

Tower Limited

Notice of Annual Meeting



Dear Shareholder

On behalf of the Board of Directors, I am pleased to invite you to the 2025 Annual Meeting of Shareholders of Tower Limited (**Tower**) on **11 February 2025** at 10.00am (**NZT**).

Tower's Annual Shareholder Meeting will be a hybrid meeting, held both online at Computershare's online web platform at www.meetnow.global/nz (see the Virtual Meeting Guide released with this Notice of Meeting for more information on how to participate online) and in the World Cup Lounge West (Te Ipu o te Ao Wēta) Level 4, Samsung South Stand, Reimers Avenue, Kingsland, Auckland on Tuesday, 11 February 2025 at 10am (NZT).

The business before the Annual Meeting this year covers the usual administrative matters (Auditor remuneration and Director re-elections), but also the approval of the proposed NZ\$45m capital return. I encourage all shareholders to read the Notice of Meeting and explanatory notes carefully as they provide important information on the capital return in particular.

Business of the meeting

Presentations

- (a) Chair's address
- (b) CEO's address

Resolutions

Auditor Remuneration (Resolution 1)

To consider, and if thought fit, to pass the following by ordinary resolution:

"That the Board be authorised to determine the auditor's fees and expenses for the 2025 financial year."

Re-election of Directors (Resolution 2)

In accordance with NZX Listing Rule 2.7.1, Marcus Nagel retires by rotation, and being eligible, offers himself for re-election. Accordingly, it is proposed that the shareholders consider, and if thought fit, pass the following ordinary resolution for the purposes of NZX Listing Rule 2.7.1:

Resolution 2

Re-election of Marcus Nagel as Director of Tower.

“That Marcus Nagel, who retires by rotation in accordance with NZX Listing Rule 2.7.1, be re-elected as a Director of Tower.”

**Capital Return
(Resolution 3)**

To consider, and if thought fit, to pass the following by special resolution:

“That the scheme of arrangement relating to the return of capital to shareholders, as set out in the Arrangement Document annexed to the Notice of Meeting, dated 10 January 2025, be approved.”

Other business

To consider any other business that may be properly brought before the Annual Meeting.

A handwritten signature in black ink, appearing to read "Michael Stiasny". The signature is fluid and cursive, with a large loop at the bottom.

Michael Stiasny
Chair
10 January 2025

Explanatory Notes

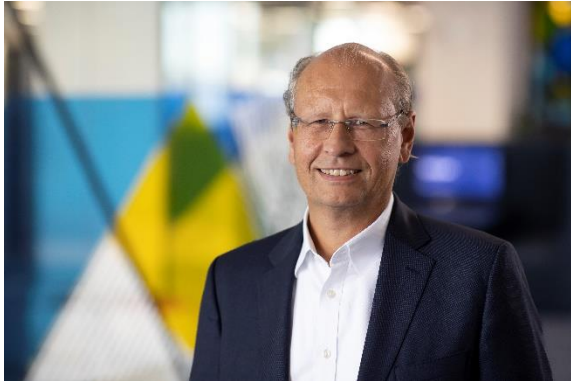
These notes form part of the Notice of Meeting.

Item 1: Auditor Remuneration

Our Auditors, PricewaterhouseCoopers are automatically re-appointed at the Annual Meeting under section 207T of the Companies Act 1993. Consistent with past practice, the proposed resolution is to authorise the Board to fix the fees and expenses of the auditors for the coming financial year.

The Board unanimously recommends that shareholders vote in favour of Resolution 1.

Item 2: Re-election of Marcus Nagel



Marcus was nominated by Bain Capital Credit LP (**Bain Capital**) to represent Bain Capital's stake in Tower (Bain Capital holds 19.99% of Tower's ordinary shares). His election was supported by the Tower Board, noting his position with Bain Capital as a Special Advisor. Marcus is not considered an independent director, and Tower's Board and Bain Capital have agreed and implemented necessary governance and confidentiality protocols to protect the interests of all shareholders.

Marcus has significant experience in the insurance industry having performed senior leadership roles for Zurich in Europe both in life insurance and general insurance. These roles have included being the branch manager of Zurich Insurance plc Germany, and the CEO of Zurich Group Germany. Marcus resides in Schindellegi, Switzerland.

Marcus holds a Masters Degree in Banking and Finance from Goethe University in Frankfurt, Germany and Master of International Management from the Arizona State University Thunderbird School of Global Management in Arizona, United States of America.

The Board unanimously recommends that shareholders vote in favour of Marcus Nagel's re-election (Resolution 2).

Marcus was initially appointed to the Board on 14 January 2019.

Item 3: Capital Return

BACKGROUND

1. On 6 September 2024, Tower announced its intention to undertake a capital return to shareholders, on a pro rata basis, of approximately NZ\$45 million. The amount to be paid out under the proposed capital return will be funded by cash reserves.
2. The Board has determined that this return of capital should be effected by way of a Court approved arrangement under Part 15 of the Companies Act 1993 (NZ) (**Scheme**). The terms of the Scheme are set out in the Arrangement Document included in this Notice of Meeting. The Board considers the proposed

Scheme to be fair to all shareholders as it achieves a return of capital on a pro rata basis, with the result that the transaction does not alter the shareholders' relative voting and distribution rights (subject to very minor rounding differences).

3. The Scheme involves Tower's shareholders having one share cancelled for every ten shares held and receiving a cash sum of \$1.1858 for each share cancelled (with Australian shareholders being paid the Australian dollar equivalent as explained in paragraph 28 below). If the number of shares a shareholder owns is not divisible by ten, then the number will be rounded up or down to the nearest whole number (with 0.5 rounded down).
4. On 2 December 2024, Tower applied to the High Court of New Zealand for an order directing Tower to put the Scheme to shareholders. The Court made initial orders on 16 December 2024 which require (amongst other things):
 - a. the Scheme to be approved by special resolution of shareholders (that is, a resolution passed by a 75% majority of the votes of all shareholders entitled to vote and voting at the meeting); and
 - b. the Board, at its sole discretion, remaining satisfied that Tower is complying with solvency and regulatory capital requirements, including under its capital management process requirements, and that it remains prudent to undertake the Scheme, in each case, up to the time the Scheme is given effect, expected to be in March 2025 (**Key Scheme Condition**). Further detail on the Key Scheme Condition is provided in paragraphs 20 and 21 below.
5. As announced on 21 October 2024, Tower has also already received approval from the IRD confirming that no part of the cash sum paid to shareholders under the Scheme is in lieu of the payment of a dividend (see paragraphs 29 to 32 for further details). Accordingly, this condition of the Scheme has been satisfied. Tower is also seeking a ruling from the Australian Taxation Office (**ATO**) in relation to the tax effect of the capital return for Australian tax purposes on Australian Shareholders. However, this will not be a condition of the Scheme.
6. If the shareholder resolution is passed, Tower will seek final orders from the High Court sanctioning the return of capital. The final orders that are being sought by Tower sanctioning the Scheme are set out in the copy of Tower's application to the Court (dated 28 November 2024), which accompany this Notice of Meeting and are also available on Tower's website: <https://www.tower.co.nz/investor-centre/investor-news-announcements/>.
7. If shareholders do not approve the Scheme or if the Key Scheme Condition does not remain satisfied up to the date the Scheme is given effect (expected to be in March 2025), the Scheme will not proceed and Tower's application to the High Court will be discontinued.

The Directors of Tower unanimously recommend that shareholders vote in favour of the Scheme (Resolution 3).

RATIONALE FOR THE CAPITAL RETURN

8. In December 2023, Tower commenced a strategic review that explored options to maximise value for shareholders and optimise its capital structure to enhance competitiveness in the market. As part of this process, Tower and its financial advisors Goldman Sachs engaged in wide ranging discussions with several parties regarding potential opportunities including partnerships, risk transfer solutions and alternative ownership and capital structures.
9. As announced to the market on 6 September 2024, the Board concluded the strategic review having determined to continue executing Tower's current business strategy under the existing ownership structure, and to pursue organic growth opportunities that deliver accretive value. The details of Tower's

current strategy are set out in Tower's 2024 Annual Report, under the heading "Delivering on our Strategy" commencing on page 9 (available here: <https://www.tower.co.nz/investor-centre/reports/>).

10. As part of the strategic review, the appropriateness of Tower's capital structure was considered in light of the current strategy, which aims to simplify the business by focusing on the core business so as to deliver sustainable growth and efficiencies (the 2024 Annual Report contains further details of this under the heading "Strengthening the Foundations of our Business" on page 32). These simplifications included the sale of businesses in the Pacific Islands and steps taken to manage Tower's insurance risk profile and to use capital more efficiently, including further developing risk-based pricing and the discontinuance of non-core insurance products (such as insuring commercial farms).
11. Given these simplifications and the lack of large-scale claims events which contributed to cash reserves, the Board has concluded that Tower has excess capital relative to the requirements of the business and its prudential capital reserving requirements, including after satisfying its solvency requirements, regulatory solvency requirements and capital management process. This included consideration of:
 - a. Tower's statutory capital adequacy requirements and its solvency position (including that of subsidiaries);
 - b. potential needs for capital expenditure over the next 1 – 2 years;
 - c. Tower's ability to meet all of its liabilities;
 - d. Tower's financial strength rating; and
 - e. likely future revenues and liabilities, including the potential for large event(s), adverse performance relative to forecasts, and other factors.
12. The Board also considered different potential uses for the excess funds, subject to maintaining appropriate headroom above minimum solvency margins, including potential acquisition and investment opportunities. The Board does not believe that any better opportunities exist at present or are likely to exist in the short to medium term for these funds, and this is consistent with the pursuit of organic growth opportunities as previously announced as part of focusing on Tower's core business and efficiencies.
13. It is noted that as at 30 September 2024 (and allowing for payment of the dividend announced on 28 November 2024), Tower had a solvency margin of NZ\$171.4 million, as determined in accordance with the RBNZ's Interim Solvency Standard.
14. After taking into account Tower's balance sheet structure, prudential and solvency requirements, investment opportunities and operating outlook, the Board has determined that approximately NZ\$45 million be returned to shareholders by the Scheme. Immediately following the capital return Tower's solvency margins and ratios will be materially above the minimum prescribed by law.
15. In determining the preferred form of capital return, Tower sought advice from its external legal advisers, investment bankers, appointed actuary, and tax advisers. A range of options were considered, including the payment of a dividend, both on-market and off-market share buyback transactions, and the proposed Scheme. After careful consideration by the Board, the preferred method adopted was the Scheme.
16. In reviewing the options for the return of capital, Tower's objectives included:
 - a. certainty that the return of capital would proceed (with a low level of execution risk);
 - b. ensuring that the payment made to shareholders is appropriately treated as a return of capital for New Zealand tax purposes (see further information under the heading "Taxation – New Zealand" below). Tower is also seeking a ruling from the ATO in relation to the tax effect of the capital return for Australian tax purposes on Australian Shareholders (see further information under the heading "Taxation – Australia" below);

- c. ensuring that the return of capital will be made in a timely manner, so that shareholders receive cash in the near term;
- d. adopting a method that ensured all shareholders are treated on the same basis and that the return of capital does not alter materially any shareholder's proportionate voting or distribution rights; and
- e. ensuring that Tower retained flexibility to cancel the return of capital if needed to comply with its solvency and prudential requirements.

THE SCHEME AND ITS EFFECT

17. Subject to approval by shareholders, the Key Scheme Condition remaining satisfied up to the date the Scheme is given effect (expected to be in March 2025), receipt of final orders from the High Court sanctioning the return of capital, the Scheme will result in:

- a. the cancellation of one (1) in every ten (10) shares held by each shareholder in Tower (together with all rights attaching to those shares) on the Record Date (as defined in paragraph 25 below). Fractions of a share will be rounded up or down to the nearest whole number (with 0.5 rounded down); and
- b. the payment to each shareholder of NZ\$1.1858 for each share cancelled. Shareholders with an address on the register in Australia at 7:00pm (New Zealand time) on the Record Date for determining the shareholders to participate in the Scheme will be paid the NZ\$1.1858 converted into Australian dollars at the exchange rate organised by Tower's share registrar on or about that time, as approved by Tower. In this way, Tower will return to shareholders, on a pro rata basis, approximately NZ\$45 million of capital. On the Record Date, there are expected to be 379,483,987 shares on issue.¹ Based on this number, 37,948,399 ordinary shares will be cancelled (subject to rounding). This will leave the total number of ordinary shares on issue at approximately 341,535,588.

18. A worked example of the impact on a New Zealand tax resident shareholder is set out below:

	Before	After	After (alternative)
Shares held	15,205	13,685	13,685
Share price on close of business following announcement (9 September 2024)	NZ\$1.18		
Assumed share price after the capital return and payment of FY24 final dividend			
- based on closing price on 9 September 2024		NZ\$1.18	
- based on closing price on 28 November 2024, after full year results announcement			NZ\$1.34
Value of shares	NZ\$17,941.90	NZ\$16,148.30	NZ\$18,337.90
FY24 final dividend payment to shareholder (before any NZ resident withholding tax)	-	NZ\$988.33	NZ\$988.33
Capital returned via cash payment to shareholder	-	NZ\$1,802.42	NZ\$1,802.42

¹ This is subject to issuances of shares made under Tower's employee Long Term Incentive Plan. The number of shares issued will be announced on NZX and ASX in accordance with the NZX Listing Rules and ASX Listing Rules.

Value of shares, dividend and capital return	NZ\$17,941.90	NZ\$18,939.05	NZ\$21,128.65
Actual and estimated total shares on issue	379,483,987	341,535,588	341,535,588
Percentage ownership	0.0040%	0.0040%	0.0040%

19. Subject to the approval of shareholders, the final orders from the High Court sanctioning the Scheme are expected to be made on or about 13 March 2025. If shareholders do not approve the Scheme or the Key Scheme Condition does not remain satisfied up to the implementation date when the share cancellation and therefore the Scheme is given effect (see paragraph 25 below), the Scheme will not proceed and Tower's application to the High Court will be discontinued.
20. Tower notes that the Key Scheme Condition is a precautionary measure only and Tower remains confident in the capital buffers it has in place in its capital management process, including on the Scheme occurring. The Scheme has been sized so that Tower retains the ability to reinvest for future growth and maintain a degree of financial flexibility to absorb unexpected changes in trading performance in the short term.
21. The Key Scheme Condition is therefore an important protective measure for Tower so that the Scheme does not prejudice or unduly risk, in summary, its ability to comply with its solvency and prudential requirements. Without limitation, this risk could arise in the following situations:
- a. If there were any large events before the Scheme is given effect (the Scheme is expected to become effective in March 2025), Tower may need to retain the funds proposed to be paid out, should such event(s) exceed Tower's large events allowance and a margin of safety above that;
 - b. The Reserve Bank of New Zealand is currently revising the Interim Solvency Standard (**ISS**). While it is not anticipated that this revision will affect Tower's ability to undertake the Scheme, there is a risk that this may not be the case; and
 - c. A significant and unexpected adverse impact on business performance relative to forecasts or other factors (e.g. dislocation of the reinsurance market) could result in statutory solvency and prudential requirements, including under its capital management processes, not being satisfied if the Scheme proceeded.
22. Orders have been sought from the High Court on the basis that the Record Date would be the later of (i) 14 March 2025, and (ii) the date that is five business days after the date final orders are made (see paragraph 25 below). Payment will be made to shareholders within ten business days after the Record Date.
23. The High Court has since indicated that final orders would be made on or about 13 March 2025. Based on this indication, the below indicative timetable has been prepared:

EVENT	DATE
Annual meeting	11 February 2025
Final orders made by High Court*	13 March 2025
Record Date*	20 March 2025
Payment to Shareholders*	3 April 2025

* The dates above are indicative only.

24. Directors of Tower and associated persons of Directors who legally and/or beneficially own shares in Tower will participate in the return of capital in exactly the same way as all other ordinary shareholders of Tower. Directors and/or their associated persons are entitled to vote on Resolution 3 to approve the capital return.

PAYMENT OF FUNDS UNDER THE SCHEME

25. The share register will close at 7:00pm (New Zealand time) on 14 March 2025, or the date five business days after the date on which the final orders from the High Court sanctioning the Scheme are made, whichever is the latest (**Record Date**). If final orders sanctioning the scheme are made on 13 March 2025 as the High Court has indicated, the Record Date will be 20 March 2025. The closure of the share register will be for the purpose of determining the number of shares to be cancelled and the amount to be returned to those shareholders whose names appear in the share register at that time. The cancellation will be effected during the course of a short trading halt, the details of which will be advised through NZX/ASX in due course.
26. Payment to shareholders will be made by direct credit in the case of those shareholders who have previously provided bank account details to Tower. Direct credits will be made, within ten business days after the Record Date. Each shareholder will be issued with a new shareholding statement showing the new number of shares held following the cancellation of shares. Both the payment to shareholders and the provision of a new shareholding statement will be undertaken by Tower's share registrar.
27. For those shareholders that have not previously provided their bank account details to Tower, the share registrar will make contact to obtain them by the Record Date. Payment will then be made within ten business days of valid details having been provided (without interest) if they are not provided by the Record Date, with the funds being dealt with as unclaimed dividends in the meantime in accordance with Tower's constitution (see clause 4.6).
28. Shareholders with an address on the register in Australia at 7:00pm (New Zealand time) on the Record Date will be paid NZ\$1.1858 converted into Australian dollars at the exchange rate organised by Tower's share registrar on or about that time, as approved by Tower. Any such shareholder who does not provide valid bank account details by the Record Date, will have these funds held for them in accordance with paragraph 27 above.

TAXATION – NEW ZEALAND

29. The following is provided as general guidance as to the tax effect of the Scheme in New Zealand for New Zealand tax resident shareholders. Shareholders should obtain independent taxation advice on the effect of the Scheme based on their individual circumstances.
30. As noted above, Tower has received notification on 21 October 2024 from the Commissioner of Inland Revenue under section CD 22 of the Income Tax Act 2007 (NZ) that no part of the amount that will be paid (\$45 million) to shareholders on the share cancellation is in lieu of the payment of a dividend.
31. Consequently, the amount paid to shareholders under the Scheme will be treated as a return of capital and not as a dividend for New Zealand income tax purposes.
32. This means the payment will generally not be taxable for New Zealand tax resident shareholders unless for example:
 - a. the shareholder is a share dealer;
 - b. the shares were acquired for the dominant purpose of disposal; or
 - c. the amount received by a shareholder is derived from a profit-making undertaking or scheme.

TAXATION – AUSTRALIA

33. The following is provided as general guidance as to the tax implications for Australian tax resident shareholders (**Australian Shareholders**). Australian Shareholders should obtain independent tax advice on the effect of the Scheme based on their individual circumstances.

34. Tower is applying to the ATO for a Class Ruling on behalf of the Australian Shareholders to confirm that no part of the payment received by the Australian Shareholders under the Scheme will be treated as a dividend for Australian tax purposes and that the payment will be treated as capital proceeds received by the Australian Shareholders for the purposes of calculating any capital gain or loss on the cancellation of the shares. The description below is based on a favourable Class Ruling being issued by the ATO. Regardless of whether the Class Ruling is issued, or the outcome of the Class Ruling, Tower will proceed with the proposed Scheme (subject to shareholder approval, final Court approval and the Key Scheme Condition remaining satisfied when the Scheme is given effect).
35. If the ATO issues a Class Ruling, Tower will notify the Australian Shareholders as soon as the Class Ruling is available by announcement on NZX/ASX and a copy of the Class Ruling will be published on the Tower website. If the Class Ruling is not issued by the ATO, or the ATO disagrees with the view put to it in the application for the Class Ruling, then the tax consequences for Australian Shareholders may be different to the description below.
36. Under the Scheme, the shares held by an Australian Shareholder will be cancelled. The cancellation of the shares will constitute a CGT event (CGT event C2). The CGT event will happen at the time the shares are cancelled.
37. An Australian Shareholder will make a capital gain from the CGT event to the extent that the capital proceeds received in respect of the cancellation of their shares (the payment they receive) is more than the cost base of the shares (which will broadly include the amount paid to acquire the shares and certain non-deductible costs associated with acquiring and holding the shares). An Australian Shareholder will make a capital loss to the extent that the capital proceeds received in respect of the cancellation of the shares is less than the reduced cost base of the shares.
38. To the extent that the Scheme results in an Australian Shareholder having a capital gain, they may be entitled to reduce the gain under the CGT discount rules. Under the CGT discount rules, an Australian Shareholder is generally able to reduce the capital gain (after first applying any current year or prior year capital losses) by 50% where they are an individual or trust and by 33.33% where they are a complying superannuation fund, provided that they have held the shares for at least 12 months before their cancellation. The CGT discount is not available to Australian Shareholders that are companies.
39. An Australian Shareholder must include the net capital gain in their assessable income for the income year in which the Scheme is implemented. If an Australian Shareholder makes a capital loss, this can be used to offset other capital gains from the same income year or may be carried forward to offset capital gains incurred in future income years. Specific loss recoupment rules apply to companies which determine whether capital losses can be carried forward to future income years.
40. This section and the Class Ruling is only relevant for Australian Shareholders who hold their Tower shares on capital account and does not apply to Australian Shareholders who:
 - a. hold their shares as trading stock or as revenue assets;
 - b. hold their shares as assets used in carrying on a business or as part of a profit making undertaking or scheme;
 - c. who are Australian tax residents but who hold their shares as part of an enterprise carried on, at or through a permanent establishment in a foreign country;
 - d. that are financial institutions, insurance companies, partnerships, tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents of Australia; or
 - e. who are subject to the taxation of financial arrangements rules in Australia in relation to gains and losses on their shares.

FURTHER INFORMATION

41. Shareholders who have any questions about the effect of the Scheme on their investment should consult their financial advisers.
42. Copies of the Court documents filed in relation to the Scheme, the initial Court orders and the Court minute pursuant to which the orders were made, are available on the following website <https://www.tower.co.nz/investor-centre/>.

Procedural Notes

Convening orders

The meeting referred to in this Notice of Meeting has been convened in accordance with an order of the High Court of New Zealand made at Auckland on 16 December 2024.

The scheme of arrangement referred to in Resolution 3 is recorded in the Arrangement Document annexed to this Notice of Meeting.

A copy of Tower's application to the Court for final orders sanctioning the scheme of arrangement (dated 28 November 2024) accompanies this Notice of Meeting.

A copy of the interlocutory orders made by the Court (dated 16 December 2024) accompany this Notice of Meeting, together with the Court's minute pursuant to which the interlocutory orders were made.

This Notice of Meeting has been submitted to NZ RegCo in accordance with NZX Listing Rule 7.1.1 and NZ RegCo has provided written confirmation that it does not object to this Notice of Meeting. However, NZX accepts no responsibility for any statement in this Notice of Meeting.

Eligibility to vote

If you are a shareholder whose name is recorded in the Tower share register at the close of business on 7 February 2025, you are entitled to attend the Annual Meeting and vote either in person or by Proxy (subject to the time limits for returning Proxy Forms).

Appointing a Proxy

A Proxy Form is included with this Notice of Meeting. A shareholder entitled to vote at the Annual Meeting but who is unable to attend may appoint a Proxy to attend the meeting, to act generally and vote on their behalf. A Proxy does not need to be a Tower shareholder. You may appoint the Chair of the meeting or any Director as your Proxy. The Chair of the meeting and the Directors will vote as directed on any resolutions and intend to vote any discretionary proxies in favour of all resolutions, even if they have an interest in the outcome of the resolution, to the extent permitted by the NZX Listing Rules, ASX Listing Rules, and Tower's constitution. If your named Proxy does not attend the meeting or you have not named a Proxy (but otherwise completed your Proxy Form in full), the Chair of the meeting will act as your Proxy, and will vote as you have directed in the Proxy Form, and if you have ticked the "Proxy's Discretion" box, the Chair will vote in favour of that resolution as indicated above.

To be valid, a completed Proxy Form (and any power of attorney under which it is signed together with a signed certificate of non-revocation of the power of attorney) must be deposited with Computershare no later than 10am (NZT) 9 February 2025.

Completing Proxy Forms

A completed Proxy Form may be deposited by:

Online

Go to www.investorvote.co.nz

1. Use the control number and CSN/shareholder number found on the Proxy Form and post code or country of residence (if outside New Zealand) to securely access InvestorVote.
2. Follow the prompts to appoint a proxy or corporate representative online.

Email

Email a completed and signed Proxy Form to corporateactions@computershare.co.nz with "Tower proxy" in the subject line.

Notice in writing

1. Complete and sign the Proxy Form attached to this Notice of Meeting.
2. Return the completed and signed Proxy Form to Tower's Share Registry, Computershare Investor Services Limited, Private Bag 92119, Victoria Street West, Auckland 1142, New Zealand, or if in **Australia** to Tower's Share Registry, Computershare Investor Services Pty Limited, GPO Box 3329, Melbourne, VIC 3001, Australia.

Please see your Proxy Form for further details about signing the proxy form. Proxy Forms that are signed incorrectly will be invalid.

Resolutions

Resolutions 1 to 2 are ordinary resolutions. An ordinary resolution is a resolution passed by a simple majority of votes of those shareholders entitled to vote and voting on the resolution. No shareholder is prohibited from voting on resolutions 1 to 2.

Resolution 3 is a special resolution. The special resolution must be approved by a majority of 75% of votes of those shareholders entitled to vote and voting on the resolution. No shareholder is prohibited from voting on the special resolution and all shareholders will vote together as one class. In this respect, section 236A of the Companies Act 1993 does not apply as the Scheme does not involve a change in the relative percentage of voting rights held or controlled by any Tower shareholder for the purposes of section 236A.

The Board unanimously recommends that you vote in favour of all resolutions put to the meeting.

The Directors intend to vote their own shares in favour of all resolutions.

Motions from the floor will not be allowed unless they are consistent with the meeting agenda.

Participating in the Annual Meeting online

To attend the Annual Meeting online please go to www.meetnow.global/nz. To access the Meeting, click Go under the Tower meeting and then click JOIN MEETING NOW. Select 'shareholder' on the login screen and enter your CSN or holder number (which can be found on the Proxy Form attached to this Notice of Meeting) and mailing address postcode (if in New Zealand) or if outside New Zealand, choose your country from the drop-down list.

Shareholders attending online will be able to vote and ask questions virtually during the Meeting.

The Virtual Meeting Guide accompanying this Notice of Meeting contains more information on how to attend and participate in the Annual Meeting online. We recommend that you read this guide, and login 15 minutes in advance of the Annual Meeting to ensure you are familiar with and ready to start at **10am**.

If you have any questions on how to attend the meeting online, please contact Computershare Investor Services Limited on +64 9 488 8777 between 8.30am and 5.00pm Monday to Friday (NZT).

ARRANGEMENT DOCUMENT

Scheme of Arrangement pursuant to Part 15 of the Companies Act 1993 (NZ)

BETWEEN: Tower Limited and the holders of shares in Tower Limited.

1. INTERPRETATION

1.1 In this document, unless the context otherwise requires:

“Annual Meeting” means the annual meeting of shareholders of Tower, and any adjournment of that meeting, to be held to, among other things, consider and, if thought fit, approve the Scheme.

“Business Day” means a day on which the stock exchanges operated by NZX and ASX are open for trading.

“Conditions” means the Board, at its sole discretion, remaining satisfied that:

(a) Tower is complying with solvency and regulatory capital requirements, including under its capital management process requirements, up to the Condition Time; and

(b) it remains prudent to undertake the Scheme up to the Condition Time.

“Condition Time” means 8:00am (New Zealand time) on the Implementation Date.

“Implementation Date” means the date on which Shares are to be cancelled under the Scheme.

“Record Date” means 14 March 2025, or the date five Business Days after the date on which the final order from the High Court of New Zealand is made pursuant to section 236(1) of the Companies Act 1993 sanctioning the arrangement, whichever is the latest.

“Scheme” means the proposed scheme of arrangement between Tower and its Shareholders, the terms of which are set out in this document.

“Share” means an ordinary share in Tower.

“Shareholder” means each person who is registered in the share register of Tower as the holder of a Share at 7:00pm (New Zealand time) on the Record Date.

“Tower” means Tower Limited.

2. ARRANGEMENT

2.1 Subject to the satisfaction of the Conditions as at the Condition Time, one Share for every ten Shares registered in the name of each Shareholder at 7:00pm (New Zealand time) on the Record Date shall be cancelled (together with all the rights attaching to those Shares). For this purpose, fractions of a Share shall be rounded up or down to the nearest whole Share (with 0.5 rounded down).

2.2 Within ten Business Days after the Record Date, Tower shall pay on a date chosen by it within that period, to each Shareholder for each Share registered in the name of that Shareholder which has been cancelled in accordance with clause 2.1:

(a) where that Shareholder has at 7:00pm (New Zealand time) on the Record Date an address on the share register other than in Australia, NZ\$1.1858; or

- (b) where that Shareholder has at 7:00pm (New Zealand time) on the Record Date an address on the share register in Australia, NZ\$1.1858 converted into Australian dollars at the exchange rate organised by Tower's share registrar on or about that time, as approved by Tower,

provided that at the Condition Time the Conditions have been satisfied.

- 2.3 Payments will be made by electronic funds transfer to a bank account for the Shareholder where Tower or its share registrar holds sufficient details to make payment in that manner. Where an electronic funds transfer has failed, or Tower and its share registrar do not hold sufficient details to make payment, funds will be dealt with as unclaimed distributions in accordance with clause 4.6 of Tower's constitution (without any interest on any payment thereunder).

3. Amendment of Scheme

- 3.1 Tower reserves the right to amend this Scheme at any time and from time to time provided that any such amendment must be contained in a written document which is filed with the Court and, if made following the Annual Meeting, approved by the Court and communicated to the shareholders of Tower in the manner required by the Court (if so required).

- 3.2 Any amendment to this Scheme may be proposed by Tower at any time prior to or at the Annual Meeting with or without any other prior notice or communication and, if so proposed and accepted by the persons voting at the Annual Meeting, will become part of this Scheme for all purposes.

4. Lapse of Scheme

- 4.1 If the Conditions are not satisfied as at the Condition Time, the Scheme will lapse and be of no effect, with the consequence that no Shares will be cancelled or funds paid to Shareholders hereunder.

DIRECTIONS TO VENUE AND PARKING DETAILS

Venue Location World Cup Lounge West (Te Ipu o te Ao Wēta) Level 4, Samsung South Stand, Reimers Avenue, Kingsland, Auckland. Eden Park is well served by rail and bus services. Kingsland train station is a short walk from Eden Park. Parking is available through entrance Gate B off Walters Road or Gate G off Reimers Avenue.

