



DIVIDEND

REINVESTMENT

PLAN

Offer Document

This is an Offer Document in respect of Shares offered under the Spark New Zealand Dividend Reinvestment Plan.

It is updated as at 25 August 2020.

Spark New Zealand operates a Dividend Reinvestment Plan which offers Shareholders the opportunity to directly increase their investment in Spark New Zealand.

This booklet explains how the plan works.

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This document is important.

If you do not understand it or are in any doubt as to how to act you should consult your financial adviser.

From the Chair

Shareholders' interests are paramount for Spark New Zealand and your company's primary aim is to increase value for Shareholders. This Dividend Reinvestment Plan gives Shareholders a way to structure their investment in Spark New Zealand according to their own investment needs and goals.

The Plan lets Shareholders conveniently increase their investment in Spark New Zealand without incurring brokerage fees. This booklet explains how the Plan works.

Participation in the Plan is entirely optional. If you wish to conveniently increase your investment in Spark New Zealand, you can enrol in the Plan and Spark New Zealand will reinvest your dividends in additional Shares and pay for them with the net proceeds of your cash dividends. Additional Shares in respect of a cash dividend under the Plan will be issued at the prevailing market price, or (at the Spark New Zealand Board's discretion), at a small discount to the market price.

For the latest dividend information and to see if a discount currently applies go to: investors.sparknz.co.nz

If dividends are an important income source, you can do nothing and you will continue to receive all future dividends as cash without reinvesting the net proceeds or you can choose to receive a mix of both cash dividends and Shares. Please read this booklet thoroughly and consult your own financial adviser if you have any questions.



Justine Smyth

Chair

Choice 1

Reinvest your dividends in further Spark New Zealand Shares

Participation Notice

You should complete a Participation Notice online or a Participation Notice Form (in a form provided by Spark New Zealand from time to time) if you wish to reinvest your cash dividends on all or any of your Shares in further Shares.

If you participate, promptly after each dividend payment date you will be sent a statement detailing your dividend entitlement and the number of additional Shares issued to you under the Plan.

The Participation Notice Form should be delivered to the Registrar at the address on page 19. Online Participation Notice can be completed as per below:

New Zealand registered holders

Go to: <https://investorcentre.linkmarketservices.co.nz>

You will need your CSN/Holder number and FIN to complete the investor validation process.

Australian registered holders

Go to: <https://investorcentre.linkmarketservices.com.au>

You will need your Holder number and Postcode to complete the investor validation process.

Select the 'Reinvestment Plans' from the Payment & Tax Menu to complete your Participation Notice

Level of Participation

You can opt for full or partial participation in the Plan. If you tick the Full Participation box in the Participation Notice, this will cover your current shareholding and any future Shares you acquire or which are allocated to you under the Plan.

If you insert a number in the Partial Participation box of the Notice, this will be treated as partial participation for the number of Shares specified.

If the number you insert in the box exceeds the number of Shares held by you, your application will be deemed to be an application for full participation.

Partial participation in the Plan means that the Terms and Conditions of the Plan will apply, both now and in the

future, only to the number of Shares nominated by you now, until you notify the Registrar in writing of a variation.

Variation or termination of Participation

If, at a later date, you decide you wish to vary or terminate your participation in the plan, simply complete the Participation Notice online or provide written notice to the Registrar at the address on page 19.

Choice 2

Receive dividends in cash

If you do nothing, you will continue to automatically receive by direct credit the net proceeds of any dividend on your Shares which do not participate in the Plan. There will be no reinvestment of those proceeds.

Accordingly, unless you wish to apply for or vary your participation in the Plan, you do not need to complete a Participation Notice.

If, at a later date, you decide you do wish to participate, simply complete the Participation Notice in accordance with the instructions under Choice 1.

To update your direct credit bank account:

New Zealand registered holders

Go to: <https://investorcentre.linkmarketservices.co.nz>

You will need your CSN/Holder number and FIN to complete the investor validation process.

Australian registered holders

Go to: <https://investorcentre.linkmarketservices.com.au>

You will need your Holder number and Postcode to complete the investor validation process.

Select the 'Update Payment Instructions' from the Payment & Tax Menu to update your bank account.

You will still receive a dividend statement by mail or email advising the amount credited. Direct crediting is a more secure and immediate way of receiving your dividend.

Key Features of the Plan

Shares acquired with the net proceeds of cash dividends

The Plan provides Shareholders with an opportunity to reinvest the net proceeds of any cash dividends payable or credited on their Shares, in further Shares. This is a convenient method of increasing your investment by acquiring further Shares free of brokerage charges.

Eligibility

Participation in the Plan is optional and is open to all Shareholders except where Spark New Zealand elects not to offer participation under the Plan to Shareholders whose address is outside New Zealand or Australia if Spark New Zealand considers that to do so would:

- (i) risk breaching the laws of places outside New Zealand or Australia; or
- (ii) be unreasonable having regard to the associated costs of ensuring that the laws of those places are complied with.

Full or Partial Participation

You may elect to participate in the Plan in respect of all or part of your Shares. Participation in the Plan applies to all future dividends on Participating Shares (unless you vary your level of participation).

Dividend Policy

Details of Spark New Zealand's dividend policy from time to time will be available from: investors.sparknz.co.nz

Shares at or around market price

Under the Plan, additional Shares acquired in respect of a cash dividend will be issued at market price as determined around the time of issue, or (at the Spark New Zealand Board's discretion) at a small discount to the market price.

Details of your entitlement

If you elect to participate in the Plan and you have Participating Shares, details of your total dividend entitlement and the number of additional Shares issued or transferred to you under the Plan will be sent to you promptly after each dividend payment date. Please contact the Registrar if you need to change your contact details.

Shares rank equally and can be sold

Shares issued under the Plan will rank equally in all respects with existing Shares and can be sold at any time.

Flexible joining and withdrawal arrangements

Shareholders can join, vary their participation or withdraw from the Plan. Notice of joining, variation, or withdrawal from the Plan received by the Registrar after 5pm (New Zealand time) on an Election Date will be effective as at the following Election Date.

Guide to Completing the Participation Notice

Full Participation

Means that the Terms and Conditions of the Plan will apply, both now and in the future, to your total holding of Shares, unless you vary the number of participating Shares by providing notice to the Registrar or you sell your total shareholding.

Full Participation	Partial Participation
(including any future Spark New Zealand Shares purchased)	(state number of Spark New Zealand Shares to participate)
<input type="text"/>	<input type="text"/>

Partial Participation in the Plan

Means that, if you insert a number in the Partial Participation box in the Participation Notice, this will be treated as partial participation for that number of Shares. This means that the Terms and Conditions of the Plan will apply, both now and in the future, only to the number of your Shares nominated by you on this form, unless you vary the number of participating Shares by providing notice to the Registrar or you sell your total shareholding.

Online Participation Notice can be completed as per below:

New Zealand registered holders

Go to: <https://investorcentre.linkmarketservices.co.nz>

You will need your CSN/Holder number and FIN to complete the investor validation process.

Australian registered holders

Go to: <https://investorcentre.linkmarketservices.com.au>

You will need your Holder number and Postcode to complete the investor validation process.

Select the 'Reinvestment Plans' from the Payment & Tax Menu to complete your Participation Notice.

Terms and Conditions

1. Introduction

Spark New Zealand's Board has approved the establishment of the Spark New Zealand Dividend Reinvestment Plan. The Plan enables Shareholders to reinvest the net proceeds of cash dividends payable or credited on all or some of their Shares by acquiring further fully paid Shares. The terms and conditions of the Plan (the "Terms and Conditions") as determined by the Board are set out below.

Words defined on pages 20 and 21 of this Offer Document have the same meaning in these Terms and Conditions.

2. Participation in the Plan

- (a) Subject to these Terms and Conditions, Spark New Zealand offers to all Shareholders the right to elect to participate in the Plan.
- (b) Spark New Zealand may, in its absolute discretion, elect not to offer participation under the Plan to Shareholders whose address is outside New Zealand or Australia if Spark New Zealand considers that to do so would (i) risk breaching the laws of places outside New Zealand or Australia; or (ii) be unreasonable having regard to the associated costs of ensuring that the laws of those places are complied with. The Board may, in its sole discretion, elect to amend the jurisdictions in which participation is offered under the Plan at any time.
- (c) Shareholders who apply to participate in the Plan and who reside outside New Zealand or Australia will represent and warrant to Spark New Zealand that the offer of the Plan and their participation in it would not breach any laws in their country of residence.
- (d) Any person residing outside New Zealand or Australia who holds Shares through a New Zealand or Australian resident nominee should not allow their nominee to participate in the Plan if participation in respect of their Shares would be

contrary to the laws of their country of residence.

- (e) Any person residing outside New Zealand or Australia who participates in the Plan through a New Zealand or Australian resident nominee will be deemed to represent and warrant to Spark New Zealand that they can lawfully participate through their nominee.
- (f) Spark New Zealand accepts no responsibility for determining whether a Shareholder is able to participate in the Plan under laws applicable outside of New Zealand or Australia.
- (g) Additional Shares to be issued to a Shareholder under the Plan will be issued on the terms set out in this Offer Document and subject to the same rights as Shares acquired by all other Shareholders who participate in the Plan.
- (h) Normal cash dividend payments will be paid out to those Shareholders not participating in the Plan and on a Participant's Non-Participating Shares, and will not be reinvested in further Shares.
- (i) Every shareholder eligible to participate in the Plan shall be given a reasonable opportunity to do so.

3. Participation Notice

- (a) Election to participate in the Plan must be made on the prescribed Participation Notice, in a form provided by Spark New Zealand from time to time, or by electronic means specified by Spark New Zealand from time to time.
- (b) If a correctly completed Participation Notice is received by the Registrar before 5pm (New Zealand time) on an Election Date, participation in relation to the net proceeds of cash dividends payable or credited will commence on that Election Date, otherwise participation will commence on the first Election Date after receipt, subject to any termination of the Plan becoming effective before then.
- (c) A separate Participation Notice must be given by a Shareholder in respect of each holding of Shares identified by a separate holder number or CSN.

4. Degree of participation

- (a) Participation may be either full or partial.
- (b) In the case of full participation in the Plan, these Terms and Conditions will apply to the cash dividends payable or credited in respect of all the Participant's Shares from time to time registered in the Participant's name, until such number of Shares participating in the Plan is varied or participation in the Plan is terminated in accordance with clause 11 of these Terms and Conditions.
- (c) Partial participation applies only to the number of Shares nominated by the Participant in a Participation Notice, as varied from time to time in accordance with clause 11 of these Terms and Conditions. However, if at the relevant Record Date the number of Shares held by the Participant is less than the number of Participating Shares, then the provisions of the Plan will only apply to such lesser number of Shares.
- (d) If the Participation Notice does not indicate the degree of participation, it will be deemed to be an application for full participation provided it is otherwise correctly completed and signed.
- (e) A Participation Notice will not attach to the Shares in respect of which it has been given but will be personal to the Shareholder giving it.
- (f) Any Shares over which Spark New Zealand has a lien or charge under the Constitution or otherwise, for a sum which is presently payable, will not be eligible to participate in the Plan.

5. Operation of the Plan

- (a) By accepting this offer, each Participant directs Spark New Zealand to apply the net proceeds of every cash dividend payable or credited on the Participating Shares held by the Participant on the relevant dividend's Record Date as payment for the Shares to be issued to the Participant, in accordance with the Plan.

Such direction shall continue until the Participant or Spark New Zealand terminates the Participant's

participation in the Plan in accordance with these Terms and Conditions and shall not apply while Spark New Zealand suspends the Plan.

Notice of termination of, or variation in, participation in the Plan must be received prior to 5pm on the relevant Election Date (New Zealand time) to be effective for a particular dividend.

The number of Shares to be issued to the Participant in each case will be determined in accordance with clause 7 of these Terms and Conditions.

- (b) The Board will, on the day that a Participant would have otherwise received the net proceeds of cash dividends on Participating Shares, either issue new Shares or arrange the transfer of existing Shares to the Participant in accordance with clause 7 of these Terms and Conditions
- (c) Additional Shares issued or transferred to the Participant under the Plan will, from the date of allotment, rank equally in all respects with all other fully paid Shares.
- (d) Additional Shares acquired by the Participant under the Plan will be registered on the register where the Participant already holds Shares.

6. Compliance with laws, listing rules and Constitution

- (a) The Plan will not operate in relation to a dividend to the extent that the allotment, issue or transfer of additional Shares under the Plan would breach any applicable law, the listing rules of any stock exchange on which Shares are listed, or any provision of the Constitution.
- (b) If and to the extent that the Plan does not operate for such reason in respect of a Participant's Participating Shares, the relevant dividend on Participating Shares will, until such time as the issue is resolved, be paid or distributed in the same manner as in respect of Shares which are not Participating Shares.

7. Additional Share entitlement

- (a) General: the number of Shares to be issued under the Plan as fully paid to a Participant in a return for a cash dividend will be:
- (i) based on the net amount of the dividend the shareholder would have otherwise received;
 - (ii) and calculated on the basis that the issue price of the Additional Shares will be the market price as determined in accordance with the formula set out below less a discount (if any) at the discretion of the Board.
- (b) The number of Shares to be issued under the Plan as fully paid to a Participant in return for a cash dividend will be calculated in accordance with the following formula:

$$N = \frac{PS \times D + B}{P}$$

Where:

N is the number of additional Shares which the Participant will receive;

PS is the number of Participating Shares;

D is the net proceeds per Share from Spark New Zealand (expressed in cents and decimals of cents, including any 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) of cash dividends paid or credited on that Share and which would otherwise have been paid to a Shareholder in cash if the Shareholder had not elected to participate in the Plan; and

B is the amount, if any, held to the order of the Participant under the Plan in accordance with paragraph 7(f) below as a result of rounding Share entitlements when the Plan last operated;

P is the volume weighted average sale price (expressed in cents and decimals of cents) for a Share, calculated on all price setting trades of Shares which took place through the NZX

Main Board over a period of five Business Days commencing on the Ex Date (less a discount (if any) at the discretion of the Board, as contemplated by paragraph 13(a)(i) of these Terms and Conditions).

- (c) If no sales of Shares occur during such period then the volume weighted average sale price will be deemed to be the sale price for a Share on the first price setting trade of Shares on the NZX Main Board which takes place after such period.
- (d) Any volume weighted average sale price so determined may be reasonably adjusted by the Board to allow for any bonus or dividend or other distribution expectation. If, in the opinion of the Board, any exceptional or unusual circumstances have artificially affected the volume weighted average sale price so determined, the Board may make such adjustments to that sale price as it considers reasonable.
- (e) Where the number calculated in accordance with the preceding provisions is not a whole number, then the number of Shares a Participant receives will be rounded down to the nearest whole number of Shares.
- (f) Any net proceeds per Share as described in the definition of "D" in clause 7(b) above which are not applied to acquire a part of a Share because of clause 7(e) above shall be held to the order of the Participant and applied under the Plan on the Participant's behalf the next time the Plan operates.

Should the Participant:

- (i) terminate his or her participation in the Plan, under clause 11(a)(ii) of these Terms and Conditions; or
- (ii) cease to be a Shareholder of Spark New Zealand, any amount, which at the time is held to the order of the Participant under this clause 7(f), shall be forfeited.

8. Statements to Participants

Spark New Zealand will send to each Participant, promptly after each dividend payment date, a statement detailing in respect of that Participant:

- (a) the number of Participating Shares as at the relevant Record Date;
- (b) the amount of cash dividend reinvested in respect of Participating Shares and the amount of dividend paid in cash on the Non-Participating Shares (if applicable);
- (c) the amount of any taxation deduction made;
- (d) the number of Shares the Participant has received under the Plan and the per unit issue price;
- (e) advice as to the amount of any taxation credits;
- (f) advice as to the amount held to the order of the Participant under the Plan under clause 7(f); and
- (g) such other matters required by law with respect to dividends and/or reinvestment.

Participants should contact the Registrar if they need to change their contact details.

9. No brokerage or commission costs to Participants

No brokerage or commission costs will be payable by Participants in respect of the Shares they receive under the Plan.

10. Source of additional Shares

Additional Shares to be acquired by Participants under the Plan may, at the Board's discretion, be:

- (a) new Shares issued by Spark New Zealand; or
- (b) existing Shares acquired by Spark New Zealand or its nominee or agent and transferred to Participants; or
- (c) any combination of (a) and (b) above.

11. Variation or termination of participation

- (a) A Participant may, at any time, by giving notice to the Registrar:
 - (i) increase or decrease the number of Participating Shares participating in the Plan; or

- (ii) terminate participation in the Plan.
- (b) Such alteration or termination will take effect immediately upon receipt by the Registrar of the notice, provided that any notice received after 5pm (New Zealand time) on an Election Date will take effect on the day following such dividend payment date.
- (c) If a Participant dies, receipt by the Registrar of a notice of death in a form acceptable to Spark New Zealand will be treated as notice under clause 11(a)(ii) of these Terms and Conditions. Death of one of two or more joint holders will not automatically terminate participation.

12. Reduction or termination of participation where no notice given

- (a) Where a Participant with partial participation disposes of part of his or her holding of Shares then, unless the Participant advises the Registrar otherwise:
 - (i) the Shares disposed of will be deemed to be the Participant's Non-Participating Shares; except
 - (ii) if the number of Shares disposed of is more than the number of the Participant's Non-Participating Shares, the balance will be attributed to Participating Shares.
- (b) If a Participant with full participation disposes of part of their holding of Shares without giving the Registrar written notice terminating their participation in the Plan, the Participant will be deemed to have terminated their participation in the Plan with respect to the Shares disposed of by them from the date that Spark New Zealand registers a transfer of those Shares.
- (c) If a Participant disposes of all of their holding of Shares and ceases to be a Shareholder without giving the Registrar written notice terminating their participation in the Plan, the Participant will be deemed to have terminated participation in the Plan from the date that Spark New Zealand registers a transfer of those Shares.

13. The Board's discretion on termination, suspension and modification

- (a) In addition to any other clauses in these Terms and Conditions granting the Board discretion, the Board may also in its sole discretion resolve:
 - (i) that the price at which additional Shares are to be issued under the Plan shall contain a discount to market price;
 - (ii) that participation in the Plan will not apply to the whole or a part of the net proceeds of any cash dividend and that the applicable part will be paid out in cash and not be reinvested;
 - (iii) that a Participation Notice will cease to be of any effect;
 - (iv) that the terms and conditions of the Plan be modified, suspended or terminated;
 - (v) in the event of the subdivision, consolidation or reclassification of Shares into one or more new classes of Shares, that a Participation Notice will be deemed to be a Participation Notice in respect of the Shares as subdivided, consolidated or reclassified unless such Participation Notice is subsequently changed or withdrawn by the Participants; and
 - (vi) that the Plan may be underwritten on such terms as agreed between Spark New Zealand and an underwriter.
- (b) If the Plan is modified under clause 13(a)(iv) then a Participation Notice will be deemed to be a Participation Notice under the Plan as modified unless such Participation Notice is subsequently changed or withdrawn by the Participant.
- (c) Notice of any modification, suspension or termination by Spark New Zealand under clause 13(a)(iv) will be given to all Participants.
- (d) However, no such modification or termination by Spark New Zealand under clause 13(a)(iv) will be made during the period commencing on a date

21 days before a Record Date for the purposes of determining entitlement to a dividend and ending on the date of payment of that dividend.

- (e) Notwithstanding clauses 13(c) and (d), Spark New Zealand may at any time, without the need of any notice:
 - (i) modify or terminate the Plan to comply with any applicable law, the listing rules of any stock exchange on which Shares are listed, or any provision of the Constitution; and
 - (ii) make minor amendments to the Plan where such amendments are of an administrative or procedural nature.

14. Stock Exchange Listing

Spark New Zealand will apply for Shares which may be issued under the Plan to be quoted on the NZX Main Board and the Australian Securities Exchange promptly after they have been issued. NZX and ASX accept no responsibility for any statement in this Offer Document.

15. No inside information

At the time the price for the Shares is set under clause 7 of these Terms and Conditions, Spark New Zealand will ensure that it has 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 the information were publicly available.

16. Taxation

The taxation consequences for each Shareholder should they elect to participate in the Plan will differ depending upon their particular circumstances. Accordingly, each Shareholder should consult their own tax adviser as to the taxation implications of the Plan. Spark New Zealand does not accept any responsibility for the financial or taxation effects of a Shareholder's participation or non-participation in the Plan.

17. Information for Australian Shareholders

- (a) The offer of Shares under the Plan does not require disclosure for the purposes of section 708 of the Corporations Act 2001 (Cth). Accordingly, this Offer Document will not be lodged with the Australian Securities and Investments Commission.
- (b) Australian resident Shareholders should note that Spark New Zealand is not licensed to provide financial product advice in relation to the Shares offered under the Plan. There is no cooling-off regime that applies in respect of the issue of Shares under the Plan. This Offer Document does not take into account your personal objectives, financial situation or needs. You should consider obtaining your own financial product advice in relation to the proposed offer from an independent person who is licensed by Australian Securities and Investments Commission to give such advice.

18. Governing Law

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

19. Available information

Copies of Spark New Zealand's most recent Annual Report, financial statements and auditor's report are available online at: **investors.sparknz.co.nz**.

A hard copy is also available free of charge on request from:

Spark New Zealand Limited Spark City
167 Victoria Street West,
Auckland 1142, New Zealand

FAX: 09 303 3430

EMAIL: investor-info@spark.co.nz

WEBSITE: investors.sparknz.co.nz

20. Registrar's address

The contact details of the Registrar are as follows:

Registrar in New Zealand

Link Market Services Limited,
PO Box 91976, Auckland 1142
Level 11, Deloitte Centre, 80 Queen Street,
Auckland 1010, New Zealand

PHONE: 09 375 5998

FAX: 09 375 5990

EMAIL: enquiries@linkmarketservices.co.nz

NZ CALL FREE: 0800 737 100

WEBSITE: www.linkmarketservices.co.nz

Registrar in Australia

Link Market Services Limited,
Locked Bag A14, Sydney South NSW 1235
Level 12, 680 George Street, Sydney NSW 2000

PHONE: +61 2 8280 7100

FAX: +61 2 9287 0303

EMAIL: registrars@linkmarketservices.com.au

AUS CALL FREE: 1300 554 474

WEBSITE: www.linkmarketservices.com.au

Definitions

The following words have these meanings in this Offer Document:

ASX: ASX Limited.

Australian Securities Exchange: The equity security market operated by ASX.

Board: Spark New Zealand's Board of Directors.

Business Day: A day on which the NZX Main Board and the Australian Securities Exchange are open for trading.

Constitution: Spark New Zealand's constitution.

Election Date: The first Business Day following a Record Date, or such later date as may be set by the Board and advised to NZX and ASX.

Ex Date: The first Business Day before the relevant Record Date, unless NZX determines otherwise.

issue: In the case of existing Shares, includes transfer where the context requires.

Non-Participating Share: A Share registered in the name of a Participant, the dividends on which are not subject to the Plan, and in respect of a particular Election Date, the Non- Participating Shares that are not participating in the Plan on that date.

NZX: NZX Limited.

NZX Main Board: The main board equity security market operated by NZX.

Participant: Any eligible holder of Shares who has completed (and has not withdrawn) a Participation Notice which has been accepted by the Board.

Participating Share: A Share registered in the name of a Participant, the net proceeds of cash dividends on which are subject to the Plan, and in respect of a particular Election Date, the Participating Shares participating in the Plan on that date.

Participation Notice: The Participation Notice for the Plan as approved by Spark New Zealand.

Plan: The Spark New Zealand Dividend Reinvestment Plan established by the Board pursuant to the Constitution on the terms and conditions set out in this Offer Document, as amended from time to time.

Record Date: The date and time fixed by the Board for determining entitlement to the relevant dividend.

Registrar: Link Market Services Limited.

Shares: Ordinary Shares in Spark New Zealand.

Shareholders: Holders of Shares.

Spark New Zealand: Spark New Zealand Limited.



Spark^{nz}

investors.sparknz.co.nz

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