

21 June 2017

NZX Limited  
Level 1, NZX Centre  
11 Cable Street  
Wellington

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

1. On 19 June 2017, Kiwi Property Group Limited ('Kiwi Property') announced that it would undertake a fully underwritten pro rata 1 for 11 entitlement offer of ordinary shares to eligible shareholders. Any shares not taken up or attributable to ineligible shareholders will be offered to institutional investors through two bookbuilds to be run by the joint lead managers, the first of which will be run on 21 June 2017. These offers ('Offers') are underwritten.
2. Pursuant to the Offers, an offer for issue is being made to investors in reliance upon the exclusion in clause 19 of schedule 1 to the Financial Markets Conduct Act 2013.
3. This notice is provided under subclause 20(1)(a) of schedule 8 to the Financial Markets Conduct Regulations 2014 ('Regulations').
4. As at the date of this notice:
  - a. Kiwi Property is in compliance with the continuous disclosure obligations that apply to it in relation to ordinary shares in Kiwi Property;
  - b. Kiwi Property is in compliance with its financial reporting obligations (as defined in subclause 20(5) of schedule 8 to the Regulations); and
  - c. There is no information that is 'excluded information' as defined in subclause 20(5) of schedule 8 to the Regulations.
5. The potential effects that the Offers and acquisition of new shares will have on the 'control' (within the meaning of clause 48 of schedule 1 to the Financial Markets Conduct Act 2013) of Kiwi Property and the consequences of those effects are as follows:
  - a. As at the date of this notice, no shareholder or group of shareholders control Kiwi Property.
  - b. If all eligible shareholders take up their pro rata entitlements to new shares under the Offers, their percentage shareholding in Kiwi Property will remain the same and there will be no effect on the control of Kiwi Property.
  - c. For shareholders who choose not to participate, and shareholders with registered addresses outside of New Zealand and Australia who are not eligible to participate in the Offers, their percentage shareholdings will be diluted as a result of the issue of new shares. However, it is not anticipated that any resulting dilution would have a material effect on the control of Kiwi Property. Kiwi Property will be entitled to allocate their entitlements to other parties, and expects to do so under the bookbuilds and the underwriting.
  - d. If no eligible shareholders took up their entitlements, the maximum number of shares issued under the Offers would be approximately 8% of Kiwi Property's total shares on issue post the Offers. It is expected that any shortfall would be allocated to a number of parties, such that the allocation should have no material effect or consequence on the control of Kiwi Property.



- e. Kiwi Property has not sought a waiver from NZX Main Board Listing Rule 7.5 (regulating issues of shares which could affect the effective control of Kiwi Property), and the Takeovers Code will also prevent any person holding or controlling 20% or more of the voting securities in Kiwi Property as a result of the Offers.
- f. Accordingly, the Offers are not expected to have any material effect or consequence on the control of Kiwi Property.

On behalf of  
**Kiwi Property Group Limited**

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