

NZX Release

28 July 2020

### Update on the Augusta Capital Limited Takeover Offer

Centuria New Zealand Holdings Limited ("Centuria") has today announced that it has received acceptances in respect of its full takeover offer (the "Offer") which bring its ownership of Augusta to more than 75%.

On 13 July 2020, the Independent Directors released a Target Company Statement ("TCS") in response to the Offer, in which they recommended that, in the absence of a superior proposal, shareholders ACCEPT the Offer for all of their shares in Augusta. Today, the Independent Directors reiterate and affirm that advice.

The Offer has already been declared unconditional by Centuria which means if Centuria does not achieve acceptances that take it above the 90% threshold where it can compulsorily acquire all remaining shares, the Offer will close with Centuria owning more than 75% of the shares. At that level, Centuria will be able to exert an increased level of control over Augusta. Centuria will have the power to change the Augusta constitution, reduce the number of Independent Directors to take control of the Board and approve Special Resolutions on its own<sup>1</sup>. Minority shareholders retaining their stake in Augusta will be exposed to these risks. As noted in the TCS, Centuria will also have the ability to direct capital structure and dividend policies at Augusta, and will remain free to compete directly in the New Zealand market while controlling Augusta.

The Independent Directors note that substantially all of the significant institutional shareholders have accepted the Offer and, given the level of acceptances and the Offer being unconditional, no alternative proposal is likely.

In light of these developments, the Independent Directors strongly recommend that remaining shareholders ACCEPT the Offer.

Further detail regarding the reasons for this recommendation are detailed within the TCS. The TCS is available on the NZX website ([www.nzx.com](http://www.nzx.com), NZX code: AUG) and the Augusta website (<https://augusta.co.nz/investor-centre/augusta-capital/2020-takeover/>).

If shareholders have any queries about the Offer which are not addressed by the information that has been provided, please email Augusta at [takeover@augusta.co.nz](mailto:takeover@augusta.co.nz).

**-ENDS-**

For further information, contact:

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Chairman

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<sup>1</sup> NZX Listing Rules on Board composition and related party transactions will still apply if Augusta remains listed. For example, these require at least two independent directors on the Augusta Board and for a majority of shareholders other than Centuria to give approval to certain material transactions between Augusta and Centuria.