

DISCLOSURE OF MOVEMENT OF 1% OR MORE IN SUBSTANTIAL HOLDING OR CHANGE IN NATURE OF RELEVANT INTEREST, OR BOTH

Sections 277 and 278, Financial Markets Conduct Act 2013

TO: NZX Limited

and

TO: Finzsoft Solutions Limited ("**FIN**")

Relevant event being disclosed: Change in nature of relevant interest

Date of relevant event: 28 August 2019

Date this disclosure made: 28 August 2019

Date last disclosure made: 2 April 2015

Substantial product holder giving disclosure

Full name(s): Silverlake HGH Limited ("**SHGH**")

Summary of previous substantial holding

Class of quoted voting products: Ordinary shares

Summary for: SHGH

For **this** disclosure:

(a) total number held in class: 7,528,990

(b) total in class: 8,808,830

(c) total percentage held in class: 85.47%

For **last** disclosure:

(a) total number held in class: 7,528,990

(b) total in class: 8,566,164

(c) total percentage held in class: 87.892%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure:

On 28 August 2019, HGH (ICT Investments No. 2) Limited ("**HGH2**"), Silverlake Axis Ltd ("**SAL**") and SHGH and entered a deed of settlement and implementation ("**Deed**"), pursuant to which SHGH is to sell the shares it holds in FIN to each of SAL and HGH2 in proportion to their respective proportionate shareholding in SHGH, at fair market value. The acquisition of the shares in FIN held by SHGH, by each of SAL and HGH2, is subject to the approval of the shareholders of FIN by ordinary resolution, for the purposes of rule 7(c) of the Takeovers Code. A copy of the Deed is attached to this notice.

Details after relevant event

Details for:

SHGH

Nature of relevant interest(s):

Legal holder of 7,528,990 ordinary shares in FIN.

For that relevant interest:

- | | | |
|-----|---|--------------|
| (a) | number held in class: | 7,528,990 |
| (b) | percentage held in class: | 85.47% |
| (c) | current registered holder(s): | SHGH |
| (d) | registered holder(s) once transfers are registered: | HGH2 and SAL |

Additional information

Address(es) of substantial product holder(s):

PricewaterhouseCoopers, Level 3 – PwC Centre, Cnr Ward & Anglesea Streets, Hamilton, 3204, New Zealand

Contact details:

Andrew Holliday
Phone: +64 21 355 492
Email: Andrew.Holliday@finzsoft.com

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates:

Silverlake Axis Ltd
HGH (ICT Investments No. 2) Limited

Certification

I, Andrew Alexander Holliday, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

Deed of Settlement and Implementation

PARTIES

Silverlake Axis Ltd

HGH (ICT Investments No. 2) Limited

Silverlake HGH Limited

DEED dated 28 August 2019

PARTIES

Silverlake Axis Ltd
("Silverlake")

HGH (ICT Investments No. 2) Limited
("HGH")

Silverlake HGH Limited
("SHGH")

INTRODUCTION

- A. Silverlake and HGH (the "**Shareholders**") are the sole shareholders of SHGH, holding fully paid ordinary shares in SHGH, as follows:

Silverlake: 51 ordinary shares;

HGH: 49 ordinary shares.
- B. The Shareholders have each loaned the following sums to SHGH:

Silverlake: \$11,760,557;

HGH: \$11,204,067.

(each a "**Shareholder Loan**").
- C. The business of SHGH is to hold its shareholding of fully paid ordinary shares ("**Shares**") in Finzsoft, currently being 7,528,990 Shares.
- D. SHGH has:
 - (a) no liabilities other than:
 - (i) the two Shareholder Loans; and
 - (ii) accounts payable of \$4,459.40 due to SHGH's service provider; and
 - (b) no assets other than the 7,528,990 Shares and \$36,654.99 (as at 14 August 2019) in cash (with this sum, together with interest earned net of tax and bank fees and bank charges being referred to as "**Cash**").
- E. There has been a fundamental breakdown in the relationship between the Shareholders. The Shareholders have been in disagreement on a number of matters including:
 - (a) whether Mohd Munir Abdul Majid has been validly appointed as an independent director of SHGH;

- (b) the amendment of the constitution of SHGH and appointment of an independent director nominated by HGH;
- (c) the validity of any appointment of the auditor of SHGH (for financial years ended 30 June 2017 and 2018) and the appointment of any auditor of SHGH for the financial year ended 30 June 2019 and the financial year ending 30 June 2020;
- (d) finalising matters in respect of the financial accounts of SHGH;
- (e) the necessity and appropriateness of seeking financial and other information from Finzsoft; and
- (f) the sharing of costs incurred by Silverlake in respect of SHGH, including a claim by Silverlake that HGH owes Silverlake \$50,981 for SHGH costs paid by Silverlake.

F. To resolve the matters between the Shareholders, the Shareholders have agreed as follows:

- (a) for SHGH to sell to each Shareholder a proportion of the Shares equal to their respective proportionate shareholding in SHGH, at fair market value. This sum would be set off against the Shareholder Loan owed by SHGH to the relevant Shareholder. The number of Shares which would be transferred to each Shareholder would be as follows:
 - (i) Silverlake: 3,839,785 Shares;
 - (ii) HGH: 3,689,205 Shares.
- (b) after the transaction in paragraph (a) has been completed, for each Shareholder to forgive the remaining balance of the Shareholder Loan owed to it by SHGH; then
- (c) to wind up SHGH; and
- (d) contemporaneously with the above, to resolve the outstanding issues between the Shareholders.

G. The parties wish to enter into this deed to give effect to the sale of the Shares, forgiveness of the Shareholder Loans, the winding up of SHGH and, ultimately, to fully and finally settle the disagreements between the Shareholders.

COVENANTS

1. DEFINITIONS

1.1 Unless the context otherwise requires, capitalised terms in this deed have the meaning given to them below:

"**Accountant**" has the meaning given in clause 2.2(d).

"**Accounting Agreement**" has the meaning given in clause 2.1.

"**Cash**" has the meaning given in Introduction D.

"Disputed Matters" means all matters relating to any issue or dispute arising (directly or indirectly) from the parties being shareholders of SHGH, including those matters specified in Introduction E.

"Finzsoft" means Finzsoft Solutions Limited.

"NZX" means NZX Limited.

"NZX Main Board" means the main board financial product market operated by NZX.

"Shareholder Loan" has the meaning given in Introduction B.

"Shareholders" has the meaning given in Introduction A.

"Shares" has the meaning given in Introduction C.

"Takeovers Code" means the takeovers code set out in the schedule to the Takeovers Regulations 2000.

1.2 In this deed, unless the context otherwise requires, or specifically states otherwise:

- (a) headings are to be ignored in construing this deed;
- (b) the singular includes the plural and vice versa;
- (c) references to individuals include companies and other corporations and vice versa;
- (d) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this deed);
- (e) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (f) reference to a party, person or entity includes:
 - (i) an individual, partnership, firm, company, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and
 - (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (g) "written" and "in writing" include any means of reproducing words, figures or symbols in a tangible and visible form;
- (h) references to money are to New Zealand dollars;
- (i) references to times of day or dates are to New Zealand times and dates;
- (j) "including" and similar words do not imply any limitation;

- (k) a right or power may be exercised from time to time and at any time; and
- (l) reference to a clause, sub-clause or a party is a reference to that clause, sub-clause or party in this deed.

2. STEPS TO BE TAKEN TO IMPLEMENT AGREEMENT

- 2.1 This deed is conditional on the parties entering into an agreement relating to accounting and audit matters ("**Accounting Agreement**"), in the form agreed between the parties, on or prior to the date of this deed. This deed shall not be binding unless and until that agreement is signed by the parties.
- 2.2 It is agreed by the parties that the following steps shall be taken to implement their agreement and the terms of this deed:
 - (a) the Shareholders will request the board of Finzsoft call a special meeting of shareholders of Finzsoft to approve the acquisition of the Shares by the Shareholders, in accordance with clause 3;
 - (b) provided the shareholders of Finzsoft approve the acquisition of the Shares by the Shareholders in accordance with clause 3, SHGH shall:
 - (i) sell to each Shareholder the number of Shares set out against its name in Introduction F(a)(i) and F(a)(ii) in accordance with clause 4.1;
 - (ii) pay the amount referred to in Introduction D(a)(ii), and then pay to Silverlake the balance of the Cash in part payment of the remaining balance of the Shareholder Loan owing to Silverlake, pursuant to clause 4.3(b);
 - (c) contemporaneously with the transaction described in clause (b) above, Silverlake and HGH will each forgive the then remaining balance of their respective Shareholder Loans, pursuant to clause 4.3(c); and
 - (d) the parties will instruct Baker Tilly Staples Rodway ("**Accountant**") to wind up SHGH, pursuant to clause 4.5.
- 2.3 Subject to the steps in clause 2.2 occurring, the Shareholders agree neither Shareholder will raise any issue in respect of the matters referred to in Introduction E (a) and (b).

3. TAKEOVERS CODE APPROVAL

- 3.1 The parties acknowledge that the acquisition of the Shares by Silverlake and HGH will require approval of the shareholders of Finzsoft by ordinary resolution, for the purposes of rule 7(c) of the Takeovers Code. Within five working days of the date of this deed, the Shareholders will request that the board of Finzsoft (excluding the representatives of the Shareholders):
 - (a) agrees to call a special meeting of shareholders so that a resolution approving the acquisition of the Shares by Silverlake and HGH for the purposes of rule 7(c) can be put to the shareholders;

- (b) agrees to unanimously recommend to shareholders to vote in favour of the resolution; and
- (c) provides written confirmation, signed by a director of Finzsoft, to Silverlake that Finzsoft does not have an interest in "sensitive land" for the purposes of the Overseas Investment Act 2005.

HGH advises that:

- (d) it has had informal discussions with the chair of the board of Finzsoft concerning this matter and has had preliminary advice that the board (excluding the representatives of the Shareholders) will call the meeting and will give the unanimous recommendation; and
- (e) Finzsoft has no interest in any land in New Zealand except that it occupies shared office space provided by Generator on a short term basis.

3.2 The Shareholders each agree to, as soon as practicable upon request by Finzsoft, provide all information and assistance as required by Finzsoft to prepare the notice of meeting (including information requested by the independent adviser for the purpose of that person's report pursuant to rule 18 of the Takeovers Code and information required by rule 15 of the Takeovers Code). Each Shareholder will take responsibility for the accuracy of the information it provides but shall not have any responsibility for the information provided by any other person including the other Shareholder.

3.3 Nothing in this deed grants to Silverlake or HGH any voting control over any Shares prior to settlement of the sale and purchase of the Shares under clause 4.3.

3.4 If the Finzsoft shareholder approval contemplated by clause 3.1(a) is not obtained within three months of the date of this deed or the written confirmation contemplated by clause 3.1(c) is not obtained before the date for settlement of the sale and purchase of the Shares under clause 4.3 (each date being, as applicable, the "**Drop Dead Date**"), then:

- (a) the Shareholders, acting reasonably and in good faith, must discuss, and seek to agree, whether to extend the Drop Dead Date (and make any necessary modifications to this clause 3.4); and
- (b) if the Shareholders cannot agree under sub-clause (a) within 10 working days after the relevant Drop Dead Date, then either Shareholder may terminate this deed and the Accounting Agreement by written notice to the other parties.

4. SHARE ACQUISITION AND WINDING UP

4.1 Subject to the approval of the shareholders as contemplated by clause 3, SHGH will sell legal and beneficial ownership (free of security interests, encumbrances and adverse interests) of:

- (a) 3,839,785 Shares to Silverlake; and
- (b) 3,689,205 Shares to HGH.

The sale price for the Shares will be the fair market value of Shares as at the date of this deed, with the consideration payable being offset against that party's Shareholder Loan. No cash is required to be paid.

- 4.2 The parties agree that the fair market value of Shares as at the date of this deed will not be sufficient to satisfy the Shareholder Loans.
- 4.3 Settlement of the sale and purchase of the Shares in accordance with clause 4.1 will occur on the first working day after the shareholders of Finzsoft approve the sale as contemplated by clause 3. At settlement:
 - (a) each Shareholder will procure the director it has appointed to the board of SHGH (and Silverlake will use best endeavours to procure Mohd Munir Abdul Majid) to:
 - (i) pass such director resolutions as are required to give effect to the sale of the Shares and the repayment of the Cash to Silverlake in accordance with clause 2.2(b);
 - (ii) duly execute the Share transfers transferring the Shares as referred to in clause 4.1; and
 - (iii) provide the Share transfers to each Shareholder respectively;
 - (b) SHGH will pay to Silverlake all Cash it then holds in part repayment of the outstanding amount of the Shareholder Loan owed to Silverlake; and
 - (c) subject to the actions in sub-clauses (a) and (b) above occurring, each Shareholder will forgive the balance of the outstanding Shareholder Loan owed to it by SHGH in proportion to their respective shareholding in SHGH in two stages; the first being the debt forgiven by both Shareholders, and the second being the balance (if any) forgiven by Silverlake. The parties acknowledge that the second stage may give rise to taxable income but that this would be covered by SHGH's tax losses. The forgiveness of the Shareholder Loans will be recorded by a deed drafted by the Accountant.
- 4.4 Each Shareholder hereby approves the matters referred to in clause 4.3 for the purposes of section 129 of the Companies Act 1993.
- 4.5 Once the acquisition of the Shares by Silverlake and HGH has been completed, the Shareholders agree to jointly instruct the Accountant to wind up SHGH. The method of winding up shall be determined by the Accountant, being the method it believes is the most efficient and lowest cost. Silverlake and HGH each agree to provide all information and assistance as required by the Accountant to complete the prompt winding up of SHGH, and agree, subject to clause 4(a)(vi)(A) of the Accounting Agreement, to equally share the cost of winding up SHGH.
- 4.6 The obligation of Silverlake in clause 4.3(a) to use best endeavours to procure that Mohd Munir Abdul Majid undertakes the actions in that clause:
 - (a) is, subject to clause 5, without prejudice to either Shareholder's position regarding the independence of Mohd Munir Abdul Majid; and

- (b) does not constitute in any manner an admission by Silverlake in relation to Mohd Munir Abdul Majid's independence for the purposes of the SHGH constitution or otherwise.

5. FULL AND FINAL SETTLEMENT

- 5.1 The parties agree that, once all of the steps taken in clauses 2.2(a) to 2.2(c) have been completed, they fully and finally release each other from all claims, suits, actions, demands and/or proceedings (including, without limitation, claims in respect of costs, damages, expenses, interest, liabilities or losses of any nature whether actual or contingent), however and whenever arising out of or in any way relating to all Disputed Matters.
- 5.2 For the avoidance of doubt, clause 5.1 only takes effect from completion of the steps in clauses 2.2(a) to 2.2(c) above. However, prior to clause 5.1 taking effect, the parties agree not to make any claim or commence or continue any legal action against any other party in respect of a Disputed Matter but without prejudice to the right to do so if this deed is terminated for any reason without completion of the steps in clauses 2.2(a) to 2.2(c).
- 5.3 This clause 5 does not prevent any party from enforcing this deed (including any provisions of this deed dealing with costs) or the Accounting Agreement, including taking legal action in respect of a breach of this deed or the Accounting Agreement.
- 5.4 This deed and the Accounting Agreement do not constitute any admission of liability by any party in respect of any Disputed Matter.

6. TERMINATION

- 6.1 If, before clause 5.1 takes effect:
 - (a) a party defaults on its obligations under this deed and does not remedy that default within five working days of being requested to do so in writing by another party; or
 - (b) a party defaults on its obligations under this deed in material manner and that default is incapable of remedy,

a party who is not in default may terminate this deed and the Accounting Agreement by written notice to the other parties. Termination will not affect liabilities that accrued prior to termination.
- 6.2 This deed and the Accounting Agreement cannot be terminated after clause 5.1 takes effect.

7. CONFIDENTIALITY

- 7.1 Subject to clause 7.2, each party shall keep confidential, and make no disclosure of:
 - (a) the contents of the Accounting Agreement; and
 - (b) all information obtained from the other parties under this deed or in the course of negotiations in respect of this deed,

(together "**Information**").

7.2 Information may be disclosed by a party if:

- (a) the form and timing of the disclosure is agreed upon by the parties; or
- (b) disclosure is required by law or the rules of any securities exchange; or
- (c) disclosure is necessary to fulfil obligations under this deed; or
- (d) that Information already is, or becomes, public knowledge other than as a result of a breach of clause 7.1 by that party; or
- (e) disclosure is made to a lawyer or accountant for that party.

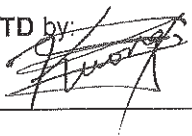
8. GENERAL

- 8.1 Each party shall each pay its own costs of and incidental to the negotiation, preparation, execution and (unless otherwise expressly provided in this deed) implementation of this deed.
- 8.2 This deed shall be binding on the parties, their successors and assigns and the name of a party appearing herein shall be deemed to include the names of any such successor or assign.
- 8.3 This deed constitutes the entire agreement, understanding and arrangement (express and implied) between the parties relating to the subject matter of this deed and supersedes and cancels any previous agreement, understanding and arrangement relating thereto whether written or oral.
- 8.4 Without limiting clause 3.2 or 4.5, each party agrees to execute and deliver any documents and to do or procure all other acts and things as may reasonably be required by the other party (or parties) to obtain the full benefit of this deed according to its true intent.
- 8.5 This deed may be executed in one or more counterparts (including PDF/email copies) and, provided that each party has executed a counterpart, the counterparts together shall constitute a binding and enforceable agreement between the parties.
- 8.6 This deed is governed by and is to be construed in accordance with New Zealand law. Each party submits to the non-exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this deed.
- 8.7 HGH and Silverlake, as the only shareholders in and entitled persons of SHGH, approve this deed and the Accounting Agreement and the performance of this deed and the Accounting Agreement for all relevant purposes under the Companies Act 1993 (including section 107(3)) and the SHGH constitution.

SIGNED AS A DEED

SILVERLAKE AXIS LTD by:

y



Signature of director

Yong Sin Kwong

Name of director

HGH (ICT INVESTMENTS NO. 2) LIMITED

by:

and witnessed by:

Signature of director

Name of director

Signature of witness

Name of witness

Occupation

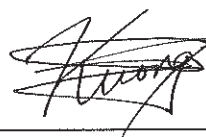
City/town of residence

SILVERLAKE HGH LIMITED by:

Signature of director

Name of director

y



Signature of director

Yong Sin Kwong

Name of director

SIGNED AS A DEED

SILVERLAKE AXIS LTD by:

Signature of director

Name of director

HGH (ICT INVESTMENTS NO. 2) LIMITED

by:

and witnessed by:



Signature of witness

Frances Holliday

Name of witness

EA

Occupation

Tauranga

City/town of residence


SILVERLAKE HGH LIMITED by:



Signature of director

Andrew Holliday

Name of director



Signature of director

Andrew Holliday

Name of director

Signature of director

Name of director