

Takeovers Code (Scott Technology Limited) Exemption Notice 2016

Pursuant to section 45 of the Takeovers Act 1993, the Takeovers Panel, being satisfied of the matters set out in section 45(6) of that Act, gives the following notice.

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Notice

1 Title

This notice is the Takeovers Code (Scott Technology Limited) Exemption Notice 2016.

2 Application

This notice applies to acts or omissions occurring on or after 29 September 2016.

3 Revocation

This notice is revoked on the close of 28 September 2017.

4 Interpretation

(1) In this notice, unless the context otherwise requires,-

Act means the Takeovers Act 1993

Code means the Takeovers Code under the Act

Scott means Scott Technology Limited

exempt shareholders means FB Participações S.A., BNDES Participações S.A. and Banco Original

JBS reorganisation means the reorganisation of the group of companies of which JBS S.A. is the holding company, under which JBS S.A. will separate from its Brazil-based beef and related businesses its other businesses throughout the world and transfer those other businesses to a new holding company, JBS Foods International, which it is intended to list on the New York Stock Exchange.

- (2) In this notice, a reference to a person increasing voting control is a reference to the person becoming the holder or controller of an increased percentage of voting rights in Scott.
- (3) Any term or expression that is defined in the Act or the Code and used, but not defined, in this notice has the same meaning as in the Act or the Code.

5 Exemption from rule 6(1) of the Code

- (1) The exempt shareholders are each exempted from rule 6(1) of the Code in respect of any increase in their voting control resulting from the JBS reorganisation.

Dated at Auckland this 27th day of September 2016.

[signed]

DO Jones,
Chairperson.

Statement of reasons

This notice applies to acts or omissions occurring on or after 29 September 2016 and expires on 28 September 2017.

The Takeovers Panel (the **Panel**) has granted an exemption from rule 6(1) of the Takeovers Code (the **Code**) to each of FB Participações S.A. (**FBP**), BNDES Participações S.A. (**BNDES**) and Banco Original (the **exempt shareholders**) in respect of any increase in their voting control of Scott Technology Limited (**Scott**) resulting from a reorganisation of the JBS S.A. group of companies.

JBS S.A., the ultimate holding company of the JBS group of companies, is listed on the Sao Paulo Stock Exchange in the Novo Mercado segment. The exempt shareholders hold or control respectively 44.3% (FBP), 21.4% (BNDES) and 0.2% (Banco Original) of JBS S.A.'s voting securities. Banco Original is an associate of FBP.

Through various wholly owned associates, JBS S.A. controls 50.1% of the voting securities in Scott.

JBS S.A. is proposing to carry out a reorganisation whereby its businesses throughout the world (including Scott) will be separated from its Brazil-based beef and related businesses and transferred to a new holding company, JBS Foods International, which is intended to list on the New York Stock Exchange (**JBS reorganisation**).

As part of the JBS reorganisation, each exempt shareholder, together with all other shareholders in JBS S.A., will first be allotted an equivalent shareholding percentage in JBS Foods International. The voting control of exempt shareholders in JBS Foods International will then increase as a result of the mechanics by which the shares initially held in JBS S.A. may be exchanged for shares in JBS Foods International by JBS S.A. shareholders.

This increase may increase the extent to which FBP, Banco Original and BNDES may control JBS Foods International's voting rights in Scott.

The Panel considers that it is appropriate and consistent with the objectives of the Code to grant the exemption from the Code because—

- any increase in the control of voting rights in Scott could not reasonably be regarded as a significant purpose of the JBS reorganisation; and
- the exemption is consistent with the Panel's policy for exemptions in respect of upstream acquisitions.

Date of Notification in the *Gazette*: 6 October 2016
