

Offer Management Agreement

Terms defined in the Product Disclosure Statement dated 31 March 2016 (the **PDS**) relating to the initial public offering of ordinary shares in Tegel Group Holdings Limited (**Tegel**) have the same meaning in this document.

Tegel, TGHLNZ Limited (**TGHLNZ**), Deutsche Bank AG, Sydney Branch (**DB**), Deutsche Craigs Limited (**DCL**) and Goldman Sachs New Zealand Limited (**GS**) (**DB**, **DCL** and **GS**, together the **Joint Lead Managers**) have entered into an Offer Management Agreement which sets out the terms and conditions under which the Joint Lead Managers will operate the bookbuild process and also in relation to the provision of settlement support in certain circumstances as described below. Under the Offer Management Agreement:

- the Joint Lead Managers accept the appointment to arrange and manage the Institutional Offer and the Broker Firm Offer and provide settlement support in respect of the Institutional Offer; and
- if an Applicant in the Institutional Offer is allocated Offer Shares and fails to settle on those Offer Shares, the Joint Lead Managers are required, in return for receipt of the shortfall Offer Shares, to pay for those shares. The Offer is not underwritten other than in respect of this settlement support. Settlement support is not provided in respect of the Broker Firm Offer or the Priority Offer.

The Joint Lead Managers' obligations under the Offer Management Agreement are subject to certain conditions given for their benefit. If the conditions of the Offer Management Agreement are not satisfied (or waived), the Joint Lead Managers will not be required to perform their obligations under the Offer Management Agreement, including their settlement support obligations described above. That may not necessarily mean that Tegel and TGHLNZ would withdraw the Offer or that the Offer would not proceed.

Any Joint Lead Manager may terminate its obligations under the Offer Management Agreement including its settlement support obligations in certain circumstances, including where on or before completion of the Offer (which is expected to take place on 4 May 2016):

- the Offer is withdrawn by Tegel or TGHLNZ; or
- any material adverse change occurs which could reasonably be expected to give rise to a material adverse change affecting Tegel, any member of the Tegel Group or the Tegel Group considered as one enterprise; or
- Tegel and/or TGHLNZ is prevented from allotting Shares pursuant to the Offer by any applicable laws; or
- a statement in the PDS, the information registered on the Offer Register in respect of the Offer, or the accompanying application forms is or becomes false or misleading or likely to mislead, deceive or confuse (including by omission), or the PDS or the information registered on the Offer Register otherwise fail to comply with laws applicable to the Offer; or
- either of the NZX50 or S&P/ASX 200 indexes declines by a specified percentage over a prescribed time period; or
- an insolvency event occurs in relation to Tegel, TGHLNZ or another member of the Tegel Group; or
- a specified matter, event or circumstance arises and, in the reasonable opinion of the Joint Lead Manager, is likely to have a material adverse effect on certain specified matters, including the likely price that the Offer Shares will trade once quoted on the NZX Main Board, or the Joint Lead Managers' ability to perform their settlement support obligations under the Offer Management Agreement, including if:
 - a representation or warranty contained in the Offer Management Agreement on the part of Tegel or TGHLNZ is not true or correct; or

- a director, officer, shareholder or member of the executive management team of any member of the Tegel Group commits a specified offence;
- there are particular disruptions in certain major financial markets; or
- there is a breach of the Offer Management Agreement by Tegel or TGHLNZ.

Pursuant to the Offer Management Agreement, Tegel has granted an indemnity to the Joint Lead Managers and their respective affiliates in relation to all claims and losses suffered or incurred by the Joint Lead Managers in relation to the Offer or the Offer Management Agreement, provided that Tegel will have no liability if such claim or loss is judicially determined to have resulted from the fraud, gross negligence, wilful default or wilful misconduct of the relevant Joint Lead Manager or its affiliates.

The Offer Management Agreement also sets out a number of representations, warranties and undertakings by Tegel and TGHLNZ to the Joint Lead Managers, and by the Joint Lead Managers to Tegel and TGHLNZ, which are customary for an offer of this nature.

Tegel undertakes not to make any allotments of Shares or other equity securities for a period of 90 days following the date of completion of the Offer, other than pursuant to the Offer, the Offer Management Agreement, any employee share or option plan as disclosed in the PDS, Offer Register or any supplementary PDS or supplementary Offer Register, or with the Joint Lead Managers' consent.