

Dividend Reinvestment Plan

Summerset Group Holdings Limited

22 February 2021



This is an important document. You should read the whole document before making any decisions. If you have any doubts as to what you should do, please consult your broker, financial, investment or other professional advisor.

Summerset dividend reinvestment plan

Summerset Group Holdings Limited has established a Dividend Reinvestment Plan which offers you the opportunity to reinvest dividends received on some or all of your existing Shares into Additional Shares free of brokerage charges. Participation in the Plan is optional. This Offer Document explains how the Plan works.

Capitalised terms used in this Offer Document have the meaning set out in the Definitions on page 12.

Key features

Shares instead of Dividends

The Plan gives you the opportunity to reinvest the net proceeds of cash dividends payable or credited on your Shares in Additional Shares. This provides a simple and convenient method for you to increase your investment in Summerset free of brokerage charges.

Eligibility

You are eligible to participate in the Plan if you hold Shares and you have an address in New Zealand or Australia.

Full or Partial Participation

You can choose to participate in the Plan in respect to some or all of your Shares. Your participation in the Plan will apply from the first Record Date which occurs after your Participation Election is received or, if your Participation Election is received after a Record Date but before 5:00pm on an Election Date, from the Record Date immediately preceding that Election Date.

Participation in the Plan is optional. If you do not wish to participate in the Plan, you do not need to do anything. If you do not participate in the Plan you will receive in cash any dividends paid on all of your Shares.

If you change your mind at a later date and wish to participate in the Plan, you can do so by making your Participation Election online at: <https://investorcentre.linkmarketservices.co.nz> or by completing a Participation Notice and returning it to the Share Registrar.

Flexible Joining, Variation and Withdrawal Arrangements

You can choose to participate in the Plan, vary your participation, or withdraw from the Plan at any time. Any variation or withdrawal will take effect on the first Record Date after receipt of your new Participation Election or written termination notice or, if your new Participation Election or written termination notice is received after a Record Date but before 5:00pm on an Election Date, from the Record Date immediately preceding that Election Date.

Issue Price

Additional Shares will be issued under the Plan at the Strike Price. The Strike Price will be calculated as the volume weighted average sale price for a Share based on all trades of Shares on the NZX Main Board over a period of five trading days immediately following the relevant Record Date (subject to adjustment by Summerset for any exceptional or unusual circumstances), less a discount (if any) as determined by the Board. Any discount will be announced by Summerset no later than 10 trading days prior to the relevant Record Date and will not exceed 5%.

Shares Rank Equally

Additional Shares issued under the Plan will rank equally in all respects with each other and with all other Shares on issue at that date.

Terms and conditions

1. Introduction

This Offer Document contains the terms and conditions of the Summerset Dividend Reinvestment Plan.

The Plan is available to you (“you”) if, subject to clauses 3 and 4, you are the holder of ordinary shares in Summerset.

Under the Plan, you may elect to reinvest the net proceeds of cash dividends payable or credited on all or some of your fully paid Shares by acquiring Additional Shares.

The Record Date for determining your entitlement to Additional Shares under the Plan is 5:00pm on the date fixed by Summerset for determining entitlements to dividends payable or credited on Shares.

This Offer Document replaces an offer document dated 29 April 2016 and has been prepared as at 22 February 2021.

2. Available Options

You may elect to participate in the Plan by exercising one of the following options:

- (a) **Full Participation** – If you choose full participation, the Plan will apply to the cash dividends payable or credited from time to time in respect of all Shares registered in your name.
- (b) **Partial Participation** – If you choose partial participation, the Plan will only apply to the cash dividends payable or credited from time to time in respect of your nominated percentage of Shares registered in your name.

If you do not wish to participate in the Plan and instead wish to receive any dividends payable or credited in respect of your Shares from time to time in cash, you do not need to do anything.

3. Overseas Shareholders

- 3.1 Summerset may, in its absolute discretion, elect not to offer participation in the Plan to shareholders whose address is outside New Zealand if Summerset considers that to do so would risk breaching the laws of any other jurisdiction and it would be unduly onerous to ensure that the laws of those jurisdictions are complied with. As at the date of this Offer Document, the Plan is

only available to holders of Shares who have an address in New Zealand or Australia. However, the Board may amend this policy at any time, in its sole discretion.

- 3.2 If you do not reside in New Zealand or any other jurisdiction in respect of which the Plan is made available and you participate in the Plan through a nominee resident in New Zealand or any other such jurisdiction you will be deemed to represent and warrant to Summerset that you can lawfully participate through your nominee. Summerset accepts no responsibility for determining whether any person is able to participate in the Plan under laws applicable outside of New Zealand or any other jurisdiction in respect of which the Plan is made available.

4. Exclusion where Liens or Charges over Shares

If you hold any Shares over which Summerset has a lien or charge, those Shares will not be eligible to participate in the Plan.

5. Participation Election

- 5.1 To participate in the Plan you must make a Participation Election in one of the following ways:
 - (a) **Online Election** – By visiting the website of Summerset’s Share Registrar, Link Market Services:
<https://investorcentre.linkmarketservices.co.nz>
Select “SUM – SUMMERSET GROUP HOLDINGS LIMITED” as the issuer from the dropdown box on the page. You will be required to enter your CSN/Holder Number and FIN before you can make your Participation Election. Once you have entered these details, you should click “Payment and Tax”, then “Reinvestment Plans”, and tick the applicable box to participate in the Plan. If you make an online election, you will be required to confirm that you have read, understood and complied with the terms and conditions of the Plan; or
 - (b) **Participation Notice** – By completing the enclosed Participation Notice which accompanies this Offer Document and returning it to Summerset’s Share Registrar in one of the following manners:

Mail:

Link Market Services Limited
PO Box 91976
Auckland 1142
New Zealand

Scan and email:

operations@linkmarketservices.co.nz

Fax: +64 9 375 5990

or such other person or address as Summerset may determine from time to time.

- 5.2 You can make your Participation Election at any time while this Plan is in effect by following one of the steps in clause 5.1. Participation Notices can be obtained from Summerset's Share Registrar at any time.
- 5.3 If your Participation Election does not specify your degree of participation in the Plan, you will be deemed to have chosen full participation if your Participation Election is otherwise correctly completed and signed.

6. Participation Applies from First Election Date

Net proceeds of cash dividends payable or credited on your Participating Shares will be reinvested in Additional Shares from the first Record Date which occurs after receipt by Summerset of a properly completed Participation Election or, if your Participation Election is received after a Record Date but before 5:00pm on an Election Date, from the Record Date immediately preceding that Election Date.

7. Formula for Calculation of Additional Shares and Strike Price

If you choose to participate in the Plan, the number of Additional Shares you will be allotted will be calculated in accordance with the following formula:

$$N = \frac{PS \times D}{\text{Strike Price}}$$

Where:

N is the number of Additional Shares you will receive (subject to clause 8.1).

PS is the number of your Participating Shares.

D is the net proceeds of cash dividends paid or credited per Share by Summerset (expressed

in cents and fractions of cents, including any applicable supplementary dividends in respect of Participating Shares payable to non-resident shareholders but excluding any tax credits and after deduction of any withholding or other taxes, if any).

Strike Price is the volume weighted average sale price in New Zealand dollars (expressed in cents and fractions of cents) for a Share calculated on all trades of Shares which took place through the NZX Main Board over the period of five trading days immediately following the Record Date less a percentage discount (if any) determined by the Board in its absolute discretion, provided that any such discount shall not exceed 5%. If no sales of Shares occur during those five trading days, then the volume weighted average sale price will be deemed to be the sale price for a Share on the last trade of Shares which took place prior to such trading days as determined by NZX Limited. The Strike Price may be reasonably adjusted by Summerset to allow for any bonus issue or dividend or other distribution expectation. If, in the opinion of the Board, any exceptional or unusual circumstances (including any unusual or irregular trades) have artificially affected the Strike Price, Summerset may make such adjustment to that price as it considers reasonable. Any percentage discount determined by the Board shall be notified to NZX Limited not later than 10 trading days prior to the relevant Record Date.

The price at which your Additional Shares will be allotted will be the Strike Price. The determination of the Strike Price by the Board, or by some other person nominated by the Board, will be binding on all participants in the Plan.

8. Fractional Entitlements

- 8.1 Where the number of Additional Shares calculated in accordance with clause 7 is not a whole number, then the number of Additional Shares you receive will be rounded down to the nearest whole number of Additional Shares.
- 8.2 Any net proceeds of cash dividends paid or credited per Share by Summerset which are not applied to the acquisition of Additional Shares (due to the operation of clause 8.1) shall be held to your order and applied under the Plan on your behalf the next time the Plan operates. You will not accrue interest on any amount held to your order.

8.3 Should you:

- (a) terminate your participation in the Plan; or
- (b) cease to be a shareholder of Summerset, any amount, which at the time is held to your order in accordance with clause 8.2, shall be forfeited.

9. Compliance with Laws, Listing Rules and Constitution

- 9.1 The Plan will not operate to the extent that the allotment of Additional Shares under the Plan would breach any applicable law, the NZX Main Board Listing Rules or any provision of the Constitution.
- 9.2 If, for any reason, Summerset cannot allot your Additional Shares, the relevant dividend on your Participating Shares will be paid or distributed to you in the same manner as to shareholders not participating in the Plan. You will not be paid interest on any such payment.

10. Issue of Additional Shares

Summerset will allot your Additional Shares in accordance with clauses 7 to 9 on the day that you would otherwise have been paid a dividend.

11. Share Price Information Publicly Available

Summerset will ensure that at the time the Strike Price is set under clause 7 it will have no information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the Shares if it was publicly available.

12. Terms of Issue and Ranking of Additional Shares

Your Additional Shares will be allotted on the terms set out in this Plan, subject to the rights of termination, suspension and modification set out in clause 14. Your Additional Shares will, from the date of allotment, rank equally in all respects with each other and with all other Shares on issue as at that date.

13. Source of Additional Shares

Your Additional Shares may, at the Board's discretion, be:

- (a) new Shares issued by Summerset;
- (b) existing Shares acquired by Summerset or a nominee or agent of Summerset; or

- (c) any combination of (a) and (b) above.

14. Statements

If you choose to participate in the Plan, Summerset will send a statement to your address or electronic mail address (if you have elected to receive communications electronically) as set out in Summerset's share register within five trading days of the allotment of Additional Shares detailing:

- (a) the number of your Participating Shares as at the Record Date;
- (b) the amount of your cash dividend reinvested in Additional Shares and the amount paid in respect of any of your Shares that are not participating in the Plan (if applicable);
- (c) the Strike Price and number of Additional Shares you were allotted under the Plan;
- (d) advice as to the amount held to your order under clause 8.2 of the Plan;
- (e) the amount of any tax deductions or withholdings, imputations or other taxation credits in respect of the cash dividend; and
- (f) such other matters required by law with respect to dividends and/or reinvestment.

15. Termination, Suspension and Modification

The Board may, in its sole discretion, at any time:

- (a) terminate, suspend or modify the Plan. If the Plan is modified, your Participation Election will be deemed to be a Participation Election under the modified Plan unless you withdraw or modify your Participation Election in accordance with clause 17;
- (b) resolve that some or all of a dividend will be paid in cash only instead of the Plan applying;
- (c) resolve that in the event of the subdivision, consolidation or reclassification of the Shares into one or more new classes of shares, your Participation Election will be deemed to be a Participation Election in respect of the Shares as subdivided, consolidated or reclassified unless you withdraw or modify your Participation Election in accordance with clause 17;
- (d) resolve that the Plan may be underwritten on such terms as may be agreed between Summerset and an underwriter;
- (e) resolve that your Participation Election will cease to be of any effect; or

- (f) determine that Additional Shares may be issued at a discount to the market price of Shares and the amount of any such discount.

16. Prior Notice

You will be sent written notice by Summerset of any modification or termination to the Plan at your address or electronic mail address (if you have elected to receive communications electronically) as set out in Summerset's share register prior to the Record Date on which any modification or termination will take effect, unless Summerset:

- (a) modifies or terminates the Plan to comply with any applicable law, the listing rules of any stock exchange on which the Shares are quoted or any provision of the Constitution; or
- (b) makes minor amendments to the Plan where such amendments are of an administrative or procedural nature, in which case no notice need be given.

17. Variation or Termination

You may at any time:

- (a) increase or decrease the number of your Participating Shares by making a new Participation Election in accordance with clause 5.1; or
- (b) terminate your participation in the Plan by written notice to Summerset's Share Registrar at the address set out in clause 5.1.

Such variation or termination will take effect on the first Record Date after receipt by Summerset's Share Registrar of the new Participation Election or the written termination notice, as the case may be or, if your new Participation Election or written termination notice is received after a Record Date but before 5:00pm on an Election Date, from the Record Date immediately preceding that Election Date.

18. Partial Dispositions

If you dispose of any of your Participating Shares, you will be deemed to have terminated your participation in the Plan with respect to the Participating Shares you disposed of from the date Summerset's Share Registrar registers a transfer of those Participating Shares.

19. Dispositions of all of your Participating Shares

If you dispose of all of your Participating Shares, you will be deemed to have terminated your

participation in the Plan from the date Summerset's Share Registrar registers a transfer of those Shares.

20. Taxation

For New Zealand tax purposes, if you reinvest the net proceeds of your cash dividends to acquire Additional Shares, you should be treated in the same way as if you had not participated in the Plan. This means that if you participate in the Plan, you should derive dividend income of the same amount that you would have derived had you not participated in the Plan. The taxation summary above is based on New Zealand taxation laws as at the date of this Offer Document and is, of necessity, general. It does not take into account your individual circumstances and the specific tax consequences of your participation or non-participation in the Plan, which may vary considerably. You should not rely on this general summary but should seek your own tax advice. Summerset does not accept any responsibility for the financial or taxation effects of your participation or non-participation in the Plan.

21. Costs

You will not be charged for participation or withdrawal from the Plan. You will not incur any brokerage charges on the allotment of your Additional Shares.

22. Listing Rules

The Plan is subject to the NZX Main Board Listing Rules and to any rules for clearing and/ or settlement which apply to the NZX Main Board from time to time and the ASX Listing Rules (together, the "Rules") and in the event of any inconsistency between the Plan and the Rules, the Rules will apply.

23. Governing Law

The Plan and its operation will be governed by the laws of New Zealand.

24. Dividend Policy

Summerset's current dividend policy can be found on the page that includes information about dividends in its investor centre on its website at www.summerset.co.nz

25. Other Information

You can download an electronic copy of Summerset's most recent Annual Report and Summerset's most recent financial statements (and any auditor's report on those financial statements) from Summerset's website at **www.summerset.co.nz**

Alternatively, you can request a copy of these documents free of charge by writing to Summerset at:

Summerset Group Holdings Limited
Attention: Company Secretary
PO Box 5187
Wellington 6140

Definitions

Additional Shares means the Shares to be issued or transferred to you pursuant to the Plan.

Board means Summerset's board of directors.

Constitution means Summerset's constitution.

Election Date means, in respect of each Record Date, the first trading day after that Record Date or such later date as may be set by the Board and advised to the NZX Main Board.

NZX Main Board means the main board equity security market operated by NZX Limited.

Offer Document means this booklet which sets out the terms and conditions of the Plan.

Participating Shares means the Shares held by you on a Record Date in respect of which you have made a valid Participation Election.

Participation Election means your chosen participation in the Plan, made in one of the ways specified in clause 5.1 of this Offer Document.

Participation Notice means the form of participation notice accompanying this Offer Document.

Plan means Summerset's Dividend Reinvestment Plan established by the Board on the terms and conditions set out in this Offer Document, as amended from time to time.

Record Date means 5:00pm on the date fixed by Summerset for determining entitlements to dividends payable or credited on Shares.

Share Registrar means Link Market Services Limited.

Shares means ordinary shares in Summerset.

Strike Price means the price at which Additional Shares will be issued to you, calculated in accordance with clause 7 of this Offer Document.

Summerset means Summerset Group Holdings Limited.

Directory

Issuer

Summerset Group Holdings Limited

PO Box 5187
Wellington 6140

Phone +64 4 894 7320

Email: investor.relations@summerset.co.nz

Website: www.summerset.co.nz

Share Registrar

Link Market Services Limited

Level 11, Deloitte Centre
80 Queen Street
Auckland 1010

PO Box 91976
Auckland 1142

Phone +64 9 375 5998

Facsimile +64 9 375 5990

Email: enquiries@linkmarketservices.co.nz

Website: www.linkmarketservices.co.nz

Legal Advisors

Russell McVeagh

Level 30, Vero Centre
48 Shortland Street
Auckland 1010

PO Box 8
Auckland 1140

Phone +64 9 367 8000

Instructions

You may make your Participation Election, or vary an existing Participation Election, online by visiting <https://investorcentre.linkmarketservices.co.nz>, instead of completing this Participation Notice (refer to clause 5.1 of the Offer Document for further details).

How to complete this Participation Notice: Read carefully the Terms and Conditions contained in the Offer Document. In this Participation Notice, where the context requires, a reference to "I" includes a reference to "we". If you do not understand the Terms and Conditions, this Participation Notice or if you have any questions about what to do in relation to the Plan, please consult your broker, financial, investment or other professional advisor.

1. Your Details

You should enter the name of the shareholder who wishes to participate in the Plan as recorded in Summerset's share register. For example, if you are a joint shareholder, you should enter the name of all joint shareholders or if you are applying on behalf of a company, you should enter the name of that company. You must also enter the address and CSN for the relevant shareholder. In some cases, the form you receive may already be personalised, in which case you will only need to complete those details which have not been personalised (such as your Participation Election).

2. Participation

- Choose full participation or partial participation in the Plan by ticking the corresponding box.
- If you choose partial participation in the Plan, you must also state the percentage of your Shares that you wish to participate in the Plan.
- Make one application only, whether personally or through a custodian or other nominee shareholder.

3. Certification

I confirm that I wish to apply for the amount of my Shares indicated in this Participation Notice to participate in the Plan, and agree that:

- By applying for participation in the Plan, I acknowledge that I have received the Offer Document containing the Terms and Conditions dated 22 February 2021, and confirm that I have read this Participation Notice and the Offer Document in their entirety. I irrevocably and unconditionally agree to the Terms and Conditions.
- If I am not applying through a New Zealand or Australian resident nominee, I certify that my address is in New Zealand or Australia (as applicable) and I currently hold Shares.
- If I am applying through a New Zealand or Australian resident nominee, I represent and warrant to Summerset that I can lawfully participate in the Plan through my nominee and I currently hold Shares through my nominee.

4. Execution

You should sign this Participation Notice where indicated.

5. Contact Details

Fill in your daytime telephone number and contact name, as we may need to contact you, for example, if you have not filled in this Participation Notice correctly.

Once complete, you should return your Participation Notice to Summerset's Share Registrar in one of the following manners:

Mail:

Link Market Services Limited
PO Box 91976, Auckland 1142, New Zealand

Scan and email: operations@linkmarketservices.co.nz
(please put Summerset DRP in the subject line for easy identification)

Fax: +64 9 375 5990

Participation notice

Summerset Group Holdings Limited - Dividend Reinvestment Plan

You should not complete this form if you wish to receive any dividends declared in cash

The Dividend Reinvestment Plan Offer Document which this Participation Notice accompanies is important. Terms used in this Participation Notice have the meaning given to them in the Offer Document. If you have any questions in relation to the Plan, please consult your broker, financial, investment or other professional advisor. Please see instructions on page 14 of the Offer Document on how to complete this Participation Notice and where to send it.

Summerset offers its shareholders the ability to participate in the Plan on the terms set out in the Offer Document dated 22 February 2021. If you wish to participate in the Plan or to vary your participation in the Plan, you should make a Participation Election by completing this form and sending it to Summerset's Share Registrar.

Alternatively, you may make your Participation Election, or vary an existing Participation Election, online by visiting:
<https://investorcentre.linkmarketservices.co.nz> (refer to clause 5.1 of the Offer Document for further details).

Shareholder Name: _____

(Please provide the exact registered name(s) as it appears on your Security Transaction Statement that your Summerset Shares are held in)

Shareholder's Address: _____

CSN/Holder Number: _____ (You **must** supply your CSN/Holder Number)

I wish to participate in the Plan and request:

☐ **Option 1: Full participation** (including any future Summerset Shares acquired)

OR

☐ **Option 2: Partial participation** (state percentage of Summerset Shares to participate in the Plan: _____%)

Certification

By accepting this offer and participating in the Plan, you are agreeing to the Terms and Conditions set out in the Offer Document and you are providing the certification set out in the instructions for completing this form, under the heading "Certification". Read that section carefully.

Execution*

Holder/Director/Authorised Person Holder/Director/Authorised Person Holder/Authorised Person

Date: _____

- * If a joint holding all holders must sign.
- * If a company is signing, it must be signed on behalf of the company by a person duly authorised for that purpose.
- * If this Participation Notice is signed under a power of attorney, a certificate of non-revocation of power of attorney in the usual form must also be submitted with this Participation Notice.

Participation in the Plan will commence on the first Record Date after receipt by Summerset's Share Registrar of your correctly completed Participation Election or, if your Participation Election is received after a Record Date but before 5:00pm on an Election Date, from the Record Date immediately preceding that Election Date. Your participation in the Plan will continue to apply until you vary or terminate it by written notice in accordance with the Terms and Conditions of the Plan.

Contact Details: Please provide your contact details below

Contact name: _____ Mobile or daytime telephone number: _____

Please send to: Link Market Services Limited, PO Box 91976, Auckland, 1142, New Zealand