

NZ RegCo

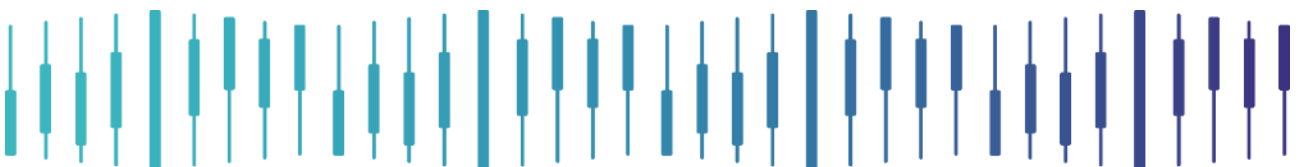
NZ'S LISTED
MARKET REGULATOR

18 April 2023

NZ RegCo Decision

Precinct Properties New Zealand Limited and Precinct Properties Investments Limited (PCT)

Application for waivers and rulings from NZX Listing Rules 2.2 to 2.5, 2.7 to 2.8, 2.10.1, 2.11, 2.14.1, 2.14.2, 3.5, 3.6.1(a), 3.7, 3.8, 3.13.1, 3.14.2, 3.15, 4.6.1, 5.2.1, 7.8, 7.9 and 8.3 and definitions of Disqualifying Relationship, Related Party, Material Information, Average Market Capitalisation and Average Market Price.



Background

1. The information on which this decision is based is set out in Appendix One to this decision. The various waivers and rulings will not apply if that information is not or ceases to be full and accurate in all material respects.
2. The NZX Listing Rules (**Rules**) to which this decision relates are set out in Appendix Two to this decision.
3. Capitalised terms that are not defined in this decision have the meanings given to them in the Rules.

General Conditions

4. The following waivers and rulings are subject to the following conditions (**General Conditions**), unless stated otherwise:
 - a. Precinct Properties New Zealand Limited (**Precinct**) and Precinct Properties Investments Limited (**Precinct Investments**) remain a Stapled Group;
 - b. Precinct and Precinct Investments will each be given a Non-Standard Designation (**NS Designation**) upon the Listing and Stapled Group's Quotation;
 - c. The NS Designation is disclosed in Precinct's Explanatory Memorandum, Offer Documents and annual reports; and
 - d. The Explanatory Memorandum, any Offer Documents and the Stapled Group's annual reports will include the implications of investing in the Stapled Securities as well as a link to where the waiver and ruling decision can be read.

Ruling on definition of "Disqualifying Relationship"

Decision

5. Subject to the General Conditions set out in paragraph 4 above, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZX Regulation Limited (**NZ RegCo**) rules that for the purposes of the definition of "Disqualifying Relationship" in the Rules, any reference to "Issuer" shall be a reference to the Stapled Group.
6. The material information on which this decision is based is set out in Appendix One to this decision. This ruling will not apply if that information is not, or ceases to be, full and accurate in all material respects.
7. The Rules to which this decision relates are set out in Appendix Two.

Reasons

8. In coming to the decision to provide the ruling set out in paragraph 5 above, NZ RegCo has considered that:

- a. The policy behind the requirement for Issuers to have Independent Directors under Rule 2.1.1(c), is to ensure that Issuers have adequate independence in how their corporate governance is structured. The granting of this ruling will not offend the policy behind Rule 2.1.1(c);
- b. The commonality of the Precinct and Precinct Investments Boards through the Mirror Board Structure is an important feature of the Stapling as well as Precinct and Precinct Investments' ability to function as a Stapled Group. By virtue of the Mirror Board Structure, as well as the fact that both Precinct and Precinct Investments will be parties to a Stapling Deed, the Directors would likely have a Disqualifying Relationship, for the purposes of each individual Issuer. The requirement to have Independent Directors on each Board would therefore frustrate the Mirror Board Structure. Furthermore, while the Issuers will have a Mirror Board Structure, the Stapled Group will still be required to have Independent Directors;
- c. The Stapling, which will give rise to the Mirror Board Structure, will not proceed without the Altered Constitution being approved by a special resolution of Precinct shareholders, which they will be able to vote on at the Special Meeting; and
- d. The NS Designation for the Listing of the Issuers will provide an indication to potential investors that Precinct and Precinct Investments have a unique structure. Furthermore, the condition in paragraph 4.d above, will help to make information available to investors of the implications of investing in the Stapled Securities, this ruling and the Mirror Board Structure.

Waiver from Rules 2.2 to 2.5 and 2.7 to 2.8 - Directors

Decision

9. Subject to the conditions set out in paragraph 10 below, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo grants the Stapled Group a waiver from Rules 2.2 to 2.5 and 2.7 to 2.8.
10. In addition to the General Conditions set out in paragraph 4 above, the waivers in paragraph 9 above are subject to the following conditions:
 - a. The Stapled Group retains the Mirror Board Structure in all respects; and
 - b. Precinct Investments will only be able to rely on these waivers while Precinct follows its obligations under Rules 2.2 to 2.5 and 2.7 to 2.8.
11. The material information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not, or ceases to be, full and accurate in all material respects.
12. The Rules to which this decision relates are set out in Appendix Two.

Reasons

13. In coming to the decision to provide the waiver set out in paragraph 9 above, NZ RegCo has considered that:
 - a. The commonality of the Precinct and Precinct Investments Boards through the Mirror Board Structure is an important feature of the Stapling as well as Precinct and Precinct Investments' ability to function as a Stapled Group. Precinct will comply with Rules 2.2 to 2.5 and 2.7 to 2.8 as a conventional Issuer would. The waivers granted to the Stapled Group are intended to allow Precinct Investments to replicate Precinct's compliance with these Rules, and to allow Precinct and Precinct Investments to give effect to the Mirror Board Structure;
 - b. The Stapling, which will give rise to the Mirror Board Structure, will not proceed without the Altered Constitution being approved by a special resolution of Precinct shareholders, which they will be able to vote on at the Special Meeting;
 - c. The conditions in paragraph 10 above will help to ensure that the Stapled Group will only be able to rely on these waivers while Precinct is in compliance with Rules 2.2 to 2.5 and 2.7 to 2.8. The effect of this will be that so long as the Mirror Board Structure is in effect, the Stapled Group as a totality will be in compliance with these Rules; and
 - d. The NS Designation for the Listing of the Issuers will provide an indication to potential investors that Precinct and Precinct Investments have a unique structure and this waiver and the implications of investing in the Stapled Securities will be made available to investors.

Waiver from Rule 2.10.1 – Interested Directors

Decision

14. Subject to the conditions set out in paragraph 15 below, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo grants the Stapled Group a waiver from Rule 2.10.1, to the extent that a Director of Precinct would otherwise be unable to vote because they were "interested" as defined in Rule 2.10.1 in the matter, solely due to being a Director of Precinct Investments, and vice versa, but for no other reason.
15. In addition to the General Conditions set out in paragraph 4 above, the waiver in paragraph 14 above is subject to the condition that the Stapled Group retains the Mirror Board Structure in all respects.
16. The material information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not, or ceases to be, full and accurate in all material respects.
17. The Rules to which this decision relates are set out in Appendix Two.

Reasons

18. In coming to the decision to provide the waiver set out in paragraph 14 above, NZ RegCo has considered that:
 - a. The policy behind Rule 2.10.1 is to prevent situations arising whereby Directors who have a vested interest in a transaction may authorise the entry into, or implementation of, matters

that are detrimental to the interests of security holders as a result of that interest. The granting of this waiver will not offend the policy behind Rule 2.10.1;

- b. Given the Mirror Board Structure, the Directors of Precinct will likely be “interested” in any matter involving Precinct Investments, and vice versa. As such, without a waiver from Rule 2.10.1, the Precinct Board will not be able to form a quorum or pass resolutions in relation to a matter involving Precinct Investments, and vice versa. The waiver is necessary to facilitate the functioning of the Stapled Group, which will include making decisions for the benefit of Stapled Security holders;
- c. The Stapling, which will give rise to the Mirror Board Structure, will not proceed without the Altered Constitution being approved by a special resolution of Precinct shareholders, which they will be able to vote on at the Special Meeting; and
- d. The NS Designation for the Listing of the Issuers will provide an indication to potential investors that Precinct and Precinct Investments have a unique structure. Furthermore, the conditions above will help to make information available to investors of the implications of investing in the Stapled Securities, this waiver and the Mirror Board Structure.

Ruling on Rule 2.11 – Director Remuneration

Decision

- 19. Subject to the conditions set out in paragraph 20 below, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo rules that for the purposes of Rule 2.11, any reference to “Issuer” shall be a reference to “Precinct” or “Precinct Investments” with the intent that remuneration payable to the Directors of Precinct and Precinct Investments will only need to be approved by the shareholders of one of Precinct or Precinct Investments.
- 20. In addition to the General Conditions set out in paragraph 4 above, the ruling in paragraph 19 above is subject to the following conditions:
 - a. The Stapled Group retains a Mirror Board Structure;
 - b. Any Director fees paid to the Directors of Precinct or Precinct Investments can only be paid out of any amounts authorised by Stapled Security holders in accordance with Rule 2.11.1, out of any amounts approved prior to Listing or where Precinct and Precinct Investments obtain separate approval from their respective shareholders, out of amounts or a pool that is separately approved; and
 - c. That any ordinary resolution and explanatory notes put to Precinct or Precinct Investments shareholders for the purposes of approving a resolution under Rule 2.11.1, clearly sets out how the remuneration of Precinct and Precinct Investments’ Directors operates, as well as the obligations of Precinct and Precinct Investments under this Rule.
- 21. The material information on which this decision is based is set out in Appendix One to this decision. This ruling will not apply if that information is not, or ceases to be, full and accurate in all material respects.
- 22. The Rules to which this decision relates are set out in Appendix Two.

Reasons

23. In coming to the decision to provide the ruling set out in paragraph 19 above, NZ RegCo has considered that:
- a. The policy behind Rule 2.11 is to ensure that an Issuer's shareholders are able to determine the type, and the amount, of remuneration which the Issuer's Directors receive. The granting of this ruling will not offend the policy behind Rule 2.11;
 - b. Given the Mirror Board Structure, Precinct wants to ensure that its Directors, who will also be Directors of Precinct Investments, are not seen to be paid twice. Granting the ruling on Rule 2.11 will enable the remuneration of the Directors of Precinct to be approved by the shareholders of Precinct Investments (who will also be the shareholders of Precinct), when they approve the remuneration of the Directors of Precinct Investments, or vice versa. Precinct has submitted, and NZ RegCo has no reason not to accept, that requiring Precinct to obtain a separate approval from its shareholders, could be confusing for Stapled Security holders;
 - c. The Stapling, which will give rise to the Mirror Board Structure, will not proceed without the Altered Constitution being approved by a special resolution of Precinct shareholders, which they will be able to vote on at the Special Meeting;
 - d. The condition in paragraph 20.b above will help to ensure that any remuneration paid to Directors of Precinct and Precinct Investments will have been approved by Stapled Security holders; and
 - e. The condition in paragraph 20.c above will help to ensure that Stapled Security holders are aware of how the remuneration of Precinct and Precinct Investments' Directors operates, as well as the obligations of Precinct and Precinct Investments under this Rule. These disclosures will help to make sure that Stapled Security holders are adequately informed when they are asked to vote on any resolution pertaining to Rule 2.11.

Waiver from Rules 2.14.1, 2.14.2, 7.8 and 7.9 – Shareholder Meetings

Decision

24. Subject to the conditions set out in paragraph 25 below, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo grants the Stapled Group a waiver from Rules 2.14.1, 2.14.2, 7.8 and 7.9 to the extent that these Rules require Precinct and Precinct Investments to issue their own notices, reports and communications to holders of their Securities.
25. In addition to the General Conditions set out in paragraph 4 above, the waiver in paragraph 24, above, is provided subject to the following conditions:
- a. Precinct and Precinct Investments shall provide joint notices, reports, and communications to holders of stapled securities as a stapled group; and
 - b. Each of Precinct and Precinct Investments shall ensure that any notice, report or communication which relates to only one of Precinct or Precinct Investments will clearly explain which Issuer was the source of the notice, report or communication;

26. The material information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not, or ceases to be, full and accurate in all material respects.
27. The Rules to which this decision relates are set out in Appendix Two.

Reasons

28. In coming to the decision to provide the waiver set out in paragraph 24 above, NZ RegCo has considered that:
 - a. The policy behind Rules 2.14.1, 2.14.2, 7.8 and 7.9 is to ensure that the shareholders of an Issuer are notified of, and given sufficient information in order to make an informed decision regarding, any resolution put forward by an Issuer for shareholder approval. The granting of these waivers will not offend the policy behind these Rules;
 - b. Given the nature of the Stapled Group, the information and resolutions put forward by Precinct would likely be the same as the information and resolutions put forward by Precinct Investments, and vice versa. It could be confusing to Precinct and Precinct Investments' shareholders, as well as unnecessarily imposing costs in excess of any benefits granted, for holders to receive two identical sets of documents under these Rules. Granting the waiver will enable Precinct and Precinct Investments to coordinate and distribute consolidated notices, reports and financials, in order to present them to their shareholders as a Stapled Group; and
 - c. The condition in paragraph 25.b above will help to ensure that in instances where the information provided is only relevant to Precinct or Precinct Investments, Stapled Security holders will be able to identify whether the information pertains to Precinct or Precinct Investments.

Waiver from Rules 3.13, 3.14 and 3.15 - Capital Change and Distribution Notices

Decision

29. Subject to the conditions set out in paragraph 30 below, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo grants the Stapled Group a waiver from Rules 3.13, 3.14 and 3.16 to the extent that these Rules require Precinct and Precinct Investments to release separate announcements.
30. In addition to the General Conditions set out in paragraph 4 above, the waiver in paragraph 29, above, is provided subject to the following conditions:
 - a. Precinct and Precinct Investments shall at all times release joint announcements under the relevant rules as a stapled group;
 - b. Each of Precinct and Precinct investments shall ensure that any notice, report or communication which relates to only one of Precinct or Precinct Investments will clearly explain which issuer was the source of the notice, report or communication; and
 - c. in any joint notice released pursuant to Rule 3.13.1, the joint notice shall clearly identify, where appropriate, the information in 3.13.1 (c) to (o) for Precinct and Precinct Investments

separately, as well as any combined information which Precinct and Precinct Investments propose to include.

31. The material information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not, or ceases to be, full and accurate in all material respects.
32. The Rules to which this decision relates are set out in Appendix Two.

Reasons

33. In coming to the decision to provide the waiver set out in paragraph 29 above, NZ RegCo has considered that:
 - a. The policy behind Rule 3.13.1 is to ensure that the Security holders of an Issuer are notified of any changes to the total equity on issue for that Issuer. The granting of these waivers will not offend the policy behind Rule 3.13.1;
 - b. Given the nature of the Stapled Group and the Stapled Securities, information announced by Precinct will likely be the same as the information announced by Precinct Investments, and vice versa. It could be confusing to Precinct and Precinct Investments' shareholders, as well as unnecessary, if they received two identical sets of information under these Rules. Granting the waiver will enable Precinct and Precinct Investments to coordinate all notices provided under these Rules, in order to present them to their shareholders as a Stapled Group; and
 - c. The conditions in paragraphs 30.b and **Error! Reference source not found.** above will help to ensure that in instances where the information provided is only relevant to Precinct or Precinct Investments, Stapled Security holders will be able to identify whether the information pertains to Precinct or Precinct Investments.

Ruling on Rule 4.6.1 – Issues to Employees

Decision

34. Subject to the General Conditions set out in paragraph 4 above, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo rules that for the purposes of Rule 4.6.1 any reference to “Employees” will be a reference to “Employees” of any of Precinct, Precinct Investments or their respective Subsidiaries.
35. The material information on which this decision is based is set out in Appendix One to this decision. This ruling will not apply if that information is not, or ceases to be, full and accurate in all material respects.
36. The Rules to which this decision relates are set out in Appendix Two.

Reasons

37. In coming to the decision to provide the ruling set out in paragraph 34 above, NZ RegCo has considered that:
 - a. The policy behind Rule 4.6.1 is to ensure that an Issuer's employee share scheme is conducted by reference to objective criteria and is operated in a way that does not unduly dilute existing shareholders;

- b. However, the definition of “Employee” in the glossary of the Rules is framed “in relation to an Issuer”. Due to the Stapled Securities structure (with two Listed Issuers), the extension of paragraph (b) of the “Employee” definition to also include subsidiaries does not technically apply. The granting of the ruling will enable a person to be employed by any member of the Stapled Group and to be issued Stapled Securities, or Securities that Convert into Stapled Securities, under Rule 4.6.1.

Ruling on definition of “Related Party”

Decision

38. Subject to the General Conditions set out in paragraph 4 above, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo rules that for the purposes of paragraph (f) of the definition of “Related Party” in the Rules, the word “Issuer” be interpreted as a reference to either Precinct or Precinct Investments.
39. The material information on which this decision is based is set out in Appendix One to this decision. This ruling will not apply if that information is not, or ceases to be, full and accurate in all material respects.
40. The Rules to which this decision relates are set out in Appendix Two.

Reasons

41. In coming to the decision to provide the ruling set out in paragraph 38 above, NZ RegCo has considered that:
 - a. The policy behind Rule 5.2.1 is to regulate transactions where a Related Party to a Material Transaction may gain favourable consideration due to its relationship with the Issuer; and
 - b. If all the entities are subsidiaries of the one issuer, then paragraph (f) of the definition of “Related Party” provides an exception for transactions effected between members of the same group. The effect of the ruling would be to allow transactions to proceed between members of the Stapled Group, without requiring shareholder approval under Rule 5.2.1.

Ruling on definition of “Material Information”

Decision

42. Subject to the conditions set out in paragraph 43 below, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo rules that for the purposes of the definition for “Material Information” in the Rules, any reference to “Quoted Financial Products of the Listed Issuer” shall be a reference to “Quoted Financial Products of the Stapled Group”.
43. In addition to the General Conditions set out in paragraph 4 above, the ruling in paragraph 42 above is provided subject to the condition that any announcement released pursuant to Rule 3.1 will explain whether the information is material to Precinct and or Precinct Investments.
44. The material information on which this decision is based is set out in Appendix One to this decision. This ruling will not apply if that information is not, or ceases to be, full and accurate in all material respects.

45. The Rules to which this decision relates are set out in Appendix Two.

Reasons

46. In coming to the decision to provide the ruling set out in paragraph 42 above, NZ RegCo has considered that:
- a. Precinct considers that it is unlikely an investor will invest in the Stapled Securities for the sole purpose of being exposed to one of the two Issuers (being either Precinct or Precinct Investments). It is likely the market will view the Stapled Group as a single economic entity, and one investment proposition. It is therefore appropriate that the threshold for assessing material information is against the effect on the price of the Quoted Securities of the Stapled Group;
 - b. The Quoted Security will be the Stapled Security. Only one price will be available to the market for this Stapled Security. It would be difficult to determine the price for each security which makes up the Stapled Security, in order to assess whether information will have a material effect on the individual prices of these Quoted Securities;
 - c. Each of Precinct and Precinct Investments will remain responsible for, and be required to, undertake their own assessment of whether they hold Material Information for the purposes of the Rules. Each Issuer will need to ensure they meet their own obligations under Rule 3.1 of the Rules; and
 - d. The conditions require this ruling to be regularly disclosed, which will assist in bringing this information to the attention of potential investors.

Waiver from Rules 3.5, 3.6, 3.7 and 3.8 – Financial Reporting

Decision

47. Subject to the conditions set out in paragraph 48 below, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo grants the Stapled Group a waiver from Rules 3.5, 3.6, 3.7 and 3.8, to the extent that these Rules will prevent Precinct and Precinct Investments from including the information required in Appendix 2 of the Rules, as a Stapled Group.
48. In addition to the General Conditions set out in paragraph 4 above, the waiver in paragraph 47 above is provided subject to the following conditions:
- a. Precinct and Precinct Investments will release a joint report pursuant to Rule 3.6.1 as a Stapled Group;
 - b. Precinct and Precinct Group will release a joint announcement pursuant to Rule 3.5.1 as a stapled group;
 - c. Precinct and Precinct Investments will release Stapled Group financial statements with any report released by the Stapled Group pursuant to Rule 3.6.1 and otherwise any financial statements required by the Financial Markets Conduct Act 2013 (subject to any applicable exemptions); and

- d. With the exception of:
- i. Paragraphs 2(d), 2(g)(iii), 2(g)(iv) and 2(g)(vii) of the Full Year Results Announcement section and
 - ii. Paragraph 2(d), 2(g)(iii), 2(g)(iv) and 2(g) (vii) of the Half year results announcements sections,

Precinct and Precinct Investments will include information required in Appendix 2 of the Rules, for the purposes of Rules 3.5 and 3.6 as a Stapled Group.

49. The material information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not, or ceases to be, full and accurate in all material respects.
50. The Rules to which this decision relates are set out in Appendix Two.

Reasons

51. In coming to the decision to provide the waiver set out in paragraph 47 above, NZ RegCo has considered that:
- a. The policy behind Rules 3.5, 3.6, 3.7 and 3.8 is to ensure that Security holders of an Issuer are adequately aware of the Issuer's financial performance. The granting of these waivers will not offend the policy behind Rules 3.5, 3.6, 3.7 and 3.8;
 - b. Precinct and Precinct Investments have submitted, and NZX has no reason not to accept, that it is unlikely an investor will invest in the Stapled Securities for the sole purpose of being exposed to one of the two Issuers (being either Precinct or Precinct Investments). It is likely the market will view the Stapled Group as a single economic entity, and one investment proposition. Given the nature of the Stapled Group, there is a strong likelihood that Stapled Security holders and investors will be interested in the financial performance of Precinct and Precinct Investments as a Stapled Group. Granting the waivers will enable Precinct and Precinct Investments to prepare and release consolidated financial information pertaining to the Stapled Group; and
 - c. The conditions in paragraph 48.c and 48.d above, will help to ensure that in instances where it would be helpful for Stapled Security holders and investors to be aware of certain financial information which is specific to Precinct or Precinct Investments, this information will be available to the market.

Waiver from Rule 8.3 - Statements to shareholders

Decision

52. Subject to the conditions set out in paragraph 53 below, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo grants the Stapled Group a waiver from Rule 8.3, to the extent that this Rule would otherwise prevent Precinct and Precinct Investments from issuing statements pursuant to this Rule as a Stapled Group.

53. In addition to the General Conditions set out in paragraph 4 above, the waiver in paragraph 52 above is provided subject to the condition that Precinct and Precinct Investments will release a joint statement pursuant to this Rule, as a Stapled Group.
54. The material information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not, or ceases to be, full and accurate in all material respects.
55. The Rules to which this decision relates are set out in Appendix Two.

Reasons

56. In coming to the decision to provide the waiver set out in paragraph 52 above, NZ RegCo has considered that:
 - a. The policy behind Rule 8.3 is to ensure that the Security holders of an Issuer are able to request information from the Issuer which will enable them to determine the class, nature and number of Securities of that Issuer, that that person holds. The granting of this waiver will not offend the policy behind Rule 8.3; and
 - b. Given the nature of the Stapled Group and the Stapled Securities, it is likely that the holder statements issued by Precinct would be substantially the same as statements issued by Precinct Investments, and vice versa. It could therefore be confusing to Precinct and Precinct Investments' shareholders, as well as unnecessary, if they received two identical sets of information under these Rules. Granting the waiver will enable Precinct and Precinct Investments to coordinate all statements provided under this Rule, in order to present them to their shareholders as a Stapled Group.

Ruling on definition of “Average Market Capitalisation” and “Average Market Price”

Decision

57. Subject to the General Conditions set out in paragraph 4 above, and on the basis that the information provided by Precinct is complete and accurate in all material respects, NZ RegCo rules that for the purposes of the definitions of “Average Market Capitalisation” and “Average Market Price” in the Rules glossary:
 - a. any reference to “Issuer” shall be a reference to “Stapled Group”; and
 - b. any reference to “Quoted Equity Securities” refers to the Stapled Securities.
58. The material information on which this decision is based is set out in Appendix One to this decision. This ruling will not apply if that information is not, or ceases to be, full and accurate in all material respects.
59. The Rules to which this decision relates are set out in Appendix Two.

Reasons

60. In coming to the decision to provide the ruling set out in paragraph 57 above, NZ RegCo has considered that:

- a. The policy behind the thresholds set out in Rules 4.15.2(a), 5.1, 3.4.1(a)-(d) or the definition of Material Transaction and the Glossary, is to ensure that Issuers' shareholders are able to decide whether certain transactions proceed or not. The granting of this ruling will not offend the policy behind these Rules;
- b. It is likely the market will view the Stapled Group as a single economic entity, and one investment proposition. It is therefore appropriate that the threshold for determining Average Market Price and Average Market Capitalisation, for the purposes of the Rules, will be assessed against the market capitalisation of the Stapled Group; and
- c. The nature of the Stapled Group and the Stapled Securities are such that neither Precinct nor Precinct Investments will have individual market capitalisations, or have ordinary shares which will have market prices that are readily assessable. The Stapled Group's market capitalisation will at all times be drawn from the single market price of the Stapled Securities and will be calculated based on the number of Stapled Securities on issue. The granting of this ruling will enable Precinct and Precinct Investments to comply with the relevant Rules and the Glossary, as a Stapled Group.

Confidentiality

61. Precinct has requested this application and any decision be kept confidential until such time as Precinct releases a statement to NZX through MAP stating that the waiver has been granted.
62. In accordance with Rule 9.7.2, NZ RegCo grants Precinct's request.

Appendix One

1. As detailed further below, the Board of Precinct Properties New Zealand Limited (**Precinct**) is considering a proposal to move to a stapled securities structure (the **Stapling**). At this stage Precinct is working towards the Stapling becoming effective on 1 July 2023.
2. The Stapling is currently proposed to take the following form:
 - a. Precinct shareholders will retain the existing shares they own in Precinct;
 - b. Precinct shareholders would receive an in specie distribution of the same number of shares in Precinct Properties Investments Limited (**Precinct Investments**) that they currently hold in Precinct. Precinct Investments is currently wholly-owned by Precinct;
 - c. Precinct shareholders will hold both Precinct and Precinct Investments (**Stapled Group**) shares as a result of the Stapling. The shares in the Stapled Group will be “stapled” together, meaning that any trading of one set of shares is tied to the other; and
 - d. The Boards of Precinct and Precinct Investments will mirror one another (**Mirror Board Structure**).
3. As part of the Stapling, Precinct will enter into an investment management agreement (**Precinct Management Agreement**) with a wholly owned subsidiary of Precinct Investments, Precinct Properties Management Limited (the **Manager**) under which the Manager is to act as manager of Precinct and Precinct’s portfolio and various current and future properties, for arms’ length management fees. Precinct Investments may also manage various current and future property funds which Precinct may co-invest in with third party investors, through various investment management agreements, for management fees.
4. Precinct plans to staple every Precinct share to a Precinct Investments share (**Stapling**) by amending its constitution (**Altered Constitution**), and by entering into a stapling deed with Precinct Investments (**Stapling Deed**). The Stapling will result in Precinct shareholders holding two securities which are stapled together (the **Stapled Securities**). The effect of the Stapling will be that investors will not be able to buy or sell Precinct shares without also buying or selling Precinct Investments shares, and vice versa.
5. Adoption of the Altered Constitution will be subject to a special resolution of shareholders, which shareholders will be able to vote on during a special meeting of Precinct shareholders currently intended to be held in May 2023 (**Special Meeting**). The Stapling will be subject to the approval of the Altered Constitution.
6. Precinct Investments will also adopt a new constitution, on equivalent terms to the Altered Constitution.
7. Precinct will apply for Precinct’s ordinary shares to cease to be Quoted on the NZX Main Board from on or about the effective date of the Stapling. The Stapled Group will then List on the NZX Main Board on the effective date of the Stapling. Once this occurs, the Stapled Group will become Listed Issuers on the NZX Main Board and Precinct and Precinct Investments will have their Stapled Securities Quoted for trading with the combined ticker code, “PCT”. The Stapled Group will operate to the extent possible as a single-economic entity, and at all times its market capitalisation will represent the price of the Stapled Securities.

8. The Stapling will not affect:
 - a. Precinct shareholders' rights to receive distributions from the Stapled Group;
 - b. The right to share equally in the proceeds of the Stapled Group if either entities are liquidated;
or
 - c. Precinct shareholders' rights to vote as a holder of Precinct shares.
9. No consideration will be required to be paid or provided by Precinct shareholders under the Stapling (i.e. Precinct Investments shares will be distributed to Precinct shareholders for free, if approved by shareholder vote).

Appendix Two

NZX Listing Rules

Average Market Capitalisation

means, in relation to an Issuer, the Average Market Price multiplied by the number of Quoted Equity Securities carrying Votes on Day A.

Average Market Price

means, on Day A, the lesser of the volume weighted average price of an Issuer's Quoted Equity Securities (or, when calculating a Minimum Holding, the relevant Financial Product) calculated from trades through the Main Board over the following two periods:

- (a) 20 Business Days before Day A, or
- (b) 5 Business Days before Day A.

If there are no trades in either period, the last traded price

Disqualifying Relationship

means any direct or indirect interest, position, association or relationship that could reasonably be perceived to influence, or could reasonably be perceived to influence, in a material way, the Director's capacity to:

- a) bring an independent view to decisions in relation to the Issuer,
- b) act in the best interests of the Issuer, and
- c) represent the interests of the Issuer's Financial Product holders generally,

having regard to the factors described in the NZX Corporate Governance Code that may impact director independence, if applicable.

Independent Director

means a Director who is not an Employee of the Issuer and who has no Disqualifying Relationship.

Material Information

has the meaning given in section 231(1) of the FMC Act (read together with additional terms defined in section 232 of that Act).

Related Party

... a person is not a Related Party of an Issuer if:

(f) that person is a Subsidiary or incorporated joint venture of, or unincorporated joint venture participant with, the Issuer and:

(i) no Related Party of the Issuer has or intends to obtain, other than through the Issuer itself, a material direct or indirect economic interest in that Subsidiary or joint venture other than receiving reasonable Director's fees or executive remuneration, and

(ii) the Issuer has at least 50% of the Votes in or is entitled to at least 50% of the dividends declared or paid by the Subsidiary or incorporated joint venture or is entitled to at least one half of the income or profits, and

the assets, of the unincorporated joint venture (if and when distributed).

2.2 Appointment of Directors

2.2.1 A person may be appointed as a Director of the Issuer by:

- (a) appointment by the Board, if permitted by the Governing Document of the Issuer,
- (b) nomination and appointment at an Issuer's annual or special meeting of Equity Security holders in accordance with Rule 2.3,
- (c) appointment by an Equity Security holder, as contemplated in Rule 2.4, or
- (d) appointment as an alternate Director under Rule 2.5.

2.3 Director Nominations and Appointment

2.3.1 No person (other than a Director retiring at the meeting) may be elected as a Director at a meeting of an Issuer's Equity Security holders unless that person has been nominated by an Equity Security holder who will be entitled to attend and Vote at the meeting if he, she or it continues to hold Equity Securities on the date on which the entitlement to attend and Vote at the meeting is determined.

2.3.2 An Issuer must comply with the following Director nomination process:

- (a) the closing date for nominations must be no more than two months before the date of the relevant meeting at which the election is to take place,
- (b) the closing date for nominations must be announced to the market at least 10 Business Days prior to such closing date,
- (c) there must be no restriction on who may be nominated as a Director, unless:
 - (i) the Governing Document requires Directors to hold certain Financial Products to qualify as a Director, or
 - (ii) applicable legislation restricts who may be a Director of the Issuer,
- (d) subject to (c) above, there must be no precondition to the nomination of a Director other than compliance with the time limits in this Rule, and
- (e) details of all nominations received prior to the closing date (and not later withdrawn) must be included in the notice of the relevant meeting.

2.3.3 Each resolution of the holders of Equity Securities to appoint, elect or re-elect a Director must be for the appointment, election or re-election of one Director only.

2.4 Equity Holder appointment rights

- 2.4.1 The Governing Document may give an Equity Security holder the right to appoint one or more Directors (and to remove any Director so appointed), provided:
- (a) the appointment does not result in the proportion of such Directors to the total number of Directors (excluding alternate Directors) exceeding the proportion of total Votes attaching to the Equity Securities in the Issuer held by the appointer, and
- 2.4.2 if the appointer exercises its right to appoint one or more Directors with such Director remaining in office at the time of the election of other Directors, the appointer must not also Vote upon the election of other Directors.

2.5 Alternate Directors

- 2.5.1 No Director may appoint an alternate Director to act for him or her except with the consent of a majority of his or her co-Directors. The alternate appointment may be revoked by the appointing Director or by a majority of the Board. A Director may not act as alternate for another Director. No Director may appoint a deputy or agent otherwise than as an alternate Director.

2.7 Rotation of Directors

- 2.7.1 A Director of an Issuer must not hold office (without re-election) past the third annual meeting following the Director's appointment or 3 years, whichever is longer. However, a Director appointed by the Board must not hold office (without re-election) past the next annual meeting following the Director's appointment.
- 2.7.2 Rule 2.7.1 does not apply to Directors appointed by an Equity Security holder under Rule 2.4.

2.8 Removal of Directors

- 2.8.1 All Directors (other than a Director appointed by an Equity Security holder under Rule 2.4) must be subject to removal from office by Ordinary Resolution.

2.10 Interested Directors

- 2.10.1 A Director must not vote on a Board resolution for, or be counted in a quorum for the consideration of, any matter in which that Director is interested. For this purpose, the term "interested" bears the meaning assigned in section 139 of the Companies Act 1993. If the Issuer is not a company registered under that Act, the reference to the "company" in that section will be read as a reference to the Issuer.

[...]

2.11 Director's Remuneration

- 2.11.1 No remuneration may be paid by an Issuer, or its Subsidiaries (unless such Subsidiary is Listed), to a Director in his or her capacity as a Director without prior authorisation by an Ordinary Resolution. Such resolution must express Directors' remuneration as either a monetary sum per annum payable to:
- (a) all Directors of the Issuer in aggregate, or
 - (b) any person who from time to time holds office as a Director of the Issuer.
- 2.11.2 A resolution for the purposes of Rule 2.11.1:
- (a) must only be approved if notice of the amount of any increase in remuneration has been given in the notice of meeting, and
 - (b) may provide that the remuneration may, in whole or in part, be through an issue of Equity Securities, provided the issue is in compliance with Rule 4.7.
- 2.11.3 If remuneration is expressed in accordance with Rule 2.11.1(a) and there is an increase in the number of Directors from the number of Directors in office at the conclusion of a meeting of Financial Product holders at which the remuneration was approved by an Ordinary Resolution, the Board may, without an Ordinary Resolution, increase the remuneration payable to all Directors of the Issuer in aggregate. The amount of the increase per additional Director may not exceed the amount necessary to enable the additional Director or Directors to be paid the average amount then being paid to each non-Executive Director (other than the chairperson) of the Issuer.
- 2.11.4 A lump sum payment or pension may be made to a Director or former Director, or to his or her dependents, on retirement or cessation of office provided that the amount of the payment, or the method of calculation, has been authorised by an Ordinary Resolution.
- 2.11.5 The resolutions referred to in this Rule 2.11 are subject to the voting restrictions in Rule 6.3.

2.14 Equity Security holder notices and meetings

- 2.14.1 Equity Security holders of all Classes (whether or not they have a right to Vote) are entitled to attend annual and special meetings and to receive copies, or have access to electronic copies, of all notices, reports and financial statements issued generally to holders of Financial Products carrying Votes.
- 2.14.2 Where a Quoted Equity Security holder has only supplied an overseas address or an electronic address, notices must be sent to that physical address or sent electronically to such electronic address.

3.5 Results Announcement

- 3.5.1 Subject to Rule 3.5.3, each Issuer of Quoted Equity Securities or Quoted Debt Securities must release a Results Announcement through MAP no later than 60 days after the end of each financial year or half year.

- 3.5.2 Subject to Rule 3.5.1, a Results Announcement for a full financial year may be made before, or together with, the release of an annual report.
- 3.5.3 If an Issuer is required to consolidate the financial results of another Listed Issuer, it may make its Results Announcement up to 5 Business Days after the earlier of the release of the other Listed Issuer's Results Announcement and the timeframe required by Rule 3.5.1.

3.6 Preparation and delivery of Annual Reports

- 3.6.1 Each Issuer of Quoted Equity Securities or Quoted Debt Securities must within three months after the end of each financial year:
- (a) prepare an annual report, which must contain all information required by all applicable laws and these Rules, and
 - (b) deliver, subject to Rule 3.6.2, the annual report to:
 - (i) NZX by release through MAP (including by URL link to the annual report on an Issuer's website) before or at the same time as it is made available to Quoted Financial Product holders, and
 - (ii) each Quoted Financial Product holder in accordance with Rule 3.6.3.

[...]

3.7 Contents of Annual Report

- 3.7.1 The annual report of an Issuer of Quoted Equity Securities or Quoted Debt Securities must contain:
- (a) the information required to be published by subpart 5 of Part 5 of the FMC Act and, in the case of a company registered under the Companies Act 1993, the information required by section 211 of that Act,
 - (b) audited financial statements and the associated audit report in accordance with the requirements of Part 7 of the FMC Act (unless the Issuer is exempt from Part 7 of that Act) or other applicable law,
 - (c) the names and holdings of the registered holders having the 20 largest holdings of Quoted Financial Products at a date not earlier than two months before publication of the annual report, provided that, where known to the Issuer, Quoted Financial Products held through New Zealand Central Securities Depository Limited must be treated as being held by the persons on whose behalf New Zealand Central Securities Depository Limited is holding those Quoted Financial Products (and, for the avoidance of doubt, New Zealand Central Securities Depository Limited will not be treated as a registered holder) for the purposes of determining the 20 largest holdings,
 - (d) details of the Quoted Financial Products, and Financial Products that may Convert to Quoted Financial Products, in which each Director has a Relevant Interest at the balance date of the financial year in respect of which the annual report is prepared,
 - (e) details of the spread of Quoted Financial Product holders as at a date not earlier than two months before the publication of the annual report,

- (f) the current credit rating status (if any) of the Issuer,
- (g) a summary of all waivers:
 - (i) granted and published by NZX following an application by the Issuer, or
 - (ii) relied upon by the Issuer (regardless of when such waiver was granted or published),

in the 12 month period preceding the Issuer's balance date (or a reference to where this information can be found on the Issuer's website, where it must remain available until publication of the next annual report),

- (h) details of any public exercise of NZX's powers set out in Rule 9.9.3, and
- (i) for an Issuer of Quoted Equity Securities, the additional information set out in Rule 3.8.1.

3.7.2 Any Issuer which extends its annual balance date must:

- (a) prepare a report containing such information, to be released through MAP at such time as NZX requires, and
- (b) comply with Rule 3.21.2.

3.8 Further Annual Report content for Issuers of Equity Securities

3.8.1 Further to the requirements of Rule 3.7.1, the annual report of an Issuer of Quoted Equity Securities must also contain:

- (a) a statement on, or URL link to a statement on, the extent to which the Issuer has followed the recommendations in the NZX Corporate Governance Code during the relevant financial year, and the date at which the corporate governance statement is current (which must be the Issuer's balance date or a later date specified by the entity),
- (b) if the Issuer has not followed a recommendation in the NZX Corporate Governance Code for any part of the relevant financial year, the Issuer must separately state:
 - (i) which recommendation, or recommendations, were not followed,
 - (ii) the period over which this occurred,
 - (iii) the Issuer's reasons for not following the recommendation,
 - (iv) what, if any, alternative governance practice was adopted in lieu of the recommendation during that period, and
 - (v) that the alternative governance practice has been approved by the Board,

however, an Issuer need not separately state those matters for any part of a period prior to first Quotation of a Class of its Equity Securities,

- (c) a quantitative breakdown as to the gender composition of the Issuer's Directors and Officers as at the Issuer's balance date, including comparative figures for the prior year which, at a minimum, must include:
- (i) the number of Directors who self-identify as male, female and gender diverse, and
 - (ii) the number of Officers who self-identify as male, female and gender diverse,
- at the relevant balance date and with comparative figures for the prior balance date (if any).

For the purposes of this Rule 3.8.1(c), "**Officer**" means a person, however designated, who is concerned or takes part in the management of the Issuer's business and reports directly to:

- (i) the Board, or
 - (ii) a person who reports to the Board,
- (d) an evaluation from the Board on the Issuer's performance with respect to its diversity policy (if applicable),
- (e) a statement as to which of its Directors are Independent Directors as at the balance date of the financial year in respect of which the annual report is prepared, and the factors relevant to that determination, and
- (f) details of any Director who has been appointed under the provisions of the Governing Document complying with Rule 2.4, and the Financial Product holder which appointed that Director.

3.13 Issues, acquisitions and redemption of capital

3.13.1 If an Issuer issues, acquires or redeems:

- (a) Quoted Financial Products, or
- (b) Financial Products Convertible into Quoted Equity Securities or Options to acquire Quoted Equity Securities,
- (c) Wholesale Debt Securities which form part of the same Class as existing Wholesale Debt Securities;

the Issuer must, subject to Rule 3.13.3, provide for release through MAP in prescribed form (as applicable) details of:

- (d) the Class of Financial Product and ISIN,
- (e) the number of Financial Products issued, acquired or redeemed,
- (f) the nominal value (if any) and the issue, acquisition, or redemption price,
- (g) whether payment was in cash,

- (h) any amount paid up (if not in full),
- (i) for an issue of Convertible Financial Products or Options, the principal terms of Conversion (for example, the conversion price and conversion date and the ranking of the Financial Product in relation to other Classes of Financial Product) or the Option (for example, the exercise price and exercise date),
- (j) the percentage of the total Class of Financial Product issued, acquired or redeemed (calculated on the number of Financial Products of the Class, excluding any Treasury Stock, in existence immediately prior to the issue, acquisition or redemption),
- (k) the reason for the issue, acquisition or redemption,
- (l) the specific authority for the issue, acquisition or redemption (if any),
- (m) any terms or details of the issue, acquisition or redemption (such as an escrow provision),
- (n) the total number of Financial Products of the Class in existence after the issue, acquisition or redemption (excluding Treasury Stock) and the total number of Financial Products of the Class held as Treasury Stock after the issue, acquisition or redemption,
- (o) in the case of an acquisition of Equity Securities by an Issuer which is a company registered under the Companies Act 1993, whether those Equity Securities are to be held as Treasury Stock, and
- (p) the dates of issue, acquisition or redemption.

Subject to Rule 3.13.2, notices required by this Rule must be released through MAP within one Business Day after the issue, acquisition or redemption. For the purposes of this Rule, the sale or transfer of Treasury Stock by an Issuer is deemed to be an issue of Financial Products.

[...]

3.14 Distributions, conversion and calls

[...]

3.14.2 Where the timing of a call on Quoted Financial Products is not stated in the Offer Document or Profile, the Issuer must promptly and without delay notify NZX through MAP after determining that date.

3.15 Further notice for Convertible Financial Products

3.15.1 Where Financial Products are Convertible at the option of the holder before final maturity into Quoted Financial Products, the Issuer must give notice of this option by release through MAP and to all holders of those Financial Products. That notice:

- (a) must be given:
 - (i) if the Financial Products are Convertible on a fixed date or dates, at least six weeks before each such date, or
 - (ii) if the Financial Products are Convertible on the trigger of an event, as soon as practicable after that event has occurred or promptly and without delay after it becomes apparent that the event will occur,
- (b) need not be given if the Financial Products are Convertible at the option of the holder at any time,
- (c) must disclose any option for Conversion which may be exercised at a later date, and
- (d) must contain a statement to the effect that any Financial Products holders in doubt as to whether Conversion is desirable should seek advice from a financial adviser.

3.15.2 Following each Conversion of Financial Products into Quoted Financial Products, the Issuer must promptly and without delay release through MAP notice of:

- (a) the number of Financial Products Converted and the number and Class of Quoted Financial Products into which they have been Converted,
- (b) details of any interest or dividend conditions attaching to the Financial Products into which they have been Converted, and
- (c) how many Financial Products of the same Class remain to be Converted.

4.6 3% Issue to Employees and Executive Directors

4.6.1 An Issuer may issue Equity Securities if:

- (a) the issue is made to, or to a trustee to hold for the benefit of, Employees and may include Employees that are Directors or Associated Persons of Directors only if their participation satisfies the allocation criteria applying to Employees generally,
- (b) the issue is of a Class of Equity Securities already on issue, and
- (c) the number to be issued, together with all other Equity Securities of the same Class issued under this Rule 4.6.1 over the shorter of the previous 12 months or the period since the Issuer was Listed, will not exceed 3% of the aggregate of:
 - (i) the total number of Equity Securities of that Class on issue at the commencement of that period, and
 - (ii) the total number of Equity Securities of that Class issued during that period under Rules 4.2.1, 4.3, 4.4.1(a), 4.5.1, 4.8.1 and 4.9,

provided that for the purposes of this Rule 4.6.1:

- (d) Financial Products which may Convert to Quoted Equity Securities are deemed to correspond in number to, and be deemed to be of the same Class as, the Quoted Equity Securities into which they may Convert, and
- (e) if the conversion ratio is fixed by reference to the market price of the underlying Equity Securities, unless otherwise specified in the issue terms, this is the Average Market Price.

7.8 Notices of Meeting

7.8.1 The text of any resolution to be put to a meeting of an Issuer required by the Rules must be set out in the notice of the relevant meeting.

7.8.2 Each notice of meeting must contain or be accompanied by sufficient explanation, reports, valuations, and other information, as to enable a reasonable person entitled to Vote to understand the effect of each resolution proposed, including:

- (a) the consequences if the resolution in question is not passed (unless such resolution concerns a matter listed in Rule 7.1.2(a)(i) to (vii)), and
- (b) a statement outlining who is subject to voting restrictions in relation to such resolution.

7.8.3 Each notice of meeting to consider a resolution to appoint, elect or re-elect a Director must include the following information on each candidate:

- (a) the Board's view on whether or not the candidate would qualify as an Independent Director (or, if the Board is unable to make such an assessment due to a lack of information regarding a candidate nominated by an Equity Security holder, a statement to that effect).
- (b) an outline of the candidate's experience (including specific details of relevant roles and organisations) and, if relevant, the qualifications of the candidate, to the extent such information is available to the Issuer after making due inquiries, and
- (c) any other information that the Board considers may be useful to provide to a Financial Product holder.

7.8.4 As a minimum, the notice of meeting for a resolution to approve an issue, acquisition or redemption of Financial Products, or provision of financial assistance, must state or contain so much of the following information as is applicable and known to the Issuer:

- (a) the number of any Financial Products to be issued, acquired, or redeemed or, if the number is not known, the formula to be applied to determine the number, and the maximum number which may be issued, acquired or redeemed,
- (b) the purpose of the transaction,
- (c) any issue, acquisition or redemption price or, if the price is not known, the formula to be applied to determine the price, and the time or times for payment with sufficient detail to enable Financial Product holders to ascertain the terms to or from any party,

- (d) the party or parties to whom any Financial Products are to be issued, or from whom they are to be acquired or redeemed, where that is known, and identifying by name any such parties who are Directors or Associated Persons of the Issuer or any Director,
- (e) in the case of an issue, the consideration for the issue and, where that is cash, the specific purpose for raising the cash,
- (f) the period of time within which any issue, acquisition or redemption will be made,
- (g) in the case of an issue, the ranking of the Financial Products to be issued for any future benefit, and
- (h) in the case of a resolution under Rule 4.16.1, the amount and full terms of the financial assistance to be given and the party or parties who will receive it, identifying by name any such parties who are Directors or Associated Persons of the Issuer or any Director.

7.8.5 A notice of meeting to consider a resolution of the nature referred to in Rule 7.8.4 (other than a resolution to permit an issue under Rule 4.7.1) must be accompanied by an Appraisal Report if:

- (a) the resolution is required by Rule 4.13,
- (b) more than 50% of the Financial Products to be issued are intended or likely to be acquired by Directors or Associated Persons of Directors, or
- (c) more than 50% of the Financial Products to be acquired or redeemed or the financial assistance to be given is intended or likely to go to Directors or Associated Persons of Directors.

7.8.6 Without limiting Rule 7.8.2, notices in respect of proposed changes to a Governing Document must explain the effect of such changes so that they can be understood without reference to the existing or proposed Governing Document.

7.8.7 Where the Issuer is incorporated under the Companies Act 1993 and the effect of the resolution, if passed, is that shareholders will have the right to require the Issuer to buy their shares under section 110 or 118 of that Act, the resolution must contain a prominent statement referring to that right.

7.8.8 A notice of meeting for the purposes of Rule 5.2.1 must:

- (a) be reviewed by NZX in accordance with Rule 7.1,
- (b) be accompanied by an Appraisal Report, and
- (c) contain such other material as is necessary to enable the holders of Financial Products entitled to Vote to decide whether the transaction price and terms are fair.

7.9 Proxy approval

7.9.1 So far as is reasonably practicable, resolutions must be framed in a manner which facilitates binary voting instructions for proxy holders.

7.9.2 A proxy form must be sent with each notice of meeting of Quoted Financial Product holders and:

- (a) as a minimum, so far as the subject matter and form of the resolutions reasonably permits, provide for a binary voting choice (for or against) to enable a Quoted Financial Product holder to instruct the proxy as to the casting of the vote,
- (b) not be sent with any name or office (e.g. chairperson of directors) filled in as proxy holder, and
- (c) contain a statement outlining who is subject to voting restrictions in relation to each resolution.

7.9.3 Notwithstanding Rule 7.9.2, an Issuer may provide in the proxy form that:

- (a) if, in appointing a proxy, a Quoted Financial Product holder does not name a person as their proxy but otherwise completes the proxy form in full, or
- (b) a Quoted Financial Product holder's named proxy does not attend the meeting,

a named person or office will act as that Quoted Financial Product holder's proxy and vote in accordance with their express direction. If such statement is included in the proxy form, the proxy form and notice of meeting must:

- (c) clearly and prominently disclose the intention to appoint a named person or office in the circumstances set out in Rule 7.9.3(a) and (b), and
- (d) provide that the named person or office acting as proxy must:
 - (i) only vote in accordance with the express directions of the relevant Quoted Financial Product holder, and
 - (ii) not vote on a resolution if expressly granted a discretion on how to vote on a resolution and such resolution is subject to a voting restriction that applies to the proxy under Rule 6.3.1.

8.3 Statements

8.3.1 Every Issuer must issue to each holder of Quoted Financial Products on request a Statement that sets out:

- (a) the Class and number of Financial Products held by that holder and the total number of Financial Products of that Class issued by the Issuer,
- (b) the register on which the holder's Financial Products are held, if other than the principal register,

- (c) unless the Quoted Financial Products are ordinary shares, the rights, privileges, conditions and limitation, including restrictions on transfer (if any) attaching to the Quoted Financial Products held by the holder,
- (d) the relationship of the Quoted Financial Products held by the holder compared with the other Classes of Quoted Financial Products, and
- (e) the holder's number or CSN and address.

8.3.2 An Issuer is not obliged to provide a holder with the Statement required by Rule 8.3.1 if:

- (a) such a Statement has been provided within the previous six months, and
- (b) the holder has not acquired or disposed of Financial Products of the relevant Class since a previous Statement required by Rule 8.3.1 or Rule 8.3.3 was provided.

8.3.3 Every Issuer must issue a Statement to each holder who obtains or disposes of Quoted Financial Products upon an issue or a transfer within 5 Business Days after the date of allotment or the date of registration of that transfer.

8.3.4 Where the Statement required by Rule 8.3.3 is issued following a transfer, the Statement must include:

- (a) all the information specified in Rule 8.3.1, except that the total number of Financial Products of that Class issued by the Issuer need not be shown, and
- (b) the number of Financial Products transferred (to or from the holder) in each transfer since the last Statement.