

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

## MARKET ANNOUNCEMENT

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

3 May 2022

#### **Air New Zealand Rights Offer period closes and bookbuild commences**

Air New Zealand is pleased to announce that it has closed its 2 for 1 pro rata renounceable rights offer ("Rights Offer") which was announced on 30 March 2022 as part of its broader recapitalisation. The next phase is to undertake a shortfall bookbuild. The Rights Offer is still expected to complete on Monday 9 May 2022.

The Rights Offer closed on Monday, 2 May 2022 and received strong support, with approximately 1,972 million shares being taken up by Eligible Shareholders. This represents a take up rate of approximately 88% of the new shares offered under the Rights Offer to Eligible Shareholders, including the Crown's participation (who will maintain a majority shareholding of 51% in Air New Zealand post-Rights Offer). Gross proceeds from the take up of shares by Eligible Shareholders under the Rights Offer are approximately NZ\$1,045 million. Applications were also received from Eligible Shareholders for a further \$71 million<sup>1</sup> in oversubscriptions.

#### **Shortfall Bookbuild**

A bookbuild of approximately 274 million shares not taken up by Eligible Shareholders under the Rights Offer, including the shares attributable to Ineligible Shareholders, will be conducted during the course of this evening, 3 May 2022, and tomorrow, 4 May 2022 ("Shortfall Bookbuild"). Further details on the shortfall bookbuild are set out in the Offer Document dated 30 March 2022.

The price at which new shares will be issued under the Shortfall Bookbuild is the Bookbuild Price. The Bookbuild Price will be determined by Air New Zealand in consultation with the underwriters on 4 May 2022 and will be equal to or above the Rights Offer price of NZ\$0.53 per new share. Eligible Shareholders who applied for Additional New Shares in the Shortfall Bookbuild will be allocated shares at the Bookbuild Price (subject to scaling).

Ineligible Shareholders and Eligible Shareholders who did not take up their full entitlements in the Rights Offer will receive a pro rata share of any premium between the Bookbuild Price and

---

<sup>1</sup> This includes AUD demand for oversubscriptions which has been converted to NZD assuming an exchange rate of 0.91

the Rights Offer price (net of any amounts required to be withheld). There is no guarantee that any value will be received from the Shortfall Bookbuild by Ineligible Shareholders or Eligible Shareholders who did not take up their full entitlement.

Any premium achieved in the Shortfall Bookbuild that is payable to Shareholders who receive dividends in Australian dollars will be paid in Australian dollars at the A\$:NZ\$ exchange rate published by the Reserve Bank of New Zealand on its website at 3.00pm (NZST) on 3 May 2022 in accordance with the terms set out in the Offer Document dated 30 March 2022.

In the event of excess demand received in the Shortfall Bookbuild, scaling will be applied (including with respect to oversubscriptions) in accordance with the terms set out in the Offer Document dated 30 March 2022. The underwriters of the offer, Citigroup Global Markets Limited and UBS New Zealand Limited, have agreed to take up any shares which are not taken up in the Shortfall Bookbuild.

### **Settlement and allotment**

*ASX Shares:* Settlement of ASX shares for the Rights Offer and Shortfall Bookbuild is expected to occur on Friday, 6 May 2022, with allotment on Monday, 9 May 2022.

*NZX Shares:* Settlement and allotment of NZX shares are both expected to occur on Monday, 9 May 2022.

*Trading recommences:* Trading of new shares issued under the Rights Offer and the Shortfall Bookbuild is expected to commence on NZX and on ASX on Monday, 9 May 2022 under existing NZX ticker AIR/ASX ticker AIZ.

*Ranking of shares:* All new shares issued under the Rights Offer and the Shortfall Bookbuild will rank equally with Air New Zealand's existing ordinary shares.

Defined terms in this announcement have the meaning given to them in the Offer Document.

### **Trading conditions**

Air New Zealand continues to see encouraging signs in recent passenger booking activity on short haul and international services as a result of the Government's plan for New Zealand border opening. If these signs continue through to the end of FY22, and there are no additional adverse impacts on the business, Air New Zealand's losses before significant items and taxation for FY22 could be better than currently expected. However, the macro-economic environment remains uncertain as a result of the disruption caused by the impact of Omicron and other Covid-19 variants, and the current conflict in Ukraine. Continued volatility in jet fuel prices is also a risk to any business improvement.

*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)

For investor relations queries please contact:

Leila Peters  
GM Corporate Finance  
Email: leila.peters@airnz.co.nz

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

### **IMPORTANT INFORMATION**

This communication is not for distribution or release in the United States. This communication does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The Rights and the New Shares have not been, and will not be, registered under the US Securities Act of 1933 (US 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 or to any person acting for the account or benefit of any person in the United States, except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.