

13 March 2020

Notice of Sale and/or Buyback of Minimum Holdings

Geneva Finance (NZX:GFL) appreciates the support of its shareholders, but is aware that it is difficult for many small shareholders to sell their GFL shares, as they either do not have a share broker, or the cost of brokerage is disproportionately high relative to the value of their shareholding.

In addition, Geneva is concerned at the ongoing high cost of maintaining a share register comprising a large number of very small holdings.

Under Geneva's constitution and the NZX Listing Rules, GFL is permitted to exercise a power of sale of shares held by any person with less than a Minimum Holding. The NZX Listing Rules prescribes a Minimum Holding as being \$1,000 of shares.

The Geneva Board has determined that it will exercise its power of sale of shares held by any person with less than \$1,000 of shares, calculated at a price per share of \$0.437, being the Average Market Price* of Geneva's shares based on a Relevant Date of 12 March 2020.

In accordance with clause 4.5 of Geneva's constitution and NZX Main Board Listing Rule 8.1.6 (c), the Board hereby gives notice to shareholders that at the expiration of three months after this notice, being 15 June 2020, the Board will, unless shareholders increase their shareholding to more than \$1,000 of shares (calculated at a price per share of \$0.437), exercise the power of sale of individual holdings of less than \$1,000 of shares in the manner described below.

There is no **cost of brokerage** for participating in this sale facility and Geneva will pay the proceeds to you after deducting reasonable sale expenses.

Shareholders with fewer than \$1,000 of shares will have three months to make a decision in respect of their small shareholdings by choosing one of the following two options:

Option 1: Do nothing and Geneva will sell your shares on your behalf.

After 15 June 2020 a broker, instructed by Geneva, will sell your shares through the NZX (or in some other manner approved by the NZX (which may include Geneva repurchasing the shares)) and, subject to the costs not exceeding the proceeds, you will receive the proceeds from the sale of your shareholding, less reasonable sale expenses. While the sale expenses will not be certain until completion of the sale process, it is anticipated that this will be approximately \$5.00 per shareholder. Therefore, if you hold less than \$5.00 worth of shares, you are not likely to receive any proceeds from the sale of your shares.

You will receive the proceeds from your shareholding as soon as practicable after the sale of your shares. The proceeds will be deposited into the bank account Link has on record for you. You should therefore ensure these details are up to date. Bank account details can be updated online by visiting the Link Investor Centre at www.linkmarketservices.co.nz.

Any tax consequences from the sale of your shares will be your responsibility.

It is proposed that:

- The shares will be offered for sale both off market and on the NZX trading platform for a period of 10 trading days commencing shortly after 15 June 2020 at minimum price equivalent to the Average Market Price of Geneva's shares based on a Relevant Date of 15 June 2020.
- Any shares not sold in the manner described above will be repurchased by Geneva at the volume weighted average price of the shares sold, or if no shares are sold, at the 15 June 2020 Average Market Price; and
- Any share repurchased by Geneva will be cancelled, thereby reducing the total number of Geneva shares on issue. As such, every remaining Geneva shareholder will gain a small increase in their proportionate equity holding.

Option 2: Increase your shareholding:

Purchase additional shares to increase your holding to more than \$1,000 of shares (calculated at a price per share of \$0.437). Geneva is not providing a facility for this and you may have to pay applicable brokerage fees. **The purchase of additional shares must be settled prior to 15 June 2020** and be registered in the same holding as your existing shares. If your shareholding meets the \$1,000 threshold by 5pm on 15 June 2020 your shares will not be sold.

David Smale

Chairman

** Average Market Price means, on the relevant date, the lesser of the volume weighted average price of Geneva's shares calculated from trades through the NZX Main Board over the following two periods:*

(a) 20 Business Days before the Relevant Date ,or

(b) 5 Business Days before the relevant Date.