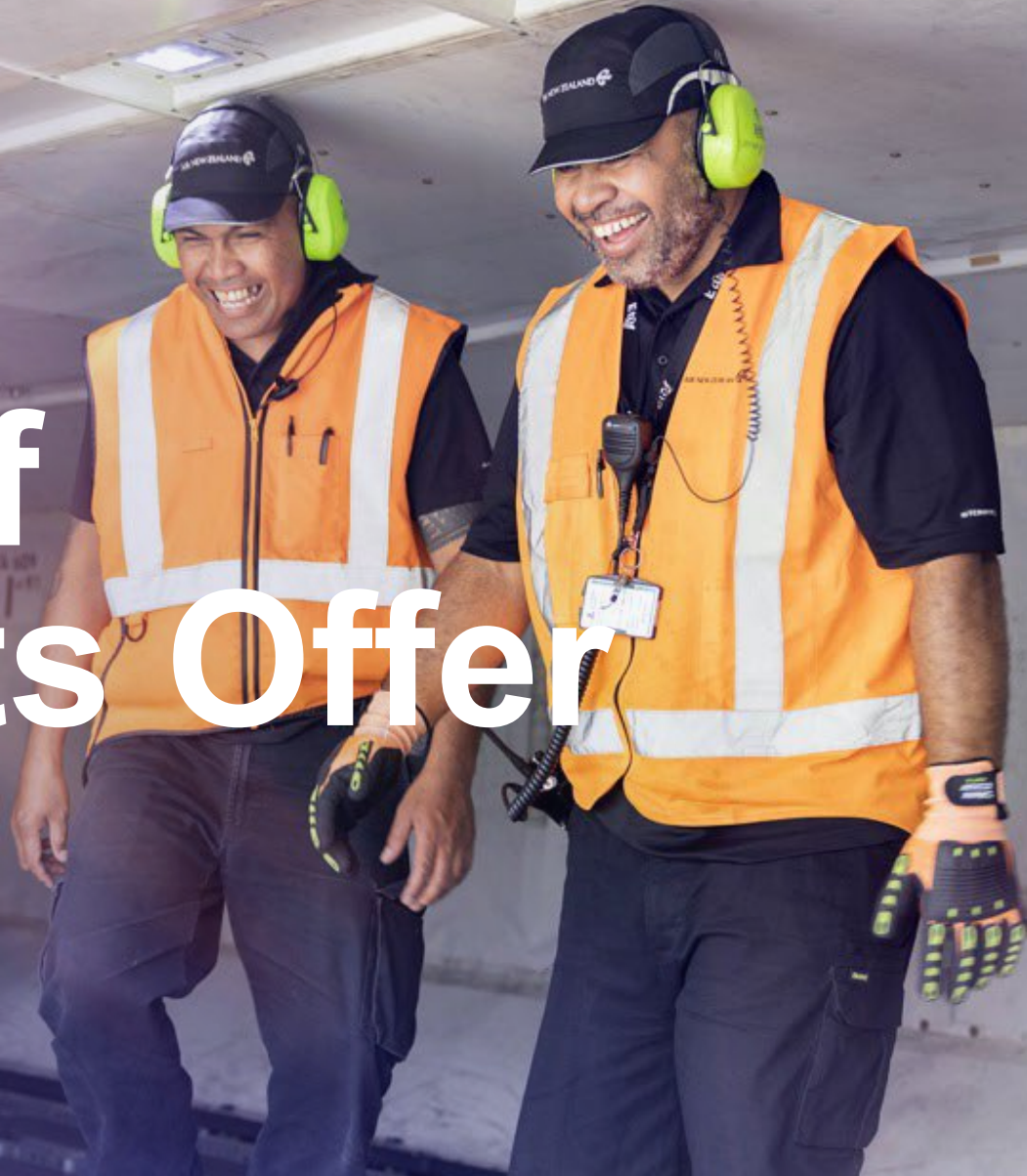
- Manage to a minimum liquidity target of \$700 million
- Utilise hedging to mitigate short-term earnings volatility associated with changes in fuel price and foreign exchange, while providing Air New Zealand with time to adjust fares, network, capacity and costs
- Fuel hedging policy centred on maximum tenor of 12 months, linked to customer booking curves

1 See slide 5, footnote 1 for additional details  
2 See Glossary starting on slide 36 for definitions  
3 See Air New Zealand's [distribution policy](#) for further details  
4 Dividends are currently suspended





# Details of the Rights Offer



# Details of the Rights Offer

To be read in conjunction with the Offer Document

Rights Offer size and structure	<ul style="list-style-type: none"> <li>\$1.2 billion pro rata renounceable rights offer to eligible shareholders at a ratio of 2-for-1 (<b>Rights Offer</b>)</li> <li>Approximately 2,246 million new fully paid ordinary shares in Air New Zealand (<b>New Shares</b>) will be issued under the Rights Offer, representing approximately 200% of Air New Zealand's existing ordinary shares on issue</li> </ul>
Rights Offer price	<ul style="list-style-type: none"> <li>\$0.53 per New Share (<b>Offer Price</b>), representing:             <ul style="list-style-type: none"> <li>61.5% discount to the last traded price on NZX of \$1.375 on 30 March 2022</li> <li>34.7% discount to Theoretical Ex-Rights Price (TERP)<sup>1</sup> of \$0.81</li> </ul> </li> <li>The Australian dollar application price for eligible shareholders has been set at A\$0.49, using the prevailing AUD / NZD exchange rate<sup>2</sup></li> </ul>
Rights trading <sup>3</sup>	<ul style="list-style-type: none"> <li>Eligible shareholders who opt not to take up their rights in full may sell some or all of their rights on the NZX between 4 April 2022 and 26 April 2022</li> </ul>
Oversubscriptions	<ul style="list-style-type: none"> <li>Eligible shareholders who take up their rights in full have the opportunity to apply for oversubscriptions at the price determined through the shortfall bookbuild process (<b>Bookbuild Price</b>) as part of the application process. The Bookbuild Price is uncapped and will be at or above the Offer Price</li> </ul>
Shortfall bookbuild	<ul style="list-style-type: none"> <li>Participation in the shortfall bookbuild by eligible shareholders and other eligible investors may be possible via a broker or other platform</li> <li>See the Offer Document for information about the approach to allocation and scaling</li> <li>New Shares will be issued at the Bookbuild Price (which is uncapped and will be at or above the Offer Price)</li> </ul>
Ranking	<ul style="list-style-type: none"> <li>New Shares issued under the Rights Offer will rank equally in all respects with Air New Zealand's existing ordinary shares</li> </ul>
Crown Participation	<ul style="list-style-type: none"> <li>The Crown has committed to participate for approximately \$602 million of New Shares (<b>Crown Participation</b>), ensuring the Crown will maintain a majority shareholding of 51% in Air New Zealand post-Rights Offer</li> </ul>
Underwriting	<ul style="list-style-type: none"> <li>The Rights Offer is being underwritten up to an amount equal to the Rights Offer size, less the Crown Participation</li> </ul>
Record Date	<ul style="list-style-type: none"> <li>The Rights Offer is open to eligible shareholders on the register as at 7:00pm NZT on the <b>Record Date</b> of 5 April 2022</li> </ul>
Use of proceeds	<ul style="list-style-type: none"> <li>Proceeds from the Rights Offer will be used to repay the Existing Crown Loan, strengthen the balance sheet, improve liquidity and help position Air New Zealand for recovery</li> </ul>

<sup>1</sup> TERP is the theoretical price at which an Air New Zealand share will trade immediately after the Rights Offer. It is a theoretical calculation only and the actual price at which Air New Zealand shares will trade will depend on many factors and may differ from TERP

<sup>2</sup> RBNZ published exchange rate as at 3pm on 30 March 2022

<sup>3</sup> Rights purchased on the NZX may only be exercised by purchasers that meet eligibility requirements. In particular, rights may not be exercised by purchasers that are in the United States or who are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States). Potential purchasers of Rights should familiarise themselves with the requirements for exercise, which are set out in the Offer Document. Eligible shareholders holding their shares on ASX would need to contact their broker to trade their rights on the NZX





# Rights Offer timetable

The timetable below is indicative only and may be subject to change

Event	Date
Announcement of Rights Offer	Wednesday, 30 March 2022
Record Date for the Rights Offer	Tuesday, 5 April 2022, 7:00pm NZ time
Rights Offer	Date
Rights trading commences	Monday, 4 April 2022, 10:00am NZ time
Rights Offer opens	Wednesday, 6 April 2022, 9:00am NZ time
Offer Document and Acceptance Form dispatched	Wednesday, 6 April 2022
Rights trading ceases	Tuesday, 26 April 2022, 5:00pm NZ time
Rights Offer closes	Monday, 2 May 2022, 5:00pm NZ time
Shortfall bookbuild opens post-ASX and NZX close	Tuesday, 3 May 2022
Shortfall bookbuild closes	Wednesday, 4 May 2022
Announcement of results of Rights Offer	Thursday, 5 May 2022
ASX settlement	Friday, 6 May 2022
NZX settlement, NZX and ASX allotment and commencement of trading of New Shares	Monday, 9 May 2022

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# Appendix A – Supplementary company information



# Air New Zealand at a glance<sup>1</sup>

**81**

Years in operation

**18 million**

Passengers carried in FY19

**#1**

Corporate reputation in New Zealand for seven consecutive years<sup>3</sup>

**Pacific Rim**

Focused international network supported with alliance partnerships

**6.7 years**

Average fleet age on a seat weighted basis<sup>6</sup>

**Baa2 (stable)**

Investment grade credit rating from Moody's since 2016<sup>7</sup>

**#1**

World's Safest Airline<sup>2</sup>

**20**

Domestic destinations

**3.6 million**

Airpoints™ loyalty scheme members

**37,600**

Tonnes of New Zealand exports flown to international markets<sup>4</sup>

**FTSE4Good**

Constituent of the FTSE4Good Index Series<sup>5</sup>

<sup>1</sup> Information as at 30 June 2021 unless otherwise stated

<sup>2</sup> Awarded in 2022 by AirlineRatings.com

<sup>3</sup> Colmar Brunton Corporate Reputation Index 2021

<sup>4</sup> In FY19

<sup>5</sup> The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance practices










<sup>6</sup> As at 31 December 2021

<sup>7</sup> Air New Zealand's Board will seek to maintain an investment grade credit rating, per Air New Zealand's treasury policy. See also slide 5, footnote 1





# Air New Zealand's decarbonisation roadmap identifies five levers to reach net zero carbon emissions by 2050

	 <b>Sustainable aviation fuel (SAF)</b>	 <b>Zero emissions aircraft technologies</b>	 <b>Fleet renewal</b>	 <b>Operational efficiency</b>	 <b>Carbon removal solutions</b>
<b>Description</b>	<p>Non-fossil derived jet fuel could provide lifecycle carbon reduction potential of more than 80%, compatible with existing aircraft without modification</p> <p>Air New Zealand's aspiration is for SAF to represent ~10% of fuel consumption by 2030</p>	<p>Future hydrogen or battery or hybrid aircraft technologies</p> <p>Air New Zealand's aspiration is that new, low carbon technologies like electric, hybrid or hydrogen aircraft will reduce emissions of shorter domestic and regional flights from 2030 onwards</p>	<p>Rollover current fleet to new jets that achieve greater fuel efficiency</p>	<p>Optimising carbon efficiency from flight and ground operations</p>	<p>Credible carbon removal solutions aligned to international best practice</p>
<b>2050 decarbonisation potential</b>	 <b>50%<sup>1</sup></b>	 <b>20%<sup>1</sup></b>	 <b>20%<sup>1</sup></b>	 <b>&lt;2%<sup>1</sup></b>	<b>Residual</b>

<sup>1</sup> Represents the estimated extent each lever, such as SAF and Zero emissions aircraft technologies, will contribute to Air New Zealand's goal of net zero carbon emissions by 2050





# Appendix B – Supplementary recapitalisation materials

# Recapitalisation funding package expected to enhance liquidity

Pro forma liquidity <sup>1</sup>	As at 25 March 2022	Rights Offer, redeemable shares issuance and availability of New Crown Loan	Existing Crown Loan repayment and cancellation, and unavailability of further redeemable shares <sup>7</sup>	Proposed debt capital markets issuance and partial repayment of redeemable shares	Pro forma liquidity
	\$ millions	\$ millions	\$ millions	\$ millions	\$ millions
Proceeds from Rights Offer	-	1,170 <sup>2</sup>	-	-	1,170
Proposed debt capital markets issuance	-	-	-	600 <sup>3</sup>	600
Repayment of Existing Crown Loan (drawn)	-	-	(850) <sup>4</sup>	-	(850)
Redeemable shares (drawn)	-	600 <sup>5</sup>	-	(400) <sup>5</sup>	200
Existing cash and cash equivalents	246	-	-	-	246
<b>Cash and cash equivalents</b>	<b>246</b>	<b>1,770</b>	<b>(850)</b>	<b>200</b>	<b>1,366</b>
Existing Crown Loan (undrawn)	150 <sup>4</sup>	-	(150) <sup>4</sup>	-	-
Redeemable shares (undrawn)	1,000	(600)	(400)	-	-
New Crown Loan (undrawn)	-	400 <sup>6</sup>	-	-	400
<b>Total liquidity</b>	<b>1,396</b>	<b>1,570</b>	<b>(1,400)</b>	<b>200</b>	<b>1,766</b>

1 Liquidity position is defined as cash and cash equivalents (which excludes restricted deposits) plus outstanding amount of any Crown facility available to be drawn. Current liquidity includes undrawn redeemable shares

2 Representing approximate Rights Offer size less estimated transaction costs of \$30 million

3 Proposed debt capital markets issuance planned by 30 June 2022 (subject to market conditions)

4 Total size of the Existing Crown Loan is \$1.0 billion, of which \$850 million has been drawn. On completion of the Rights Offer, the \$850 million drawn amount will be repaid and the Existing Crown Loan will be cancelled

5 Initially, \$600 million of redeemable shares will be issued to the Crown during the Rights Offer period. Approximately \$400 million is intended to be repaid upon successful completion of the proposed debt capital markets issuance, with approximately \$200 million of redeemable shares currently intended to remain on issue

6 The \$400 million New Crown Loan, which is not expected to be drawn

7 On completion of the Rights Offer, no further redeemable shares can be issued to the Crown

# In addition to the \$1.2 billion Rights Offer, the recapitalisation includes other forms of liquidity

After initially issuing \$600 million of redeemable shares, Air New Zealand is intending to raise \$600 million through a proposed debt capital markets issuance (subject to market conditions) to repay ~\$400 million of the redeemable shares. Additional liquidity will also be available from the New Crown Loan

## Redeemable Shares

- Air New Zealand has issued a call notice to draw \$600 million of redeemable shares, with proceeds to be received during the Rights Offer period
- These funds will be used to support liquidity until Air New Zealand completes a proposed debt capital markets issuance
- No further redeemable shares are available to be called following the completion of the Rights Offer
- The applicable interest rate is the aggregate of the specified base rate and a margin of 3.50% per annum. The margin is subject to step-ups from 31 December 2023
- Air New Zealand will be unable to pay dividends on its ordinary shares (including the New Shares) if distributions on the redeemable shares are not paid
- Redeemable shares are classified as debt for accounting purposes

## Proposed debt capital markets issuance

- Air New Zealand expects to execute a debt capital markets issuance of approximately \$600 million by 30 June 2022 (subject to market conditions)
- Approximately \$400 million of redeemable shares are currently intended to be redeemed upon successful completion of the proposed debt capital markets issuance, with approximately \$200 million of redeemable shares currently intended to remain on issue. This remaining \$200 million can be redeemed at Air New Zealand's discretion subject to a final redemption date of December 2046

## New Crown Loan

- Air New Zealand has entered into a \$400 million committed revolving standby facility with the Crown
- The facility will be available until 30 January 2026 and will be provided on an unsecured basis
- The opening interest rate will be BKBM plus an initial margin of 1.50% per annum, subject to certain performance / compliance-based increases
- A line fee of 1.00% per annum on the facility limit will also be payable for the duration of the facility, subject to certain reporting-based increases
- Air New Zealand will be unable to pay dividends on its ordinary shares (including the New Shares) if it has drawn under the facility
- The facility includes representations, warranties and undertakings typical of such a facility, including regular reporting on operational and financial performance and there are additional reporting and information requirements if a draw is made
- The facility will be available for drawing at the close of the Rights Offer subject to satisfaction of usual conditions, but Air New Zealand does not expect to need to draw the facility
- A shareholder vote is expected to be held later in 2022 to ratify Air New Zealand's entry into the New Crown Loan (and the Existing Crown Loan)



# Pro forma balance sheet extract as at 31 December 2021

The below shows the impact of the recapitalisation on Air New Zealand's balance sheet as at 31 December 2021. The airline's equity position has declined and debt has increased since this date

Pro forma balance sheet extract	As at 31 December 2021	Rights Offer and redeemable shares issuance	Existing Crown Loan repayment	Proposed debt capital markets issuance and partial repayment of redeemable shares	Pro forma
	\$ millions	\$ millions	\$ millions	\$ millions	\$ millions
<b>Equity</b>					
Book equity value <sup>1</sup>	811	1,170 <sup>5</sup>	-	-	1,981
<b>Debt</b>					
Proposed debt capital markets issuance <sup>2</sup>	-	-	-	600	600
New Crown Loan (undrawn)	-	-	-	-	-
Existing Crown Loan	545	-	(545)	-	-
Secured aircraft borrowings	1,189	-	-	-	1,189
Unsecured NZD bond	50	-	-	-	50
Lease liabilities	1,582	-	-	-	1,582
Redeemable shares	-	600	-	(400)	200
<b>Gross Debt</b>	<b>3,366</b>	<b>600</b>	<b>(545)</b>	<b>200</b>	<b>3,621</b>
<b>Cash and cash equivalents, restricted deposits and net open derivatives<sup>3</sup></b>	<b>485<sup>4</sup></b>	<b>1,770<sup>5</sup></b>	<b>(545)</b>	<b>200</b>	<b>1,910</b>
<b>Net Debt / (cash)</b>	<b>2,881</b>	<b>(1,170)</b>	<b>-</b>	<b>-</b>	<b>1,711</b>

1. Redeemable shares treated as debt following completion of Rights Offer
2. Planned to complete by 30 June 2022 (subject to market conditions)
3. See Glossary starting on slide 36 for definition of 'cash and cash equivalents, restricted deposits and net open derivatives'
4. Includes restricted deposits and net open derivatives of \$329 million as at 31 December 2021 and cash and cash equivalents of \$156 million
5. Representing approximate Rights Offer size less estimated transaction costs of \$30 million

<sup>A</sup> The drawn amount of the Existing Crown Loan has increased from \$545 million as at 31 December 2021 to \$850 million. The full \$850 million will be repaid using part of the Rights Offer proceeds.





# Relationship between TERP and Offer Price

To be read in conjunction with the Offer Document

## Calculation of TERP

- The Offer Price is calculated by applying a discount to the price Air New Zealand shares should, in theory, trade at after the Rights Offer
- This theoretical price is called the theoretical ex rights price (or TERP) and is calculated as follows:

$$\frac{\text{Market capitalisation pre-Rights Offer} + \text{proceeds from Rights Offer}}{\text{Number of ordinary shares on issue after the Rights Offer}}$$

- TERP is impacted by the number of shares issued in the Rights Offer. As Air New Zealand is issuing a substantial number of New Shares at a discount, TERP is much lower than the current trading price
- The discount applied to TERP to calculate the Offer Price (34.7%) has been determined with the assistance of the airline's advisors and taking into account a number of different factors
- TERP is a theoretical calculation only and the actual price at which Air New Zealand shares will trade after the Rights Offer will depend on many factors and may differ from TERP or the Offer Price**

## Dilution

- Shareholders who do not acquire any New Shares in the Rights Offer (or the shortfall bookbuild) will be diluted by 67%

1 As represented by Air New Zealand's market capitalisation on 30 March 2022, calculated by multiplying the last traded price by the number of shares on issue  
 2 Excluding shares held as treasury stock  
 3 Values in column C may not reflect the sum of columns A and B due to rounding

		A		B		C	
		Current (30 March 2022)		Rights Offer		TERP	
		Value	Explanation	Value	Explanation	Value <sup>3</sup>	Explanation
1	<b>Equity value</b> (\$ million)	1,544 <sup>1</sup>	Equity value <sup>1</sup> as at 30 March 2022	1,190	Amount being raised under Rights Offer	2,734	Column A + B
2	<b>Number of ordinary shares</b> (million)	1,123 <sup>2</sup>	Number of ordinary shares on issue pre-Rights Offer	2,246	Number of New Shares being issued in Rights Offer	3,368	Column A + B
3	<b>Share price</b> (\$)	1.375	Last traded price	0.53	Offer Price	0.81	TERP (Row 1 / Row 2)

Offer price = 34.7% discount to TERP



# Appendix C – Glossary

# Glossary (1 / 2)

ASX	ASX Limited, or the financial market operated by ASX Limited, as the context requires
ASKs	Available Seat Kilometres: number of seats operated multiplied by the distance flown (capacity)
Adjusted Gross Debt to EBITDA	Gross Debt over earnings before interest, taxation, depreciation and amortisation (adjusted for non-cash items)
BKBM	Bank Bill Market Rate (the main interest rate benchmark in New Zealand)
Cash flows from operating activities	Cash flows from receipts from customers, payments to suppliers and employees, income tax (refunded or paid) and interest (paid and received)
Cash and cash equivalents, restricted deposits and net open derivatives	Bank and short-term deposits, interest-bearing assets held for financing or security purposes that are not available for general business use and net open derivatives held in relation to interest-bearing liabilities and lease liabilities
EBITDA	Earnings before interest, taxation, depreciation, amortisation, share of associate earnings and other significant items. Excludes rental expense for the years up to and including FY19, which were prior to the adoption of IFRS-16
EBIT	Earnings before interest, taxation, share of associate earnings and other significant items
Existing Crown Loan	The current \$1.0 billion Crown standby facility to be repaid using proceeds of the Rights Offer and cancelled
FX	Foreign exchange (applied in the context of FX rates)
FY	Financial year, being the period from 1 July to 30 June
Gearing	Net Debt / (Net Debt + Book Value of Equity)
Gross Debt	Interest-bearing liabilities, lease liabilities and redeemable shares issued
IAFC	International Airfreight Capacity scheme: a government support scheme which operated from May 2020 until May 2021. Under the terms of the IAFC, airlines and air cargo carriers were invited to submit proposals to provide air services on key routes according to agreed criteria. For appointed carriers, funding was provided to guarantee air services on key routes. Airlines then offered that capacity directly to freight customers on commercial terms
IFRIC	International Financial Reporting Interpretations Committee
IRD	Inland Revenue Department: New Zealand's public service department charged with advising on tax policy and collecting tax (among other roles)
Liquidity	Cash and cash equivalents (which excludes restricted deposits) plus the outstanding amount of any Crown standby loan facility available to be drawn or undrawn redeemable shares
MIAC	Maintaining International Air Connectivity: a Government support scheme which operates from May 2021 until March 2023, on similar terms to the IAFC described above. From 1 April 2022 the MIAC scheme does not provide a guaranteed revenue stream to Air New Zealand and is not provided as a single payment. Rather MIAC support levels are adjusted to reflect passenger demand on those key routes and therefore the financial support provided to Air New Zealand is expected to decrease over time as border openings deliver increased passenger volumes. Accordingly, the MIAC scheme will be scaled back and ultimately end as international flight frequencies and passenger numbers rise such that support is not required, which may occur prior to 31 March 2023



# Glossary (2 / 2)

MIQ	Managed isolation and quarantine
Net Debt	Interest-bearing liabilities, lease liabilities and redeemable shares less bank and short-term deposits, net open derivatives held in relation to interest-bearing liabilities and lease liabilities, and interest-bearing assets (which includes restricted deposits)
New Crown Loan	The \$400 million fully committed four year Crown standby facility
NZX	New Zealand's stock exchange
NPAT	Net Profit After Taxation
Operating expenses	Includes labour, fuel, maintenance, aircraft operations, passenger services, sales and marketing, foreign exchange and other expenses
Operating revenue	Includes revenue from passengers, cargo, contract services and other revenue
Other significant items	Items of revenue or expenditure which due to their size or nature warrant separate disclosure to assist with understanding the underlying financial performance of Air New Zealand. Other significant items and taxation is reported within the audited financial statements and Five Year Statistical Review contained within the Annual Financial Results.
PAYE	Pay As You Earn: where an employer will pay their employee's income tax directly to the Government, and then deduct an equal amount from the employee's salary
RASK	Passenger Revenue per ASKs: passenger revenue for the period divided by the total ASKs on passenger flights for the period
Redeemable shares	Non-voting redeemable shares issued under the subscription agreement between Air New Zealand and the Crown dated 13 December 2021. Refer to key terms per Air New Zealand's NZX <a href="#">announcement</a> on 14 December 2021
ROIC	Pre-tax Return on Invested Capital. Meaning EBIT plus interest component of aircraft operating leases / average capital employed (Net Debt plus Equity) over the period
US	United States of America
YTD	Year to date

**The following non-GAAP measures are not audited: EBITDA, Gearing, Net Debt, Gross Debt, Liquidity, RASK and ROIC**

- The non-GAAP measures are used by management and the Board of Directors to assess the underlying financial performance of the Group in order to make decisions around the allocation of resources
- Amounts used within the calculations are derived from the audited Group financial statements and Five Year Statistical Review contained in the Annual Financial Results
- Earnings included within the calculations were restated following the International Financial Reporting Interpretations Committee ("IFRIC") issuing an agenda decision on Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38) and also on Fair Value Hedge of Foreign Currency Risk on Non-Financial Assets (IFRS 9). The interpretations were required to be retrospectively applied and comparatives restated accordingly





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# Appendix D — Key risks



# Key risks (1 / 7)

## Key Risks – Important: Please Read

This section summarises the key risks Air New Zealand has identified in connection with the Rights Offer. It is critical that you read these carefully because these risks may materially adversely affect the future operating and financial performance of Air New Zealand, and its share price. Like any investment, there are risks associated with an investment in Air New Zealand's shares. Those risks are acute in the current global context. This section does not set out all of the risks related to an investment in Air New Zealand shares, the future operating or financial performance of Air New Zealand, the Rights Offer, or general market or industry risks. Some risks may be unknown and other risks, currently believed to be immaterial, could turn out to be material.

In light of the Covid-19 pandemic and other significant events and conflicts around the world such as the current conflict in Ukraine and the risk of increased hostilities involving Russia, extra caution should be taken when assessing the risks associated with an investment in Air New Zealand. Airlines have been significantly affected by border closures, restrictions on domestic and international movement and travel. The Covid-19 pandemic may result in changes to travel behaviours and patterns permanently, including due to technological developments. Capital markets have seen equity securities suffer from spikes in volatility and significant, sudden price declines.

The summary of key risks set out below represent Air New Zealand's current assessment of these risks, however that may change either during the course of the Rights Offer or following the Rights Offer. There is no certainty as to the severity or likelihood of any such foreseen and unforeseen impacts arising nor whether any mitigating action will be effective or can be taken. Accordingly, the key risks that Air New Zealand face are inherently uncertain and will continue to change.

Given the highly uncertain operating and financial environment, investors should be cautious about placing weight or reliance on forward-looking statements or assumptions made or described in this document, including in relation to the removal of travel restrictions or social distancing rules, the rate and pace of any return of passenger demand for Air New Zealand's services, Air New Zealand's profitability, liquidity and debt levels, jet fuel prices and any macro-economic factors such as currency rates and inflation. Such statements are inherently uncertain and should only be regarded as indicative of possible outcomes. They are based on a series of assumptions which may not be proved correct over time due to a range of factors outside Air New Zealand's control.

You should make your own assessment of the key risks set out in this section before deciding whether to invest (or invest further) in Air New Zealand. You should also consider whether such an investment is suitable in light of your individual risk profile, investment objectives and personal circumstances (including financial and taxation issues) and you are encouraged to consult with a financial or other professional adviser.

Key Risk	Details
<b>Covid-19 impact significant, ongoing and uncertain</b>	<p>Covid-19 resulted in unprecedented restrictions on domestic and international air travel. These restrictions have been imposed by governments around the world and regulatory authorities, and/or implemented as a matter of best practice during a health crisis, and have included lockdowns, border closures, rules preventing domestic travel, mandatory quarantine periods, self-isolation, pre- and post- flight tests and other social distancing rules.</p> <p>These developments resulted in a material decline in demand for international and domestic air travel and have had an unprecedented material adverse effect on Air New Zealand's financial position and performance. In FY20 and FY21, Air New Zealand made statutory losses before taxation of \$629 million and \$415 million, respectively. On 24 February 2022, Air New Zealand announced (with its 1H FY22 results) that it expected losses before other significant items and taxation for FY22 to exceed \$800 million. Air New Zealand now expects its FY22 full year result to be a loss before other significant items and taxation of less than \$800 million. There is a risk that losses continue in future years. See slide 13 for further details.</p> <p>If the restrictive actions taken to combat Covid-19 persist (whether in New Zealand or globally), Air New Zealand's operational and financial performance could deteriorate further. It is inherently difficult to make accurate assumptions about future financial and operating performance in this uncertain environment.</p> <p>Other measures may be introduced or extended by the New Zealand Government or other governments which could reduce demand, including pre- and post- flight testing and self-isolation requirements. Air New Zealand does not have any additional information in relation to border opening or the removal of travel restrictions (and does not receive any specific information in this regard from the New Zealand Government as its majority shareholder).</p>



# Key risks (2 / 7)

Key Risk	Details
<p><b>Level and pace of return of passenger demand uncertain</b></p>	<p>Air New Zealand's operating and financial performance is dependent on the level of domestic and international travel generally. As at the date of this presentation, levels of passenger demand remain materially below pre-pandemic levels.</p> <p>The unprecedented Covid-related travel restrictions led to an immediate and material decrease in demand for Air New Zealand's services. The duration and degree of that material decline in demand for air travel for Air New Zealand remains uncertain. This uncertainty is exacerbated by a number of significant factors related to Covid-19 that are outside the control of Air New Zealand, including the impact of new or existing variants, the availability, efficacy and deployment of vaccines worldwide, and the restrictions imposed by national and regional governments in respect of the freedom of movement and travel. As such, there is continued uncertainty as to the duration and further impact of Covid-19, including in relation to government-mandated restrictions and health advice, as well as the general economic environment.</p> <p>Recovery in passenger demand is a key assumption in Air New Zealand's financial modelling and strategic planning. In general terms, Air New Zealand has assumed that from the middle of calendar year 2022 New Zealand's borders will be fully open (and not restricted or closed again) to the majority of the markets it flies to and the requirement for vaccinated travellers (regardless of nationality) to self-isolate on arrival is removed (and not reinstated), and has also assumed that demand for long-haul international travel approximates pre-Covid levels by the second half of FY25. Prolonged travel frictions (such as isolation and testing requirements) at the New Zealand border may reduce passenger demand and therefore revenues below current planning assumptions and impose additional costs on Air New Zealand.</p> <p>If those assumptions are incorrect and/or passenger demand does not return at the expected levels and pace, the expected improvement in Air New Zealand's financial performance may not eventuate or may take longer to eventuate. Demand for domestic and international air travel may remain lower than expected for longer than expected, even after the abatement of the pandemic, easing of travel restrictions and removal of self-isolation/quarantine requirements.</p> <p>Air New Zealand has assumed that there will be no long-term structural changes to passenger demand over the longer-term (noting that there is currently limited observable data relating to this). Reduced demand, including through any longer-term structural changes if those eventuate, could be New Zealand-specific, or more general in nature, and could be caused by factors such as:</p> <ul style="list-style-type: none"> <li>• environmental sustainability concerns;</li> <li>• lower customer confidence in the health risks of flying related to Covid-19;</li> <li>• changes in customer preferences or booking behaviour;</li> <li>• concerns in relation to New Zealand as a destination depending on the prevalence of Covid-19;</li> <li>• reduced travel for business, including due to greater familiarity with remote access technology for businesses and associated cost savings; and</li> <li>• reduced travel for business and leisure due to any economic downturn and impacts on customers' disposable income.</li> </ul> <p>Prior to the emergence of the Omicron variant in New Zealand, Air New Zealand benefitted from strong levels of domestic travel in New Zealand while international border restrictions have been in place. As restrictions on international travel are reduced, this may result in lower demand for domestic travel as those passengers start flying internationally rather than domestically. That decrease in domestic demand may not be offset by international travel with Air New Zealand (noting that long-haul business (which represented approximately 41% of Air New Zealand's FY19 passenger revenue) has been assumed to build back gradually through to FY25). Lower domestic demand may materially adversely impact on Air New Zealand's financial performance.</p> <p>A material decline in domestic and/or international travel would have a material adverse effect on Air New Zealand's operating and financial performance and could be caused by a number of factors, including as a result of:</p> <ul style="list-style-type: none"> <li>• the reinstatement of regional and national lockdowns, delays to border openings, continuation or reinstatement of self-isolation requirements in New Zealand, pre- and post- flying testing and other requirements imposed on travellers that make air travel to and from or within New Zealand more difficult; or</li> <li>• a particular event (such as a pandemic / epidemic, outbreak of disease, war, terrorist attack, a flying or safety incident, or an extreme weather event or natural disaster, such as earthquakes and volcanic ash clouds), economic conditions (causing a decrease in consumer and business demand), or any other factors.</li> </ul> <p>The current conflict in the Ukraine and the risk of increased hostilities involving Russia adds further uncertainty to the outlook for the demand for international air travel. That conflict could reduce demand for international travel for a number of reasons, including increased safety concerns. If that conflict escalates, its potential impacts would be amplified.</p>

Personal use only





# Key risks (3 / 7)

Key Risk	Details
<b>General macro-economic conditions / cost increases / inflation</b>	<p>Air New Zealand's operating and financial performance is affected by general economic and business conditions. This risk is heightened in the context of Covid-19, rising levels of inflation, rising interest rates, the current conflict in Ukraine and the risk of increased hostilities involving Russia. A prolonged deterioration in general economic conditions, including a resulting decrease in consumer and business demand, would likely have a material adverse effect on Air New Zealand's business or financial condition (or both). Any impact would be of uncertain severity and duration. Air New Zealand has assumed that the general economic operating environment for air travel will be relatively stable and that there will not be a sudden or prolonged deterioration in general economic conditions. If there were such a downturn, this could materially and adversely affect the markets in which Air New Zealand operates, and consequently its business.</p> <p>Air New Zealand is exposed to the risk of increased costs across its business (including, for example, in respect of labour, fuel and airport services related costs such as take-off and landing fees, air traffic control and general airport charges). There is no assurance that airport operators will not continue to increase their fees or that Air New Zealand will not incur new costs from those airport operators. If Air New Zealand is unable to pass through those increased costs on to passengers, or if a reduction in passenger demand results from Air New Zealand passing those increased costs on to passengers (which, in turn, could influence the airline's network and capacity plans), then those developments could have a material adverse effect on Air New Zealand's financial results.</p> <p>Currently, New Zealand and other countries are experiencing increasing inflation levels. There is no assurance that inflation will not continue to rise and remain high for a sustained period. In terms of its targets, Air New Zealand assumes that inflation rates will revert to long-term historical averages over the period to FY25. However, that is uncertain. Higher inflation increases Air New Zealand's cost base – key inputs such as labour and other operating costs and currency are all impacted. Interest rates may also increase. Where Air New Zealand cannot off-set cost increases through productivity initiatives or pass on costs increases to passengers by way of fare increases without losing those passengers, its flown capacity, revenue and profitability will be reduced. Higher inflation may also impact potential customers' disposal income which could reduce demand.</p>
<b>Fuel prices uncertain</b>	<p>Jet fuel costs constitute a significant proportion of Air New Zealand's total operating expenses (in FY19 it represented approximately 28% of Air New Zealand's total operating expenses). Historically, jet fuel costs have widely fluctuated due to factors such as supply and demand dynamics, geopolitical issues and economic conditions. The future availability and cost of jet fuel cannot be predicted with any degree of certainty. Any material increase in jet fuel prices over a sustained period will materially increase Air New Zealand's operating expenses and may materially reduce profitability. Air New Zealand may not be able to offset increases in the price of jet fuel or sustained high jet fuel prices with fuel surcharges, fare increases or fuel cost hedging strategies. Price increases may also add risk to Air New Zealand's ability to adequately implement its operating strategy, and may negatively impact the pace and level of passenger demand recovery.</p> <p>The current conflict in Ukraine and the risk of increased hostilities involving Russia have caused recent volatility in jet fuel prices. Air New Zealand's targets assume jet fuel reverts to long-term historical averages. If jet fuel prices are elevated for a sustained period, including due to the conflict in Ukraine or hostilities involving Russia, Air New Zealand's financial performance and position will be adversely affected, and potentially materially so. Fare increases needed to recover higher costs may negatively impact the pace and level of passenger demand recovery.</p> <p>Air New Zealand attempts to mitigate the adverse impact of volatility in jet fuel prices by entering into fuel hedge agreements to purchase jet fuel in the future at pre-determined prices. However, Air New Zealand does not hedge all of its fuel supply requirements, and these contracts do not protect Air New Zealand from increases in the price of jet fuel beyond the period of the contract and may (due to the cost of these instruments) limit the benefits Air New Zealand would derive from decreases in the cost of jet fuel during the term of the contracts. There is no guarantee that future hedging contracts which protect Air New Zealand from high jet fuel prices can be entered into, including at reasonable pricing.</p> <p>Other potential actions Air New Zealand can use to attempt to mitigate elevated fuel prices include increasing its fares and/or reducing its capacity. Passenger demand reduces as a result of fare increases. If, however, Air New Zealand is unable to offset fuel price increases with fare increases or make the necessary adjustments to its network or cost structure, its future profitability may be negatively impacted.</p> <p>Jet fuel is paid for in US dollars. Therefore, higher jet fuel prices, coupled with a strengthening US dollar relative to the New Zealand dollar will amplify the adverse effect on Air New Zealand's financial position and performance (particularly where there is limited international flying and Air New Zealand has limited ability to earn foreign currency). In the event of a jet fuel supply shortage, higher jet fuel prices or the curtailment of scheduled services could result.</p>
<b>Increased competition (1 / 2)</b>	<p>Air travel is a highly competitive business. For Air New Zealand, this is particularly true in relation to trans-Tasman and long-haul international routes (which represented approximately 59% of Air New Zealand's FY19 passenger revenue). Air New Zealand's competitors include some operators with greater financial resources. Airlines compete on a range of factors including fare levels, frequency of flights, quality and reliability of service, brand recognition, passenger amenities, frequent flyer programmes and the availability and convenience of other passenger services. Increased competition may reduce demand for Air New Zealand's services thereby reducing revenue or potentially requiring discounted airfares to retain revenue. If so, Air New Zealand's profitability would be negatively impacted and such impact could be significant. Further, a highly competitive market which constrained fare prices could also result in Air New Zealand being unable to pass on increased input costs to passengers (including fuel costs, landing charges and other similar costs which have seen significant recent increases), reducing Air New Zealand's margin and financial performance.</p>





# Key risks (4 / 7)

Key Risk	Details
<b>Increased competition (2 / 2)</b>	In particular, Air New Zealand may face increased competition in its key markets, particularly in domestic New Zealand market (including if some of its competitors fully enter the New Zealand domestic market), short-haul international routes and the North American market. This threat may arise at this time as other airlines change strategies and enter new markets post-Covid in order to have greater opportunities to grow back their revenue. Competitive threats may arise from either individual airlines or from alliances between Air New Zealand's competitors. The competitive landscape is highly complex, with many factors (including input costs, passenger demand, supply dynamics and opportunity costs) driving competitor behaviour and strategy. The success of Air New Zealand's competitive strategy is subject to uncertainties beyond its control.
<b>Cyber security and IT systems</b>	<p>Air New Zealand faces both significant external cyber-attack threats and internal cyber risks. Its data, systems and information technology (together "Technology Systems") may be vulnerable to theft, payment fraud, loss, damage and interruption due to unauthorised access, security breaches, computer viruses, power loss or other disruptive events. Like other companies, Air New Zealand faces increasing risks that individuals or groups attempt to disrupt the availability, confidentiality, integrity and resilience of its Technology Systems or Technology Systems Air New Zealand relies on. A security breach could have a negative impact on customer confidence in Air New Zealand's systems and reputation. Cyber-attacks could also force Air New Zealand to temporarily or for a longer period ground aircraft or shut down its operations, in part or entirely. In addition to disruption to its operations, such attacks could make it difficult to recover critical services, could damage assets and compromise the integrity and security of both corporate and customer data. Disruption or loss of access to key systems or facilities as well as the failure of any key suppliers could have a material adverse effect on the Group's business, operations, financial condition, prospects and reputation.</p> <p>Air New Zealand's operations are dependent on the suitability, reliability, resilience and durability of its technology platforms, systems and processes, including third party systems and infrastructure. Air New Zealand and its key suppliers deal with a large volume of personal data about passengers, prospective passengers and employees. Accordingly, Air New Zealand's operations are heavily reliant on its Technology Systems. Air New Zealand outsources the operation of certain Technology Systems to third parties and depends on the performance of those third parties and the cyber resilience of those third parties. The Technology Systems, including Air New Zealand's website, must be able to accommodate a high volume of traffic, maintain secure information, dispatch flights and deliver flight information, issue electronic tickets and process critical financial and non-financial information in a timely manner. Poor performance by a third party will expose Air New Zealand to the risk that it will not be able to operate its Technology Systems effectively, or at all, and could lead to materially adverse outcomes for Air New Zealand.</p>
<b>Foreign exchange volatility</b>	<p>Air New Zealand is exposed to fluctuations in foreign currencies because its revenues and expenditures, borrowings, leases, investments and capital expenditure transactions are denominated in multiple currencies. US dollars is the principal foreign currency in which Air New Zealand payments occur (including jet fuel purchases, aircraft leases, aircraft spare part purchases, engine maintenance, borrowings and aircraft purchases). In FY19, approximately 42% of Air New Zealand's operating expenses were paid for in United States dollars. Any appreciation in the US dollar (or other currencies in which Air New Zealand's expenses are denominated) against the New Zealand dollar would increase Air New Zealand's total operating expenses (when measured in New Zealand dollars) and this would increase its New Zealand dollar assets, liabilities and gearing and could decrease Air New Zealand's profitability (particularly where international flying is limited and Air New Zealand has limited ability to earn foreign currency).</p> <p>Air New Zealand enters into foreign exchange contracts to hedge against near term currency fluctuations occurring. However, Air New Zealand does not hedge all of its foreign currency requirements, and such contracts do not fully protect Air New Zealand from the adverse impact of significant exchange rate fluctuations over the longer term and may prevent Air New Zealand from fully benefitting from favourable movements in exchange rates over the period of the contracts.</p> <p>Air New Zealand's financial modelling includes assumptions in relation to the NZD / USD foreign exchange rate, which are generally set based on historic average exchange rates. To the extent that actual foreign exchange rates deviate from those historic averages in an adverse manner for Air New Zealand, without any natural or contractual hedges in place, this could have a material adverse effect on Air New Zealand's financial performance and achievement of its targets.</p>
<b>Capital sufficiency and debt levels (1 / 2)</b>	<p><i>Capital</i></p> <p>Air New Zealand has undertaken a capital sufficiency assessment exercise to assist in determining the size of the Rights Offer. Air New Zealand believes that a successful equity raise, together with its ongoing cost saving initiatives, and the new debt facilities (including those continued to be provided by the Crown), will provide Air New Zealand with sufficient capital to position itself for recovery of passenger demand.</p> <p>This assessment is based on what Air New Zealand considers to be a reasonable set of assumptions (assessed together with relevant sensitivities for those assumptions). However, there remains a risk that negative impacts from Covid-19 and the resulting adverse global economic conditions, together with the risks associated with the current conflict in Ukraine and the risk of increased hostilities involving Russia, exceed expected levels, and further cost saving measures cannot be achieved, or recovery in revenue and profitability takes longer than expected. In that scenario, Air New Zealand may have insufficient equity and/or liquidity to meet capital and operational requirements and would need to re-assess its balance sheet and operations. It may also need to access additional equity or debt funding which could have an adverse effect on Air New Zealand and/or its earnings.</p>



# Key risks (5 / 7)

Key Risk	Details
<b>Capital sufficiency and debt levels (2 / 2)</b>	<p><i>Debt</i></p> <p>As Air New Zealand progresses its plans for recovery, it will carry a substantial amount of debt including related to aircraft acquisition and other financing arrangements for the foreseeable future, as well as commitments for maintenance, working capital requirements and other obligations. Its level of debt will increase until passenger demand returns to a level which permits it to repay debt. Although, as demand returns, Air New Zealand will begin to generate additional cash flow from operations to pay debt and other fixed obligations. Air New Zealand expects that its liquidity will continue to decrease until it substantially ramps up its international operations again, which may restrict its ability to repay debt. Accordingly, Air New Zealand currently expects that its gearing will continue to increase the beginning of FY25 before it is able to start reducing its overall levels of debt. Air New Zealand's ability to meet its payment obligations and to fund planned capital expenditures will depend on the success of its business strategy, the level and pace of the return of demand, and Air New Zealand's ability to generate sufficient revenues to satisfy its obligations, which are all subject to many uncertainties and contingencies beyond its control.</p>
<b>Ramp up of capacity</b>	<p>Air New Zealand has significantly reduced its network and operations as a result of the impacts of Covid-19. In order to take advantage of any increases in passenger demand, Air New Zealand may need to increase its capacity at relatively short notice. This may be difficult and costly, particularly where the recovery is inconsistent, causing difficult and expensive "gearing up" and "gearing down" scenarios. This may cause Air New Zealand issues such as having insufficient pilots, cabin crew and other operational staff available in time, or needing to stand-down or re-activate these employees at short notice, with associated increased costs. In addition to its own operational readiness, Air New Zealand relies on the readiness of its global partners, suppliers and customers. There is a risk that sufficient aircraft or labour may not be available to meet demand or there is only a short timeframe to react to the need for greater capacity and labour. These factors may result in inefficiencies, additional costs, lost opportunities, and adverse financial and operating effects.</p>
<b>Supply chain issues</b>	<p>Air New Zealand relies on third party suppliers and service providers for aircraft manufacturers, jet fuel, ground handling, aircraft maintenance, call centres, IT systems, catering, fuel supply and other operations. The efficiency and timeliness of such suppliers and service providers, as well as the quality of their contract performance, is beyond Air New Zealand's direct control. In particular, those third party suppliers are subject to ongoing supply chain disruptions and delays due to the ongoing effects of the Covid-19 pandemic and there is risk that the current conflict in Ukraine or other hostilities involving Russia could have a direct, or indirect, on Air New Zealand's supply chain. Failure to adequately manage the performance of third party suppliers or service providers and any failure by such suppliers or service providers to perform their obligations, including as a result of global supply chain issues, could adversely affect Air New Zealand's reputation and its operational and financial performance. Air New Zealand uses its business continuity plans to cover the risk of supply failures and has contingency plans in place to respond to supply chain interruption. However, there is no guarantee that Air New Zealand will successfully mitigate the risk associated with any such failure or underperformance.</p>
<b>Employee relations</b>	<p>Staff costs are one of Air New Zealand's largest operating expenses. A significant portion of Air New Zealand's employees are represented by unions and are party to collective bargaining arrangements. If Air New Zealand is unable to negotiate collective agreements with unions on commercially reasonable terms, it could have material adverse effects on its cash flows and financial condition. Further, any significant collective bargaining dispute between Air New Zealand and its employees could lead employees to take industrial action, including work stoppages. This could disrupt Air New Zealand's day-to-day operations and adversely affect business performance, potentially leading to reputational damage.</p>
<b>Environmental sustainability</b>	<p>Growing concerns about environmental sustainability may materially adversely impact the global aviation industry. Environmental sustainability concerns may materially adversely affect demand for Air New Zealand's services, may result in adverse regulatory requirements, and Air New Zealand may need to take steps adversely affecting profitability.</p> <p>In time, sustainable aviation fuels may increase the cost of, and therefore reduce demand for, international air travel. The development of new technology may impact the value of Air New Zealand's existing assets (which constitute its largest tangible asset currently) and could materially adversely affect its financial position and performance.</p> <p>In addition, transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Air New Zealand may be materially adversely impacted by increased costs of offsetting carbon-based emissions (including escalating carbon credit pricing).</p> <p>Physical risks resulting from climate change may have financial implications for Air New Zealand, such as indirect impacts from supply chain disruption and travel patterns and habits of customers.</p>
<b>Investment in equity capital (1 / 2)</b>	<p>There are general risks associated with investments in equity capital. The trading price of Air New Zealand's ordinary shares on NZX or ASX may fluctuate with movements in equity capital markets in New Zealand and internationally. This may result in the market price for the new shares being less or more than the Offer Price.</p>



# Key risks (6 / 7)

Key Risk	Details
<b>Investment in equity capital (2 / 2)</b>	<p>Air New Zealand's operations are dependent on the suitability, reliability, resilience and durability of its technology platforms, systems and processes, including third party systems and infrastructure. Air New Zealand Generally applicable factors which may affect the market price of Air New Zealand's ordinary shares include:</p> <ul style="list-style-type: none"> <li>• the impact of Covid-19 (or any new variant), including on the business environment, supply chains and travel restrictions (including social distancing and self-isolation rules);</li> <li>• general movements in New Zealand and international stock markets, including market volatility;</li> <li>• investor sentiment;</li> <li>• New Zealand and international economic conditions and outlook, including changes in interest rates, the rate of inflation, exchange rates, commodity prices, employment levels and consumer demand;</li> <li>• changes in New Zealand and foreign government regulation and fiscal, monetary and regulatory policies;</li> <li>• loss of key personnel and delays in replacement;</li> <li>• announcement of new technologies;</li> <li>• geo-political instability, including international hostilities (such as the current conflict in the Ukraine and the risk of increased hostilities involving Russia), acts of terrorism, natural disasters, extreme weather events and catastrophes, whether in global, regional or local scale;</li> <li>• epidemics and pandemics such as Covid-19 or any variant thereof;</li> <li>• operating results of Air New Zealand that may vary from expectations of securities analysts and investors;</li> <li>• changes in market valuations of other airlines; and</li> <li>• future issuances of Air New Zealand equity securities.</li> </ul> <p>The share prices for many listed companies have in recent times been subject to wide fluctuations and volatility, which in many cases may reflect a diverse range of non-company specific influences such as those referred to above. In particular, the events relating to Covid-19, the current conflict in the Ukraine and the risk of increased hostilities involving Russia and other significant events around the world have resulted in significant market falls and volatility both in New Zealand and overseas, including in the prices of securities trading on the NZX and the ASX.</p> <p>There is continued uncertainty as to the further impact of Covid-19 on the New Zealand economy and share markets including in relation to governmental action, regulation and advice, and the impact on equity and debt capital markets. These events may materially adversely impact the market price of Air New Zealand's ordinary shares.</p> <p>It is also possible that new risks may emerge as a result of domestic or foreign markets experiencing increased stress, or existing risks may evolve in ways that are not currently foreseeable.</p> <p>No assurances can be given that the New Shares will trade at or above the Offer Price. None of Air New Zealand, its Board, the underwriters, joint lead managers or any other person guarantees the market performance of the New Shares.</p>
<b>Reliance on Government support for international cargo services</b>	<p>On 28 March 2022, Air New Zealand announced that it had renewed its contract with the New Zealand Government until the end of 31 March 2023 in relation to the Maintaining International Air Connectivity ("MIAC") Scheme. While international borders remain closed or restricted, Air New Zealand is reliant on the MIAC scheme to assist it in sustaining long-haul international services and continuing connections to ports around the world (e.g., to maintain landing slots at key offshore ports).</p> <p>Air New Zealand assumes that it will receive the benefit of the MIAC subsidy until March 2023. The MIAC scheme does not provide a guaranteed revenue stream. Rather, MIAC support levels are adjusted to reflect passenger demand on key routes to reflect passenger demand and accordingly is expected to decrease over time as border openings deliver increased passenger volumes. If international travel remains restricted beyond March 2023 (albeit at diminishing levels as international passengers return) and the MIAC scheme is not extended (or Air New Zealand receives a smaller subsidy), this would materially reduce Air New Zealand's financial performance.</p>
<b>Ability to pay dividends</b>	<p>Air New Zealand's dividends are currently suspended. Subject to Air New Zealand's performance, any payment of dividends is unlikely before FY26. Going forward, Air New Zealand may be unable to pay dividends at historic levels or at all. The New Crown Loan prevents payment of dividends if the facility is drawn, and it is a condition of the subscription agreement with the Crown in relation to the redeemable shares that dividends cannot be paid on ordinary shares if Air New Zealand has deferred the payment of interest on the Redeemable Shares on issue.</p>



# Key risks (7 / 7)

Key Risk	Details
<b>Major shareholder risk</b>	<p>The Crown is, and will on completion of the Rights Offer be, a holder of 51% of the ordinary shares in Air New Zealand. Consequently, the Crown will generally be able to control the outcome of matters put to shareholders that require majority approval.</p> <p>The Government has a policy of maintaining a 51% shareholding in Air New Zealand. That policy may change under future governments.</p> <p>If Air New Zealand required new equity capital, and the Crown wished to act consistently with its current policy of maintaining a 51% shareholding, the Crown would need to make a further equity capital investment to avoid dilution below its 51% holding. There is no certainty as to any future capital contributions from the Crown.</p> <p>The Crown does not guarantee the Air New Zealand shares or any returns in respect of them, or Air New Zealand or any obligations of Air New Zealand. The Crown currently holds 51.91% of the ordinary shares in Air New Zealand. On completion of the Rights Offer, the Crown will hold 51.00% of the ordinary shares.</p>





# Appendix E – Foreign selling restrictions

# Foreign selling restrictions (1 / 2)

This presentation does not constitute an offer of rights (**Rights**) or new ordinary shares (**New Shares**) of Air New Zealand in any jurisdiction in which it would be unlawful. In particular, this presentation may not be distributed to any person, and the Rights and New Shares may not be offered or sold, in any country outside New Zealand or Australia except to the extent permitted below.

## Australia

This Offer is being made to Australian resident Shareholders without a prospectus in accordance with section 708AA of the Corporations Act (as modified by ASIC Instrument 2016/84 and ASIC Instrument 22-0225). This presentation is not a prospectus, product disclosure statement or any other form of disclosure document regulated by the Corporations Act and has not been and will not be lodged with ASIC. Accordingly, this presentation may not contain all information which a prospective investor may require to make a decision whether to subscribe for New Shares and it does not contain all of the information which would otherwise be required by Australian law to be disclosed in a prospectus. Neither ASIC nor ASX takes any responsibility for the contents of this presentation.

## Canada

This presentation constitutes an offering of Rights and New Shares only in the Provinces of British Columbia, Ontario and Quebec (the **Provinces**) and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This presentation is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This presentation may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions* or section 73.3, of the Securities Act (Ontario) (collectively "NI 45-106").

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this presentation, the merits of the Rights or the New Shares or the offering of such securities and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of Rights or New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and received by the securities regulator in the applicable Province. Furthermore, any resale of the Rights or the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements.

Air New Zealand as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon Air New Zealand or its directors or officers. All or a substantial portion of the assets of Air New Zealand and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against Air New Zealand or such persons in Canada or to enforce a judgment obtained in Canadian courts against Air

New Zealand or such persons outside Canada.

Unless stated otherwise, all dollar amounts contained in this document are in New Zealand dollars.

## Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the Rights or the New Shares purchased pursuant to this presentation (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against Air New Zealand if this presentation or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against Air New Zealand. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this presentation contains a misrepresentation, a purchaser who purchases the Rights or the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against Air New Zealand, provided that:

- Air New Zealand will not be liable if it proves that the purchaser purchased such securities with knowledge of the misrepresentation;
- in an action for damages, Air New Zealand is not liable for all or any portion of the damages that Air New Zealand proves does not represent the depreciation in value of such securities as a result of the misrepresentation relied upon; and
- in no case shall the amount recoverable exceed the price at which such securities were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than:

- in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the

cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action.

These rights are in addition to and not in derogation from any other right the purchaser may have.

*Certain Canadian income tax considerations.* Prospective purchasers of the Rights and the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding, or disposition of such securities as any discussion of taxation related matters in this presentation is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

*Language of documents in Canada.* Upon receipt of this presentation, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

## Cayman Islands

Air New Zealand is not licensed to conduct investment business in the Cayman Islands by the Cayman Islands Monetary Authority and this document does not constitute an offer to members of the public of the Rights and New Shares, whether by way of sale or subscription, in the Cayman Islands. The Rights and New Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, to members of the public in the Cayman Islands.

## European Union

This presentation has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this presentation may not be made available, nor may the Rights or the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Rights and New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).



# Foreign selling restrictions (2 / 2)

## Hong Kong

WARNING: This presentation has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this presentation or to permit the distribution of this presentation or any documents issued in connection with it. Accordingly, the Rights and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Rights and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Rights and the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Rights or New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this presentation have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any of the contents of this presentation, you should obtain independent professional advice.

## Norway

This presentation has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this presentation shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The Rights and the New Shares may not be offered or sold, directly or indirectly, in Norway except to "qualified investors" (as defined in the Prospectus Regulation 2017/1129 Article 2(e), cf. the Norwegian Securities Trading Act of 29 June 2007 no. 75 Section 7-1 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

## Singapore

This presentation and any other materials relating to the Rights and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Rights and New Shares, may not be issued, circulated or distributed, nor may the Rights and New Shares be offered or sold, or be made the subject of an

invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This presentation has been given to you on the basis that you are (i) an existing holder of Air New Zealand's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this presentation immediately. You may not forward or circulate this presentation to any other person in Singapore.

Any offer is not made to you with a view to the Rights or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Rights or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## Switzerland

The offering of the Rights and the New Shares in Switzerland is exempt from requirement to prepare and publish a prospectus under the Swiss Financial Services Act (**FinSA**) because such offering is made to professional clients within the meaning of the FinSA only and the Rights and the New Shares will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This presentation does not constitute a prospectus or similar communication pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the offering of the Rights and the New Shares.

## United Arab Emirates

Neither this presentation nor the Rights or the New Shares have been approved or passed on in any way by the Emirates Securities and Commodities Authority (**ESCA**) or any other governmental authority in the United Arab Emirates. Air New Zealand has not received authorisation or licensing from the ESCA or any other governmental authority to market or sell the Rights or the New Shares within the United Arab Emirates (excluding the Dubai International Financial Centre and the Abu-Dhabi Global Market). This presentation does not constitute, and may not be used for the purpose of, an offer of securities in the United Arab Emirates. No services relating to the Rights or the New Shares, including the receipt of applications, may be rendered within the United Arab Emirates (excluding the Dubai International Financial Centre and the Abu-Dhabi Global Market).

## United Kingdom

Neither the information in this presentation nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be

published in respect of the Rights and the New Shares.

This presentation is issued on a confidential basis to "qualified investors" (within the meaning of Article 2(e) of the UK Prospectus Regulation) in the United Kingdom, and the Rights and New Shares may not be offered or sold in the United Kingdom by means of this presentation, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This presentation should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Rights or the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Air New Zealand.

In the United Kingdom, this presentation is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this presentation relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this presentation or any of its contents.

## United States

This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States, and may not be distributed to any person in the United States.

The Rights and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

The Rights may not be acquired or exercised by, and the New Shares may not be offered or sold to, any person in the United States or any person acting for the account or benefit of any person in the United States, other than certain eligible institutional Shareholders and Institutional Investors as part of the U.S. Private Placement. In addition, outside the United States, the rights are only entitled to be acquired or exercised, and the New Shares may only be offered and sold, in "offshore transactions" (as defined by Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.



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*Thank you*

A STAR ALLIANCE MEMBER 



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# *Questions?*

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# Refuelling for our recovery

## Renounceable Rights Offer

30 March 2022

Go to [airnz.rightsoffer.co.nz](http://airnz.rightsoffer.co.nz)  
for more information and to apply.

This is an important document. You should read the whole document before deciding what action to take with your Rights. If you have any doubts as to what you should do, please consult your broker, financial, investment or other professional adviser. This Offer Document may not be distributed outside New Zealand or Australia, except to certain institutional and professional investors in such other countries and to the extent contemplated in this Offer Document.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**



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AIR NEW ZEALAND 



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# Important Information



## General information

This Offer Document has been prepared by Air New Zealand Limited (**Air New Zealand**) in connection with a fully underwritten (excluding the Crown Participation) 2 for 1 pro rata renounceable rights offer of New Shares, followed by a shortfall bookbuild process (the **Offer**).

The Offer is made to Eligible Shareholders in New Zealand pursuant to the exclusion in clause 19 of schedule 1 of the New Zealand Financial Markets Conduct Act 2013 (the **FMCA**) and in reliance on waivers issued by NZX Regulation in favour of Air New Zealand dated 30 March 2022 (the **NZX Waivers**).

The Offer is made to Eligible Shareholders in Australia pursuant to the provisions of the Australian Corporations Act 2001 (Cth) (the **Corporations Act**) (as modified by Australian Securities and Investments Commission (**ASIC**) Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**ASIC Instrument 2016/84**) and ASIC Instrument 22-0225).

This Offer Document is not a product disclosure statement or prospectus for the purposes of the FMCA or the Corporations Act or any other law, has not been lodged with the FMA or ASIC, and does not contain all of the information that an investor would find in a product disclosure statement or prospectus or which may be required to make an informed decision about the Offer or Air New Zealand.

## Further important information

A presentation titled “Refuelling for our recovery: Market update and recapitalisation” providing further important information in relation to Air New Zealand and the Offer has been published by Air New Zealand on 30 March 2022 (the **Investor Presentation**). A copy of the Investor Presentation and other important information released on 30 March 2022, as well as other publicly available information referred to in this Offer Document, are available at [www.nzx.com](http://www.nzx.com) and [www.asx.com.au](http://www.asx.com.au) under the ticker code “AIR” and “AIZ”, respectively.

The Investor Presentation includes details of the rationale for the Offer. It also provides a trading update and explains in more detail the expected impact of the Offer, including a non-exhaustive summary of certain key risks associated with Air New Zealand and the Offer.

You should read the Investor Presentation in full, as it contains important information to assist you in making an investment decision in respect of the Offer. In particular, you should read and consider Appendix D of the Investor Presentation (“Key Risks”) before making an investment decision.

## Additional information available under Air New Zealand's continuous disclosure obligations

Air New Zealand is subject to continuous disclosure obligations under the NZX Listing Rules which require it to notify certain material information to NZX. The ASX Listing Rules also require that Air New Zealand immediately provides to ASX all the information which it provides to NZX that is, or is to be, made public. Market releases by Air New Zealand are available at [www.nzx.com](http://www.nzx.com) and [www.asx.com.au](http://www.asx.com.au) under the ticker code "AIR" and "AIZ", respectively.

Air New Zealand recommends that you read its market releases lodged with the NZX and ASX, including its market announcements (together with the materials attached to those announcements) regarding:

- the Offer released on 30 March 2022 (including the Investor Presentation accompanying the announcement);
- a copy of the Crown Participation released on 30 March 2022;
- Air New Zealand's interim report and interim results presentation for the six months ended 31 December 2021 released on 24 February 2022;
- Air New Zealand's most recent annual report and annual results presentation for the year ended 30 June 2021 released on 26 August 2021; and
- Air New Zealand's monthly investor updates (Op Stats), including the most recent operating update for the month ended 31 January 2022 (released on 24 February 2022) and the month ended 28 February 2022 (released on 25 March 2022).

Air New Zealand may, during the period of the Offer, make additional releases to NZX and ASX. Shareholders should monitor Air New Zealand's market announcements during the period of the Offer. To the maximum extent permitted by law, no release by Air New Zealand to NZX or ASX will permit an applicant to withdraw any previously submitted application without Air New Zealand's prior written consent.

## Market risk

The market price for the Shares may change materially between the date the Offer opens, the date you apply for New Shares under the Offer, and the date on which the Shares are allotted to you. This is particularly the case given the wide fluctuations and volatility in the share prices for many listed companies in recent times due to the continuing impacts of Covid-19 and of other significant events and conflicts around the world. There is no certainty that this recent volatility will not continue or worsen, which could have a materially adverse impact on the share price for Air New Zealand.

Accordingly:

- the price paid for New Shares under the Offer may be higher or lower than the price at which Shares are trading on the NZX Main Board or ASX at the time New Shares are issued under the Offer;
- the market price of Shares following allotment may be higher or lower than the Offer Price; and
- it is possible that up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Offer Price.

Any changes in the market price of Shares will not affect the Offer Price.

**If you have any doubts as to what you should do, please consult your broker, financial, investment or other professional adviser.**

## Withdrawal and date changes

Subject to compliance with all applicable laws, Air New Zealand reserves the right at its absolute discretion to:

- withdraw all or any part of the Offer (either generally or in particular cases) (for example, the Rights Offer could proceed but the Shortfall Bookbuild could be withdrawn) and the issue of New Shares under the Offer; and/or
- alter any dates set out in this Offer Document.

## Forward looking statements

This Offer Document contains certain forward-looking statements such as indications of, and guidance on, future earnings and financial position and performance. Forward-looking statements can generally be identified by use of words such as 'approximate', 'project', 'foresee', 'plan', 'target', 'seek', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will', "objective", 'assume', 'guidance', 'outlook' or similar expressions. This also includes statements regarding the timetable, conduct and outcome of the Offer and the use of proceeds thereof, statements about the plans, targets, objectives and strategies of Air New Zealand, statements about the future performance of, and outlook for, Air New Zealand's business (including its demand recovery), statements about Air New Zealand's fleet plans and passenger numbers, and statements in respect of Covid-19 and of other significant events and conflicts around the world and their impact on Air New Zealand. Any indications of, or guidance or outlook on, future earnings or financial position or performance and future distributions are also forward-looking statements. All such forward-looking statements involve known and unknown risks, significant uncertainties, judgements, assumptions, contingencies, and other factors, many of which are outside the control of Air New Zealand, which may cause the actual results or performance of

Air New Zealand to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such forward-looking statements speak only as of the date of this Offer Document. Except as required by law or regulation (including the NZX Listing Rules and the ASX Listing Rules), Air New Zealand undertakes no obligation to provide any additional information or update these forward-looking statements for events or circumstances that occur subsequent to the date of this Offer Document or to update or keep current any of the information contained herein. Any estimates, projections or outlook statements as to events that may occur in the future (including projections of revenue, expense, net income and performance) are based upon the best judgement of Air New Zealand from the information available as of the date of this Offer Document. A number of factors could cause actual results or performance to vary materially from the estimates, projections or outlook statements. Investors should consider the forward-looking statements in this Offer Document in light of those risks and disclosures.

**Investors are strongly cautioned not to place undue reliance on any forward-looking statements, particularly in light of the rapidly changing COVID-19 situation, current economic climate and the significant volatility, uncertainty and disruption caused in relation to Air New Zealand by the COVID-19 pandemic, as well as the current conflict in Ukraine and its impact on global fuel prices.**

## Offering restrictions

This Offer Document is intended for use only in connection with the Offer to Eligible Shareholders.

This Offer Document does not constitute an offer, advertisement or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer, advertisement or invitation.

This Offer Document may not be sent or given to any person outside New Zealand or Australia in circumstances in which the Offer or distribution of this Offer Document would be unlawful. The distribution of this Offer Document (including an electronic copy) outside New Zealand and Australia may be restricted by law. In particular, this Offer Document may not be distributed to any person, and the Rights and the New Shares may not be offered or sold, in any country outside New Zealand or Australia except to the extent permitted in this Offer Document or as Air New Zealand may otherwise determine in compliance with applicable laws.

Neither this Offer Document nor the Acceptance Form may be released or distributed in the United States. This Offer Document and the Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any jurisdiction in which such an offer would be illegal. The Rights and the New Shares have not been, and will not be, registered under the U.S. Securities Act

or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction of the United States.

Further details on the offering restrictions that apply are set out in *Part 4: Terms of the Offer*.

Investors should note that while Rights will be tradeable on the NZX Main Board, the assignment, transfer and exercise of Rights trading on the NZX Main Board will be restricted to persons meeting certain eligibility criteria, as set out in *Part 4: Terms of the Offer*. It is the responsibility of purchasers of Rights (and any broker, nominee or custodian acting on their behalf) to inform themselves of the eligibility criteria for exercise. In particular, persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States) will not be eligible to purchase or trade Rights or to take up New Shares for the Rights they acquire. If holders of Rights at the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Rights. In the event that holders are not able to exercise their Rights, they may receive no value for them. If you come into possession of this Offer Document, you should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. Each of Air New Zealand, the Underwriters and the Joint Lead Managers disclaim all liability in respect of any such contravention by any other person.

## Decision to participate in the Offer

The information in this Offer Document does not constitute a recommendation to acquire or invest in New Shares and is not financial product advice to you or any other person. This Offer Document has been prepared without taking into account your investment objectives, financial or taxation situation or particular needs or circumstances.

Before deciding whether to invest in New Shares, you must make your own assessment of the risks associated with an investment in Air New Zealand (including the inherent uncertainties as to the impact of Covid-19 and of other significant events and conflicts around the world, and the summary of key risks in Appendix D of the Investor Presentation ("Key Risks")), and consider whether such an investment is suitable for you having regard to publicly available information (including the Investor Presentation and Air New Zealand's other market releases lodged with the NZX and ASX), your personal circumstances and following consultation with a financial or other professional adviser. Please read this Offer Document carefully and in full before making that decision.



## Non-standard designation

Air New Zealand has been designated as a “Non-Standard” (NS) issuer by NZX. This designation is due to particular provisions of Air New Zealand’s constitution, including the rights attaching to the “Kiwi Share”, and provisions regulating ownership and transfer of Shares.

## NZX waivers

Air New Zealand is making the Offer in reliance on the NZX Waivers. The effect of the NZX Waivers in the context of the Offer is to permit:

- Air New Zealand to enter into the Debt Arrangements; and
- the Ex Date for the Offer to be two Business Days following the announcement of the Offer.

The NZX Waivers are subject to certain conditions, as set out in the terms of such waivers (a copy of which is available at [www.nzx.com](http://www.nzx.com) and [www.asx.com.au](http://www.asx.com.au) under the ticker code “AIR” and “AIZ”, respectively). The conditions include that the waivers are disclosed in this Offer Document and in Air New Zealand’s annual report for the financial year ending 30 June 2022, that certain certifications are provided by Air New Zealand directors to NZX Regulation and that the entry into the Crown Loan Facility is ratified by Shareholders following the Offer.

## No guarantee

No person named in this Offer Document (including the Crown nor any other person) guarantees the New Shares to be issued pursuant to the Offer or warrants the future performance of Air New Zealand or any return on any investment made pursuant to this Offer Document.

## Disclaimer

The Joint Lead Managers and Underwriters have not been responsible for the preparation of, and to the maximum extent permitted by law accept no liability in connection with, this Offer Document.

## Privacy

Any personal information you provide in your Application will be held by Air New Zealand and/or the Registrar at the addresses set out in the Directory.

Air New Zealand and/or the Registrar may store your personal information in electronic format, including in online storage on a server or servers which may be located in New Zealand or overseas. The information will be used for the purposes of administering your investment in Air New Zealand.

This information will only be disclosed to third parties with your consent or if otherwise required or permitted by law. Under the New Zealand Privacy Act 2020 and the Australian Privacy Act 1988 (*Cth*), you have the right to access and correct any personal information held about you.

## Enquiries

Any questions about the Offer can be directed to an NZX Firm, ASX Broker or your financial or other professional adviser. If you are an Eligible Shareholder and have any questions about the number of New Shares shown on the Acceptance Form or in the “Acceptance” section of the Offer Website, or how to complete the Acceptance Form or the electronic acceptance form on the Offer Website, please contact the Registrar whose contact details are set out in *Part 6: Directory*.

## Times, currency and laws

Unless otherwise stated, all references in this Offer Document to times and dates are to times and dates in New Zealand, all references to currency are to New Zealand dollars, and all references to applicable statutes and regulations are references to New Zealand statutes and regulations.

## Defined terms

Capitalised terms used in this Offer Document have the meanings given in *Part 5: Glossary*.

**Please contact your broker, an NZX Firm or an ASX Broker if:**

- **You are not an Eligible Shareholder and wish to participate in the Offer (which may be possible through participating in the Shortfall Bookbuild).**
- **You are an Eligible Shareholder holding your Shares on ASX, and you wish to sell your Rights (which can only be done on the NZX Main Board).**

# Chair & CEO's letter



## Kia ora Air New Zealand shareholder

After two long years of turbulence, Air New Zealand is taking an important step to refuel for its recovery. We want to get back to doing what we love – connecting Kiwis with each other and New Zealand with the world. So today we are launching a Rights Offer as part of our recapitalisation plan to help position us to thrive again.

We are pleased to invite eligible shareholders to participate in a 2 for 1 pro rata renounceable rights offer (**Rights Offer**) of new fully paid ordinary shares in Air New Zealand (**New Shares**).

## Flying through a pandemic

When Covid struck in early 2020 we took decisive action. Routes were closed, planes parked, and we reduced the number of Air New Zealand employees by almost a third. Almost overnight, passenger numbers halved, and flight demand dropped 95 per cent.

With New Zealand's support, and Crown loan funding, we were able to keep the country connected. While many airlines were grounded, we've flown every day, bringing in vital supplies, flying Kiwis home and keeping New Zealand produce moving around the world.

We know this journey hasn't been an easy one for our shareholders with the suspension of our dividend payments since 2020 and the decrease in equity reserves. Our shareholders have been top of mind as the airline took action to help mitigate the impact of the pandemic, to maintain our credit rating and best position the airline to survive, then revive and finally thrive.

## Refuelling for our recovery

The airline continues to be negatively impacted by the Covid pandemic and will take time to recover. While there will still be bumpy skies ahead over the next few years, the moment is right for Air New Zealand to recapitalise its balance sheet and repay loans it received from the Crown. We need to refuel for our recovery so we can connect New Zealand to the world and help drive New Zealand's broader recovery from Covid.

With travel restrictions starting to ease, Air New Zealand is preparing to return to key international destinations, welcome visitors back to New Zealand and launch a new service to New York.



We're focused on growing our domestic network, offering Kiwis even more connectivity when and where they want to fly.

We're optimising our international routes and streamlining our fleet to more efficient and sustainable aircraft. And we're developing more benefits for our millions of Airpoints members.

As the majority shareholder, the Crown will participate in the Rights Offer such that it will hold a 51% shareholding in the airline upon completion. It's great to have the Government's continued backing by way of this commitment to invest.

The Rights Offer is open to eligible shareholders in New Zealand, Australia and a limited number of other jurisdictions. Information about the Rights Offer, including on the eligibility criteria and how to participate, is set out in this Offer Document. This Offer Document should be read together with the Investor Presentation which is available to eligible shareholders via our offer website: <https://airnz.rightsoffer.co.nz>. These documents contain important information about Air New Zealand and risks associated with an investment in Air New Zealand.

We encourage you to read this Offer Document and the Investor Presentation carefully, ensure your contact information is up to date, and importantly, seek independent financial advice where further support is required.

Air New Zealand is committed to rebuilding a stronger, more nimble airline that delivers for all New Zealanders.

Our shareholders have been an important part of Air New Zealand's proud history. We're confident that we can emerge from this crisis better than ever, and we'll do this together.

We invite you to take part in this next step of our journey.

Ehara taku toa i te toa takitahi, engari he toa takitini.

Ngā mihi

A handwritten signature in black ink, appearing to read 'T Walsh'.

**Dame Therese Walsh**  
Chair

A handwritten signature in black ink, appearing to read 'G Foran'.

**Greg Foran**  
CEO

## Part 1:

# Key Details

<b>Issuer</b>	Air New Zealand Limited
<b>The Offer</b>	<p>A pro-rata renounceable rights offer of 2 New Shares for every 1 Existing Share held on the Record Date (the <b>Rights Offer</b>).</p> <p>New Shares:</p> <ul style="list-style-type: none"><li>• not taken up by Eligible Shareholders; or</li><li>• which are attributable to the rights of Ineligible Shareholders, will be offered through a Shortfall Bookbuild run by the Underwriters.</li></ul> <p>Any Premium achieved above the Offer Price for New Shares in the Shortfall Bookbuild will be paid (with no brokerage costs deducted) on a pro rata basis to those Shareholders who did not take up their Rights or who were ineligible to do so.</p>
<b>Opening Date for the Offer</b>	6 April 2022.
<b>Rights</b>	<p>Eligible Shareholders have a right to subscribe for 2 New Shares for every 1 Existing Share held as at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date at the Offer Price.</p> <p>Eligible Shareholders may take up <b>all</b> or <b>some</b> or <b>none</b> of their Rights. Rights will be quoted on the NZX Main Board so Eligible Shareholders may sell all or some of their Rights on the NZX Main Board between 4 April 2022 and 26 April 2022.</p> <p>Eligible Shareholders do not pay for the Rights themselves. Eligible Shareholders will pay only for the New Shares issued to them if they choose to take up all or some of their Rights.</p> <p>The Offer is a pro rata offer. If you take up all of your Rights your percentage holding in Air New Zealand will not reduce. However, if you do not take up all of your Rights, or you are an Ineligible Shareholder, your percentage holding in Air New Zealand will reduce following completion of the Offer.</p> <p>Your Rights may have value. If you do nothing, your Rights will lapse and you will not be able to subscribe for any New Shares and may not realise any value for your Rights in the Shortfall Bookbuild.</p>
<b>Exercising Rights purchased on the NZX</b>	Rights purchased on the NZX may only be exercised by purchasers that meet eligibility requirements. In particular, rights may not be exercised by purchasers that are in the United States or who are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States). Potential purchasers of Rights should familiarise themselves with the requirements for exercise, which are set out in this Offer Document.
<b>Offer Price</b>	NZ\$ 0.53 (or A\$0.49, being the A\$ Price) per New Share.
<b>Shortfall Bookbuild</b>	<p>Eligible Shareholders who take up their Rights in full have the opportunity to apply for Additional New Shares in the Shortfall Bookbuild process, which will also involve Institutional Investors.</p> <p>Any Additional New Shares applied for under the Shortfall Bookbuild will be issued at the Bookbuild Price. The Bookbuild Price will be equal to or above the Offer Price. There is no limit to the Bookbuild Price.</p> <p>Eligible Shareholders may also participate in the Shortfall Bookbuild through NZX Firms who have been invited to participate in the Shortfall Bookbuild.</p>



**Crown Participation** The Crown has committed to subscribe for such number of New Shares so that it will hold 51.00% of the Shares on issue upon completion of the Offer (the **Crown Participation**). The Crown's holding in Air New Zealand will reduce from 51.91% to 51.00% as a result of the Offer.

The Crown will not participate in the Shortfall Bookbuild.

**Existing Shares currently on issue** 1,122,810,044 Existing Shares (excluding Shares held in Treasury).

**Approximate number of New Shares being offered** 2,246 million New Shares.

**Offer size** The amount to be raised under the Offer is NZ\$1.2 billion.

**New Shares** The same class as (and ranking equally with) Existing Shares.

**Eligible Shareholders** A Shareholder who, as at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date:

- (a) located in/has a registered address in New Zealand or Australia; or
- (b) is a Shareholder that is an Institutional Investor located in/with a registered address in Canada, Cayman Islands, the European Union, Hong Kong, Norway, Singapore, Switzerland, the United Arab Emirates or the United Kingdom; or
- (c) is any other person to whom Air New Zealand and the Joint Lead Managers consider an offer of Rights or New Shares may be made without the need for a lodged prospectus or other formality (other than a formality with which Air New Zealand is willing to comply), provided that such Shareholder is not in the United States and is not acting for the account or benefit of a person in the United States.

Certain institutional Shareholders in the United States may be invited to participate in the U.S. Private Placement to be conducted concurrently with the Offer, and will be contacted directly by Air New Zealand with the relevant offer documentation in relation thereto.

**When to apply** The Offer opens on 6 April 2022.

Applications may be made from 6 April 2022 and must be received by 5.00pm (NZST) / 3.00pm (AEST) on the Closing Date (2 May 2022, unless extended).

**How to apply** Applications must be made (together with payment) either using the online application form at <https://airnz.rightsoffer.co.nz> or by returning the Acceptance Form and following the payment instructions set out on that form.

If you are a Custodian, please see paragraph 14.1 of Part 4: Terms of the Offer. If you hold your Shares through a Custodian, please provide your Custodian with your instructions so that they may apply on your behalf in accordance with paragraph 14.1 of Part 4: Terms of the Offer.

If a postal application is made, please send this in time for it to be received by the Registrar on behalf of Air New Zealand before 5.00pm (NZST) / 3.00pm (AEST) on the Closing Date.

If, before the Closing Date, Air New Zealand receives both an Acceptance Form and a renunciation in respect of the same Rights, Air New Zealand will give priority to the renunciation and the Acceptance Form will not be accepted in respect of those Rights.

**Underwriting** The Offer is underwritten (excluding the amount of the Crown Participation) by the Underwriters in accordance with the terms of the Underwriting Agreement.

## Part 2:

# Key Dates<sup>1</sup>

Shareholders are encouraged to apply via the online application process or submit their personalised Acceptance Forms as soon as possible after the Opening Date. No cooling-off rights apply to applications submitted under the Offer.

Date	Event	
30 March 2022	Announcement of the Offer	
4 April 2022	Rights trading opens	Rights trading commences on the NZX Main Board.
7.00pm (NZST) / 5.00pm (AEST) on 5 April 2022	Record Date	The date for determining entitlements of Eligible Shareholders.
6 April 2022	Opening Date for the Offer	Offer Document and Acceptance Forms despatched to Eligible Shareholders.  Rights Offer opens.
26 April 2022	Rights trading closes	Rights trading ceases on the NZX Main Board at the close of trading.
2 May 2022	Closing Date for the Offer	Rights Offer closes. Applications (with payment) must be received by 5.00pm (NZST) / 3.00pm (AEST).
After close on NZX and ASX on 3 May 2022 and on 4 May 2022	Shortfall Bookbuild	
5 May 2022	Announcement of results of the Offer	Announcement of results of the Offer on NZX and ASX.
6 May 2022	Settlement on ASX	
9 May 2022	Settlement on NZX	Expected date for allotment of New Shares on both the NZX Main Board and ASX.
	Allotment and Quotation Date	New Shares are expected to commence trading on the NZX Main Board and ASX.
	Despatch Date	Mailing of security transaction statements to participating Eligible Shareholders.
By 16 May 2022	Premium Payment Date	Payment of any Premium achieved in the Shortfall Bookbuild to holders of any Unexercised Rights.
	Latest Refund Date (if required)	Refunds from scaling (if required) of any extra application monies received for Additional New Shares in the Shortfall Bookbuild will be processed within five Business Days following the Allotment Date.

<sup>1</sup> These dates are subject to change and are indicative only. Air New Zealand reserves the right to alter the timetable, subject to applicable laws and the NZX Listing Rules and the ASX Listing Rules. Air New Zealand reserves the right to withdraw the Offer at any time prior to the issue of the New Shares at its absolute discretion.

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## Part 3:

# Actions to be taken by Eligible Shareholders

## A.

### Available actions in respect of your Rights

If you are an Eligible Shareholder, you may take the following actions:

- take up all or some of your Rights; or
- take up **all** of your Rights and apply for Additional New Shares in the Shortfall Bookbuild; or
- sell all or some of your Rights on the NZX Main Board; or
- take up some of your Rights, and sell all or some of the remaining balance on the NZX Main Board; or
- do nothing with all or some of your Rights.

If you are not an NZX Shareholder and you wish to trade your Rights on the NZX Main Board, please contact your broker, an NZX Firm or an ASX Broker.

The Rights Offer is a pro rata offer to Eligible Shareholders. If you take up all of your Rights, your percentage holding in Air New Zealand will not reduce. If you are an Eligible Shareholder and you do not take up any of your Rights or acquire any New Shares in the Shortfall Bookbuild, or you are an Ineligible Shareholder, your shareholding in Air New Zealand will be diluted by 67% as a result of the Offer.

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### Take up all or some of your Rights

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If you are an Eligible Shareholder and wish to take up all or some of your Rights, you can:

- apply online in accordance with the instructions for online applications below; or
- apply by returning the Acceptance Form and following the payment instructions set out on that form.

If you are a Custodian (or you hold your Shares through a Custodian), please see paragraph 14.1 of *Part 4: Terms of the Offer*.

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### Participate in the Shortfall Bookbuild

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There are two ways in which Eligible Shareholders can apply to participate in the Shortfall Bookbuild. Eligible Shareholders wishing to participate in the Shortfall Bookbuild can do so via one or both of these methods.

#### **(1) Method 1: Participation through applying for Additional New Shares through the Acceptance Form or online application process on the Offer Website**

Eligible Shareholders who take up their Rights in full have the opportunity to apply for Additional New Shares which are attributable to any Unexercised Rights in the Shortfall Bookbuild process. To participate in the Shortfall Bookbuild you must:

- (a) take up your Rights in full (Part A of the Acceptance Form or as directed via the online application process); and
- (b) apply for a dollar amount of New Shares under the Shortfall Bookbuild (Part B of the Acceptance Form, or as directed via the online application process).

If you do not take up your Rights in full, your Application for any Additional New Shares will be disregarded.

#### **(2) Method 2: Participation in the Shortfall Bookbuild via a broker**

Eligible Shareholders may also participate in the Shortfall Bookbuild through NZX Firms who have been invited to participate in the Shortfall Bookbuild.



## Summary overview of Method 1 and Method 2

	Method 1 – oversubscription	Method 2 – via a broker
<b>How to apply?</b>	Apply for Additional Shares as part of your Application	Contact your NZX Firm or ASX Broker  If you do not have an existing broker relationship, a list of NZX Firms is available at the following link: <a href="http://www.nzx.com/services/market-participants/find-a-participant">www.nzx.com/services/market-participants/find-a-participant</a>
<b>Eligibility</b>	Eligible Shareholders who take up their Rights in full	Eligible Shareholders and other eligible investors who have a relationship with a NZX Firm or ASX Broker
<b>Price per New Shares</b>	Bookbuild Price	Bookbuild Price
<b>Application amount</b>	Application for a NZ\$ or AU\$ amount at the Bookbuild Price	Application for a NZ\$ or AU\$ amount at specific bid prices in the Shortfall Bookbuild (subject to the arrangements of the relevant NZX Firm or ASX Broker)  This may mean that no allocation is received if the Bookbuild Price is higher than the highest price at which an application was made
<b>Allocation and scaling</b>	See paragraphs 13.14 to 13.19 of <i>Part 4: Terms of the Offer</i>	See paragraphs 13.14 to 13.19 of <i>Part 4: Terms of the Offer</i>

### Price of the New Shares issued under the Shortfall Bookbuild

Any New Shares applied for under the Shortfall Bookbuild will be issued at the Bookbuild Price (which is to be determined as described in *Part 4: Terms of the Offer* of this Offer Document). The Bookbuild Price will be equal to or above the Offer Price. There is no limit to the Bookbuild Price. It is possible that up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Bookbuild Price.

### Allocation and scaling in the Shortfall Bookbuild

The number of New Shares you will receive under the Shortfall Bookbuild will depend on the allocation made to you and the Bookbuild Price.

Allocations and any necessary scaling of applications for New Shares under the Shortfall Bookbuild will be determined by Air New Zealand in consultation with

the Underwriters (each acting reasonably). For further details, please see paragraphs 13.14 to 13.19 of *Part 4: Terms of the Offer*.

If applications for Additional New Shares under the Shortfall Bookbuild are scaled, you may not receive Additional New Shares in respect of any or all of your application monies, in which case excess application monies will be refunded (subject to a minimum refund amount of \$5.00).

If the demand for New Shares offered under the Shortfall Bookbuild process is insufficient to achieve a price equal to or above the Offer Price in respect of all of the New Shares offered in the Shortfall Bookbuild, the Underwriters will subscribe for any remaining New Shares at the Offer Price (subject to the terms of the Underwriting Agreement). In this case, all valid applications by Eligible Shareholders for Additional New Shares in the Shortfall Bookbuild would be allocated in full at the Offer Price (subject to rounding and the terms of this Offer Document).

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## Sell your Rights

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The Rights are renounceable. This enables Eligible Shareholders who do not wish to take up all or some of their entitlement to sell those Rights they have not taken up.

If you wish to sell all or some of your Rights, this can be effected on the NZX Main Board by instructing an NZX Firm to sell all or some of your Rights. You will need to provide your Authorisation Code (FIN) and your Common Shareholder Number (CSN) to the NZX Firm who you are instructing to sell your Rights. You may be required to pay brokerage in respect of that sale. If you are not an NZX Shareholder and you wish to sell your Rights on the NZX Main Board, please contact your broker, an NZX Firm or an ASX Broker. Rights will not be quoted on ASX and cannot be traded on ASX.

Trading of Rights will commence on the NZX Main Board under the code AIRRG on 4 April 2022 and will end at the close of trading on 26 April 2022. Your Rights may be sold on the NZX Main Board between these dates.

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## Do nothing

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If you do nothing, your Rights will lapse. You will not be able to subscribe for any New Shares and your holdings will be diluted by the issue of New Shares under the Offer.

If you choose not to take up any of your Rights, any New Shares attributable to your Unexercised Rights will be offered as part of the Shortfall Bookbuild. You may still receive value for your Unexercised Rights if a Premium is realised under the Shortfall Bookbuild. There is no guarantee that a Premium will be realised.

# B.

## Applying for New Shares

Applications may be made by Eligible Shareholders online at <https://airnz.rightsoffer.co.nz> from **6 April 2022** without the need to complete a physical Acceptance Form. To apply online, you will be required to enter your CSN/Holder number (or HIN or SRN if you are an ASX Shareholder) which you hold your Shares under.

Alternatively, Eligible Shareholders may also deliver a completed Acceptance Form (either by email, mail or delivery) to the Registrar together with payment. Applications must be received by **5.00pm (NZST) / 3.00pm (AEST) on the Closing Date (2 May 2022, unless extended).**

If you are a Custodian (or you hold your Shares through a Custodian), please see paragraph 14.1 of *Part 4: Terms of the Offer*.

## Payment

If you are an NZX Shareholder, you must:

- elect to apply using New Zealand dollars at the NZ\$ Offer Price; and
- pay for your New Shares by way of direct debit.

If you are an ASX Shareholder, you must:

- elect to apply using Australian dollars at the A\$ price; and
- pay for your New Shares by way of BPAY®.

If you are a Custodian (or you hold your Shares through a Custodian), please see paragraph 14.1 of *Part 4: Terms of the Offer*.

Cheques will not be accepted. Payment must be made for both your Rights and the dollar amount of Additional New Shares that you are applying for under the Shortfall Bookbuild (if any).

If any scaling is applied to the application for Additional New Shares in the Shortfall Bookbuild, a refund of any extra application monies will be processed within five Business Days of the Allotment Date. Refunds will not be paid for any difference arising solely due to rounding or where the aggregate amount of the refund payable to you is less than \$5.00.

More detail on payment options is included in the Acceptance Form.

# C.

## Further information

Enquiries about the Offer can be directed to the Air New Zealand Investor Information Line on 0800 800 899 (toll free within New Zealand) or +64 9 375 5998 from 8.30am to 5.00pm (NZST) Monday to Friday (excluding public holidays), or a broker or financial, investment or other professional adviser.

If you have any questions about the number of New Shares shown in the "Acceptance" section of the Offer Website or on your Acceptance Form, or how to complete an online application or your Acceptance Form, please contact the Registrar. Contact details for the Registrar are set out in *Part 6: Directory*.

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## Part 4:

# Terms of the Offer

## 1. The Offer

- 1.1 The Offer is an offer of New Shares to Eligible Shareholders under a pro rata renounceable Rights Offer, followed by a Shortfall Bookbuild. Under the Rights Offer, Eligible Shareholders have a renounceable right to subscribe for 2 New Shares for every 1 Existing Share held at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date at the Offer Price. The number of Rights to which an Eligible Shareholder is entitled to be issued will, in the case of fractions, be rounded down to the nearest whole number.
- 1.2 The Rights will be quoted on the NZX Main Board. Eligible Shareholders may take up all or some or none of their Rights. Eligible Shareholders may also sell all or some of their Rights on the NZX Main Board between 4 April 2022 and 26 April 2022. Rights will not be quoted on ASX and cannot be traded on ASX. Further details are set out under "Rights trading" below.
- 1.3 The Rights Offer is a pro rata offer to Eligible Shareholders. Eligible Shareholders who take up their Rights in full will not have their percentage shareholding in Air New Zealand reduced as a result of the Offer, whereas Eligible Shareholders who do not take up their Rights in full and Ineligible Shareholders will have their percentage shareholding in Air New Zealand diluted as a result of the Offer.
- 1.4 Eligible Shareholders who take up their Rights in full may also apply for Additional New Shares under the Shortfall Bookbuild. Further details are set out under "Shortfall Bookbuild" below.
- 1.5 Certain institutional Shareholders in the United States may be invited to participate in the U.S. Private Placement to be conducted concurrently with the Offer, and will be contacted directly by Air New Zealand with the relevant offer documentation in relation thereto.

## 2. Offer size

- 2.1 The approximate number of New Shares being offered under the Offer is 2,246 million New Shares.
- 2.2 Air New Zealand expects to raise a total of NZ\$1.2 billion (before costs) through the Offer, which is fully underwritten (excluding the amount of the Crown Participation) by the Underwriters.
- 2.3 There is no minimum amount that must be raised for the Offer to proceed.

## 3. Offer Price

- 3.1 The Offer Price is NZ\$0.53 (or the A\$ Price) per New Share and must be paid in full on application.
- 3.2 The A\$ Price is A\$0.49 per New Share. The A\$ Price has been set by Air New Zealand taking into account the A\$:NZ\$ exchange rate published by the Reserve Bank of New Zealand on its website at 3.00pm (NZDT) on 30 March 2022.
- 3.3 Payment of the Offer Price must be made in accordance with the online application process or in accordance with the instructions set out in the Acceptance Form. If you are an NZX Shareholder, you must elect to apply using New Zealand dollars at the NZ\$ Offer Price. If you are an ASX Shareholder, you must elect to apply using Australian dollars at the A\$ price.
- 3.4 Application monies received will be held in a trust account with the Registrar until the corresponding New Shares are allotted or the application monies are refunded. Interest earned on the application monies will be for the benefit, and remain the property, of Air New Zealand and will be retained by Air New Zealand whether or not the issue of New Shares takes place.



- 3.5 Any refund of application monies will be made without interest and within five Business Days following the Allotment Date or the date that the decision not to proceed with the Offer is made (as the case may be). Refunds will not be paid for any difference arising solely due to rounding or where the aggregate amount of the refund payable to the relevant Shareholder is less than NZ\$5.00.

#### **4. Decision to participate**

- 4.1 The information in this Offer Document does not constitute a recommendation to invest in New Shares and is not financial product advice. This Offer Document has been prepared without taking into account the investment objectives, financial or taxation situation or particular needs or circumstances of any applicant.
- 4.2 Before deciding whether to invest in New Shares, you must make your own assessment of the risks associated with an investment in Air New Zealand (including the inherent uncertainties as to the impact of Covid-19 and of other significant events and conflicts around the world, and the summary of key risks in Appendix D of the Investor Presentation (“Key Risks”)), and consider whether such an investment is suitable for you having regard to publicly available information (including the market releases lodged by Air New Zealand with the NZX and ASX, including the Investor Presentation and the publicly available information referred to in the Important Information in this Offer Document), your personal circumstances and following consultation with a financial or other professional adviser. You can also access information, including the Investor Presentation and announcements regarding the Offer at [www.nzx.co.nz](http://www.nzx.co.nz) and [www.asx.com.au](http://www.asx.com.au).

#### **5. Withdrawal and late Applications**

- 5.1 Subject to compliance with all applicable laws, Air New Zealand reserves the right to withdraw the Offer (or any of the Rights Offer or the Shortfall Bookbuild and irrespective of whether or not both of them are withdrawn), either generally or in particular cases, at any time at its absolute discretion.
- 5.2 Air New Zealand may accept late Applications and application monies, either generally or in particular cases, but has no obligation to do so. Air New Zealand may accept or reject (at its discretion) any Application which it considers to have been completed incorrectly or correct any errors or omissions on any Application.
- 5.3 If any Application is not accepted, all applicable application monies will be refunded without

interest to the relevant Shareholder. Refunds will not be paid where the aggregate amount of the refund payable to relevant Shareholder is less than NZ\$5.00.

- 5.4 Once submitted, and subject to all applicable law, an Application may not be withdrawn without Air New Zealand’s prior written consent.

#### **6. Purpose of the Offer**

- 6.1 Air New Zealand intends that the proceeds raised from the Offer will be applied to repay the existing Crown loan, strengthen its balance sheet, improve liquidity and help position itself for recovery, as set out in further detail in the Investor Presentation.

#### **7. Effect of the Offer**

- 7.1 The Offer is not expected to have a material impact on the control of Air New Zealand. Specifically, Air New Zealand does not expect any shareholder (other than the Crown) to hold more than 20% of the Shares after completion of the Offer.

#### **8. Crown Participation**

- 8.1 Under the Crown Participation, the Crown has committed to subscribe for such number of New Shares such that it will hold 51.00% of the Shares on issue upon completion of the Offer. The Crown will be paid a fee of 0.5% of the value of the New Shares subscribed for under the Crown Participation in consideration for entering into and performing the Crown Participation. The Crown’s holding in Air New Zealand will reduce from 51.91% to 51.00% as a result of the Offer.

#### **9. New Shares**

- 9.1 New Shares issued under the Offer will rank equally with, and have the same voting rights, dividend rights and other entitlements as Existing Shares in Air New Zealand quoted on the NZX Main Board and ASX.
- 9.2 Air New Zealand’s dividend policy can be found at [www.airnewzealand.co.nz/dividend-history](http://www.airnewzealand.co.nz/dividend-history). Dividends are currently suspended. The payment of dividends is dependent on Air New Zealand’s financial performance (including medium-term financial outlook for earnings, gearing targets and capital expenditure levels) and the board of directors considering all relevant factors.
- 9.3 Applicants for New Shares will be bound by Air New Zealand’s constitution and the terms of the Offer set out in this Offer Document.

## 10. Quotation

- 10.1 It is a term of the Offer that Air New Zealand will take any necessary steps to ensure that the New Shares are, immediately after issue, quoted on the NZX Main Board and ASX.
- 10.2 The New Shares will be quoted on the NZX Main Board, and an application will be made by Air New Zealand for the New Shares to be issued under the Offer to be quoted on ASX. The NZX Main Board is a registered market operated by NZX (which is a licensed market operator regulated by the FMCA). However, neither NZX nor ASX accepts any responsibility for any statement in this Offer Document. The fact that ASX may approve the New Shares for quotation is not to be taken in any way as an indication of the merits of Air New Zealand.
- 10.3 You cannot trade in any New Shares issued to you pursuant to this Offer, either as principal or agent, until quotation of the New Shares on the NZX Main Board and the ASX (as relevant) in accordance with the Listing Rules and ASX Listing Rules. Air New Zealand expects that the New Shares will commence trading on the NZX Main Board and the ASX on the Allotment Date.

## 11. Rights trading

- 11.1 Application has been made for permission to quote the Rights on the NZX Main Board and all NZX requirements have been duly complied with. However, NZX accepts no responsibility for any statement in this Offer Document.
- 11.2 Eligible Shareholders may sell all or some of their Rights on the NZX Main Board between 4 April 2022 and 26 April 2022. If you are not an NZX Shareholder and you wish to trade your Rights on the NZX Main Board, please contact your broker, an NZX Firm or an ASX Broker.
- 11.3 Investors who acquire Rights on the NZX Main Board or otherwise will, by acquiring those Rights, and applying to take up all or part of those Rights, be deemed to agree to make and be subject to the representations, declarations, warranties and agreements in the Acceptance Form and in paragraph 20 of Part 4 of this Offer Document (“Significance of sending in an Application / declarations, representations, warranties and agreements”).
- 11.4 The right to make an Application for Additional New Shares under the Shortfall Bookbuild is available to Eligible Shareholders who take up their Rights in full only. Investors who acquire Rights on the NZX Main Board and are not Eligible Shareholders on the Record Date are not entitled to make an Application for Additional

New Shares under the Shortfall Bookbuild (but may be able to participate in the Shortfall Bookbuild through NZX Firms who have been invited to participate in the Shortfall Bookbuild).

- 11.5 Investors should note that if they purchase Rights in a transaction on the NZX Main Board or otherwise, in order to take up or exercise those Rights and subscribe for New Shares they:
- must be:
    - located in/with a registered address in New Zealand or Australia (including, for the avoidance of doubt, Eligible Shareholders); or
    - an Institutional Investor located in/with a registered address in Canada, Cayman Islands, the European Union, Hong Kong, Norway, Singapore, Switzerland, the United Arab Emirates or the United Kingdom; or
    - any other person to whom Air New Zealand and the Joint Lead Managers consider an offer of Rights or New Shares may be made without the need for a lodged prospectus or other formality (other than a formality with which Air New Zealand is willing to comply); and
  - must not be in the United States or acting for the account or benefit of a person in the United States in respect of the purchase or exercise of such Rights and the subscription for New Shares. The Rights may not be purchased, traded, taken up or exercised by any person in the United States or by any person acting for the account or benefit of a person in the United States (to the extent such persons are acting for the account or benefit of persons in the United States).

**11.6 If an investor does not satisfy the above conditions, they will not be entitled to take up Rights or subscribe for New Shares. It is the responsibility of purchasers of Rights to inform themselves of the eligibility criteria to exercise the Rights. If holders of Rights after the end of the Rights trading period do not meet the eligibility criteria, they will not be able to exercise the Rights. In the event that holders are not able to take up their Rights, those Rights will be sold into the Shortfall Bookbuild and holders may receive no value for them.**

## 12. Security transaction statements

- 12.1 Security transaction statements for New Shares allotted under the Offer will be issued and mailed as soon as practicable after the Allotment Date. Applicants under the Offer should ascertain their allocation before trading in the New Shares. Applicants can do so by contacting the Registrar, whose contact details are set out in *Part 6: Directory*.

- 12.2 Shareholders selling New Shares prior to receiving a security transaction statement do so at their own risk. None of Air New Zealand, the Underwriters or Joint Lead Managers or their respective affiliates, the Registrar nor any of their respective directors, officers, employees, agents or advisers accepts any liability or responsibility should any person attempt to sell or otherwise deal with New Shares before the security transaction statement showing the number of New Shares allotted to the applicant is received by the applicant for those New Shares.

### 13. Shortfall Bookbuild

- 13.1 New Shares attributable to Unexercised Rights will be offered under the Shortfall Bookbuild to Eligible Shareholders who take up their Rights in full and who apply for Additional New Shares and to Institutional Investors.
- 13.2 The Underwriters will manage the Shortfall Bookbuild on behalf of Air New Zealand. The Shortfall Bookbuild is expected to be completed on 4 May 2022.
- 13.3 Air New Zealand reserves the right to determine who may participate in the Shortfall Bookbuild and may decline or scale applications for New Shares by any Eligible Shareholder or Institutional Investor under the Shortfall Bookbuild.

#### Shortfall Bookbuild application process

- 13.4 Eligible Shareholders that take up their Rights in full can apply for Additional New Shares by:
- in the case of NZX Shareholders, specifying a NZ\$ amount of New Shares that they wish to apply for on Part B of the New Zealand Acceptance Form;
  - in the case of ASX Shareholders, specifying a A\$ amount of New Shares on Part B of the Australian Acceptance Form;
  - as directed via the online acceptance at <https://airnz.rightsoffer.co.nz>; or
  - in the case of Custodians, please see paragraph 14.1 of Part 4: Terms of the Offer.
- 13.5 Institutional Investors participating in the Shortfall Bookbuild will bid for New Shares attributable to Unexercised Rights. The minimum bid that may be submitted for a New Share under the Shortfall Bookbuild is the Offer Price of \$0.53 per New Share and this amount is payable to Air New Zealand.
- 13.6 If you are an Institutional Investor, you may participate in the Shortfall Bookbuild by contacting the Underwriters who will provide details as to the process to be undertaken in relation to the Shortfall Bookbuild.

#### Bookbuild Price

- 13.7 The price at which New Shares will be issued under the Shortfall Bookbuild is the Bookbuild Price. There is no limit to the Bookbuild Price. The Bookbuild Price will be a New Zealand dollar amount.
- 13.8 The Bookbuild Price will be determined by Air New Zealand in consultation with the Underwriters (each acting reasonably) and will be equal to or above the Offer Price. The Bookbuild Price will be set in a manner that remains consistent with the objective of maximising the value of Unexercised Rights. However, it is possible, in a limited set of circumstances, that Air New Zealand (in consultation with the Underwriters) may elect to set the Bookbuild Price at a level which is less than the highest price available and furthermore there is no guarantee that the Bookbuild Price will exceed the Offer Price.
- 13.9 The proceeds from each New Share issued under the Shortfall Bookbuild (if any) will be paid by the Registrar as follows:
- the Offer Price of \$0.53 will be paid to Air New Zealand; and
  - any Premium achieved will be paid (net of any amounts required to be withheld) to the holders of Unexercised Rights (including Ineligible Shareholders) in proportion to their holdings of Unexercised Rights. Ineligible Shareholders will be deemed to hold the number of Rights they would have received if they were Eligible Shareholders for the purpose of calculating the amount of any Premium payable to them.

#### Example

- 13.10 This example assumes that there is demand for all of the New Shares available under the Shortfall Bookbuild and that the Bookbuild Price exceeds the Offer Price:
- Offer Price per New Share: \$0.53
  - Bookbuild Price per New Share: \$0.58
  - Premium: \$0.05
- 13.11 In this example, a Shareholder who holds 1,000 Existing Shares at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date who is either an Ineligible Shareholder or is an Eligible Shareholder who chooses not to take up any of his or her Rights will have 1,000 Unexercised Rights. That Shareholder will receive \$100 in aggregate for his or her Unexercised Rights in the Shortfall Bookbuild, being the Premium of \$0.05 multiplied by the number of New Shares attributable to the Unexercised Rights held by him or her.

13.12 The above is an example only. If the Bookbuild Price is equal to the Offer Price, there will be no Premium payable to the holders of Unexercised Rights. To the maximum extent permitted by law, Air New Zealand, the Underwriters, the Joint Lead Managers, and each of their respective related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives and agents, disclaim all liability, including for negligence, for any failure to realise a Premium in the Shortfall Bookbuild.

13.13 Any Premium will be calculated in New Zealand dollars (net of any amounts required to be withheld), and paid in New Zealand dollars or Australian dollars in accordance with paragraph 13.20.

#### **Allocations and scaling**

13.14 Allocations and any necessary scaling of applications for New Shares under the Shortfall Bookbuild will be determined by Air New Zealand in consultation with the Underwriters (each acting reasonably).

13.15 There is no assurance that any applicant for New Shares in the Shortfall Bookbuild will be allocated any New Shares or the number of New Shares for which it has applied. The allocation policy will be influenced by, but not constrained by factors such as:

- the number of New Shares bid for by particular bidders;
- whether the particular bidder is an existing Shareholder;
- whether the particular bidder participated in the sub-underwriting of the Rights Offer;
- the timeliness of the bid by particular bidders with a likely preference for early bids;
- demonstration of price leadership;
- the size, style, type and/or geographic location of particular bidders;
- the likelihood that particular bidders will be long term Shareholders (taking into account support of Air New Zealand to date, existing or previous Shareholders, length of shareholding, size of investment, previous engagement and interaction with Air New Zealand);
- the prospects of success of the Offer and Air New Zealand's desire for a stable market for its Shares after completion of the Offer; and
- any other factors that Air New Zealand and the Underwriters consider appropriate.

13.16 An allocation will not be made if, as a result of the allocation, Air New Zealand would cease to be in compliance with any provision of its constitution, or to an Institutional Investor if the Underwriters are not prepared, acting reasonably, to accept the credit risk of that investor.

13.17 If applications are scaled, Eligible Shareholders that apply for Additional New Shares under the Shortfall Bookbuild may not receive New Shares in respect of any or all of their application monies. It is expected that scaling of applications for Additional New Shares will be done:

- on a consistent basis, by reference to the quantum of Additional New Shares applied for (calculated as dollar value of Additional New Shares applied for divided by the Bookbuild Price, rounded down to the nearest whole New Share); and
- on at least an equivalent or more favourable basis to other applicants in the Shortfall Bookbuild who are allocated New Shares in the Shortfall Bookbuild,

although Air New Zealand and the Underwriters retain discretion to scale individual applications for Additional New Shares on a differential basis.

13.18 Once the Bookbuild Price has been determined, the application monies in respect of any applications for Additional New Shares in the Shortfall Bookbuild by Eligible Shareholders:

- if made in New Zealand dollars, will be divided by the Bookbuild Price to calculate the number of Additional New Shares that those Eligible Shareholders have applied for (subject to scaling), rounded down to the nearest whole New Share; or
- if made in Australian dollars, will be calculated in New Zealand dollars at the Exchange Rate and divided by the Bookbuild Price to calculate the number of Additional New Shares that those Eligible Shareholders have applied for (subject to scaling), rounded down to the nearest whole New Share.

13.19 Any refunds of application monies due to scaling of applications or applications not being accepted under the Shortfall Bookbuild will be made within five Business Days (as defined in the NZX Listing Rules) following the Allotment Date (without interest). Refunds will not be paid for any difference arising solely due to rounding or where the aggregate amount of the refund payable to an applicant is less than \$5.00.

#### **Payment of Premium**

13.20 The Premium, if any, will be paid net of any amounts required to be withheld:

- in New Zealand dollars; or
- for those Shareholders who receive dividends in Australian dollars, in Australian dollars at the Exchange Rate,

in accordance with the direct credit payment instructions provided by the relevant Shareholder to Air New Zealand (if any) and otherwise withheld until such time as a direct credit instruction is provided to the Registrar.

13.21 No interest will be paid in respect of any Premium payable. Payment of the Premium (if any) is expected to be made by 16 May 2022.



## 14. Custodians

- 14.1 In order to participate in the Offer on behalf of one or more beneficial owners, Custodians must provide the following information by email to the Registrar and make payment by way of electronic funds transfer:
- (a) the number of Participating Beneficiaries (as defined below) and their names and addresses;
  - (b) in respect of each of the Participating Beneficiaries, the number of Existing Shares that the Participating Beneficiary holds and the number and dollar amount of Rights, as well as the dollar amount of any Additional New Shares in the Shortfall Bookbuild (if eligible), the Participating Beneficiary has instructed the Custodian, either directly or indirectly through a Downstream Custodian (as defined below), to apply for on behalf of that Participating Beneficiary;
  - (c) where the Custodian holds Existing Shares on behalf of a Participating Beneficiary indirectly, through one or more Downstream Custodians, the name and address of each Downstream Custodian; and
  - (d) an acknowledgement that the certifications described in paragraphs 14.2, 20.1 and 20.2 of this *Part 4: Terms of the Offer* are deemed to have been provided to Air New Zealand.
- 14.2 If a Custodian applies in the manner described above to purchase New Shares on behalf of one or more beneficial owners, the Custodian will be deemed to have certified to Air New Zealand that:
- (a) the Custodian holds Existing Shares on behalf of:
    - (i) one or more other persons that are not Custodians (who would be Eligible Shareholders if they held Existing Shares directly); and/or
    - (ii) another Custodian (**Downstream Custodian**) that holds beneficial interests in Existing Shares on behalf of one or more other persons to which those interests relate, on the Record Date, (each a **Participating Beneficiary**) who have subsequently instructed the Custodian, and/or the Downstream Custodian, participate in the Offer on their behalf;
  - (b) the information set out in the email required to be provided to the Registrar under paragraph 14.1 of this *Part 4: Terms of the Offer* is true and accurate;
  - (c) a copy of this Offer Document was given to each Participating Beneficiary; and
  - (d) the beneficial owner on whose behalf the Custodian is submitting an Application is not making an Application as an Eligible Shareholder under the Offer, and no other Custodian is submitting an Application under the Offer for that beneficial owner.

14.3 Custodians may not distribute any part of this Offer Document to any person in the United States or any other country outside New Zealand and Australia, and may not participate in the Offer on behalf of any beneficial owner who is located in the United States or any other country outside New Zealand and Australia, except to the extent such persons or beneficial owners are located outside the United States and are institutional and professional investors listed in, and to the extent permitted under, the section captioned "International Offer Restrictions" below or elsewhere as Air New Zealand may determine it is lawful and practical to make the Offer.

14.4 In particular, Custodians who hold Existing Shares on behalf of persons in the United States, or who are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States), are not eligible to participate in the Offer on behalf of those persons, and may not acquire Rights or take up New Shares on behalf of, or send any documents relating to the Offer to, any person in the United States.

14.5 Air New Zealand is not required to determine whether or not any registered holder is acting as a Custodian, or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a Custodian for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws. Eligible Shareholders who are Custodians are therefore advised to seek independent advice as to how to proceed. For the avoidance of doubt, Custodians are responsible for determining whether an underlying beneficial holder of Existing Shares for whom you act as Custodian is an Eligible Shareholder. The Joint Lead Managers will not advise as to, and are not responsible for determining, whether any such person qualifies as an Eligible Shareholder.

14.6 If you hold your Shares through a Custodian, please provide your Custodian with your instructions so that they may apply on your behalf in accordance with the information above.

## 15. Overseas Shareholders

15.1 The Offer is open only to Eligible Shareholders. The Offer is not open to Shareholders in other jurisdictions as Air New Zealand considers that it is unduly onerous and unreasonable for Air New Zealand to make the Offer into those jurisdictions having regard to the number of securities held by Ineligible Shareholders, the

number and value of New Shares that they would be offered and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Shareholders in those places. Air New Zealand, the Underwriters, the Joint Lead Managers and each of their respective affiliates and related bodies corporate and each of their directors, partners, employees, advisers and agents disclaim any liability as to eligibility to participate in this Offer, to the maximum extent permitted by law.

- 15.2 Except as set out below, Shareholders in those other jurisdictions will not be issued Rights. It is the responsibility of each Shareholder to ensure that any participation complies with all applicable laws and that each beneficial owner on whose behalf such Shareholder is submitting the Application or trading Rights is not in the United States.
- 15.3 This Offer Document is intended for use only in connection with the Offer to Eligible Shareholders, being Shareholders in New Zealand or Australia, and Shareholders who are Institutional Investors in Canada, Cayman Islands, the European Union, Hong Kong, Norway, Singapore, Switzerland, the United Arab Emirates or the United Kingdom. It does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.
- 15.4 This Offer Document is not to be sent or given to any person outside New Zealand or Australia in circumstances in which the Offer or distribution of this Offer Document would be unlawful. In particular, this Offer Document may not be sent or given to any person in the United States. The distribution of this Offer Document (including an electronic copy) outside New Zealand or Australia may be restricted by law. If you come into possession of this Offer Document, you should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law, including as set out below.
- 15.5 No person may purchase, offer, sell, distribute or deliver New Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the New Shares, in any jurisdiction other than in compliance with all applicable laws and regulations.
- 15.6 Certain institutional Shareholders in the United States may be invited to participate in the U.S. Private Placement conducted concurrently with the Offer, and will be contacted directly by Air New Zealand with the relevant offer documentation in relation thereto.

## 16. International Offer Restrictions

- 16.1 This Offer Document does not constitute an offer of Rights or New Shares in any jurisdiction in which it would be unlawful. In particular, this Offer Document may not be distributed to any person, and the Rights and New Shares may not be offered or sold, in any country outside New Zealand or Australia except to the extent permitted below.

### Australia

- 16.2 This Offer is being made to Australian resident Shareholders without a prospectus in accordance with section 708AA of the Corporations Act (as modified by ASIC Instrument 2016/84 and ASIC Instrument 22-0225). This Offer Document is not a prospectus, product disclosure statement or any other form of disclosure document regulated by the Corporations Act and has not been and will not be lodged with ASIC. Accordingly, this Offer Document may not contain all information which a prospective investor may require to make a decision whether to subscribe for New Shares and it does not contain all of the information which would otherwise be required by Australian law to be disclosed in a prospectus. Neither ASIC nor ASX takes any responsibility for the contents of this Offer Document.

### Canada

- 16.3 This Offer Document constitutes an offering of Rights and New Shares only in the Provinces of British Columbia, Ontario and Quebec (the **Provinces**) and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Offer Document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This Offer Document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions* or section 73.3, of the Securities Act (Ontario) (collectively "NI 45-106").
- 16.4 No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this Offer Document, the merits of the Rights or the New Shares or the offering of such securities and any representation to the contrary is an offence.
- 16.5 No prospectus has been, or will be, filed in the Provinces with respect to the offering of Rights or New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and received by the

securities regulator in the applicable Province. Furthermore, any resale of the Rights or the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements.

16.6 Air New Zealand as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon Air New Zealand or its directors or officers. All or a substantial portion of the assets of Air New Zealand and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against Air New Zealand or such persons in Canada or to enforce a judgment obtained in Canadian courts against Air New Zealand or such persons outside Canada.

16.7 Unless stated otherwise, all dollar amounts contained in this document are in New Zealand dollars.

#### **Statutory rights of action for damages and rescission**

16.8 Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defences contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

16.9 The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the Rights or the New Shares purchased pursuant to this Offer Document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against Air New Zealand if this Offer Document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against Air New Zealand. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act

(Ontario) provides that, if this Offer Document contains a misrepresentation, a purchaser who purchases the Rights or the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against Air New Zealand, provided that:

- (a) Air New Zealand will not be liable if it proves that the purchaser purchased such securities with knowledge of the misrepresentation;
- (b) in an action for damages, Air New Zealand is not liable for all or any portion of the damages that Air New Zealand proves does not represent the depreciation in value of such securities as a result of the misrepresentation relied upon; and
- (c) in no case shall the amount recoverable exceed the price at which such securities were offered.

16.10 Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than:

- (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action.

16.11 These rights are in addition to and not in derogation from any other right the purchaser may have.

16.12 *Certain Canadian income tax considerations.* Prospective purchasers of the Rights and the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding, or disposition of such securities as any discussion of taxation related matters in this Offer Document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

16.13 *Language of documents in Canada.* Upon receipt of this Offer Document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

## Cayman Islands

Air New Zealand is not licensed to conduct investment business in the Cayman Islands by the Cayman Islands Monetary Authority and this document does not constitute an offer to members of the public of the Rights and New Shares, whether by way of sale or subscription, in the Cayman Islands. The Rights and New Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, to members of the public in the Cayman Islands.

## European Union

16.14 This Offer Document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Offer Document may not be made available, nor may the Rights or the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

16.15 In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Rights and New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

## Hong Kong

16.16 **WARNING:** This Offer Document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this Offer Document or to permit the distribution of this Offer Document or any documents issued in connection with it. Accordingly, the Rights and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

16.17 No advertisement, invitation or document relating to the Rights and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Rights and the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules

made under that ordinance). No person allotted Rights or New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

16.18 The contents of this Offer Document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any of the contents of this Offer Document, you should obtain independent professional advice.

## Norway

16.19 This Offer Document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this Offer Document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

16.20 The Rights and the New Shares may not be offered or sold, directly or indirectly, in Norway except to "qualified investors" (as defined in the Prospectus Regulation 2017/1129 Article 2(e), cf. the Norwegian Securities Trading Act of 29 June 2007 no. 75 Section 7-1 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

## Singapore

16.21 This Offer Document and any other materials relating to the Rights and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Offer Document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Rights and New Shares, may not be issued, circulated or distributed, nor may the Rights and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

16.22 This Offer Document has been given to you on the basis that you are (i) an existing holder of Air New Zealand's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling



within any of the categories set out above, please return this Offer Document immediately. You may not forward or circulate this Offer Document to any other person in Singapore.

- 16.23 Any offer is not made to you with a view to the Rights or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Rights or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

#### Switzerland

- 16.24 The offering of the Rights and the New Shares in Switzerland is exempt from requirement to prepare and publish a prospectus under the Swiss Financial Services Act (**FinSA**) because such offering is made to professional clients within the meaning of the FinSA only and the Rights and the New Shares will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This Offer Document does not constitute a prospectus or similar communication pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the offering of the Rights and the New Shares.

#### United Arab Emirates

- 16.25 Neither this Offer Document nor the Rights or the New Shares have been approved or passed on in any way by the Emirates Securities and Commodities Authority (**ESCA**) or any other governmental authority in the United Arab Emirates. Air New Zealand has not received authorisation or licensing from the ESCA or any other governmental authority to market or sell the Rights or the New Shares within the United Arab Emirates (excluding the Dubai International Financial Centre and the Abu-Dhabi Global Market). This Offer Document does not constitute, and may not be used for the purpose of, an offer of securities in the United Arab Emirates. No services relating to the Rights or the New Shares, including the receipt of applications, may be rendered within the United Arab Emirates (excluding the Dubai International Financial Centre and the Abu-Dhabi Global Market).

#### United Kingdom

- 16.26 Neither the information in this Offer Document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Rights and the New Shares.

- 16.27 This Offer Document is issued on a confidential basis to “qualified investors” (within the meaning of Article 2(e) of the UK Prospectus Regulation) in the United Kingdom, and the Rights and New Shares may not be offered or sold in the United Kingdom by means of this Offer Document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This Offer Document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

- 16.28 Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Rights or the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Air New Zealand.

- 16.29 In the United Kingdom, this Offer Document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investments to which this Offer Document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Offer Document or any of its contents.

#### United States

- 16.30 This Offer Document does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States, and may not be distributed to any person in the United States.
- 16.31 The Rights and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.



16.32 The Rights may not be acquired or exercised by, and the New Shares may not be offered or sold to, any person in the United States or any person acting for the account or benefit of any person in the United States, other than certain eligible institutional Shareholders and Institutional Investors as part of the U.S. Private Placement. In addition, the Rights are only entitled to be acquired or exercised by persons outside the United States, and the New Shares may only be offered and sold outside the United States, in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

## 17. Underwriting Agreement

17.1 Air New Zealand has requested that the Underwriters underwrite the Offer (other than the amount of the Crown Participation) and the Underwriters have agreed to do so. This means that the Underwriters will subscribe at the Offer Price for any New Shares that are not subscribed for by Eligible Shareholders or Institutional Investors under the Offer in accordance with the terms of the Underwriting Agreement.

17.2 A summary of the principal terms of the Underwriting Agreement are set out as follows:

- The Underwriters may terminate their respective obligations under the Underwriting Agreement, including by reason of certain specified events which have, or are likely to have, a material adverse effect on Air New Zealand, the Shares or the Offer. These may be as a result of events specific to Air New Zealand or as a result of external events. The Underwriters may also terminate the Underwriting Agreement where certain conditions to the Underwriting Agreement or their underwriting obligations have not been satisfied or waived, including if the Crown fails to perform its obligations under the Crown Participation.
- The scope of the termination rights available to the Underwriters, and the extent to which the Underwriters may exercise those termination rights, is more limited than would customarily be the case in transactions of this nature. For example, there may be certain external events that may have an adverse impact on Air New Zealand but which do not give rise to a termination right. In addition, the Underwriters may elect not to exercise their rights to terminate the Underwriting Agreement. In such circumstances, investors who have submitted an Acceptance Form or bid into the Shortfall Bookbuild will be bound to subscribe for the relevant New Shares, unless Air New Zealand withdraws the relevant component of the Offer

- Air New Zealand provides certain undertakings to the Underwriters, including for a period until three months after the settlement of the Offer in New Zealand, Air New Zealand may not (and will not permit any of its subsidiaries to):
  - offer for sale or accept offers for any Shares, allot or issue or allot any equity securities, issue or grant any rights or options in respect of such equity securities, create any debt instrument or other obligation which may be convertible into, exchangeable for or redeemable by, the issue of equity securities, or enter into any agreement whereby any person may be entitled to the allotment and issue of any equity securities; or
  - dispose of or charge, or agree to dispose of or charge, the whole or any substantial part of its business or enter into any material acquisition, or material agreement in relation to a new business not conducted by Air New Zealand, other than pursuant to certain limited exceptions or with the Underwriters' consent (which may not be unreasonably withheld or delayed).
- Air New Zealand has agreed to indemnify the Underwriters and their respective affiliates against certain losses related to the Offer.
- Air New Zealand has given warranties in the Underwriting Agreement, including warranties relating to the content and accuracy of the Offer Document, compliance by Air New Zealand with relevant laws, the existence of no litigation which may be material in the context of the Offer and the valid issue and allotment of New Shares.
- The Underwriters have the power to appoint sub-underwriters.
- The Underwriters will be paid an agreed underwriting fee for their services in connection with the Offer.

## 18. Broker stamping fees

- 18.1 No investor will pay brokerage on taking up their Rights or as a subscriber for New Shares under the Offer.
- 18.2 A stamping fee of 1.0% of application monies on New Shares allotted will be paid to NZX Firms and ASX Brokers who submit a valid claim for a broker stamping fee on successful Applications, subject to a fee limit of NZ\$350 per Shareholder and an aggregate fee limit of NZ\$650,000 for each retail broker firm. This fee will be met by Air New Zealand. Terms of the claims process are to be separately communicated to NZX Firms and ASX Brokers by the Underwriters.

## 19. Sale of Shares

19.1 Shares can be traded on the NZX Main Board or ASX by instructing a NZX Firm or an ASX Broker. The Authorisation Code (FIN) and Common Shareholder Number (CSN) (or a HIN or SRN in respect of a sale on ASX) will be required to be given to the NZX Firm or an ASX Broker being instructing to effect the trade. Brokerage may be payable in respect of that trade. Financial and tax advice should be sought before effecting any trade of Shares.

## 20. Significance of sending in an Application / declarations, representations, warranties and agreements

20.1 By completing an Application, you will be deemed to have made the following declarations, representations, warranties and agreements to Air New Zealand:

- (a) you confirm that you have read and understood this Offer Document (including the "Important Information" section), the accompanying Acceptance Form and the Investor Presentation (including Appendix D of the Investor Presentation ("Key Risks")) in their entirety;
- (b) you agree to be bound by the terms and conditions of the Offer set out in this Offer Document;
- (c) you agree that your Application, on the terms and conditions of the Offer set out in this Offer Document, will be irrevocable and unconditional (i.e., it cannot be withdrawn);
- (d) you acknowledge the statement of risks in the Appendix D of the Investor Presentation ("Key Risks") and that an investment in Air New Zealand is subject to investment risk;
- (e) you declare and certify to Air New Zealand that you are an Eligible Shareholder, including that you were a registered holder of Existing Shares as at the Record Date and you are a resident of an eligible jurisdiction (other than the United States), being New Zealand or those jurisdictions listed under the section captioned "International Offer Restrictions" in this Offer Document;
- (f) you represent and warrant (for the benefit of Air New Zealand, the Joint Lead Managers and their respective affiliates) that you are eligible to participate in the Offer;
- (g) you represent and warrant that the law of any other place does not prohibit you from being given this Offer Document and the Acceptance Form, nor does it prohibit you from making an Application;
- (h) you represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States in connection with the subscription for Rights or the purchase of New Shares in the

Offer, and you are not otherwise a person to whom it would be illegal to make an offer of or issue of Rights or New Shares under the Offer and under any applicable laws and regulations;

- (i) you understand and acknowledge that the Rights and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States, and that the Rights may not be issued to or taken up or exercised by, and the New Shares may not be offered or sold to, directly or indirectly, any persons in the United States or any persons who are acting for the account or benefit of a person in the United States (to the extent such persons hold Shares and are acting for the account or benefit of a person in the United States). You further understand and acknowledge that the Rights and the New Shares may only be offered, sold and resold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S;
- (j) you represent and warrant that you are subscribing for Rights and/or purchasing New Shares outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S;
- (k) you represent and warrant that you and each person on whose account you are acting have not and will not send this Offer Document, the Acceptance Form or any other materials relating to the Offer to any person in the United States;
- (l) you acknowledge that, if you decide to sell or otherwise transfer any Rights or New Shares, you will only do so in the regular way for transactions on the NZX Main Board (in the case of Rights and New Shares) or ASX (in the case of New Shares), where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- (m) you confirm that all details and statements in your Application are complete and accurate;
- (n) without limiting Air New Zealand's discretion to accept, reject or scale back any Application, you authorise Air New Zealand (and its officers or agents) to correct any error in, or omission from, your Application and to complete the Application by the insertion of any missing details;
- (o) you agree to be bound by Air New Zealand's constitution;
- (p) you acknowledge and agree that Air New Zealand has the right to reduce the number of New Shares allocated to you if your Rights claim proves to be overstated, if you fail to provide information requested by Air New Zealand to substantiate your claims, or if you are not an Eligible Shareholder, in which case:

- (i) you will bear any and all losses caused by subscribing for New Shares in excess of your Rights, and any actions you are required to take in this regard; and
- (ii) you are treated as continuing to have taken up, transferred or not taken up your remaining Rights;
- (q) you acknowledge and agree that if you sell Rights to which you are not entitled, or you do not hold sufficient Rights at the time required to deliver those Rights, you will acquire Rights or Shares to satisfy these obligations as required by Air New Zealand;
- (r) you agree to repay any Premium payment in excess of the Premium payment to which you were actually entitled based on the Unexercised Rights held by you as at the Closing Date;
- (s) you acknowledge that none of Air New Zealand, its advisers or agents has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and purchase New Shares under the Offer;
- (t) you acknowledge the risk that the market price for the Shares may change materially between the Opening Date, the date you make an Application and the Allotment Date. This is particularly the case given the wide fluctuations and volatility in the share prices for many listed companies in recent times due to the continuing impacts of Covid-19 and of other significant events and conflicts around the world. Accordingly, you acknowledge that:
  - (i) the price paid for New Shares may be higher or lower than the price at which Shares are trading on the NZX Main Board or the ASX at the time New Shares are issued under the Offer;
  - (ii) the market price of New Shares following allotment may be higher or lower than the Offer Price; and
  - (iii) it is possible that up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Offer Price;
- (u) you acknowledge and certify that, if you are acting as a Custodian, each beneficial holder on whose behalf you are submitting the Application is an Eligible Shareholder and is not in the United States, and you have not sent this Offer Document, the Acceptance Form or any information relating to the Offer to any person in the United States; and
- (v) you agree to provide (and direct your Custodian to provide) any requested substantiation of your eligibility to participate in the Offer and/or of your holding of Existing Shares on the Record Date.

20.2 If a Custodian applies to participate in the Offer on behalf of a beneficial owner:

- (a) the certification referred to in paragraphs 20.1(e) will be taken to be given by the

- beneficial owner on whose behalf the Custodian is applying to participate in the Offer; and
- (b) the Custodian certifies each of the other matters set out in paragraph 20.1.

## 21. Governing law

This Offer Document, the Offer and any contract resulting from it are governed by the laws of New Zealand, and each applicant submits to the exclusive jurisdiction of the courts of New Zealand.





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## Part 5:

# Glossary

### **A\$ Price**

A\$0.49 per New Share.

### **Acceptance Form**

The personalised acceptance form accompanying this Offer Document for Eligible Shareholders.

### **Additional New Shares**

Additional New Shares attributable to any Unexercised Rights which are applied for by Eligible Shareholders who take up their Rights in full as part of an Application.

### **Allotment Date**

9 May 2022, unless extended.

### **Application**

An application to take up Rights under the Rights Offer and, if applicable, apply for Additional New Shares under the Shortfall Bookbuild, made using an Acceptance Form or an online application on <https://airnz.rightsoffer.co.nz> (or, in the case of a Custodian, by submitting an application in accordance with see paragraph 14.1 of *Part 4: Terms of the Offer*).

### **ASIC**

The Australian Securities and Investments Commission.

### **ASX**

ASX Limited or the market it operates (as the context requires).

### **ASX Broker**

Any ASX participating organisation.

### **ASX Listing Rules**

The official listing rules of ASX as they apply to Air New Zealand as a foreign exempt listed issuer, as amended or waived by ASX from time to time and for so long as Air New Zealand is admitted to the official list of such exchange.

### **ASX Shareholder**

An Eligible Shareholder whose Existing Shares are held on Air New Zealand's ASX branch register on the Record Date.

### **Board**

The board of directors of Air New Zealand.

### **Bookbuild Price**

The price at which New Shares will be issued under the Shortfall Bookbuild. For further information see paragraphs 13.7 and 13.8 of *Part 4: Terms of the Offer*.

### **Business Day**

A time between 8.30am and 5.30pm in New Zealand on a day on which NZX is open for trading.

### **Closing Date**

5.00pm (NZST) / 3.00pm (AEST) on 2 May 2022, being the date that Applications (with payment) must be received by the Registrar to participate in the Offer.

### **Corporations Act**

The Australian Corporations Act 2001 (*Cth*).

### **Crown**

Her Majesty the Queen in right of New Zealand.

### **Crown Participation**

The Crown's commitment to subscribe for the number of New Shares so that it has a 51.00% shareholding following completion of the Offer.

### **Crown Loan Facility**

The \$400 million fully committed Crown standby debt facility, which is available to Air New Zealand through to 30 January 2026.

### **Custodian**

Any Eligible Shareholder that:

- (a) is a trustee corporation or a nominee company and holds Existing Shares on the Record Date by reason only of acting for another person in the ordinary course of business of that trustee corporation or nominee company; or
- (b) holds Existing Shares by reason only of being a bare trustee of a trust to which the Existing Shares are subject.

### **Debt Arrangements**

The Crown Loan Facility and the proposed \$600 million issuance of Australian dollar denominated medium term notes following the Offer (subject to market conditions).

### **Eligible Shareholder**

A Shareholder as at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date:

- (a) located in/with a registered address in New Zealand or Australia; or
- (b) that is an Institutional Investor located in/with a registered address in Canada, Cayman Islands, the European Union, Hong Kong, Norway, Singapore, Switzerland, the United Arab Emirates or the United Kingdom; or
- (c) is any other person to whom Air New Zealand and the Joint Lead Managers consider an offer of Rights or New Shares may be made without the need for a lodged prospectus or other formality (other than a formality with which Air New Zealand is willing to comply), and who is not in the United States and is not acting for the account or benefit of a person in the United States.

**Exchange Rate**

the A\$:NZ\$ exchange rate published by the Reserve Bank of New Zealand on its website at 3.00pm (NZST) on 3 May 2022.

**Existing Share**

A Share on issue at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date.

**FMA**

The New Zealand Financial Markets Authority.

**FMCA**

The New Zealand Financial Markets Conduct Act 2013.

**Ineligible Shareholder**

A Shareholder other than an Eligible Shareholder.

**Institutional Investor**

A person:

- (a) in New Zealand, who Air New Zealand and the Joint Lead Managers considers is an institutional, habitual, or sophisticated investor (including a “wholesale investor” under the FMCA), including in the case of the Shortfall Bookbuild, NZX Firms who have been invited to participate in the Shortfall Bookbuild on behalf of their retail clients;
- (b) in Australia, who Air New Zealand and the Joint Lead Managers considers is a person to whom an offer of shares for issue may be lawfully made without disclosure under Part 6D.2 of the Corporations Act because of sections 708(8), 708(11) or 708(12) of the Corporations Act;
- (c) in Canada, who is an “accredited investor” as defined in National Instrument 45-106 – Prospectus and Registration Exemptions (“NI 45-106”) and, if relying on subsection (m) of the definition of that term, is not a person created or being used solely to acquire or hold securities as an accredited investor;
- (d) in the Cayman Islands, who is a person who is not a member of the public for the purposes of the Securities Investment Business Act (As Revised);
- (e) in the European Union, who is a “qualified investor” as defined in Article 2(e) of the Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union;

- (f) in Hong Kong, who is a “professional investor” as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong;
- (g) in Norway, who is a “professional client” as defined in Norwegian Securities Trading Act of 29 June 2007 no. 75 (Section 10-6);
- (h) in Singapore, who is an “institutional investor” or an “accredited investor” as such terms are defined in the Securities and Futures Act, Chapter 289 of Singapore;
- (i) in Switzerland, who is a “professional client” in the meaning of article 4(3) of the Swiss Financial Services Act (**FinSA**) or someone who has validly elected to be treated as a professional client pursuant to article 5(2) of the FinSA;
- (j) in the United Arab Emirates (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre), who received communication in relation to the Offer from outside the United Arab Emirates;
- (k) in the United Kingdom, who is a person who (i) is a “qualified investor” within the meaning of Section 86(7) of the United Kingdom Financial Services and Markets Act 2000; (ii) is within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended or (iii) if the New Shares are being marketed in the United Kingdom in compliance with the National Private Placement Regime (within the meaning of the Alternative Investment Fund Managers Regulation 2013), is a “professional investor” (within the meaning of the Alternative Investment Fund Managers Directive, as implemented in the United Kingdom); or
- (l) any other person to whom Air New Zealand and the Joint Lead Managers consider an offer of Rights or New Shares may be made without the need for a lodged prospectus or other formality (other than a formality with which Air New Zealand is willing to comply),

provided that if such an investor is in the United States, it is only an Institutional Investor if it is invited to participate in the U.S. Private Placement and, subject to the foregoing, may include retail brokers bidding on behalf of their clients provided that such clients are not located in the United States.

**Investor Presentation**

The presentation dated 30 March 2022 in relation to Air New Zealand and the Offer titled “Refuelling for our recovery: Market update and recapitalisation”.

**Joint Lead Managers**

Each of Citigroup Global Markets Limited, Forsyth Barr Limited and UBS New Zealand Limited.

**New Share**

A fully paid ordinary share in Air New Zealand offered under the Offer of the same class as (and ranking equally in all respects with) Existing Shares at the time of allotment of the New Shares.

**NZ\$ or \$**

The lawful currency of New Zealand.

**NZX**

NZX Limited.

**NZX Firm**

An entity designated as an NZX Firm under the Participant Rules of NZX.

**NZX Listing Rules**

The listing rules of the NZX Main Board, as amended from time to time and for so long as Air New Zealand is admitted to the official list of such exchange.

**NZX Main Board**

The main board equity securities market operated by NZX.

**NZX Shareholder**

An Eligible Shareholder whose Existing Shares are held on Air New Zealand's NZX branch register on the Record Date.

**NZX Waivers**

The waivers from NZX Listing Rule 4.17.6(a), 5.1.1 and 5.2.1 issued by NZX Regulation Limited dated 30 March 2022.

**Offer**

The Rights Offer and the Shortfall Bookbuild.

**Offer Document**

This document.

**Offer Price**

NZ\$0.53 (or the A\$ Price) per New Share.

**Offer Website**

The website at <https://airnz.rightsoffer.co.nz>, where Eligible Shareholders can access further information about the Offer and where Applications (together with payment) can be made using the online application form.

**Opening Date**

6 April 2022, being the date that Applications may be made by Eligible Shareholders to participate in the Offer.

**Premium**

The amount per New Share, if any, by which the Bookbuild Price exceeds the Offer Price.

**Record Date**

5 April 2022.

**Registrar**

Link Market Services Limited.

**Right**

The renounceable right to subscribe for 2 New Shares for every 1 Existing Share held at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date at the Offer Price, issued pursuant to the Offer.

**Rights Offer**

The pro rata 2 for 1 renounceable rights offer set out in this Offer Document.

**Share**

One fully paid ordinary share in Air New Zealand.

**Shareholder**

A registered holder of Shares on issue.

**Shortfall Bookbuild**

The bookbuild process for New Shares attributable to Unexercised Rights.

**Underwriters**

Each of Citigroup Global Markets Limited and UBS New Zealand Limited.

**Underwriting Agreement**

The agreement entered into between Air New Zealand and the Underwriters, a summary of the principal terms of which are set out in *Part 4: Terms of the Offer* under the heading 'Underwriting Agreement'.

**Unexercised Rights**

Those Rights not taken up by 5.00pm (NZST) / 3.00pm (AEST) on the Closing Date, including the Rights attributable to Ineligible Shareholders.

**United States or U.S.**

The United States of America.

**U.S. Private Placement**

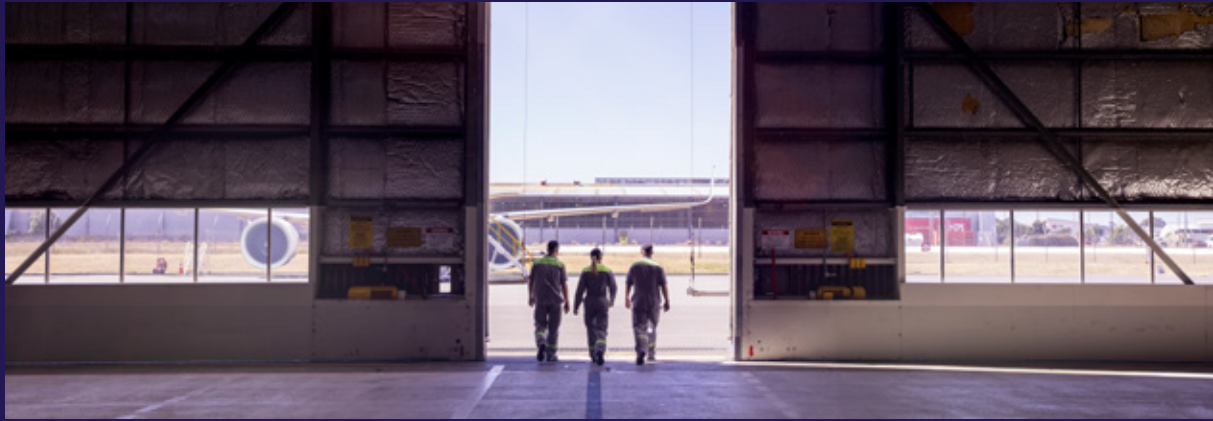
The offer by Air New Zealand of Rights and New Shares in the Rights Offer and Shortfall Bookbuild to certain eligible institutional Shareholders and Institutional Investors in the United States.

**U.S. Securities Act**

The U.S. Securities Act of 1933.

Part 6:

# Directory



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<b>Issuer</b>	<b>Air New Zealand Limited</b> 185 Fanshawe Street Auckland 1010 New Zealand		
<b>Joint Lead Managers</b>	<b>Citigroup Global Markets Limited</b> Level 23 2 Park Street Sydney NSW Australia 2000	<b>Forsyth Barr Limited</b> Level 23 Shortland & Fort 88 Shortland Street Auckland 1010 New Zealand	<b>UBS New Zealand Limited</b> Level 27 PwC Tower 188 Quay Street Auckland 1010 New Zealand
<b>Joint Underwriters</b>	<b>Citigroup Global Markets Limited</b> Level 23 2 Park Street Sydney NSW Australia 2000	<b>UBS New Zealand Limited</b> Level 27 PwC Tower 188 Quay Street Auckland 1010 New Zealand	
<b>Legal Advisers</b>	<b>New Zealand:</b>  <b>Bell Gully</b> Level 21 Vero Centre 48 Shortland Street Auckland 1010 New Zealand	<b>Australia:</b>  <b>Herbert Smith Freehills</b> Level 34 ANZ Tower 161 Castlereagh Street Sydney NSW 2000 Australia	

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If you have any queries about your Rights, how to complete the Acceptance Form or how to apply online via the Offer Website, please contact the Registrar at:

**REGISTRAR**  
Link Market Services Limited

**New Zealand**

Level 30, PwC Tower  
15 Customs Street West  
Auckland 1010  
New Zealand

PO Box 91976  
Auckland 1142  
New Zealand

+64 9 375 5998  
[www.linkmarketservices.co.nz](http://www.linkmarketservices.co.nz)  
[applications@linkmarketservices.co.nz](mailto:applications@linkmarketservices.co.nz)

**Australia**

Locked Bag A14  
Sydney South NSW 1235  
Australia

+61 1300 554 474  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)  
[applications@linkmarketservices.co.nz](mailto:applications@linkmarketservices.co.nz)

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AIR NEW ZEALAND 



# Corporate Action Notice

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Section 1: issuer information (mandatory)				
Name of issuer	Air New Zealand Limited			
Class of Financial Product	Ordinary Shares			
NZX ticker code	AIR			
ISIN (If unknown, check on NZX website)	NZAIRE0001S2			
Name of Registry	Link Market Services Limited			
Type of corporate action (Please mark with an X in the relevant box/es)	Share purchase plan		Renounceable Rights issue	X
	Capital reconstruction		Non Renounceable Rights issue	
	Call		Bonus issue	
Record date	05/04/2022			
Ex-Date (one business day before the Record Date)	04/04/2022			
Currency	NZD			
Section 2: Rights issue (delete if not applicable)				
Number of Rights to be issued	1,122,810,044 rights			
Number of Financial Products to be issued under the Rights issue	Approximately 2,246 million ordinary shares (subject to rounding). Total number of ordinary shares to be issued will be determined by the results of the rights offer and shortfall bookbuild process which will be announced on or around 05/05/2022			
ISIN of Rights Security (if applicable)	NZAIRE0010S3			
Minimum entitlement	N/A			
Oversubscription facility	New shares not taken up by eligible shareholders in the rights issue or which are attributable to the rights of ineligible shareholders will be offered through a shortfall bookbuild process. Eligible shareholders who take up their rights in full have the opportunity to apply for additional new shares in the shortfall bookbuild process.			
Entitlement ratio (for example 1 for 2)	New	2	Existing	1
Treatment of fractions	Where fractions arise in the calculation of rights, they will be rounded down to the nearest right			
Subscription price	\$0.53 per New Share (or A\$0.49 per New Share)			
Letters of entitlement mailed	6/04/2022			
Offer open	6/04/2022			
Offer close	2/05/2022			
Quotation Date (if applicable)	Market for rights trading open on: 04/04/2022			



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Allotment Date	09/05/2022
<b>Section 7: Authority for this announcement (mandatory)</b>	
Name of person authorised to make this announcement	Jennifer Page
Contact person for this announcement	Jennifer Page
Contact phone number	027 909 0691
Contact email address	jennifer.page@airnz.co.nz
Date of release through MAP	30/03/2022





## Appendix 3B

### Proposed issue of +securities

*Information and documents given to ASX become ASX's property and may be made public.*

*If you are an entity incorporated outside Australia and you are proposing to issue a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. For offers where the +securities proposed to be issued are in an existing class of security, and the event timetable includes rights (or entitlement for non-renounceable issues), and deferred settlement trading or a representation of such, ASX requires the issuer to advise ASX of the ISIN code for the rights (or entitlement), and deferred settlement trading. This code will be different to the existing class. If the securities do not rank equally with the existing class, the same ISIN code will be used for that security to 3B.continue to be quoted while it does not rank.*

*Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.*

*\*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.*

## Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	<p>*Name of entity</p> <p>We (the entity here named) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.</p> <p>If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).</p>	Air New Zealand Limited
1.2	<p>*Registration type and number</p> <p><i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i></p>	70 000 312 685
1.3	*ASX issuer code	AIZ
1.4	<p>*This announcement is</p> <p><i>Tick whichever is applicable.</i></p>	<input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement
1.4a	<p>*Reason for update</p> <p><i>Answer this question if your response to Q 1.4 is "An update/amendment to previous announcement". A reason must be provided for an update.</i></p>	N/A

1.4b	<p>*Date of previous announcement(s) to this update</p> <p><i>Answer this question if your response to Q 1.4 is "An update/amendment to previous announcement".</i></p>	N/A
1.4c	<p>*Reason for cancellation</p> <p><i>Answer this question if your response to Q 1.4 is "A cancellation of previous announcement".</i></p>	N/A
1.4d	<p>*Date of previous announcement(s) to this cancellation</p> <p><i>Answer this question if your response to Q 1.4 is "A cancellation of previous announcement".</i></p>	N/A
1.5	*Date of this announcement	30 March 2022
1.6	<p>*The proposed issue is:</p> <p><i>Note: You can select more than one type of issue (e.g. an offer of securities under a securities purchase plan and a placement, however ASX may restrict certain events from being announced concurrently). Please contact your ASX listings compliance adviser if you are unsure.</i></p>	<p><input type="checkbox"/> A +bonus issue (complete Parts 2 and 8)</p> <p><input checked="" type="checkbox"/> A standard +pro rata issue (non-renounceable or renounceable) (complete Q1.6a and Parts 3 and 8)</p> <p><input type="checkbox"/> An accelerated offer (complete Q1.6b and Parts 3 and 8)</p> <p><input type="checkbox"/> An offer of +securities under a +securities purchase plan (complete Parts 4 and 8)</p> <p><input type="checkbox"/> A non-+pro rata offer of +securities under a +disclosure document or +PDS (complete Parts 5 and 8)</p> <p><input type="checkbox"/> A non-+pro rata offer to wholesale investors under an information memorandum (complete Parts 6 and 8)</p> <p><input type="checkbox"/> A placement or other type of issue (complete Parts 7 and 8)</p>
1.6a	<p>*The proposed standard +pro rata issue is:</p> <p><i>Answer this question if your response to Q1.6 is "A standard pro rata issue (non-renounceable or renounceable)."</i></p> <p><i>Select one item from the list</i></p> <p><i>An issuer whose securities are currently suspended from trading cannot proceed with an entitlement offer that allows rights trading. If your securities are currently suspended, please consult your ASX listings compliance adviser before proceeding further.</i></p>	<p><input type="checkbox"/> Non-renounceable</p> <p><input checked="" type="checkbox"/> Renounceable</p>
1.6b	<p>*The proposed accelerated offer is:</p> <p><i>Answer this question if your response to Q1.6 is "An accelerated offer"</i></p> <p><i>Select one item from the list</i></p> <p><i>An issuer whose securities are currently suspended from trading cannot proceed with an entitlement offer that allows rights trading. If your securities are currently suspended, please consult your ASX listings compliance adviser before proceeding further.</i></p>	<p><input type="checkbox"/> Accelerated non-renounceable entitlement offer (commonly known as a JUMBO or ANREO)</p> <p><input type="checkbox"/> Accelerated renounceable entitlement offer (commonly known as an AREO)</p> <p><input type="checkbox"/> Simultaneous accelerated renounceable entitlement offer (commonly known as a SAREO)</p> <p><input type="checkbox"/> Accelerated renounceable entitlement offer with dual book-build structure (commonly known as a RAPIDS)</p> <p><input type="checkbox"/> Accelerated renounceable entitlement offer with retail rights trading (commonly known as a PAITREO)</p>

## Part 2 – Details of proposed +bonus issue

If your response to Q1.6 is “A bonus issue”, please complete Parts 2A – 2D and the details of the securities proposed to be issued in Part 8. Refer to section 1 of Appendix 7A of the Listing Rules for the timetable for bonus issues.

### Part 2A – Proposed +bonus issue – conditions

Question No.	Question	Answer		
2A.1	<p>*Do any external approvals need to be obtained or other conditions satisfied before the +bonus issue can proceed on an unconditional basis?</p> <p><i>For example, this could include:</i></p> <ul style="list-style-type: none"> <li>• +Security holder approval</li> <li>• Court approval</li> <li>• Lodgement of court order with +ASIC</li> <li>• ACCC approval</li> <li>• FIRB approval</li> </ul> <p><i>Disregard any approvals that have already been obtained or conditions that have already been satisfied.</i></p> <p><i>If any of the above approvals apply to the bonus issue, they must be obtained before business day 0 of the timetable. The relevant approvals must be received before ASX can establish an ex market in the securities.</i></p>	N/A		
2A.1a	<p>Conditions</p> <p><i>Answer these questions if your response to Q2A.1 is “Yes”.</i></p>			
*Approval/ condition Type <i>Select the applicable approval/condition from the list (ignore those that are not applicable). More than one approval/condition can be selected.</i>	*Date for determination	*Is the date estimated or actual? <i>The ‘date for determination’ is the date that you expect to know if the approval is given or condition is satisfied (for example, the date of the security holder meeting in the case of security holder approval or the date of the court hearing in the case of court approval).</i>	*Approval received/ condition met? <i>Please respond “Yes” or “No”. Only answer this question when you know the outcome of the approval. Note that you will need to lodge an updated Appendix 3B showing that all required approvals have been obtained and conditions have been met prior to business day 0 in the timetable for the bonus issue in Appendix 7A of the listing rules.</i>	Comments
+Security holder approval	N/A	N/A	N/A	N/A
Court approval	N/A	N/A	N/A	N/A
Lodgement of court order with +ASIC	N/A	N/A	N/A	N/A
ACCC approval	N/A	N/A	N/A	N/A
FIRB approval	N/A	N/A	N/A	N/A

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Other (please specify in comment section)	N/A	N/A	N/A	N/A
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## Part 2B – Proposed +bonus issue - issue details

Question No.	Question	Answer
2B.1	*Class or classes of +securities that will participate in the proposed +bonus issue (please enter both the ASX security code & description) <i>If more than one class of security will participate in the proposed bonus issue, make sure you clearly identify any different treatment between the classes.</i>	N/A
2B.2	*Class of +securities that will be issued in the proposed +bonus issue (please enter both the ASX security code & description)	N/A
2B.3	*Issue ratio <i>Enter the quantity of additional securities to be issued for a given quantity of securities held (for example, 1 for 2 means 1 new security issued for every 2 existing securities held). Please only enter whole numbers (for example, a bonus issue of 1 new security for every 2.5 existing securities held should be expressed as "2 for 5").</i>	N/A
2B.4	*What will be done with fractional entitlements? <i>Select one item from the list.</i>	<input type="checkbox"/> Fractions rounded up to the next whole number <input type="checkbox"/> Fractions rounded down to the nearest whole number or fractions disregarded <input type="checkbox"/> Fractions sold and proceeds distributed <input type="checkbox"/> Fractions of 0.5 or more rounded up <input type="checkbox"/> Fractions over 0.5 rounded up <input type="checkbox"/> Not applicable
2B.5	*Maximum number of +securities proposed to be issued (subject to rounding)	N/A

## Part 2C – Proposed +bonus issue – timetable

Question No.	Question	Answer
2C.1	*+Record date <i>Record date to identify security holders entitled to participate in the bonus issue. Per Appendix 7A section 1 the record date must be at least 4 business days from the announcement date (day 0).</i>	N/A
2C.3	*Ex date <i>Per Appendix 7A section 1 the ex date is one business day before the record date. This is also the date that the bonus securities will commence quotation on a deferred settlement basis.</i>	N/A
2C.4	*Record date <i>Same as Q2C.1 above</i>	N/A

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2C.5	<p><b>*+Issue date</b></p> <p><i>Per Appendix 7A section 1 the issue date should be at least one business day and no more than 5 business days after the record date (the last day for the entity to issue the bonus securities and lodge an Appendix 2A with ASX to apply for quotation of the bonus securities). Deferred settlement trading will end at market close on this day.</i></p>	N/A
2C.6	<p><b>*Date trading starts on a normal T+2 basis</b></p> <p><i>Per Appendix 7A section 1 this is one business day after the issue date.</i></p>	N/A
2C.7	<p><b>*First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis</b></p> <p><i>Per Appendix 7A section 1 this is two business days after trading starts on a normal T+2 basis (3 business days after the issue date).</i></p>	N/A

## Part 2D – Proposed +bonus issue – further information

Question No.	Question	Answer
2D.1	<p><b>*Will holdings on different registers or sub registers be aggregated for the purposes of determining entitlements to the +bonus issue?</b></p>	N/A
2D.1a	<p>Please explain how holdings on different registers or subregisters will be aggregated for the purposes of determining entitlements</p> <p><i>Answer this question if your response to Q2D.1 is "Yes".</i></p>	N/A
2D.2	<p><b>*Countries in which the entity has +security holders who will not be eligible to participate in the proposed +bonus issue</b></p> <p><i>Note: The entity must send each holder to whom it will not offer the securities details of the issue and advice that the entity will not offer securities to them (listing rule 7.7.1(b)).</i></p>	N/A
2D.3	<p><b>*Will the entity be changing its dividend/distribution policy as a result of the proposed +bonus issue</b></p>	N/A
2D.3a	<p>Please explain how the entity will change its dividend/distribution policy if the proposed +bonus issue proceeds</p> <p><i>Answer this question if your response to Q2D.3 is "Yes".</i></p>	N/A
2D.4	<p><b>*Details of any material fees or costs to be incurred by the entity in connection with the proposed +bonus issue</b></p>	N/A
2D.5	<p>Any other information the entity wishes to provide about the proposed +bonus issue</p>	N/A

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## Part 3 – Details of proposed entitlement offer

If your response to Q1.6 is “A standard pro rata issue (non-renounceable or renounceable)” or “An accelerated offer”, please complete parts 3A, 3F and 3G and the details of the securities proposed to be issued in Part 8. Please also complete Parts 3B and 3C if your response to Q1.6 is “A standard pro rata issue (non-renounceable or renounceable)” and Parts 3D and 3E if your response to Q1.6 is “An accelerated offer”. Refer to sections 2,3,4,5 and 6 of Appendix 7A of the Listing Rules for the respective timetables for entitlement offers, including non-renounceable, renounceable and accelerated offers.

## Part 3A – Proposed entitlement offer – conditions

Question No.	Question	Answer		
3A.1	<p>*Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?</p> <p><i>For example, this could include:</i></p> <ul style="list-style-type: none"> <li>• +Security holder approval</li> <li>• Court approval</li> <li>• Lodgement of court order with +ASIC</li> <li>• ACCC approval</li> <li>• FIRB approval</li> </ul> <p><i>Disregard any approvals that have already been obtained or conditions that have already been satisfied.</i></p> <p><i>If any of the above approvals apply to the entitlement offer, they must be obtained before business day 0 of the timetable. The relevant approvals must be received before ASX can establish an ex market in the securities.</i></p>	No		
3A.1a	<p>Conditions</p> <p><i>Answer these questions if your response to Q3A.1 is “Yes”.</i></p>			
*Approval/ condition Type	*Date for determination	*Is the date estimated or actual?	**Approval received/ condition met?	Comments
<i>Select the applicable approval/condition from the list (ignore those that are not applicable). More than one approval/condition can be selected.</i>	<i>The ‘date for determination’ is the date that you expect to know if the approval is given or condition is satisfied (for example, the date of the security holder meeting in the case of security holder approval or the date of the court hearing in the case of court approval).</i>		<i>Please respond “Yes” or “No”. Only answer this question when you know the outcome of the approval. Note that you will need to lodge an updated Appendix 3B showing that all required approvals have been obtained and conditions have been met prior to business day 0 in the timetable for the entitlement offer in Appendix 7A of the listing rules.</i>	
+Security holder approval	N/A	N/A	N/A	N/A
Court approval	N/A	N/A	N/A	N/A
Lodgement of court order with +ASIC	N/A	N/A	N/A	N/A
ACCC approval	N/A	N/A	N/A	N/A
FIRB approval	N/A	N/A	N/A	N/A
Other (please specify in comment section)	N/A	N/A	N/A	N/A

## Part 3B – Proposed standard pro rata issue entitlement offer - offer details

If your response to Q1.6 is "A standard pro rata issue (non-renounceable or renounceable)", please complete the relevant questions in this part.

Question No.	Question	Answer
3B.1	<p>*Class or classes of +securities that will participate in the proposed entitlement offer (please enter both the ASX security code &amp; description)</p> <p><i>If more than one class of security will participate in the proposed entitlement offer, make sure you clearly identify any different treatment between the classes.</i></p>	AIZ: Fully paid ordinary shares
3B.2	<p>*Class of +securities that will be issued in the proposed entitlement offer (please enter both the ASX security code &amp; description)</p>	AIZ: Fully paid ordinary shares
3B.3	<p>*Offer ratio</p> <p><i>Enter the quantity of additional securities to be offered for a given quantity of securities held (for example, 1 for 2 means 1 new security will be offered for every 2 existing securities held).</i></p> <p><i>Please only enter whole numbers (for example, an entitlement offer of 1 new security for every 2.5 existing securities held should be expressed as "2 for 5").</i></p> <p><i>Listing rule 7.11.3 requires that non-renounceable offers must not exceed a ratio of 1:1. Please ensure that you comply with listing rule 7.11.3 or have a waiver from that rule.</i></p>	2 for 1
3B.4	<p>*What will be done with fractional entitlements?</p> <p><i>Select one item from the list.</i></p>	<input type="checkbox"/> Fractions rounded up to the next whole number <input checked="" type="checkbox"/> Fractions rounded down to the nearest whole number or fractions disregarded <input type="checkbox"/> Fractions sold and proceeds distributed <input type="checkbox"/> Fractions of 0.5 or more rounded up <input type="checkbox"/> Fractions over 0.5 rounded up <input type="checkbox"/> Not applicable
3B.5	<p>*Maximum number of +securities proposed to be issued (subject to rounding)</p>	Approximately 2,246 million ordinary shares
3B.6	<p>*Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?</p>	Yes

3B.6a	<p>*Describe the limits on over-subscription</p> <p><i>Answer this question if your response to Q3B.6 is "Yes".</i></p>	<p>New Shares attributable to Unexercised Rights will be offered under a Shortfall Bookbuild to Eligible Shareholders who take up their Rights in full and who apply for additional New Shares and to Institutional Investors.</p> <p>The price at which New Shares will be issued under the Shortfall Bookbuild is the Bookbuild Price. The Bookbuild Price will be equal to or above the Offer Price. There is no limit to the Bookbuild Price. The Bookbuild Price will be a New Zealand dollar amount.</p> <p>Allocations and any necessary scaling of applications for New Shares under the Shortfall Bookbuild will be determined by Air New Zealand in consultation with the Underwriters (each acting reasonably).</p>
3B.7	<p>*Will a scale back be applied if the offer is over-subscribed?</p>	Yes
3B.7a	<p>*Describe the scale back arrangements</p> <p><i>Answer this question if your response to Q3B.7 is "Yes".</i></p>	<p>Allocations and any necessary scaling of applications for New Shares under the Shortfall Bookbuild will be determined by Air New Zealand in consultation with the Underwriters (each acting reasonably). Air New Zealand reserves the right to determine who may participate in the Shortfall Bookbuild and may decline applications or scale applications for New Shares by any Eligible Shareholder or Institutional Investor under the Shortfall Bookbuild in accordance with the allocation policy set out in the offer document for the Rights Issue (<b>Offer Document</b>).</p>
3B.8	<p>*In what currency will the offer be made?</p> <p><i>For example, if the consideration for the issue is payable in Australian Dollars, state AUD.</i></p>	<p>If Existing Shares are held on AIZ's NZX branch register, New Zealand dollars.</p> <p>If Existing Shares are held on AIZ's ASX branch register, Australian dollars.</p>
3B.9	<p>*Has the offer price been determined?</p>	Yes
3B.9a	<p>*What is the offer price per +security for the retail offer?</p> <p><i>Answer this question if your response to Q3B.9 is "Yes".</i></p> <p><i>The offer price must be input as an amount per security in the issue currency you have selected above using the base unit of that currency (i.e. in Australian dollars, rather than Australian cents, if the issue currency is AUD).</i></p> <p><i>Note that if you are proposing to have an offer price with a fraction of a cent, the offer price must comply with the minimum price step requirement in listing rule 7.11.2. Information about minimum price steps is available here.</i></p> <p><i>An offer price cannot be less than 0.1 Australian cents (i.e. AUD0.001), which is the lowest price at which securities can trade on ASX, unless the security is a free attaching security and the offer price is nil (in which case the offer price should be entered as '0.00').</i></p>	<p>If Existing Shares are held on AIZ's NZX branch register, NZ\$0.53 per New Share</p> <p>If Existing Shares are held on AIZ's ASX branch register, A\$0.49 per New Share</p>

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3B.9b	*How and when will the offer price be determined? <i>Answer this question if your response to Q3B.9 is "No".</i>	N/A
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## Part 3C – Proposed standard pro rata issue – timetable

If your response to Q1.6 is "A standard pro rata issue (non-renounceable or renounceable)", please complete the relevant questions in this part.

Question No.	Question	Answer
3C.1	*+Record date <i>Record date to identify security holders entitled to participate in the issue. Per Appendix 7A sections 2 and 3 the record date must be at least 3 business days from the announcement date (day 0)</i>	7.00pm (NZST) / 5.00pm (AEST) on 5 April 2022
3C.2	*Ex date <i>Per Appendix 7A sections 2 and 3 the Ex Date is one business day before the record date. For renounceable issues, this is also the date that rights will commence quotation on a deferred settlement basis.</i>	4 April 2022
3C.3	*Date rights trading commences <i>For renounceable issues only - this is the date that rights will commence quotation initially on a deferred settlement basis</i>	4 April 2022
3C.4	*Record date <i>Same as Q3C.1 above</i>	7.00pm (NZST) / 5.00pm (AEST) on 5 April 2022
3C.5	*Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue <i>The offer documents can be sent to security holders as early as business day 4 but must be sent no later than business day 6. Business day 6 is the last day for the offer to open.</i> <i>For renounceable issues, deferred settlement trading in rights ends at the close of trading on this day. Trading in rights on a normal (T+2) settlement basis will start from market open on the next business day (i.e. business day 7) provided that the entity tells ASX by noon Sydney time that the offer documents have been sent or will have been sent by the end of the day.</i>	6 April 2022
3C.6	*Offer closing date <i>Offers close at 5pm on this day. The date must be at least 7 business days after the entity announces that the offer documents have been sent to holders.</i>	5.00pm (NZST) / 3.00pm (AEST) on 2 May 2022
3C.7	*Last day to extend the offer closing date <i>At least 3 business days' notice must be given to extend the offer closing date. Notification must be made before noon (Sydney time) on this day.</i>	27 April 2022
3C.8	*Date rights trading ends <i>For renounceable issues only - rights trading ends at the close of trading 5 business days before the applications closing date.</i>	26 April 2022
3C.9	*Trading in new +securities commences on a deferred settlement basis <i>Non-renounceable issues - the business day after the offer closing date</i> <i>Renounceable issues – the business day after the date rights trading ends</i>	27 April 2022



3C.10	[deleted]	
3C.11	<p>*+Issue date and last day for entity to announce results of +pro rata issue</p> <p><i>Per Appendix 7A section 2 and section 3, the issue date should be no more than 5 business days after the offer closes date (the last day for the entity to issue the securities taken up in the pro rata issue and lodge an Appendix 2A with ASX to apply for quotation of the securities). Deferred settlement trading will end at market close on this day.</i></p>	<p>Announcement of results of Offer: 5 May 2022</p> <p>Issue Date: 9 May 2022</p>
3C.12	<p>*Date trading starts on a normal T+2 basis</p> <p><i>Per Appendix 7A section 2 and 3 this is one business day after the issue date.</i></p>	10 May 2022
3C.13	<p>*First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis</p> <p><i>Per Appendix 7A section 2 and 3 1 this is two business days after trading starts on a normal T+2 basis (3 business days after the issue date).</i></p>	12 May 2022

## Part 3D – Proposed accelerated offer – offer details

Question No.	Question	Answer
3D.1	<p>*Class or classes of +securities that will participate in the proposed entitlement offer (please enter both the ASX security code &amp; description)</p> <p><i>If more than one class of security will participate in the proposed entitlement offer, make sure you clearly identify any different treatment between the classes.</i></p>	N/A
3D.2	<p>*Class of +securities that will issued in the proposed entitlement offer (please enter both the ASX security code &amp; description)</p>	N/A
3D.3	<p>*Has the offer ratio been determined?</p>	N/A
3D.3a	<p>*Offer ratio</p> <p><i>Answer this question if your response to Q3D.3 is "Yes" or "No". If your response to Q3D.3 is "No" please provide an indicative ratio and state as indicative.</i></p> <p><i>Enter the quantity of additional securities to be offered for a given quantity of securities held (for example, 1 for 2 means 1 new security will be offered for every 2 existing securities held).</i></p> <p><i>Please only enter whole numbers (for example, an entitlement offer of 1 new security for every 2.5 existing securities held should be expressed as "2 for 5").</i></p> <p><i>Listing rule 7.11.3 requires that non-renounceable offers must not exceed a ratio of 1:1. Please ensure that you comply with listing rule 7.11.3 or have a waiver from that rule.</i></p>	N/A
3D.3b	<p>*How and when will the offer ratio be determined?</p> <p><i>Answer this question if your response to Q3D.3 is "No". Note that once the offer ratio is determined, this must be provided via an update announcement.</i></p>	N/A

3D.4	<p>*What will be done with fractional entitlements? <i>Select one item from the list.</i></p>	<input type="checkbox"/> Fractions rounded up to the next whole number <input type="checkbox"/> Fractions rounded down to the nearest whole number or fractions disregarded <input type="checkbox"/> Fractions sold and proceeds distributed <input type="checkbox"/> Fractions of 0.5 or more rounded up <input type="checkbox"/> Fractions over 0.5 rounded up <input type="checkbox"/> Not applicable
3D.5	*Maximum number of +securities proposed to be issued (subject to rounding)	N/A
3D.6	*Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?	N/A
3D.6a	*Describe the limits on over-subscription <i>Answer this question if your response to Q3D.6 is "Yes".</i>	N/A
3D.7	*Will a scale back be applied if the offer is over-subscribed?	N/A
3D.7a	*Describe the scale back arrangements <i>Answer this question if your response to Q3D.7 is "Yes".</i>	N/A
3D.8	*In what currency will the offer be made? <i>For example, if the consideration for the issue is payable in Australian Dollars, state AUD.</i>	N/A
3D.9	*Has the offer price for the institutional offer been determined?	N/A
3D.9a	<p>*What is the offer price per +security for the institutional offer? <i>Answer this question if your response to Q3D.9 is "Yes". An indicative offer price must be provided if your response to Q3D.9 is "No". A final offer price must be provided no later than 9am on the day the trading halt is lifted.</i></p> <p><i>The offer price must be input as an amount per security in the issue currency you have selected above using the base unit of that currency (i.e. in Australian dollars, rather than Australian cents, if the issue currency is AUD).</i></p> <p><i>Note that if you are proposing to have an offer price with a fraction of a cent, the offer price must comply with the minimum price step requirement in listing rule 7.11.2. Information about minimum price steps is available here.</i></p> <p><i>An offer price cannot be less than 0.1 Australian cents (i.e. AUD0.001), which is the lowest price at which securities can trade on ASX, unless the security is a free attaching security and the offer price is nil (in which case the offer price should be entered as '0.00').</i></p>	N/A
3D.9b	<p>*How and when will the offer price for the institutional offer be determined? <i>Answer this question if your response to Q3D.9 is "No".</i></p>	N/A

3D.9c	<p>*Will the offer price for the institutional offer be determined by way of a bookbuild?</p> <p><i>Answer this question if your response to Q3D.9 is "No". If your response to this question is "Yes", please note the information that ASX expects to be announced about the results of the bookbuild set out in section 4.12 of Guidance Note 30 Notifying an Issue of Securities and Applying for their Quotation.</i></p>	N/A
3D.9d	<p>*Provide details of the parameters that will apply to the bookbuild for the institutional offer (e.g. the indicative price range for the bookbuild)</p> <p><i>Answer this question if your response to Q3D.9 is "No" and your response to Q3D.9c is "Yes".</i></p>	N/A
3D.10	<p>*Has the offer price for the retail offer been determined?</p>	N/A
3D.10a	<p>*What is the offer price per +security for the retail offer?</p> <p><i>Answer this question if your response to Q3D.10 is "Yes". An indicative offer price must be provided if your response to Q3D.10 is "No". A final offer price must be provided no later than 9am on the day the trading halt is lifted.</i></p> <p><i>The offer price must be input as an amount per security in the issue currency you have selected above using the base unit of that currency (i.e. in Australian dollars, rather than Australian cents, if the issue currency is AUD).</i></p> <p><i>Note that if you are proposing to have an offer price with a fraction of a cent, the offer price must comply with the minimum price step requirement in listing rule 7.11.2. Information about minimum price steps is available here.</i></p> <p><i>An offer price cannot be less than 0.1 Australian cents (i.e. AUD0.001), which is the lowest price at which securities can trade on ASX, unless the security is a free attaching security and the offer price is nil (in which case the offer price should be entered as '0.00').</i></p>	N/A
3D.10b	<p>*How and when will the offer price for the retail offer be determined?</p> <p><i>Answer this question if your response to Q3D.10 is "No".</i></p>	N/A

## Part 3E – Proposed accelerated offer – timetable

If your response to Q1.6 is "An accelerated offer", please complete the relevant questions in this Part.

Question No.	Question	Answer
3E.1a	<p>*First day of trading halt</p> <p><i>The entity is required to announce the accelerated offer and give a completed Appendix 3B to ASX. If the accelerated offer is conditional on security holder approval or any other requirement, that condition must have been satisfied and the entity must have announced that fact to ASX. An entity should also consider the rights of convertible security holders to participate in the issue and what, if any, notice needs to be given to them in relation to the issue</i></p>	N/A
3E.1b	<p>*Announcement date of accelerated offer</p>	N/A

3E.2	*Trading resumes on an ex-entitlement basis (ex date) <i>For JUMBO, ANREO, AREO, SAREO, RAPIDs offers</i>	N/A
3E.3	*Trading resumes on ex-rights basis <i>For PAITREO offers only</i>	N/A
3E.4	*Rights trading commences <i>For PAITREO offers only</i>	N/A
3E.5	*Date offer will be made to eligible institutional +security holders	N/A
3E.6	*Application closing date for institutional +security holders	N/A
3E.7	Institutional offer shortfall book build date <i>For AREO, SAREO, RAPIDs, PAITREO offers</i>	N/A
3E.8	*Announcement of results of institutional offer <i>The announcement should be made before the resumption of trading following the trading halt.</i>	N/A
3E.9	*+Record date <i>Record date to identify security holders entitled to participate in the offer. Per Appendix 7A sections 4, 5 and 6 the record date must be at least 2 business days from the announcement date (day 0).</i>	N/A
3E.10	Settlement date of new +securities issued under institutional entitlement offer <i>If DvP settlement applies, provided the Appendix 2A is given to ASX before noon (Sydney time) this day, normal trading in the securities will apply on the next business day, and if DvP settlement does not apply on the business day after that.</i>	N/A
3E.11	*+Issue date for institutional +security holders	N/A
3E.12	*Normal trading of new +securities issued under institutional entitlement offer	N/A
3E.13	*Date on which offer documents will be sent to retail +security holders entitled to participate in the +pro rata issue <i>The offer documents can be sent to security holders as early as business day 4 but must be sent no later than business day 6. Business day 6 is the last day for the offer to open. For renounceable offers, deferred settlement trading in rights ends at the close of trading on this day. Trading in rights on a normal (T+2) settlement basis will start from market open on the next business day (i.e. business day 7) provided that the entity tells ASX by noon Sydney time that the offer documents have been sent or will have been sent by the end of the day.</i>	N/A
3E.14	*Offer closing date for retail +security holders <i>Offers close at 5pm on this day. The date must be at least 7 business days after the entity announces that the offer documents have been sent to holders.</i>	N/A
3E.15	*Last day to extend the retail offer closing date <i>At least 3 business days' notice must be given to extend the offer closing date. Notification must be made before noon (Sydney time) on this day.</i>	N/A

3E.16	*Rights trading end date <i>For PAITREO offers only</i>	N/A
3E.17	*Trading in new +securities commences on a deferred settlement basis <i>For PAITREO offers only</i> <i>The business day after rights trading end date</i>	N/A
3E.18	[deleted]	N/A
3E.19	Last day to announce results of retail offer, bookbuild for any shortfall (if applicable) <i>Note this is the last day to announce results of retail offer for all offers except JUMBO and ANREO offers.</i>	N/A
3E.20	Entity announces results of bookbuild (including any information about the bookbuild expected to be disclosed under section 4.12 of Guidance Note 30) <i>For all offers except JUMBO, ANREO</i>	N/A
3E.21	*+Issue date for retail +security holders and last day for entity to announce results of retail offer <i>Per Appendix 7A section 4, the issue date should be no more than 5 business days after the offer closes date. Per Appendix 7A sections 5 and 6, the issue date should be no more than 8 business days after the offer closes date. This is the last day for the entity to issue the securities taken up in the pro rata issue and lodge an Appendix 2A with ASX to apply for quotation of the securities. Deferred settlement trading (if applicable) will end at market close on this day.</i> <i>Note, this is the last day for entity to announce results of retail offer for JUMBO and ANREO offers only.</i>	N/A
3E.22	*Date trading starts on a normal T+2 basis <i>For PAITREO offers only</i> <i>This is one business day after the issue date.</i>	N/A
3E.23	*First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis <i>For PAITREO offers only</i> <i>This is two business days after trading starts on a normal T+2 basis (3 business days after the issue date).</i>	N/A

## Part 3F – Proposed entitlement offer – fees and expenses

Question No.	Question	Answer
3F.1	*Will there be a lead manager or broker to the proposed offer?	Yes
3F.1a	*Who is the lead manager/broker? <i>Answer this question if your response to Q3F.1 is "Yes".</i>	UBS New Zealand Limited, Citigroup Global Markets Limited and Forsyth Barr Limited
3F.1b	*What fee, commission or other consideration is payable to them for acting as lead manager/broker? <i>Answer this question if your response to Q3F.1 is "Yes".</i>	0.5% of the gross proceeds of the Offer, to be shared equally amongst the joint lead managers.



3F.2	*Is the proposed offer to be underwritten?	Yes
3F.2a	*Who are the underwriter(s)? <i>Answer this question if your response to Q3F.2 is "Yes".</i> <i>Note for issuers that are an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing): If you are seeking to rely on listing rule 7.2 exception 2 to issue the securities without security holder approval under listing rule 7.1 and without using your placement capacity under listing rules 7.1 or 7.1A, you must include the details asked for in this and the next 3 questions.</i>	Citigroup Global Markets Limited and UBS New Zealand Limited
3F.2b	*What is the extent of the underwriting (i.e. the amount or proportion of the offer that is underwritten)? <i>Answer this question if your response to Q3F.2 is "Yes".</i>	The offer is fully underwritten (excluding the amount of the commitment by the Crown, being Her Majesty the Queen in right of New Zealand, being an commitment to subscribe for such number of New Shares in the Offer that ensures a 51.00% holding upon completion of the Offer ( <b>Crown Participation</b> )).
3F.2c	*What fees, commissions or other consideration are payable to them for acting as underwriter(s)? <i>Answer this question if your response to Q3F.2 is "Yes".</i> <i>This includes any applicable discount the underwriter receives to the issue price payable by participants in the issue.</i>	2.00% of the gross proceeds raised under the Offer (excluding the Crown Participation).
3F.2d	*Provide a summary of the significant events that could lead to the underwriting being terminated <i>Answer this question if your response to Q3F.2 is "Yes".</i> <i>You may cross-refer to a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released on the ASX Market Announcements Platform.</i>	Please refer to paragraph 17.2 of <i>Part 4: Terms of the Offer</i> in the Offer Document.
3F.2e	*Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer? <i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing) and your response to Q3F.2 is "Yes".</i>	No
3F.2e(i)	*What is the name of that party? <i>Answer this question if the issuer is an ASX Listing and your response to Q3F.2e is "Yes".</i> <i>Note: If you are seeking to rely on listing rule 10.12 exception 2 to issue the securities to the underwriter or sub-underwriter without security holder approval under listing rule 10.11, you must include the details asked for in this and the next 2 questions. If there is more than one party referred to in listing rule 10.11 acting as underwriter or sub-underwriter include all of their details in this and the next 2 questions.</i>	N/A
3F.2e(ii)	*What is the extent of their underwriting or sub-underwriting (i.e. the amount or proportion of the issue they have underwritten or sub-underwritten)? <i>Answer this question if the issuer is an ASX Listing and your response to Q3F.2e is "Yes".</i>	N/A

3F.2e(iii)	<p>*What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q3F.2e is "Yes".</i></p> <p><i>Note: This includes any applicable discount the underwriter or sub-underwriter receives to the issue price payable by participants in the issue.</i></p>	N/A
3F.3	<p>*Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?</p>	Yes.
3F.3a	<p>*Will the handling fee or commission be dollar based or percentage based?</p> <p><i>Answer this question if your response to Q3F.3 is "Yes".</i></p>	Percentage based.
3F.3b	<p>*Amount of handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible +security holders</p> <p><i>Answer this question if your response to Q3F.3 is "Yes" and your response to Q3F.3a is "dollar based".</i></p>	N/A
3F.3c	<p>*Percentage handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible +security holders</p> <p><i>Answer this question if your response to Q3F.3 is "Yes" and your response to Q3F.3a is "percentage based".</i></p>	A stamping fee of 1.0% of application monies on New Shares allotted will be paid to NZX Firms and ASX Brokers who submit a valid claim for a broker stamping fee on successful Applications, subject to a fee limit of NZ\$350 per Shareholder and an aggregate fee limit of NZ\$650,000 for each retail broker firm.
3F.3d	<p>Please provide any other relevant information about the handling fee or commission method</p> <p><i>Answer this question if your response to Q3F.3 is "Yes".</i></p>	This fee will be met by Air New Zealand.
3F.4	<p>Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer</p>	Under the Crown Participation, the Crown has committed to subscribe for such number of New Shares such that it will hold 51.00% of the Shares on issue upon completion of the Offer. The Crown will be paid a fee of 0.5% of the value of the New Shares subscribed for under the Crown Participation in consideration for entering into and performing the Crown Participation.

## Part 3G – Proposed entitlement offer – further information

Question No.	Question	Answer
3G.1	*The purpose(s) for which the entity intends to use the cash raised by the proposed issue <i>You may select one or more of the items in the list.</i>	<input checked="" type="checkbox"/> For additional working capital <input checked="" type="checkbox"/> To fund the retirement of debt <input type="checkbox"/> To pay for the acquisition of an asset [provide details below] <input type="checkbox"/> To pay for services rendered [provide details below] <input type="checkbox"/> Other [provide details below] Additional details:
3G.2	*Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?	No
3G.2a	*Please explain how holdings on different registers or subregisters will be aggregated for the purposes of determining entitlements. <i>Answer this question if your response to Q3G.2 is "Yes".</i>	N/A
3G.3	*Will the entity be changing its dividend/distribution policy if the proposed issue is successful?	No
3G.3a	*Please explain how the entity will change its dividend/distribution policy if the proposed issue is successful <i>Answer this question if your response to Q3G.3 is "Yes".</i>	N/A

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3G.4	<p>*Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue</p> <p><b>For non-renounceable issues (including accelerated):</b> <i>The entity must send each holder to whom it will not offer the securities details of the issue and advice that the entity will not offer securities to them (listing rule 7.7.1(b)).</i></p> <p><b>For renounceable issues (including accelerated):</b> <i>The entity must send each holder to whom it will not offer the securities details of the issue and advice that the entity will not offer securities to them. It must also appoint a nominee to arrange for the sale of the entitlements that would have been given to those holders and to account to them for the net proceeds of the sale and advise each holder not given the entitlements that a nominee in Australia will arrange for sale of the entitlements and, if they are sold, for the net proceeds to be sent to the holder (listing rule 7.7.1(b) and (c)).</i></p>	<p>The offer will only be made to shareholder as at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date:</p> <p>(a) located in/with a registered address in New Zealand or Australia; or</p> <p>(b) that is an Institutional Investor located in/with a registered address in Canada, Cayman Islands, the European Union, Hong Kong, Norway, Singapore, Switzerland, the United Arab Emirates or the United Kingdom; or</p> <p>(c) is any other person to whom Air New Zealand and the Joint Lead Managers consider an offer of Rights or New Shares may be made without the need for a lodged prospectus or other formality (other than a formality with which Air New Zealand is willing to comply),</p> <p>and who is not in the United States and is not acting for the account or benefit of a person in the United States.</p>
3G.5	*Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities	Yes
3G.5a	<p>*Please provide further details of the offer to eligible beneficiaries</p> <p><i>Answer this question if your response to Q3G.5 is "Yes".</i></p> <p><i>If, for example, the entity intends to issue a notice to eligible nominees and custodians please indicate here where it may be found and/or when the entity expects to announce this information. You may enter a URL.</i></p>	Please see paragraph titled "Custodians" of <i>Part 4: Terms of the Offer</i> in the Offer Document.
3G.6	URL on the entity's website where investors can download information about the proposed issue	<a href="https://airnz.rightsoffer.co.nz">https://airnz.rightsoffer.co.nz</a>
3G.7	Any other information the entity wishes to provide about the proposed issue	N/A
3G.8	*Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?	No

## Part 4 – Details of proposed offer under +securities purchase plan

If your response to Q1.6 is "An offer of securities under a securities purchase plan", please complete Parts 4A – 4F and the details of the securities proposed to be issued in Part 8. Refer to section 12 of Appendix 7A of the Listing Rules for the timetable for securities purchase plans.

## Part 4A – Proposed offer under +securities purchase plan – conditions

Question No.	Question	Answer			
4A.1	<p>*Do any external approvals need to be obtained or other conditions satisfied before the offer of +securities under the +securities purchase plan can proceed on an unconditional basis?</p> <p><i>For example, this could include:</i></p> <ul style="list-style-type: none"> <li>• +Security holder approval</li> <li>• Court approval</li> <li>• Lodgement of court order with +ASIC</li> <li>• ACCC approval</li> <li>• FIRB approval</li> </ul> <p><i>Disregard any approvals that have already been obtained or conditions that have already been satisfied.</i></p>	N/A			
4A.1a	<p>Conditions Answer these questions if your response to 4A.1 is "Yes".</p>				
	<p>*Approval/ condition Type <i>Select the applicable approval/condition from the list (ignore those that are not applicable). More than one approval/condition can be selected.</i></p>	<p>*Date for determination <i>The 'date for determination' is the date that you expect to know if the approval is given or condition is satisfied (for example, the date of the security holder meeting in the case of security holder approval or the date of the court hearing in the case of court approval).</i></p>	<p>*Is the date estimated or actual?</p>	<p>**Approval received/ condition met? <i>Please respond "Yes" or "No". Only answer this question when you know the outcome of the approval.</i></p>	<p>Comments</p>
	+Security holder approval	N/A	N/A	N/A	N/A
	Court approval	N/A	N/A	N/A	N/A
	Lodgement of court order with +ASIC	N/A	N/A	N/A	N/A
	ACCC approval	N/A	N/A	N/A	N/A
	FIRB approval	N/A	N/A	N/A	N/A
	Other (please specify in comment section)	N/A	N/A	N/A	N/A

## Part 4B – Proposed offer under +securities purchase plan – offer details

Question No.	Question	Answer
4B.1	<p>*Class or classes of +securities that will participate in the proposed offer (please enter both the ASX security code &amp; description)</p> <p><i>If more than one class of security will participate in the securities purchase plan, make sure you clearly identify any different treatment between the classes.</i></p>	N/A



4B.2	<p>*Class of +securities to be offered to them under the +securities purchase plan (please enter both the ASX security code &amp; description)</p> <p><i>Only existing classes of securities may be offered in a securities purchase plan.</i></p> <p><i>A +security purchase plan is defined in Chapter 19 of the Listing Rules as a purchase plan, as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/54. The ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/54 is relevant for shares or interest that are in a class which is quoted on the financial market operated by ASX. Unquoted securities and securities that are not yet quoted on ASX do not fall within the definition of +security purchase plan, this has consequences for Listing Rules 7.2 exception 5 and 10.12 exception 4. Please ensure that you have received appropriate legal advice with regards to an offer that includes an offer of attaching securities.</i></p>	N/A
4B.2a	If the offer includes attaching +securities – please confirm whether the offer of the attaching +securities is a separate offer to the offer pursuant to the +security purchase plan	N/A
4B.2b	If the offer includes attaching +securities – please confirm whether the attaching +securities are being offered under a +disclosure document or +PDS	N/A
4B.3	*Maximum total number of those +securities that could be issued if all offers under the +securities purchase plan are accepted	N/A
4B.4	*Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?	N/A
4B.4a	<p>*Describe the minimum subscription condition</p> <p><i>Answer this question if your response to Q4B.4 is “Yes”.</i></p>	N/A
4B.5	*Will the offer be conditional on applications for a maximum number of +securities being received or a maximum amount being raised (i.e. a maximum subscription condition)?	N/A
4B.5a	<p>*Describe the maximum subscription condition</p> <p><i>Answer this question if your response to Q4B.5 is “Yes”.</i></p>	N/A
4B.6	*Will individual +security holders be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?	N/A
4B.6a	<p>*Describe the minimum acceptance condition</p> <p><i>Answer this question if your response to Q4B.6 is “Yes”.</i></p>	N/A

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4B.7	*Will individual +security holders be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?	N/A
4B.7a	*Describe the maximum acceptance condition <i>Answer this question if your response to Q4B.7 is "Yes".</i>	N/A
4B.8	*Describe all the applicable parcels available for this offer in number of securities or dollar value <i>For example, the offer may allow eligible holders to subscribe for one of the following parcels: \$2,500, \$7,500, \$10,000, \$15,000, \$20,000, \$30,000.</i>	N/A
4B.9	*Will a scale back be applied if the offer is over-subscribed?	N/A
4B.9a	*Describe the scale back arrangements <i>Answer this question if your response to Q4B.9 is "Yes".</i>	N/A
4B.10	*In what currency will the offer be made? <i>For example, if the consideration for the issue is payable in Australian Dollars, state AUD.</i>	N/A
4B.11	*Has the offer price been determined?	N/A
4B.11a	*What is the offer price per +security? <i>Answer this question if your response to Q4B.11 is "Yes" using the currency specified in your answer to Q4B.9.</i>	N/A
4B.11b	*How and when will the offer price be determined? <i>Answer this question if your response to Q4B.11 is "No".</i>	N/A

## Part 4C – Proposed offer under +securities purchase plan – timetable

Question No.	Question	Answer
4C.1	*Date of announcement of +security purchase plan <i>The announcement of the security purchase plan must preferably be made prior to the commencement of trading on the announcement date but ASX will accept announcements after this time.</i>	N/A
4C.2	*+Record date <i>This is the date to identify security holders who may participate in the security purchase plan. Per Appendix 7A section 12 of the Listing Rules, this day is one business day before the entity announces the security purchase plan.</i> <i>Note: the fact that an entity's securities may be in a trading halt or otherwise suspended from trading on this day does not affect this date being the date for identifying which security holders may participate in the security purchase plan.</i>	N/A
4C.3	*Date on which offer documents will be made available to investors	N/A
4C.4	*Offer open date	N/A

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4C.5	*Offer closing date	N/A
4C.6	[deleted]	N/A
4C.7	*+Issue date and last day for entity to announce results of +security purchase plan offer  <i>Per Appendix 7A section 12 of the Listing Rules, the last day for the entity to issue the securities purchased under the plan is no more than 5 business days after the closing date. The entity should lodge an Appendix 2A with ASX applying for quotation of the securities before noon Sydney time on this day</i>	N/A

## Part 4D – Proposed offer under +securities purchase plan – listing rule requirements

Question No.	Question	Answer
4D.1	<p>*Does the offer under the +securities purchase plan meet all of the requirements of listing rule 7.2 exception 5 or do you have a waiver from those requirements?</p> <p><i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing).</i></p> <p><i>Listing rule 7.2 exception 5 can only be used once in any 12 month period and only applies where:</i></p> <ul style="list-style-type: none"> <li><i>the +security purchase plan satisfies the conditions in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 or would otherwise satisfy those conditions but for the fact that the entity's securities have been suspended from trading on ASX for more than a total of 5 days during the 12 months before the day on which the offer is made under the plan or, if the securities have been quoted on ASX for less than 12 months, during the period of quotation;</i></li> <li><i>the number of +securities to be issued under the SPP must not be greater than 30% of the number of fully paid +ordinary securities already on issue; and</i></li> <li><i>the issue price of the +securities must be at least 80% of the +volume weighted average market price for +securities in that +class, calculated over the last 5 days on which sales in the +securities were recorded, either before the day on which the issue was announced or before the day on which the issue was made.</i></li> </ul> <p><i>Please note that the offer of securities under the plan also will not meet the requirements of listing rule 10.12 exception 4, meaning that parties referred to in listing rule 10.11.1 to 10.11.5 will need to obtain security holder approval under listing rule 10.11 to participate in the offer.</i></p>	N/A
4D.1a	<p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q4D.1 is "No".</i></p>	N/A

4D.1a(i)	<p>*How many +securities are proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q4D.1 is "No" and your response to Q4D.1a is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	N/A
4D.1b	<p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q4D.1 is "No".</i></p>	N/A
4D.1b(i)	<p>*How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q4D.1 is "No" and your response to Q4D.1b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A

## Part 4E – Proposed offer under +securities purchase plan – fees and expenses

Question No.	Question	Answer
4E.1	*Will there be a lead manager or broker to the proposed offer?	N/A
4E.1a	*Who is the lead manager/broker? <i>Answer this question if your response to Q4E.1 is "Yes".</i>	N/A
4E.1b	*What fee, commission or other consideration is payable to them for acting as lead manager/broker? <i>Answer this question if your response to Q4E.1 is "Yes".</i>	N/A
4E.2	*Is the proposed offer to be underwritten?	N/A

4E.2a	<p><b>*Who are the underwriter(s)?</b></p> <p>Answer this question if your response to Q4E.2 is "Yes".</p> <p>Note for issuers that are an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing): listing rule 7.2 exception 5 does not extend to an issue of securities to or at the direction of an underwriter of an SPP. The issue will require security holder approval under listing rule 7.1 if you do not have the available placement capacity under listing rules 7.1 and/or 7.1A to cover the issue. Likewise, listing rule 10.12 exception 4 does not extend to an issue of securities to or at the direction of an underwriter of an SPP. If a party referred to in listing rule 10.11 is underwriting the proposed offer, this will require security holder approval under listing rule 10.11.</p>	N/A
4E.2b	<p><b>*What is the extent of the underwriting (i.e. the amount or proportion of the offer that is underwritten)?</b></p> <p>Answer this question if your response to Q4E.2 is "Yes".</p>	N/A
4E.2c	<p><b>*What fees, commissions or other consideration are payable to them for acting as underwriter(s)?</b></p> <p>Answer this question if your response to Q4E.2 is "Yes".</p> <p>This information includes any applicable discount the underwriter receives to the issue price payable by participants in the issue.</p>	N/A
4E.2d	<p><b>*Provide a summary of the significant events that could lead to the underwriting being terminated</b></p> <p>Answer this question if your response to Q4E.2 is "Yes".</p> <p>You may cross-refer to a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released on the ASX Market Announcements Platform.</p>	N/A
4E.2e	<p><b>*Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?</b></p> <p>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing) and your response to Q4E.2 is "Yes".</p> <p>Note: If your response is "Yes", this will require security holder approval under listing rule 10.11. Listing rule 10.12 exception 4 does not extend to an issue of securities to an underwriter or sub-underwriter of an SPP.</p>	N/A
4E.2e(i)	<p><b>*What is the name of that party?</b></p> <p>Answer this question if the issuer is an ASX Listing and your response to Q4E.2e is "Yes".</p> <p>Note: If there is more than one such party acting as underwriter or sub-underwriter include all of their details in this and the next 2 questions.</p>	N/A
4E.2e(ii)	<p><b>*What is the extent of their underwriting or sub-underwriting (i.e. the amount or proportion of the issue they have underwritten or sub-underwritten)?</b></p> <p>Answer this question if the issuer is an ASX Listing and your response to Q4E.2e is "Yes".</p>	N/A

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4E.2e(iii)	*What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter? <i>Answer this question if the issuer is an ASX Listing and your response to Q4E.2e is "Yes".</i> <i>Note: This includes any applicable discount the underwriter or sub-underwriter receives to the issue price payable by participants in the issue.</i>	N/A
4E.3	*Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?	N/A
4E.3a	*Will the handling fee or commission be dollar based or percentage based? <i>Answer this question if your response to Q4E.3 is "Yes".</i>	N/A
4E.3b	*Amount of handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible +security holders <i>Answer this question if your response to Q4E.3 is "Yes" and your response to Q4E.3a is "dollar based".</i>	N/A
4E.3c	*Percentage handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible +security holders <i>Answer this question if your response to Q4E.3 is "Yes" and your response to Q4E.3a is "percentage based".</i>	N/A
4E.3d	Please provide any other relevant information about the handling fee or commission method <i>Answer this question if your response to Q4E.3 is "Yes".</i>	N/A
4E.4	Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer	N/A

## Part 4F – Proposed offer under +securities purchase plan – further information

Question No.	Question	Answer
4F.1	*The purpose(s) for which the entity intends to use the cash raised by the proposed issue <i>You may select one or more of the items in the list.</i>	<input type="checkbox"/> For additional working capital <input type="checkbox"/> To fund the retirement of debt <input type="checkbox"/> To pay for the acquisition of an asset [provide details below] <input type="checkbox"/> To pay for services rendered [provide details below] <input type="checkbox"/> Other [provide details below] Additional details:
4F.2	*Will the entity be changing its dividend/distribution policy if the proposed issue is successful?	N/A

4F.2a	*Please explain how the entity will change its dividend/distribution policy if the proposed issue is successful  <i>Answer this question if your response to Q4F.2 is "Yes".</i>	N/A
4F.3	Countries in which the entity has +security holders who will not be eligible to participate in the proposed offer	N/A
4F.4	*URL on the entity's website where investors can download information about the proposed offer	N/A
4F.5	Any other information the entity wishes to provide about the proposed offer	N/A

## Part 5 – Details of proposed non-pro rata offer under a +disclosure document or +PDS

If your response to Q1.6 is "A non-pro rata offer of securities under a disclosure document or PDS", please complete Parts 5A – 5F and the details of the securities proposed to be issued in Part 8.

### Part 5A - Proposed non-pro rata offer under a +disclosure document or +PDS – conditions

Question No.	Question	Answer		
5A.1	*Do any external approvals need to be obtained or other conditions satisfied before the non-pro rata offer of +securities under a +disclosure document or + PDS can proceed on an unconditional basis?  <i>For example, this could include:</i> <ul style="list-style-type: none"> <li>• +Security holder approval</li> <li>• Court approval</li> <li>• Lodgement of court order with +ASIC</li> <li>• ACCC approval</li> <li>• FIRB approval</li> </ul> <i>Disregard any approvals that have already been obtained or conditions that have already been satisfied.</i>	N/A		
5A.1a	Conditions <i>Answer these questions if your response to 5A.1 is "Yes".</i>			
*Approval/ condition Type <i>Select the applicable approval/condition from the list (ignore those that are not applicable). More than one approval/condition can be selected.</i>	*Date for determination <i>The 'date for determination' is the date that you expect to know if the approval is given or condition is satisfied (for example, the date of the security holder meeting in the case of security holder approval or the date of the court hearing in the case of court approval).</i>	*Is the date estimated or actual?	**Approval received/ condition met? <i>Please respond "Yes" or "No". Only answer this question when you know the outcome of the approval.</i>	Comments
+Security holder approval	N/A	N/A	N/A	N/A
Court approval	N/A	N/A	N/A	N/A

Lodgement of court order with +ASIC	N/A	N/A	N/A	N/A
ACCC approval	N/A	N/A	N/A	N/A
FIRB approval	N/A	N/A	N/A	N/A
Other (please specify in comment section)	N/A	N/A	N/A	N/A

## Part 5B – Proposed non-pro rata offer under a +disclosure document or +PDS – offer details

Question No.	Question	Answer
5B.1	*Class of +securities to be offered under the +disclosure document or +PDS (please enter both the ASX security code & description)	N/A
5B.2	*The number of +securities to be offered under the +disclosure document or +PDS <i>If the number of securities proposed to be issued is based on a formula linked to a variable (for example, VWAP or an exchange rate or interest rate), include the number of securities based on the variable as at the date the Appendix 3B is lodged with ASX and add a note in the "Any other information the entity wishes to provide about the proposed offer" field at the end of this form making it clear that this number is based on the variable as at the date of the Appendix 3B and that it may change.</i>	N/A
5B.3	*Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?	N/A
5B.3a	*Describe the minimum subscription condition <i>Answer this question if your response to Q5B.3 is "Yes".</i>	N/A
5B.4	*Will the entity be entitled to accept over-subscriptions?	N/A
5B.4a	*Provide details of the number or value of over-subscriptions that the entity may accept <i>Answer this question if your response to Q5B.4 is "Yes".</i>	N/A
5B.5	*Will individual investors be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?	N/A
5B.5a	*Describe the minimum acceptance condition <i>Answer this question if your response to Q5B.5 is "Yes".</i>	N/A

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5B.6	*Will individual investors be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?	N/A
5B.6a	*Describe the maximum acceptance condition <i>Answer this question if your response to Q5B.6 is "Yes".</i>	N/A
5B.7	*Will a scale back be applied if the offer is over-subscribed?	N/A
5B.7a	*Describe the scale back arrangements <i>Answer this question if your response to Q5B.7 is "Yes".</i>	N/A
5B.8	*In what currency will the offer be made? <i>For example, if the consideration for the issue is payable in Australian Dollars, state AUD.</i>	N/A
5B.9	*Has the offer price been determined?	N/A
5B.9a	*What is the offer price per +security? <i>Answer this question if your response to Q5B.9 is "Yes" using the currency specified in your answer to Q5B.8.</i>	N/A
5B.9b	*How and when will the offer price be determined? <i>Answer this question if your response to Q5B.9 is "No".</i>	N/A
5B.9c	*Will the offer price be determined by way of a bookbuild? <i>Answer this question if your response to Q5B.9 is "No". If your response to this question is "Yes", please note the information that ASX expects to be announced about the results of the bookbuild set out in section 4.12 of Guidance Note 30 Notifying an Issue of Securities and Applying for their Quotation.</i>	N/A
5B.9d	*Provide details of the parameters that will apply to the bookbuild (e.g. the indicative price range for the bookbuild) <i>Answer this question if your response to Q5B.9 is "No" and your response to Q5B.9c is "Yes".</i>	N/A

## Part 5C – Proposed non-pro rata offer under a +disclosure document or +PDS – timetable

Question No.	Question	Answer
5C.1	*Lodgement date of +disclosure document or +PDS with ASIC <i>Note: If the securities are to be quoted on ASX, you must lodge an Appendix 2A Application for Quotation of Securities with ASX within 7 days of this date.</i>	N/A
5C.2	*Date when +disclosure document or +PDS and acceptance forms will be made available to investors	N/A
5C.3	*Offer open date	N/A

5C.4	*Closing date for receipt of acceptances	N/A
5C.5	[deleted]	N/A
5C.6	*Proposed +issue date	N/A

## Part 5D – Proposed non-pro rata offer under a +disclosure document or +PDS – listing rule requirements

Question No.	Question	Answer
5D.1	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing).</i></p> <p><i>If the issuer has obtained security holder approval for part of the issue only and is therefore relying on its placement capacity under listing rule 7.1 and/or listing rule 7.1A for the remainder of the issue, the response should be 'no'.</i></p>	N/A
5D.1a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q5D.1 is "Yes".</i></p>	N/A
5D.1b	<p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q5D.1 is "No".</i></p>	N/A
5D.1b(i)	<p>*How many +securities are proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q5D.1 is "No" and your response to Q5D.1b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	N/A
5D.1c	<p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q5D.1 is "No".</i></p>	N/A

5D.1c(i)	<p>*How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q5D.1 is "No" and your response to Q5D.1c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A
5D.2	*Is a party referred to in listing rule 10.11 participating in the proposed issue?	N/A

### Part 5E – Proposed non-pro rata offer under a disclosure document or PDS – fees and expenses

Question No.	Question	Answer
5E.1	*Will there be a lead manager or broker to the proposed offer?	N/A
5E.1a	*Who is the lead manager/broker? <i>Answer this question if your response to Q5E.1 is "Yes".</i>	N/A
5E.1b	*What fee, commission or other consideration is payable to them for acting as lead manager/broker? <i>Answer this question if your response to Q5E.1 is "Yes".</i>	N/A
5E.2	*Is the proposed offer to be underwritten?	N/A
5E.2a	*Who are the underwriter(s)? <i>Answer this question if your response to Q5E.2 is "Yes".</i>	N/A
5E.2b	*What is the extent of the underwriting (i.e. the amount or proportion of the offer that is underwritten)? <i>Answer this question if your response to Q5E.2 is "Yes".</i>	N/A
5E.2c	*What fees, commissions or other consideration are payable to them for acting as underwriter(s)? <i>Answer this question if your response to Q5E.2 is "Yes".</i> <i>Note: This includes any applicable discount the underwriter receives to the issue price payable by participants in the offer.</i>	N/A
5E.2d	*Provide a summary of the significant events that could lead to the underwriting being terminated <i>Answer this question if your response to Q5E.2 is "Yes".</i> <i>You may cross-refer to another document with this information provided it has been released on the ASX Market Announcements Platform.</i>	N/A



5E.2e	<p>*Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?</p> <p><i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing) and your response to Q5E.2 is "Yes".</i></p> <p><i>Note: If your response is "Yes", this will require security holder approval under listing rule 10.11.</i></p>	N/A
5E.2e(i)	<p>*What is the name of that party?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q5E.2e is "Yes".</i></p> <p><i>Note: If there is more than one such party acting as underwriter or sub-underwriter include all of their details in this and the next 2 questions.</i></p>	N/A
5E.2e(ii)	<p>*What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the issue they have underwritten or sub-underwritten)?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q5E.2e is "Yes".</i></p>	N/A
5E.2e(iii)	<p>*What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q5E.2e is "Yes".</i></p> <p><i>Note: This includes any applicable discount the underwriter or sub-underwriter receives to the issue price payable by participants in the issue.</i></p>	N/A
5E.3	<p>*Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?</p>	N/A
5E.3a	<p>* Will the handling fee or commission be dollar based or percentage based?</p> <p><i>Answer this question if your response to Q5E.3 is "Yes".</i></p>	N/A
5E.3b	<p>*Amount of handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible +security holders</p> <p><i>Answer this question if your response to Q5E.3 is "Yes" and your response to Q5E.3a is "dollar based".</i></p>	N/A
5E.3c	<p>*Percentage handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible +security holders</p> <p><i>Answer this question if your response to Q5E.3 is "Yes" and your response to Q5E.3a is "percentage based".</i></p>	N/A
5E.3d	<p>Please provide any other relevant information about the handling fee or commission method</p> <p><i>Answer this question if your response to Q5E.3 is "Yes".</i></p>	N/A
5E.4	<p>Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer</p>	N/A

Part 5F – Proposed non-pro rata offer under a +disclosure document or +PDS –  
further information

Question No.	Question	Answer
5F.1	*The purpose(s) for which the entity intends to use the cash raised by the proposed offer <i>You may select one or more of the items in the list.</i>	<input type="checkbox"/> For additional working capital <input type="checkbox"/> To fund the retirement of debt <input type="checkbox"/> To pay for the acquisition of an asset <i>[provide details below]</i> <input type="checkbox"/> To pay for services rendered <i>[provide details below]</i> <input type="checkbox"/> Other <i>[provide details below]</i> Additional details:
5F.2	*Will the entity be changing its dividend/distribution policy if the proposed issue is successful?	N/A
5F.2a	*Please explain how the entity will change its dividend/distribution policy if the proposed issue is successful <i>Answer this question if your response to Q5F.2 is "Yes".</i>	N/A
5F.3	*Please explain the entity's allocation policy for the offer, including whether or not acceptances from existing +security holders will be given priority	N/A
5F.4	*URL on the entity's website where investors can download the +disclosure document or +PDS	N/A
5F.5	Any other information the entity wishes to provide about the proposed offer	N/A

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## Part 6 – Details of proposed non-pro rata offer to wholesale investors under an +information memorandum

If your response to Q1.6 is “A non-+pro rata offer to wholesale investors under an information memorandum”, please complete Parts 6A – 6F and the details of the securities proposed to be issued in Part 8.

### Part 6A – Proposed non-pro rata offer to wholesale investors under an +information memorandum – conditions

Question No.	Question	Answer			
6A.1	<p>*Do any external approvals need to be obtained or other conditions satisfied before the non-pro rata offer to wholesale investors under an information memorandum can proceed on an unconditional basis?</p> <p><i>For example, this could include:</i></p> <ul style="list-style-type: none"> <li>• +Security holder approval</li> <li>• Court approval</li> <li>• Lodgement of court order with +ASIC</li> <li>• ACCC approval</li> <li>• FIRB approval</li> </ul> <p><i>Disregard any approvals that have already been obtained or conditions that have already been satisfied.</i></p>	N/A			
6A.1a	<p>Conditions</p> <p><i>Answer these questions if your response to 6A.1 is “Yes”</i></p>				
*Approval/ condition Type	*Date for determination	*Is the date estimated or actual?	**Approval received/ condition met?	Comments	
<i>Select the applicable approval/condition from the list (ignore those that are not applicable). More than one approval/condition can be selected.</i>	<i>The ‘date for determination’ is the date that you expect to know if the approval is given or condition is satisfied (for example, the date of the security holder meeting in the case of security holder approval or the date of the court hearing in the case of court approval).</i>		<i>Please respond “Yes” or “No”. Only answer this question when you know the outcome of the approval.</i>		
+Security holder approval	N/A	N/A	N/A	N/A	
Court approval	N/A	N/A	N/A	N/A	
Lodgement of court order with +ASIC	N/A	N/A	N/A	N/A	
ACCC approval	N/A	N/A	N/A	N/A	
FIRB approval	N/A	N/A	N/A	N/A	
Other (please specify in comment section)	N/A	N/A	N/A	N/A	

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## Part 6B – Proposed non-pro rata offer to wholesale investors under an +information memorandum – offer details

Question No.	Question	Answer
6B.1	*Class of +securities to be offered under the +information memorandum (please enter both the ASX security code & description)	N/A
6B.2	*The number of +securities to be offered under the +information memorandum <i>If the number of securities proposed to be issued is based on a formula linked to a variable (for example, VWAP or an exchange rate or interest rate), include the number of securities based on the variable as at the date the Appendix 3B is lodged with ASX and add a note in the "Any other information the entity wishes to provide about the proposed offer" field at the end of this form making it clear that this number is based on the variable as at the date of the Appendix 3B and that it may change.</i>	N/A
6B.3	*Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?	N/A
6B.3a	*Describe the minimum subscription condition <i>Answer this question if your response to Q6B.3 is "Yes".</i>	N/A
6B.4	*Will the entity be entitled to accept over-subscriptions?	N/A
6B.4a	*Provide details of the number or value of over-subscriptions that the entity may accept <i>Answer this question if your response to Q6B.4 is "Yes".</i>	N/A
6B.5	*Will individual investors be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?	N/A
6B.5a	*Describe the minimum acceptance condition <i>Answer this question if your response to Q6B.5 is "Yes".</i>	N/A
6B.6	*Will individual investors be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?	N/A
6B.6a	*Describe the maximum acceptance condition <i>Answer this question if your response to Q6B.6 is "Yes".</i>	N/A
6B.7	*Will a scale back be applied if the offer is over-subscribed?	N/A
6B.7a	*Describe the scale back arrangements <i>Answer this question if your response to Q6B.7 is "Yes".</i>	N/A

6B.8	*In what currency will the offer be made? <i>For example, if the consideration for the issue is payable in Australian Dollars, state AUD.</i>	N/A
6B.9	*Has the offer price been determined?	N/A
6B.9a	*What is the offer price per +security? <i>Answer this question if your response to Q6B.9 is "Yes" using the currency specified in your answer to Q6B.8.</i>	N/A
6B.9b	*How and when will the offer price be determined? <i>Answer this question if your response to Q6B.9 is "No".</i>	N/A
6B.9c	*Will the offer price be determined by way of a bookbuild? <i>Answer this question if your response to Q6B.9 is "No". If your response to this question is "Yes", please note the information that ASX expects to be announced about the results of the bookbuild set out in section 4.12 of Guidance Note 30 Notifying an Issue of Securities and Applying for their Quotation.</i>	N/A
6B.9d	*Provide details of the parameters that will apply to the bookbuild (e.g. the indicative price range for the bookbuild) <i>Answer this question if your response to Q6B.9 is "No" and your response to Q6B.9c is "Yes".</i>	N/A

## Part 6C – Proposed non-pro rata offer to wholesale investors under an +information memorandum – timetable

Question No.	Question	Answer
6C.1	*Expected date of +information memorandum	N/A
6C.2	*Date when +information memorandum and acceptance forms will be made available to investors	N/A
6C.3	*Offer open date	N/A
6C.4	*Closing date for receipt of acceptances	N/A
6C.5	[deleted]	N/A
6C.6	*Proposed +Issue date	N/A

## Part 6D – Proposed non-pro rata offer to wholesale investors under an +information memorandum – listing rule requirements

Question No.	Question	Answer
6D.1	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing).</i></p> <p><i>If the issuer has obtained security holder approval for part of the issue only and is therefore relying on its placement capacity under listing rule 7.1 and/or listing rule 7.1A for the remainder of the issue, the response should be 'no'.</i></p>	N/A
6D.1a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q6D.1 is "Yes".</i></p>	N/A
6D.1b	<p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q6D.1 is "No".</i></p>	N/A
6D.1b(i)	<p>*How many +securities are proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q6D.1 is "No" and your response to Q6D.1b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	N/A
6D.1c	<p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the issuer is an ASX Listing your response to Q6D.1 is "No".</i></p>	N/A
6D.1c(i)	<p>*How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q6D.1 is "No" and your response to Q6D.1c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A
6D.2	<p>*Is a party referred to in listing rule 10.11 participating in the proposed issue?</p>	N/A

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## Part 6E – Proposed non-pro rata offer to wholesale investors under an +information memorandum – fees and expenses

Question No.	Question	Answer
6E.1	*Will there be a lead manager or broker to the proposed offer?	N/A
6E.1a	*Who is the lead manager/broker? <i>Answer this question if your response to Q6E.1 is "Yes".</i>	N/A
6E.1b	*What fee, commission or other consideration is payable to them for acting as lead manager/broker? <i>Answer this question if your response to Q6E.1 is "Yes".</i>	N/A
6E.2	*Is the proposed offer to be underwritten?	N/A
6E.2a	*Who are the underwriter(s)? <i>Answer this question if your response to Q6E.2 is "Yes".</i>	N/A
6E.2b	*What is the extent of the underwriting (i.e. the amount or proportion of the offer that is underwritten)? <i>Answer this question if your response to Q6E.2 is Yes</i>	N/A
6E.2c	*What fees, commissions or other consideration are payable to them for acting as underwriter(s)? <i>Answer this question if your response to Q6E.2 is "Yes".</i> <i>Note: This includes any applicable discount the underwriter receives to the issue price payable by participants in the issue.</i>	N/A
6E.2d	*Provide a summary of the significant events that could lead to the underwriting being terminated <i>Answer this question if your response to Q6E.2 is "Yes".</i> <i>You may cross-refer to another document with this information provided it has been released on the ASX Market Announcements Platform.</i>	N/A
6E.2e	*Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer? <i>Answer this question if the issuer is an ASX Listing and your response to Q6E.2 is "Yes".</i> <i>Note: If your response is "Yes", this will require security holder approval under listing rule 10.11.</i>	N/A
6E.2e(i)	*What is the name of that party? <i>Answer this question if the issuer is ASX Listing and your response to Q6E.2e is "Yes".</i> <i>Note: If there is more than one such party acting as underwriter or sub-underwriter include all of their details in this and the next 2 questions</i>	N/A

6E.2e(ii)	<p>*What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the issue they have underwritten or sub-underwritten)?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q6E.2e is "Yes".</i></p>	N/A
6E.2e(iii)	<p>*What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?</p> <p><i>Answer this question if the issuer is ASX Listing and your response to Q6E.2e is "Yes".</i></p> <p><i>Note: This includes any applicable discount the underwriter or sub-underwriter receives to the issue price payable by participants in the issue.</i></p>	N/A
6E.3	<p>*Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?</p>	N/A
6E.3a	<p>* Will the handling fee or commission be dollar based or percentage based?</p> <p><i>Answer this question if your response to Q6E.3 is "Yes".</i></p>	N/A
6E.3b	<p>*Amount of handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible +security holders</p> <p><i>Answer this question if your response to Q6E.3 is "Yes" and your response to Q6E.3a is "dollar based".</i></p>	N/A
6E.3c	<p>*Percentage handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible +security holders</p> <p><i>Answer this question if your response to Q6E.3 is "Yes" and your response to Q6E.3a is "percentage based".</i></p>	N/A
6E.3d	<p>Please provide any other relevant information about the handling fee or commission method</p> <p><i>Answer this question if your response to Q6E.3 is "Yes".</i></p>	N/A
6E.4	<p>Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer</p>	N/A

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## Part 6F – Proposed non-pro rata offer to wholesale investors under an +information memorandum – further information

Question No.	Question	Answer
6F.1	*The purpose(s) for which the entity intends to use the cash raised by the proposed offer <i>You may select one or more of the items in the list.</i>	<input type="checkbox"/> For additional working capital <input type="checkbox"/> To fund the retirement of debt <input type="checkbox"/> To pay for the acquisition of an asset <i>[provide details below]</i> <input type="checkbox"/> To pay for services rendered <i>[provide details below]</i> <input type="checkbox"/> Other <i>[provide details below]</i> Additional details:
6F.2	*Will the entity be changing its dividend/distribution policy if the proposed issue is successful?	N/A
6F.2a	*Please explain how the entity will change its dividend/distribution policy if the proposed issue is successful <i>Answer this question if your response to Q6F.2 is "Yes".</i>	N/A
6F.3	*Please explain the entity's allocation policy for the offer, including whether or not acceptances from existing +security holders will be given priority	N/A
6F.4	*URL on the entity's website where wholesale investors can download the +information memorandum	N/A
6F.5	Any other information the entity wishes to provide about the proposed offer	N/A

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## Part 7 – Details of proposed placement or other issue

If your response to Q1.6 is "A placement or other type of issue", please complete Parts 7A – 7F and the details of the securities proposed to be issued in Part 8.

## Part 7A – Proposed placement or other issue – conditions

Question No.	Question	Answer		
7A.1	<p>*Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?</p> <p><i>For example, this could include:</i></p> <ul style="list-style-type: none"> <li>• +Security holder approval</li> <li>• Court approval</li> <li>• Lodgement of court order with +ASIC</li> <li>• ACCC approval</li> <li>• FIRB approval</li> </ul> <p><i>Disregard any approvals that have already been obtained or conditions that have already been satisfied.</i></p>	N/A		
7A.1a	<p>Conditions</p> <p><i>Answer these questions if your response to 7A.1 is "Yes".</i></p>			
*Approval/ condition Type	*Date for determination	*Is the date estimated or actual?	**Approval received/ condition met?	Comments
<i>Select the applicable approval/condition from the list (ignore those that are not applicable). More than one approval/condition can be selected.</i>	<i>The 'date for determination' is the date that you expect to know if the approval is given or condition is satisfied (for example, the date of the security holder meeting in the case of security holder approval or the date of the court hearing in the case of court approval).</i>		<i>Please answer "Yes" or "No". Only answer this question when you know the outcome of the approval.</i>	
+Security holder approval	N/A	N/A	N/A	N/A
Court approval	N/A	N/A	N/A	N/A
Lodgement of court order with +ASIC	N/A	N/A	N/A	N/A
ACCC approval	N/A	N/A	N/A	N/A
FIRB approval	N/A	N/A	N/A	N/A
Other (please specify in comment section)	N/A	N/A	N/A	N/A

## Part 7B – Details of proposed placement or other issue - issue details

Question No.	Question	Answer
7B.1	*Class of +securities to be offered under the placement or other issue (please enter both the ASX security code & description)	N/A

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7B.2	<p>Number of +securities proposed to be issued</p> <p><i>If the number of securities proposed to be issued is based on a formula linked to a variable (for example, VWAP or an exchange rate or interest rate), include the number of securities based on the variable as at the date the Appendix 3B is lodged with ASX and add a note in the "Any other information the entity wishes to provide about the proposed offer" field at the end of this form making it clear that this number is based on the variable as at the date of the Appendix 3B and that it may change.</i></p>	N/A
7B.3	<p>*Are the +securities proposed to be issued being issued for a cash consideration?</p> <p><i>If the securities are being issued for nil cash consideration, answer this question "No".</i></p>	N/A
7B.3a	<p>*In what currency is the cash consideration being paid</p> <p><i>For example, if the consideration is being paid in Australian Dollars, state AUD.</i></p> <p><i>Answer this question if your response to Q7B.3 is "Yes".</i></p>	N/A
7B.3b	<p>*What is the issue price per +security</p> <p><i>Answer this question if your response to Q7B.3 is "Yes" and by reference to the issue currency provided in your response to Q7B.3a.</i></p> <p><i>Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q7B.3 as "No" and complete Q7B.3d.</i></p>	N/A
7B.3c	<p>AUD equivalent to issue price amount per +security</p> <p><i>Answer this question if the currency is non-AUD</i></p>	N/A
7B.3d	<p>Please describe the consideration being provided for the +securities</p> <p><i>Answer this question if your response to Q7B.3 is "No".</i></p>	N/A
7B.3e	<p>Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities</p> <p><i>Answer this question if your response to Q7B.1 is "No".</i></p>	N/A

## Part 7C – Proposed placement or other issue – timetable

Question No.	Question	Answer
7C.1	*Proposed +issue date	N/A

## Part 7D – Proposed placement or other issue – listing rule requirements

Question No.	Question	Answer
7D.1	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing).</i></p> <p><i>If the issuer has obtained security holder approval for part of the issue only and is therefore relying on its placement capacity under listing rule 7.1 and/or listing rule 7.1A for the remainder of the issue, the response should be 'no'.</i></p>	N/A
7D.1a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "Yes".</i></p>	N/A
7D.1b	<p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "No".</i></p>	N/A
7D.1b(i)	<p>*How many +securities are proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question the issuer is an ASX Listing, your response to Q7D.1 is "No" and if your response to Q7D.1b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	N/A
7D.1c	<p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "No".</i></p>	N/A
7D.1c(i)	<p>*How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q7D.1 is "No" and your response to Q7D.1c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A



7D.1c(ii)	*Please explain why the entity has chosen to do a placement or other issue rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate  <i>Answer this question if the issuer is an ASX Listing, your response to Q7D.1 is "No" and your response to Q7D.1c is "Yes".</i>	N/A
7D.2	*Is a party referred to in listing rule 10.11 participating in the proposed issue?  <i>Answer this question if the issuer is an ASX Listing. Note: If your response is "Yes", this will require security holder approval under listing rule 10.11.</i>	N/A
7D.3	*Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?  <i>Note: the entity should not apply for quotation of restricted securities</i>	N/A
7D.3a	*Please enter, the number and +class of the +restricted securities and the date from which they will cease to be +restricted securities  <i>Answer this question if your response to Q7D.3 is "Yes".</i>	N/A
7D.4	*Will any of the +securities to be issued be subject to +voluntary escrow?	N/A
7D.4a	*Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow  <i>Answer this question if your response to Q7D.4 is "Yes".</i>	N/A

## Part 7E – Proposed placement or other issue – fees and expenses

Question No.	Question	Answer
7E.1	*Will there be a lead manager or broker to the proposed issue?	N/A
7E.1a	*Who is the lead manager/broker?  <i>Answer this question if your response to Q7E.1 is "Yes".</i>	N/A
7E.1b	*What fee, commission or other consideration is payable to them for acting as lead manager/broker?  <i>Answer this question if your response to Q7E.1 is "Yes".</i>	N/A
7E.2	*Is the proposed issue to be underwritten?	N/A
7E.2a	*Who are the underwriter(s)?  <i>Answer this question if your response to Q7E.2 is "Yes".</i>	N/A

7E.2b	<p>*What is the extent of the underwriting (i.e. the amount or proportion of the issue that is underwritten)?</p> <p><i>Answer this question if your response to Q7E.2 is "Yes".</i></p>	N/A
7E.2c	<p>*What fees, commissions or other consideration are payable to them for acting as underwriter(s)?</p> <p><i>Answer this question if your response to Q7E.2 is "Yes".</i></p> <p><i>Note: This includes any applicable discount the underwriter receives to the issue price payable by participants in the issue.</i></p>	N/A
7E.2d	<p>*Provide a summary of the significant events that could lead to the underwriting being terminated</p> <p><i>Answer this question if your response to Q7E.2 is "Yes".</i></p> <p><i>Note: You may cross-refer to a covering announcement or to a separate annexure with this information.</i></p>	N/A
7E.3	<p>*Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?</p> <p><i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing) and your response to Q7E.2 is "Yes".</i></p> <p><i>Note: If your response is "Yes", this will require security holder approval under listing rule 10.11.</i></p>	N/A
7E.3a	<p>*What is the name of that party?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".</i></p> <p><i>Note: If there is more than one such party acting as underwriter or sub-underwriter include all of their details in this and the next 2 questions.</i></p>	N/A
7E.3b	<p>*What is the extent of their underwriting or sub-underwriting (i.e. the amount or proportion of the issue they have underwritten or sub-underwritten)?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".</i></p>	N/A
7E.3c	<p>*What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".</i></p> <p><i>Note: This includes any applicable discount the underwriter or sub-underwriter receives to the issue price payable by participants in the issue.</i></p>	N/A
7E.4	<p>Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue</p>	N/A

## Part 7F – Proposed placement or other issue – further information

Question No.	Question	Answer
7F.1	*The purpose(s) for which the entity is issuing the securities <i>You may select one or more of the items in the list.</i>	<input type="checkbox"/> To raise additional working capital <input type="checkbox"/> To fund the retirement of debt <input type="checkbox"/> To pay for the acquisition of an asset <i>[provide details below]</i> <input type="checkbox"/> To pay for services rendered <i>[provide details below]</i> <input type="checkbox"/> Other <i>[provide details below]</i> Additional details:
7F.2	*Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?	N/A
7F.2a	*Please explain how the entity will change its dividend/distribution policy if the proposed issue proceeds <i>Answer this question if your response to Q7F.2 is "Yes".</i>	N/A
7F.3	Any other information the entity wishes to provide about the proposed issue	N/A

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## Part 8 – details of +securities proposed to be issued

Answer the relevant questions in this part for the type of +securities the entity proposes to issue. If the entity is proposing to issue more than one class of security, including free attaching securities, please complete a separate version of Part 8 for each class of security proposed to be issued.

## Part 8A – type of +securities proposed to be issued

Question No.	Question	Answer
8A.1	<p>*The +securities proposed to be issued are:</p> <p><i>Tick whichever is applicable</i></p> <p><i>Note: SPP offers must select "existing quoted class"</i></p>	<p><input checked="" type="checkbox"/> Additional +securities in a class that is already quoted on ASX ("existing quoted class")</p> <p><input type="checkbox"/> Additional +securities in a class that is not currently quoted, and not intended to be quoted, on ASX ("existing unquoted class")</p> <p><input type="checkbox"/> New +securities in a class that is not yet quoted, but is intended to be quoted, on ASX ("new quoted class")</p> <p><input type="checkbox"/> New +securities in a class that is not quoted, and not intended to be quoted, on ASX ("new unquoted class")</p>
8A.2	<p>*Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:</p> <p><i>Answer this question if your response to Q1.6 is "A standard pro rata issue (non-renounceable or renounceable)", "An accelerated offer", "A non-pro rata offer to wholesale investors under an information memorandum" or "A placement or other type of issue" and your response to Q8A.1 is "existing quoted class" or "new quoted class".</i></p> <p><i>Note: Under Appendix 2A of the Listing Rules, when the entity applies for quotation of the securities proposed to be issued, it gives a warranty that an offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or 1012C(6) of the Corporations Act.</i></p> <p><i>If you are in any doubt as to the application of, or the entity's capacity to give, this warranty, please see ASIC Regulatory Guide 173 Disclosure for on-sale of securities and other financial products and consult your legal adviser.</i></p>	<p><input type="checkbox"/> The publication of a +disclosure document or +PDS for the +securities proposed to be issued</p> <p><input type="checkbox"/> The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)</p> <p><input type="checkbox"/> The publication of a +disclosure document or +PDS involving the same class of securities as the +securities proposed to be issued that meets the requirements of section 708A(11) or 1012DA(11)</p> <p><input checked="" type="checkbox"/> An applicable ASIC instrument or class order</p> <p><input type="checkbox"/> Not applicable – the entity has arrangements in place with the holder that ensure the securities cannot be on-sold within 12 months in a manner that would breach section 707(3) or 1012C(6)</p> <p><i>Note: Absent relief from ASIC, a listed entity can only issue a cleansing notice where trading in the relevant securities has not been suspended for more than 5 days during the shorter of: (a) the period during which the class of securities are quoted; and (b) the period of 12 months before the date on which the relevant securities were issued.</i></p>

Note: If the +securities referred to in this form are being offered under a +disclosure document or +PDS and the entity selects the first or third option in its response to question 8A.1 above (existing quoted class or new quoted class), then by lodging this form with ASX, the entity is taken to have applied for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, the entity will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

## Part 8B – details of +securities proposed to be issued (existing quoted class or existing unquoted class)

Answer the questions in this Part if your response to Q8A.1 is “existing quoted class” or “existing unquoted class”.

Question No.	Question	Answer
8B.1	*ASX security code & description	AIZ: Fully paid ordinary shares
8B.1a	ISIN Code for the entitlement or right to participate in a non-renounceable issue; or for the tradeable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)	NZAIRE0010S3
8B.2a	*Will the +securities to be quoted rank equally in all respects from their issue date with the existing issued +securities in that class?	Yes
8B.2b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known? <i>Answer this question if your response to Q8B.2a is “No”.</i>	N/A
8B.2c	*Provide the actual non-ranking end date <i>Answer this question if your response to Q8B.2a is “No” and your response to Q8B.2b is “Yes”.</i>	N/A
8B.2d	*Provide the estimated non-ranking end period <i>Answer this question if your response to Q8B.2a is “No” and your response to Q8B.2b is “No”.</i>	N/A
8B.2e	*Please state the extent to which the +securities do not rank equally: <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <i>Answer this question if your response to Q8B.2a is “No”.</i> <i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment or they may not be entitled to participate in some other event, such as an entitlement issue.</i>	N/A

## Part 8C – details of +securities proposed to be issued (new quoted class or new unquoted class)

Answer the questions in this Part if your response to Q8A.1 is “new quoted class” or “new unquoted class”.

Question No.	Question	Answer
8C.1	*+Security description <i>The ASX security code for this security will be confirmed by ASX in due course.</i>	N/A

8C.2	<p><b>*Security type</b></p> <p>Select one item from the list.</p> <p>Please select the most appropriate security type from the list. This will determine more detailed questions to be asked about the security later in this section. Select "ordinary fully or partly paid shares/units" for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either "Convertible debt securities" or "Non-convertible debt securities" (tradeable securities); or "Wholesale debt securities" (non-tradeable). Select "Other" for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.</p>	<input type="checkbox"/> Ordinary fully or partly paid shares/units <input type="checkbox"/> Options <input type="checkbox"/> +Convertible debt securities <input type="checkbox"/> Non-convertible +debt securities <input type="checkbox"/> Redeemable preference shares/units <input type="checkbox"/> Wholesale debt securities <input type="checkbox"/> Other
8C.3	<p><b>ISIN code</b></p> <p>Answer this question if you are an entity incorporated outside Australia and you are proposing to issue a new class of securities other than CDIs. See also the note at the top of this form.</p>	N/A
8C.3a	<p>ISIN Code for the entitlement or right to participate in a non-renounceable issue; or for the tradeable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)</p>	N/A
8C.4a	<p><b>*Will all the +securities proposed to be issued in this class rank equally in all respects from the issue date?</b></p>	N/A
8C.4b	<p><b>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</b></p> <p>Answer this question if your response to Q8C.4a is "No".</p>	N/A
8C.4c	<p><b>*Provide the actual non-ranking end date</b></p> <p>Answer this question if your response to Q8C.4a is "No" and your response to Q8C.4b is "Yes".</p>	N/A
8C.4d	<p><b>*Provide the estimated non-ranking end period</b></p> <p>Answer this question if your response to Q8C.4a is "No" and your response to Q8C.4b is "No".</p>	N/A
8C.4e	<p><b>*Please state the extent to which the +securities do not rank equally:</b></p> <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <p>Answer this question if your response to Q8C.4a is "No".</p> <p>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</p>	N/A



8C.5	<p>Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.</p> <p><i>You may cross-reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.</i></p>	
8C.6	<p>*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?</p> <p><i>Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).</i></p> <p><i>If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.</i></p>	Yes or No
8C.7a	<p><b>Ordinary fully or partly paid shares/units details</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 8C.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.</i></p>	
	<p>*Will there be CDIs issued over the +securities?</p>	Yes or No
	<p>*CDI ratio</p> <p><i>Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).</i></p>	X:Y
	<p>*Is it a partly paid class of +security?</p>	Yes or No
	<p>*Paid up amount: unpaid amount</p> <p><i>Answer this question if answered "Yes" to the previous question.</i></p> <p><i>The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'</i></p> <p><i>The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.</i></p> <p><i>The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).</i></p>	X:Y
	<p>*Is it a stapled +security?</p> <p><i>This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.</i></p>	Yes or No
8C.7b	<p><b>Option details</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question Q8C.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the exercise price is payable.</i></p>	

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	<p><b>*Exercise price</b></p> <p><i>The price at which each option can be exercised and convert into the underlying security.</i></p> <p><i>The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).</i></p>	
	<p><b>*Expiry date</b></p> <p><i>The date on which the options expire or terminate.</i></p>	
	<p><b>*Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if an option is exercised</b></p> <p><i>For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".</i></p>	
8C.7c	<p><b>Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units</b></p> <p><i>Answer the questions in this section if you selected one of these security types in your response to Question Q8C.2.</i></p> <p><i>Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i></p>	
	<p><b>*Type of +security</b></p> <p><i>Select one item from the list</i></p>	<p><input type="checkbox"/> Simple corporate bond</p> <p><input type="checkbox"/> Non-convertible note or bond</p> <p><input type="checkbox"/> Convertible note or bond</p> <p><input type="checkbox"/> Preference share/unit</p> <p><input type="checkbox"/> Capital note</p> <p><input type="checkbox"/> Hybrid security</p> <p><input type="checkbox"/> Other</p>
	<p><b>*+Security currency</b></p> <p><i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i></p>	
	<p><b>*Face value</b></p> <p><i>This is the principal amount of each security.</i></p> <p><i>The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).</i></p>	
	<p><b>*Interest or dividend rate type</b></p> <p><i>Select one item from the list</i></p> <p><i>Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities</i></p> <p><i>Note, this and the following questions also refer to dividend rates and payments, as would be relevant to preference securities.</i></p>	<p><input type="checkbox"/> Fixed rate</p> <p><input type="checkbox"/> Floating rate</p> <p><input type="checkbox"/> Indexed rate</p> <p><input type="checkbox"/> Variable rate</p> <p><input type="checkbox"/> Zero coupon/no interest</p> <p><input type="checkbox"/> Other</p>
	<p><b>*Frequency of coupon/interest/dividend payments per year</b></p> <p><i>Select one item from the list.</i></p>	<p><input type="checkbox"/> Monthly</p> <p><input type="checkbox"/> Quarterly</p> <p><input type="checkbox"/> Semi-annual</p> <p><input type="checkbox"/> Annual</p> <p><input type="checkbox"/> No coupon/interest payments</p> <p><input type="checkbox"/> Other</p>

	<p>*First interest/dividend payment date</p> <p><i>A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments</i></p>	
	<p>*Interest/dividend rate per annum</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	% p.a.
	<p>*Is the interest/dividend rate per annum estimated at this time?</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	Yes or No
	<p>*If the interest/dividend rate per annum is estimated, then what is the date for this information to be announced to the market (if known)</p> <p><i>Answer this question if the interest rate type is fixed and your response to the previous question is "Yes".</i> <i>Answer "Unknown" if the date is not known at this time.</i></p>	
	<p>*Does the interest/dividend rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p>	Yes or No
	<p>*What is the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	
	<p>*Does the interest/dividend rate include a margin above the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p>	Yes or No
	<p>*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum)</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	% p.a.
	<p>*Is the margin estimated at this time?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p>	Yes or No
	<p>*If the margin is estimated, then what is the date for this information to be announced to the market (if known)</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i> <i>Answer "Unknown" if the date is not known at this time.</i></p>	

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	<p>*S128F of the Income Tax Assessment Act status applicable to the +security <i>Select one item from the list</i> <i>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</i></p> <ul style="list-style-type: none"> <li>• “s128F exempt” means interest payments are not taxable to non-residents;</li> <li>• “Not s128F exempt” means interest payments are taxable to non-residents;</li> <li>• “s128F exemption status unknown” means the issuer is unable to advise the status;</li> </ul> <p>“Not applicable” means s128F is not applicable to this security</p>	<input type="checkbox"/> s128F exempt <input type="checkbox"/> Not s128F exempt <input type="checkbox"/> s128F exemption status unknown <input type="checkbox"/> Not applicable
	<p>*Is the +security perpetual (i.e. no maturity date)?</p>	<p>Yes or No</p>
	<p>*Maturity date <i>Answer this question if the security is not perpetual</i></p>	
	<p>*Select other features applicable to the +security <i>Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.</i></p>	<input type="checkbox"/> Simple <input type="checkbox"/> Subordinated <input type="checkbox"/> Secured <input type="checkbox"/> Converting <input type="checkbox"/> Convertible <input type="checkbox"/> Transformable <input type="checkbox"/> Exchangeable <input type="checkbox"/> Cumulative <input type="checkbox"/> Non-Cumulative <input type="checkbox"/> Redeemable <input type="checkbox"/> Extendable <input type="checkbox"/> Reset <input type="checkbox"/> Step-Down <input type="checkbox"/> Step-Up <input type="checkbox"/> Stapled <input type="checkbox"/> None of the above
	<p>*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?</p>	<p>Yes or No</p>
	<p>*If yes, what is the first trigger date <i>Answer this question if your response to the previous question is “Yes”.</i></p>	

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	<p>*Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)</p> <p><i>Answer this question if the security features include "converting", "convertible", "transformable" or "exchangeable".</i></p> <p><i>For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert "1,000 fully paid ordinary shares (ASX:ABC)".</i></p>	
8C.7d	<p><b>Details of wholesale debt securities</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question Q8C.2. Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i></p>	
	CFI	
	FISN	
	<p>*+Security currency</p> <p><i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i></p>	
	Total principal amount of class	
	<p>Face value</p> <p><i>This is the offer / issue price or value at which the security was offered on issue.</i></p>	
	<p>Number of +securities</p> <p><i>This should be the total principal amount of class divided by the face value</i></p>	
	<p>*Interest rate type</p> <p><i>Select the appropriate interest rate type per the terms of the security.</i></p>	<input type="checkbox"/> Fixed rate <input type="checkbox"/> Floating rate <input type="checkbox"/> Fixed to floating <input type="checkbox"/> Floating to fixed
	<p>*Frequency of coupon/interest payments per year</p> <p><i>Select one item from the list. The number of interest payments to be made per year for a wholesale debt security.</i></p>	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-annual <input type="checkbox"/> Annual <input type="checkbox"/> No payments
	<p>*First interest payment date</p> <p><i>A response is not required if you have selected "No payments" in response to the question above on the frequency of coupon/interest payments.</i></p>	
	<p>*Interest rate per annum</p> <p><i>A response is not required if you have selected "No payments" in response to the question above on the frequency of coupon/interest payments. The rate represents the total rate for the first payment period which may include a reference or base rate plus a margin rate and other adjustment factors where applicable, stated on a per annum basis. If the rate is only an estimate at this time please enter an indicative rate and provide the actual rate once it has become available.</i></p>	%

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	<p><b>*Maturity date</b> <i>The date on which the security matures.</i></p>	
	<p><b>Class type description</b></p>	
	<p><b>*S128F of the Income Tax Assessment Act status applicable to the +security</b> <i>Select one item from the list</i></p> <p><i>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</i></p> <ul style="list-style-type: none"> <li>• <i>“s128F exempt” means interest payments are not taxable to non-residents;</i></li> <li>• <i>“Not s128F exempt” means interest payments are taxable to non-residents;</i></li> <li>• <i>“s128F exemption status unknown” means the issuer is unable to advise the status;</i></li> </ul> <p><i>“Not applicable” means s128F is not applicable to this security</i></p>	<p><input type="checkbox"/> s128F exempt</p> <p><input type="checkbox"/> Not s128F exempt</p> <p><input type="checkbox"/> s128F exemption status unknown</p> <p><input type="checkbox"/> Not applicable</p>

Introduced 01/12/19; amended 31/01/20; 18/07/20; 05/06/21



# Hon Grant Robertson

MP for Wellington Central

Deputy Prime Minister

Minister of Finance

Minister for Infrastructure

Minister for Sport and Recreation

Minister for Racing



## CONFIDENTIAL AND COMMERCIALY SENSITIVE

30 March 2022

Air New Zealand Limited  
Air New Zealand House  
185 Fanshawe Street  
Auckland 1010  
New Zealand

**Attention:** Dame Therese Walsh, Chair

**Email:** therese.walsh@outlook.com

### AIR NEW ZEALAND LIMITED EQUITY CAPITAL RAISING – CROWN COMMITMENT

Air New Zealand Limited (*Company*) proposes to undertake a pro-rata renounceable rights offer to the Company's existing shareholders in New Zealand, Australia and certain other selected jurisdictions (*Offer*). The Offer will be fully underwritten (excepting the amount subscribed for by the Crown on the basis of its pre-commitment set out in this letter) by UBS New Zealand Limited and Citigroup Global Markets Limited (*Underwriters*).

Her Majesty the Queen in right of New Zealand acting by and through the Minister of Finance (*Crown*) is the holder of 582,854,593 issued ordinary shares of the Company (*Shares*) being approximately 51.90% of the total Shares on issue at the date of this letter. The Company and the Underwriters consider that the Crown's participation in the Offer is critical to the success of the Offer. The Company and the Crown have agreed that the Crown make a pre-commitment in respect of its participation in the Offer on the following terms and conditions:

- (a) (**Crown Commitment**): The Crown, subject to and on the terms of this letter, irrevocably applies for and commits to acquire such number of Shares under the Offer (*Offer Shares*) that, on completion of the Offer, results in the Crown having 51.00% of the total Shares on issue (including all treasury stock held by the Company), rounded up to the nearest whole Share (*Ownership Percentage*). The Crown's commitment set out in this paragraph is referred to as the *Crown Commitment*. On the basis of the Crown Commitment, the Company agrees to allocate and issue to the Crown such number of Offer Shares that are equal to the Crown Commitment (*Crown Committed Shares*) in accordance with the terms of this letter, such that on completion of the Offer the Crown will hold the Ownership Percentage. The Crown Committed Shares will be issued to the Crown at the offer price per Offer Share set out in the Offer Materials (as defined in paragraph (d)(i)(A) below), in accordance with settlement processes agreed between the Company and the Crown (acting through Te Tai Ōhanga The Treasury). The Crown will not, and is not obliged to, subscribe for any Offer Shares other than the Crown Committed Shares.
- (b) (**Condition**): The Crown's obligations under paragraph (a) above are conditional on the Offer proceeding in accordance with the Offer size, pricing, structure and timetable (*Timetable*) set out in the Offer Materials (or as such matters are varied by agreement with the Crown). If the condition referred to in this paragraph is not satisfied (or waived by the Crown), then the Crown may terminate this letter by notice in writing to the Company, and on such termination, this letter will be of no further effect and

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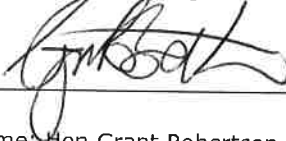
neither party will have any claim against the other party arising under, or in connection with, this letter.

- (c) **(Withdrawal or termination):** If the Offer is withdrawn, or otherwise does not proceed, this letter shall automatically terminate (with the same effect as termination under paragraph (b) above).
- (d) **(Undertakings):**
- (i) The Company gives the following representations and warranties to the Crown as at the date of this letter and on each subsequent date (by reference to the facts and circumstances then existing) until the date this letter is terminated or the date of allotment on the NZX of the Offer Shares, whichever is later:
    - (A) the Offer and all materials released by the Company in connection with or at the same time as the Offer (*Offer Materials*) comply in all respects with all applicable laws and regulations (including the listing rules of the NZX and ASX) (*Applicable Law*);
    - (B) the Offer Materials contain all information that is material in the context of the Offer and all information that is required to be contained in the Offer Materials by Applicable Law and the Offer Materials are not, and do not contain any statement that is, false, misleading, deceptive, or likely to mislead or deceive or unsubstantiated; and
    - (C) all information and representations which will be provided to the Crown in relation to the Offer on and from the date of this letter by the Company or on its behalf will be, at the time provided, true, complete and accurate in all material respects.
  - (ii) The Company undertakes to the Crown during the period up to the earlier of the termination of this letter and the completion of the Offer, to notify the Crown promptly upon becoming aware of the happening of any event that either constitutes or is reasonably likely to constitute a breach of any warranty set out in paragraph (d)(i) and of any matter that is reasonably likely to have the effect of making any such warranty incorrect or untrue or misleading by omission or otherwise.
- (e) **(Legal responsibility):** The Company acknowledges and agrees that the Company is and will remain solely and absolutely responsible for ensuring:
- (i) the accuracy, completeness, consistency and materiality of the contents of the Offer Materials and of any other announcements and disclosures authorised by the Company in connection with the Offer;
  - (ii) that the Offer Materials are not, and do not contain any statement that is, false, misleading, deceptive, or likely to mislead or deceive (including by omission) or unsubstantiated (being a statement for which the Company does not have reasonable grounds, other than a statement that a reasonable person would not expect to be substantiated) and comply with all Applicable Law;
  - (iii) that all money received by or on behalf of the Company as payment for the Offer Shares is held on trust for subscribers and the Company according to their respective rights until the Offer Shares are allotted;
  - (iv) that it conducts the Offer in accordance with all Applicable Law; and
  - (v) that the Offer Materials contain no references to the Crown or any of its Ministers, departments, officials or advisers other than in a form approved by the Crown (acting through Te Tai Ōhanga The Treasury).

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- (f) **(Fees):** In consideration for the Crown Commitment, the Company must pay to the Crown the Commitment Fee, within seven days after settlement of the Offer. The Commitment Fee shall be an amount equal to the gross proceeds received by the Company under the Offer from the Crown in respect of the Crown Committed Shares, multiplied by 0.5%.
  - (g) **(Costs and Expenses):** In addition to the Commitment Fee, the Company must pay, or reimburse the Crown for, all costs, expenses, fees and disbursements that the Crown (including Te Tai Ōhanga The Treasury) incurs in connection with, or incidental to or preparatory for, the proposed capital raising by the Company (including, without limitation, the Offer and the Crown Commitment).
  - (h) **(Disclosure of letter):** The Company and the Crown agree that the existence and effect of this letter will be described in the Offer Materials and this letter will be separately disclosed by the Company to the NZX market announcements platform in connection with the release of the Offer Materials.
  - (i) **(Counterparts):** This letter may be executed in any number of counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument. Where a party executes such a counterpart copy and transmits the signed execution page of that counterpart copy electronically to the other parties then, for the purposes of this letter, the transmission shall be deemed proof of signature of the original and the signed counterpart copy shall be deemed an original.
  - (j) **(Entire agreement):** This letter is the entire agreement between the parties on the Crown Commitment. This letter replaces all earlier negotiations, representations, warranties, understandings and agreements, whether oral or written, between the parties relating to the Crown Commitment. The Company acknowledges, agrees and represents to the Crown that this letter is the only document that the Crown will be asked to execute in relation to the Offer and the Crown Commitment.
  - (k) **(Governing Law):** This letter will be governed by and construed in accordance with the laws of New Zealand.

Please sign a copy of this letter where indicated below to confirm the Company's agreement to the terms and conditions set out above.

Signed by **The Sovereign in right of New Zealand, acting by and through the Minister of Finance**



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Name: Hon Grant Robertson

Acknowledged and agreed by **Air New Zealand Limited**

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Name: Dame Therese Walsh

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---

Name: Hon Grant Robertson

Acknowledged and agreed by **Air New Zealand Limited**



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Name: Dame Therese Walsh

IMMEDIATE – 30 March 2022

NZX Limited  
Level 1, NZX Centre  
11 Cable Street  
Wellington

ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney

### AIR NEW ZEALAND LIMITED

#### NOTICE PURSUANT TO CLAUSE 20(1)(a) OF SCHEDULE 8 TO THE FINANCIAL MARKETS CONDUCT REGULATIONS 2014

1. Air New Zealand Limited (**Air New Zealand**) announced on 30 March 2022 that it intends to undertake an offer of new ordinary shares in Air New Zealand by way of a pro-rata 2 for 1 renounceable rights offer to eligible shareholders (the **Rights Offer**) followed by a shortfall bookbuild process (the **Shortfall Bookbuild**) (the Rights Offer and the Shortfall Bookbuild together, the **Offer**) to raise NZ\$1.2 billion.
2. The Offer is being made to investors in New Zealand in reliance upon the exclusion in clause 19 of Schedule 1 to the Financial Markets Conduct Act 2013 (the **FMCA**) and in Australia pursuant to section 708AA of the Australian Corporations Act 2001 (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Instrument 22-0225.
3. Air New Zealand will offer ordinary shares under the Offer without disclosure to investors under Part 6D.2 of the Corporations Act.
4. This notice is provided under clause 20(1)(a) of Schedule 8 to the Financial Markets Conduct Regulations 2014 (the **Regulations**) and sections 708A(12J) (as notionally inserted by ASIC Instrument 22-0225) and 708AA(2)(f) of the Corporations Act.
5. As at the date of this notice:
  - (a) Air New Zealand is in compliance with the continuous disclosure obligations that apply to it in relation to the ordinary shares in Air New Zealand;
  - (b) Air New Zealand is in compliance with its financial reporting obligations (as defined in clause 20(5) of Schedule 8 to the Regulations);
  - (c) Air New Zealand has complied with its obligations under ASX Listing Rule 1.15.2; and

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(d) there is no information that is "excluded information" (as defined in clause 20(5) of Schedule 8 to the Regulations) in respect of Air New Zealand.

6. Air New Zealand has received a binding commitment from Her Majesty the Queen in right of New Zealand (the **Crown**) to participate in the Offer such that the Crown will hold 51.00% of the shares on issue immediately following the Offer (its current holding being 51.91%). Accordingly, the Offer is not expected to have any material effect or consequence on the "control" (as defined in clause 48 of Schedule 1 to the FMCA) of Air New Zealand.

**END**

**For further information please contact:**

Leila Peters  
GM Corporate Finance  
[leila.peters@airnz.co.nz](mailto:leila.peters@airnz.co.nz)  
+64 27 297 0244

Jennifer Page  
General Counsel & Company Secretary  
[jennifer.page@airnz.co.nz](mailto:jennifer.page@airnz.co.nz)  
+64 27 909 0691

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