

Takeovers Code (The Todd Corporation Limited) Exemption Notice 2026

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 (The Todd Corporation Limited) Exemption Notice 2026.

2 Application

This notice applies to acts or omissions occurring on or after 20 February 2026.

3 Expiry

This notice expires on the close of 1 July 2027.

4 Interpretation

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

Act means the Takeovers Act 1993

Beneficiary means a beneficiary of an Expiring Trust

Code means the Takeovers Code under the Act

Constitution means the constitution of The Todd Corporation

Expiring Trust means a Todd family trust which expires under the terms of its trust deed on 30 June 2026

First Transfer means a transfer of shares in The Todd Corporation from the trustees of an Expiring Trust to a Beneficiary or, if the Beneficiary is not at least 18 years of age at the relevant time, the Parent of such Beneficiary

First Transfer Shares means shares in The Todd Corporation received by a Beneficiary or Parent (as applicable) under a First Transfer

Parent means, with respect to a Beneficiary that is not at least 18 years of age, the Beneficiary's parent(s) or legal guardian(s)

Second Transfer means a transfer of First Transfer Shares from a Beneficiary or Parent (as applicable) to the trustees of a Second Transfer Trust

Second Transfer Trust means a Todd family trust whose beneficiaries include (and continue to include) the Beneficiary

The Todd Corporation means The Todd Corporation Limited

Todd family means the persons who are descendants natural or adopted of Charles Todd, late of Wellington, Merchant who died on 21 August 1942, and his wife Mary Todd who died on 23 February 1962, determined as if the Status of Children Act 1969 had not been passed

Todd family trust means a trust which is exclusively or principally for the benefit of one or more Todd family members

- (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 The Todd Corporation.
- (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 for First Transfers

Every Beneficiary and its Parent is exempted from rule 6(1) of the Code in relation to any increase in that Beneficiary's and Parent's voting control as a result of a First Transfer effected in accordance with clause 13 of the Constitution.

6 Conditions of the exemption in clause 5

The exemption in clause 5 with respect to a given Beneficiary or Parent is subject to the conditions that –

- (a) at the time of the First Transfer to that Beneficiary or Parent (as applicable), the number of shares transferred under all First Transfers does not, in aggregate, represent more than 16.7% of the total voting rights in The Todd Corporation;
- (b) a First Transfer to that Beneficiary or Parent (as applicable) undertaken prior to 30 June 2026 reflects a bona fide reorganisation undertaken in anticipation of the expiry of the relevant Expiring Trust; and
- (c) that Beneficiary or Parent (as applicable) receives no more than an equal number, as between all other Beneficiaries of the relevant Expiring Trust at the time of the First Transfer to that Beneficiary or Parent (as applicable), of that Expiring Trust's shares in The Todd Corporation (subject to rounding).

7 Exemption from rule 6(1) of the Code for Second Transfers

Every trustee of a Second Transfer Trust is exempted from rule 6(1) of the Code in relation to any increase in their voting control as a result of a Second Transfer effected in accordance with clause 13 of the Constitution.

8 Conditions of the exemption in clause 7

The exemption in clause 7 with respect to the trustees of a given Second Transfer Trust is subject to the conditions that –

- (a) the trustees of the Second Transfer Trust only receive First Transfer Shares from a single Beneficiary or Parent (provided that a person who is a trustee of more than one Second Transfer Trust may separately receive First Transfer Shares as the trustee of each Second Transfer Trust);
- (b) the Beneficiary or Parent only transfers First Transfer Shares to the trustees of a single Second Transfer Trust (provided that a Parent holding First Transfer Shares for multiple Beneficiaries may transfer them to the trustees of each relevant Second Transfer Trust);
- (c) the relevant Second Transfer is completed in all respects on or before the fortieth working day after the date on which the relevant First Transfer Shares were transferred to the relevant Beneficiary or Parent (as applicable);
- (d) at the time of the relevant Second Transfer, the number of shares transferred under all Second Transfers does not, in aggregate, represent more than 16.7% of the total voting rights in The Todd Corporation;
- (e) if the Second Transfer is undertaken prior to 30 June 2026, it reflects a bona fide reorganisation undertaken in anticipation of the expiry of the relevant Expiring Trust; and
- (f) each of the following applies (and continues to apply) in relation to the Second Transfer Trust:
 - (i) the trust continues for, or mainly for, the benefit of one or more of the following persons:
 - (A) the settlor or appointer of that trust;
 - (B) a relative of the settlor or appointer;
 - (C) a person for whom the settlor or appointer has natural love and affection;
 - (ii) if the trust deed establishing the trust contains a power to amend the trust deed, the trustees are required to act unanimously when exercising the power to amend the trust deed.

9 Conditions of the exemptions in clauses 5 and 7

The exemptions in clauses 5 and 7 are subject to the conditions that –

- (a) neither clause 13 of the Constitution nor any other provision of the Constitution which affects its interpretation or application is amended, varied or otherwise changed; and
- (b) any person who, as at 9 February 2026:
 - (i) holds or controls less than 20% of the voting securities in The Todd Corporation does not become the holder or controller of more than 20% of the voting securities in The Todd Corporation by reason of a First Transfer or Second Transfer; and

- (ii) holds or controls 20% or more of the voting securities in The Todd Corporation does not become the holder or controller of an increased percentage of voting securities in The Todd Corporation by reason of a First Transfer or Second Transfer.

Dated the 20th day of February 2026

[signed]

David Mark Goatley
Deputy Chair and Chair of the Division

Statement of Reasons

This notice applies to acts or omissions occurring on or after 20 February 2026 and expires on 1 July 2027.

The Takeovers Panel (the **Panel**) has granted an exemption from rule 6(1) of the Takeovers Code in respect of:

- the beneficiaries of certain Todd family trusts (or their parents or guardians if they are a minor) which expire on 30 June 2026 (each an **Expiring Trust**) becoming the holders or controllers of an increased percentage of voting rights in The Todd Corporation Limited (**The Todd Corporation**) as a result of a transfer of shares in The Todd Corporation (**shares**) to the beneficiaries (or their parents) by an Expiring Trust (each a **First Transfer**), with there being approximately 115 beneficiaries as at the date of the exemption; and
- those beneficiaries or parents (as applicable) then transferring those shares to the trustees of a Todd family trust of which the beneficiary is a beneficiary (each a **Second Transfer Trust**), and the trustees of the Second Transfer Trusts becoming the holders or controllers of an increased percentage of voting rights in The Todd Corporation (each a **Second Transfer**).

The Todd Corporation is a Code company. Accordingly, any First Transfer or Second Transfer (each a **Transfer**) which would result in the transferee holding or controlling more than 20% of the voting rights in The Todd Corporation (when aggregated with the voting rights held or controlled by that transferee's associates) would be restricted by the Code.

If any Transfer were restricted by the Code, it could be approved in accordance with rule 7(c) of the Code. However, the Code's approval process presents significant difficulties in the context of The Todd Corporation and the Transfers:

- All of the people to whom shares are to be transferred under the Transfers are members of a single extended family or represent interests associated with a single extended family (i.e., the Todd family). Further, all shares in The Todd Corporation are held or controlled by persons who are members of, or represent members of, the Todd family.
- While family members will not necessarily be associated for the purposes of the Code, some familial relationships can and do give rise to associations. Because of this potential for association, it would likely be imprudent to complete a Transfer without first establishing whether any associations gave rise to Code issues.
- However, as in all cases, determining whether any two people are associated is a fact sensitive enquiry involving careful investigation and analysis of the relevant relationships. There are no bright lines as to whether family members are (or are not) associated.

- Accordingly, to determine whether each Transfer may be restricted by the Code, there would need to be an assessment as to which Todd family members were associated with the transferee.
- Further, to the extent that any Transfer were restricted by the Code necessitating a shareholder vote under rule 7(c) of the Code, it would also be necessary to determine which shareholders could vote on the relevant resolution. In order to achieve this, it would be necessary to determine which shareholders were associated with the transferor. This is because no person associated with the transferor or transferee could vote on the resolution under rule 17(1).
- All of the above enquiries would have to be replicated in relation to each Transfer.
- Any notice of meeting to consider a rule 7(c) approval would likely be very complicated – for instance, it is likely there would be different sets of shareholders who were able to vote on each of the relevant resolutions.
- Therefore, any shareholder approval would involve a significant amount of time and effort while involving difficult judgment questions as to association and, given the numbers of Transfers involved, would likely require a very complex notice of meeting.

It is possible that the Transfers could be effected under the Takeovers Code (The Todd Corporation Limited) Exemption Notice 2024 (the **2024 Exemption**). Broadly, the 2024 Exemption permits certain transfers under clause 13 of The Todd Corporation's constitution (the **Constitution**) which, in general terms, permits transfers of shares in The Todd Corporation within certain "branches" of the Todd family. However:

- it is not clear that there would be sufficient "headroom" for all the Transfers under the 2024 Exemption (the 2024 Exemption limits the percentage of voting rights which may be transferred under the Constitution in any 12-month period to 25% of the total voting rights in The Todd Corporation at the start of such period (the **25% Limit**); and
- the Transfers have the potential to exhaust all or most of the headroom afforded under that exemption, preventing use of the 2024 Exemption by other shareholders.

To place suitable limits on the exemptions, the exemptions are restricted to only permitting the Transfers, which are in response to the expiry of the Expiring Trusts. In addition, the exemptions are (in general terms) conditional on:

- the relevant Transfer not resulting in the transfer of more than 16.7% of the voting rights in The Todd Corporation (in aggregate);
- any Transfer undertaken prior to 30 June 2026 reflecting a bona fide reorganisation undertaken in anticipation of the expiry of the relevant Expiring Trust;
- a beneficiary or a parent (as applicable) receiving no more than an equal number of the shares held by the trustees of an Expiring Trust at the time of a First Transfer (subject to rounding);
- the trustees of a Second Transfer Trust may only receive First Transfer shares from a single beneficiary or parent (as applicable);
- a beneficiary or parent (as applicable) may only transfer First Transfer shares to the trustees of a single Second Transfer Trust;
- the relevant Second Transfer being completed in all respects on or before the fortieth working day after the beneficiary or parent (as applicable) has transferred their shares from an Expiring Trust;
- the Second Transfer Trusts having the characteristics of a family trust, together with the need for the trustees to act unanimously when exercising a power to amend the trust deed;
- neither clause 13 of the Constitution nor any other provision of the Constitution which affects its interpretation or application being amended, varied or otherwise changed; and

- as a result of the First Transfer or Second Transfer, a person who holds or controls less than 20% of the voting securities not becoming the holder or controller of more than 20% of the voting securities, and a person who holds or controls 20% or more of the voting securities not increasing the percentage of voting securities they hold or control.

The Panel considers that it is appropriate and consistent with the objectives of the Code to grant the exemptions because the exemption (subject to the relevant conditions) would encourage the efficient allocation of resources and maintenance of a proper relation between the costs of compliance with the Code and the benefits resulting from it. Absent an exemption, the costs of compliance with the Code would not be proportionate to the benefits resulting from it. Specifically (and in summary):

- The Code's mechanisms for approval of acquisitions of voting control are, in practical terms, very difficult to apply in relation to Transfers given the nature of The Todd Corporation for the reasons set out above.
- The Transfers only relate to changes in shareholding arising out of an event outside the control of the trustees of an Expiring Trust, being that trust's expiry and bona fide reorganisation to settle the shares currently held by the Expiring Trust to the trustees of new Todd family trusts (i.e., the Second Transfer Trusts).
- Further to the above, the vesting of the Expiring Trusts is being carried out in a manner which will ensure the shares held by the trustees of the Expiring Trusts are distributed to the underlying beneficiaries. The conditions to the exemption have been designed to ensure this is the case. In this way, the exemption seeks to limit, to the extent practicable, the potential for aggregation of voting control in The Todd Corporation.
- It is conceivable that the various transfers permitted by this exemption could be effected under the 2024 Exemption. However, the maximum number of shares to be transferred is approximately 33.4%, exceeding the 25% Limit. Accordingly:
 - The Transfers would have to be executed over several years in order to rely on the 2024 Exemption, potentially unreasonably delaying reorganisation of the relevant trusts.
 - The Transfers would deplete transfer capacity under the 2024 Exemption in a manner that was not intended by the 2024 Exemption, limiting its availability to other shareholders.
- To ensure that the exemption is only used for its intended purposes (i.e., to facilitate a limited class of transfers which should not result in the aggregation of control), the exemption is subject to conditions similar to those attached to the 2024 Exemption, and certain additional conditions.
- There is precedent for the exemption.

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