



## News Release

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Information on Tenon Limited can be found at <http://www.tenon.co.nz>.

STOCK EXCHANGE LISTING: NEW ZEALAND (TEN)

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### **TENON CLOSES SALE OF CLEARWOOD BUSINESS AND PAYS CAPITAL RETURN**

*Released 28 April 2017*

Tenon announced today that the Sale of the Company's Clearwood business to Tenon Clearwood Limited Partnership had closed, and that the Company's share cancellation has been implemented, with one out of every two ordinary shares held by each shareholder on 26 April 2017 having been cancelled, and with shareholders having been paid either NZ\$3.8036 or US\$2.654 (depending on the individual shareholder's currency election) per each cancelled share.

The Sale and Capital Return were previously approved by shareholders (with a more than 99% majority of shareholders voting in favour) at Tenon's Special Shareholders Meeting held on 20 March 2017.

With the sale of Clearwood completed, Tenon now has no operating businesses, and is entering its wind-down and voluntary liquidation phase. During this period the size of the Board and the Company's staffing will be reduced to just those few who are needed to address the liquidation. Accordingly, George Karaplis and Luke Moriarty have stepped down from the Board, and Sharon Ludher-Chandra (SVP Growth and Performance) will be leaving the Company from 1 May. Stephen Kasnet will become chairman of the board during the wind-down phase of the Company. Mr Kasnet thanked all departing employees and Board directors "for their extraordinary effort and commitment throughout Tenon's life, particularly during the last intense 18-month period of Tenon's Strategic Review. The Review generated an excellent financial outcome for shareholders, and we are extremely grateful to those who put in long hours over an extended period of time to deliver this strong result."

On the basis of the closing Tenon share price on 21 April 2017 of NZ\$2.07 per share (prior to the Company's shares being placed into trading halt to facilitate the Sale and Capital return), the Capital Return of NZ\$1.9018 per each share on issue prior to the share cancellation, and 16,203,955 Tenon shares on issue following the Capital Return (i.e. after a 1:2 share cancellation), the theoretical 'ex' Tenon share price is NZ\$0.336 per share post- cancellation.

Tenon has previously stated that it expects surplus cash to be available to be distributed to shareholders upon completion of the Company's liquidation later this calendar year. Although subject to uncertainty, based on information available today, Tenon believes that cash surplus upon completion of the liquidation will be around US\$5 million, or approximately NZ\$0.44 cents per remaining share after the share cancellation (assuming a NZ\$:US\$ exchange rate of 70 cents (and prior to discounting for the timing of such surplus cash payment)).

All of the Company's operational employees, including GM New Zealand Operations, Mark Taylor, have transitioned to the new owner.

Ends