

Off-market sell down of Crown's Air New Zealand shareholding transaction process

Key aspects of transaction

- Shares sold by way of an off-market sell down when the company's shares are not trading on the NZX or ASX.
- An off-market transaction reduces potential for share price volatility which could adversely affect the price bidding for the Crown's shares.
- Off-market sell down has been the process used on all recent similar transactions - Sky TV, Summerset, Auckland Airport, Trademe, Steel and Tube.
- A bookbuild will be conducted during an NZX/ASX trading halt of Air New Zealand shares.
- New Zealand share broking firms, domestic institutions and some offshore institutions will be eligible to bid for shares through the bookbuild.
- New Zealanders will be at the front of the queue for shares. The Crown will allocate shares with objective of 85 – 90 per cent New Zealand ownership.

Example transaction process

Offer structure design

Weekend of 16-17th November

- Request For Proposal and Joint Lead Managers appointed.
- Joint Lead Managers complete design of off-market bookbuild structure in consultation with Crown.
- Indicative opening price for bookbuild released.

Bookbuild

Monday 18th - Tuesday 19th November

- NZX/ASX implement trading halt.
- New Zealand retail brokers, domestic institutions and some offshore institutional investors participate in a bookbuild to bid for shares at varying prices.
- Crown sets final share placement price based on bookbuild bids.
- Crown determines allocations of shares between bidding groups (noting Government's objective of achieving 85-90 per cent New Zealand ownership).

Transaction completion

Tuesday evening* 19th November

- Government announces transaction completion details, including share sale price, allocation and remaining shareholding held by Crown in Air New Zealand.
- Retail brokers obliged to allocate shares to New Zealand clients.
- **Air New Zealand shares expected to resume trading on NZX and ASX when markets open on Wednesday 20 November.**

** Timing may change if bookbuild completes sooner*

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