

17 June 2024

## Important Notice of Meeting – Proposed delisting from the NZX Main Board

Dear Shareholders,

The directors have called a Special Meeting of shareholders to be held on 5 July 2024 to vote on the following resolutions (the **Resolutions**):

1. to delist Geneva Finance Limited (**GFL** or the **Company**) from the NZX Main Board; and
2. subject to Resolution 1 being approved, to list GFL on the Unlisted Securities Exchange (**USX**).

**The directors, after extensive deliberation and review, recommend that you vote in favor of these resolutions.**

### Rationale for delisting from the NZX Main Board and listing on the USX:

1. **Infrequent trading and low liquidity:** The Company's shares experience infrequent trading at very low volumes. We believe that this lack of liquidity means that maintaining our listing on the NZX Main Board offers little advantage to shareholders.
2. **Reducing compliance and governance costs:** If the Resolutions are approved, then the Company will no longer be subject to the compliance and governance obligations contained within the NZX Listing Rules and will instead comply with the USX Market Rules. This is expected to give rise to lower compliance and governance costs for the Company.
3. **More time to focus on core business activities:** Compliance with the ongoing obligations on NZX-listed issuers involves a significant investment of Board and management time. Moving the Company's listing to USX will enable the Board and management to devote more time to core business activities.
4. **USX will offer shareholders an alternative trading platform:** As delisting from the NZX Main Board is proposed to be undertaken in conjunction with listing on the USX, shareholders will still have a platform on which to trade their shares.

We consider that delisting from the NZX Main Board, and then listing on the USX, is in the best interests of shareholders and the Company, notwithstanding the loss of some benefits of continuing to be listed on the NZX Main Board (which are described in detail in the accompanying Notice of Meeting).

Shareholders should refer to the accompanying Notice of Meeting for further and more detailed information.

### The delisting process:

Delisting from the NZX Main Board requires NZX and GFL shareholder approval.

NZX has conditionally approved GFL's delisting, on conditions more fully described in the accompanying Notice of Meeting. These include the approval of GFL shareholders who are "Non-Affiliated Holders" by ordinary resolution. Resolution 1 seeks this approval. Non-Affiliated Holders are those shareholders who hold (individually and together with associated persons) less than 10% of the shares in the Company. The Resolution will be passed if it is approved by a simple majority of votes of those Non-Affiliated Holders entitled to vote and voting on the Resolution, either in person or by proxy.

### Approval to list on the USX:

Shareholder approval to list on the USX will also be sought at the Special Meeting. Resolution 2, which is conditional on Resolution 1 being passed, seeks this shareholder approval by way of an ordinary resolution of all shareholders. All shareholders are eligible to vote on this Resolution.

The Company has received approval to list on the USX from the USX and, subject to Resolution 1

being passed, intends to list on USX immediately after delisting from the NZX Main Board. The proposed timetable (which is subject to change) is set out in the Notice of Meeting along with information about the USX.

**Consequences if the Resolutions are not approved:**

Each of Resolutions 1 and 2 is inter-conditional. If either Resolution 1 or 2 is not passed, then neither of those Resolutions will have been passed.

If the Resolutions are not passed, the Company will continue to be listed on the NZX Main Board. In GFL's view, continuing as a listed company on the NZX Main Board would mean bearing disproportionate costs relative to the benefits. Remaining listed on the NZX Main Board requires dedicated resources in areas that do not generate economic benefits for GFL and limits the Company's ability to reduce costs.

**Your role in this decision:**

**Your vote is very important.** The Company's majority shareholder Federal Pacific Group Nominees Limited (who holds approximately 63% of GFL's shares) and Laurence Goodman (being an "Associated Person" of Federal Pacific Group Nominees Limited, as that term is defined in the NZX Listing Rules), are not eligible to vote on Resolution 1. The decision to delist will be determined by a simple majority of votes of the remaining GFL shareholders that vote on that Resolution. Accordingly, if you wish to support or oppose delisting from the NZX Main Board, it is important that you exercise your right to vote.

**Next steps:**

The attached Notice of Meeting provides additional information, including the voting process, reasons for and against delisting from the NZX Main Board and listing on USX, and the timing of such.

On behalf of the Board, we encourage all shareholders to read the Notice of Meeting, and, if appropriate, seek advice from a suitably qualified professional adviser, before exercising your right to vote.

**The Board recommends that all eligible shareholders vote in favour of these Resolutions.**

**The Board believes that your affirmative vote is vital for our company to advance towards a more focused and financially stable future.**

Thank you for your ongoing support.

Sincerely,

The independent directors of Geneva Finance

Robin King

Chair & independent director

Grant Hally

Independent director

Harley Aish

Independent director

## NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

Notice is given that a special meeting of shareholders of Geneva Finance Limited (**GFL** or the **Company**) will be held at Waipuna Hotel & Conference Centre 'Exhibition Hall', Mt Wellington on Friday, 5 July 2024 at 1pm NZT (**Meeting**).

### Agenda

1 Chairman's Introduction.

2 **Resolution 1:** to consider and, if thought fit, to pass the following ordinary resolution:

**Delisting from the NZX Main Board:** That the delisting of the Company from the NZX Main Board is approved and the directors of GFL are authorised to undertake all actions and enter into any agreements and other documents necessary to give effect to this Resolution.

*Note that this resolution is conditional on Resolution 2 also being passed.*

3 **Resolution 2:** To consider and, if thought fit, to pass the following ordinary resolution:

**List on the Unlisted Securities Exchange (USX):** Subject to Resolution 1 being passed, that the Company list on the Unlisted Securities Exchange and the directors are authorised to undertake all actions and enter into any agreements and other documents necessary to give effect to this Resolution.

*Note that this resolution is conditional on Resolution 1 also being passed.*

4 Consider any other matter that may properly be brought before the Meeting.

5 Close.

### PROCEDURAL NOTES

#### Inter-conditional resolutions

Each of Resolutions 1 and 2 is inter-conditional. If either Resolution 1 or 2 is not passed, then neither of those Resolutions will have been passed.

#### Voting entitlements

Voting entitlements of the Meeting will be determined with reference to the Company share register as at 5.00pm on Wednesday 3 July 2024 (the **Record Date**). Accordingly, only those persons who are registered shareholders of the Company on the Record Date will be entitled to vote at the Meeting and the only voting rights which may be exercised at the Meeting by the same registered shareholders are those attaching to shares which are registered as at the Record Date.

#### Meeting

All shareholders will have the opportunity to attend and participate in the Meeting in person at Waipuna Hotel & Conference Centre 'Exhibition Hall', Mt Wellington.

#### Proxy vote

All shareholders are entitled to attend and vote at the Meeting or, alternatively, to appoint a proxy (who need not be a shareholder of the Company) to attend and vote on their behalf.

As set out in more detail in the accompanying Proxy Form, if you return the Proxy Form without directing the proxy how to vote on any particular matter, the proxy may vote as he/she thinks fit or abstain from voting.

Robin King, the Chair of the Meeting, is willing to act as proxy for any shareholder who may wish to appoint him for that purpose. Mr King intends to vote in favour of the Resolutions where he is given a "Proxy

Discretion". All shareholders wishing to appoint the Chair as proxy should clearly indicate on their Proxy Form whether they wish to direct the Chair to vote for or against, or to abstain from voting on, each Resolution.

If you do not name a person as your proxy (but have completed the Proxy Form in full) or your named proxy does not attend the meeting, the Chair will be appointed your proxy and will vote in accordance with your express direction.

A corporation which is a shareholder may appoint a representative to attend the Meeting on its behalf in the same manner as it could appoint a proxy.

Shareholders wishing to appoint a proxy (or representative) must complete and send the Proxy Form so that it is received by MUFG Corporate Markets (formerly Link Market Services) no later than 1.00pm on Wednesday 3 July 2024.

To appoint your proxy and vote online please go to the MUFG Corporate Markets' website at: <https://investorcentre.linkgroup.nz/voting/GFL>

You will require your CSN/Holder number and Authorisation Code (FIN) to successfully validate your holding. Follow the prompts to appoint your proxy and, if desired, to provide voting instructions to your proxy. A shareholder will be taken to have signed the Proxy Form by lodging it in accordance with the instructions on the website.

Alternatively, please complete and sign the enclosed Proxy Form and return it in one of the following manners:

**Mail:** If mailing from in New Zealand, please place in the reply-paid envelope provided. If mailing from outside New Zealand, please place in the pre-addressed envelope, affix the postage from the country of mailing and post to MUFG Corporate Markets, PO Box 91976, Victoria Street West, Auckland 1142, New Zealand.

**Deliver:** MUFG Corporate Markets, Level 30 PwC Tower, 15 Customs Street West, Auckland, New Zealand.

Scan & email: [meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com)

### **Voting restrictions**

Only "Non-Affiliated Holders" (as that term is defined in the NZX Listing Rules) may vote on Resolution 1.

Broadly, Non-Affiliated Holders are shareholders in the Company with a holding (individually and together with their Associated Persons, as that term is defined in the NZX Listing Rules) of less than 10% of the GFL shares. The requirement that only Non-Affiliated Holders vote on Resolution 1 is a condition imposed by NZX to its approval of the Company's delisting from the NZX Main Board. Accordingly, neither Federal Pacific Group Nominees Limited (**Federal Pacific**) nor any of its Associated Persons are entitled to vote, appoint a proxy or exercise discretionary proxies in respect of Resolution 1.

The requirement that only Non-Affiliated Holders vote on the Resolutions is to provide protection to minority financial product holders.

The Company will disregard any votes cast on Resolution 1 by any persons to whom the foregoing applies.

Any discretionary proxies given to shareholders who are not eligible to vote under the requirements set out above will not be valid. Proxies that give express voting instructions to such persons will however be accepted.

### **Ordinary resolutions**

The Resolutions set out in this Notice of Meeting 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 in person or by proxy.

### **NZ RegCo Notice of Non-Objection**

NZ RegCo has reviewed this Notice of Meeting and issued a letter of non-objection to it under the NZX Listing Rules. However, NZ RegCo accepts no responsibility for the content of this Notice of Meeting.

### **Time references**

All references to times in this Notice of Meeting are to times in New Zealand.

### **Shareholder questions**

Shareholders attending the meeting will be given the opportunity to raise questions during the meeting. Shareholders may also submit written questions on the bottom of the Proxy Form. The main themes will be aggregated and responded to at the Meeting.

Alternatively written questions can be sent:

- online at <https://investorcentre.linkgroup.nz/voting/GFL>; or
- by email to [meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com).

GFL reserves the right not to address questions that, in the Chair's opinion, are not reasonable in the context of a shareholder meeting, or any written questions that are not received by 1.00pm NZT on Wednesday 3 July 2024.

## EXPLANATORY NOTES

### Resolution 1: Delisting from the NZX Main Board

The directors consider it is in the best interests of GFL to delist from the NZX Main Board and, in conjunction with the delisting, list instead on the USX.

#### Reasons for delisting:

##### *Infrequent trading and low liquidity:*

The Company's shares are infrequently traded and occur at very low volumes. The data indicates a substantial lack of liquidity in the market for these shares. With average market turnover over the last 12 months being only 5,322 shares or roughly between \$1,781 per day. A summary of the Company's trading volume over the past 12 months can be seen below.

The following is a summary of trading between 29 May 2023 and 29 May 2024:

|                              |          |            |           |
|------------------------------|----------|------------|-----------|
| Market capitalization        | NZ\$m    | 23.34      | 29/5/2024 |
| Shares outstanding           | # shares | 72,935,275 |           |
| Total trading days           | # days   | 252        |           |
| Days with no volumes traded  | # days   | 24         | 9.5%      |
| Days < 10,000 shares traded  | # days   | 213        | 84.5%     |
| Days < 20,000 shares traded  | # days   | 232        | 92%       |
| Days < 50,000 shares traded  | # days   | 247        | 98%       |
| Days < 100,000 shares traded | # days   | 252        | 100%      |

##### Since 1 January 2024

|                             |          |         |            |
|-----------------------------|----------|---------|------------|
| Total shares traded         | # shares | 686,371 |            |
| Average daily shares traded |          |         |            |
| May                         | # shares | 6,270   | \$1,673.04 |
| April                       | # shares | 6,610   | \$1,877.80 |
| March                       | # shares | 6,999   | \$2,086.48 |
| February                    | # shares | 5,789   | \$1,809.46 |
| January                     | # shares | 7,089   | \$2,447.76 |

In the Board's opinion, the low liquidity is highly likely to continue in the foreseeable future because:

- Federal Pacific holds approximately 63% of the Company's shares.
- No research coverage is available for the Company.
- The Company's top 10 shareholders hold in aggregate 75% of the Company's shares; and the top 50 shareholders hold 89% of the Company's shares.

The Board considers that the NZX listing does not provide significant benefit to shareholders, and the low liquidity in the Company's shares does not merit the significant compliance and governance costs associated with maintaining a listing on the NZX Main Board.

#### *Reducing compliance and governance costs*

Maintaining the Company's listing on the NZX Main Board incurs substantial compliance and governance costs with, in the Board's view, no appreciable benefits.

If the Resolutions are approved, then the Company will no longer be subject to the compliance and governance obligations contained within the NZX Listing Rules and will instead comply with the USX Market Rules. This is expected to give rise to lower compliance and governance costs for the Company, as the obligations contained within the USX Market Rules are less onerous than those under the NZX Listing Rules. For further information on this, please see the sections titled "*Reduced disclosure obligations*" and "*Reduced regulatory obligations*" on pages 9 to 12 below.

Listing on the USX is therefore expected to give rise to lower compliance and governance costs for the Company in comparison with the NZX. The fees associated with listing on USX are also substantially lower than the NZX listing fees.

#### *More time to focus on core business activities*

Compliance with the ongoing obligations on NZX-listed issuers now involves a significant investment of Board and management time, including in the preparation of half and full-year results announcements, annual reports, annual corporate governance statements, and in the compliance with continuous disclosure obligations and NZX Corporate Governance Code recommendations.

Delisting from the NZX Main Board in conjunction with listing on the USX is expected to involve considerably less Board and management time, given the reduced regulatory obligations of the USX in comparison with the NZX.

Delisting will therefore enable the Board and management to devote more time to core business activities, which the Company believes will in turn be beneficial to GFL's business in the long-term.

#### *USX will offer shareholders an alternative trading platform*

Delisting from the NZX Main Board is proposed to be in conjunction with listing on the USX (if shareholders also approve Resolution 2). This means that, if Resolution 2 is passed, shareholders will still have a platform on which to trade their GFL shares.

There are 16 issuers listed on the USX. These include Palliser Estate, PharmaZen, Rangatira, Silver Fern Farms, Skyline, Speirs Group and Zespri.

Trading on the USX operates in a similar manner to the NZX. As described further under the heading "*Buying and selling shares on the USX*" on page 15 below, shareholders trade on the USX through a broker. The Company understands that most USX brokers charge similar fees for trade on USX compared to those charged by NZX brokers for trades on the NZX Main Board. Shareholders will, on registration on the USX website, have access to USX issuer profiles, which will provide a snapshot of the Company, access to all announcements posted by the Company, and visibility into market depth and trade history.

It is difficult to predict what impact moving the Company's listing from the NZX to the USX will have on shareholders' ability to trade their shares, the demand for GFL shares and the GFL share price. As with the NZX, there is no guarantee that there will be a buyer for shares on the USX. The number of entities listed on the USX (currently 16) is considerably fewer than the NZX (approximately 140) and total trading activity on the USX is significantly lower than that on the NZX. Neither the directors nor any other person can provide any assurance that the GFL share price will not decline as a consequence of the Company moving from the NZX to the USX.

The Company intends to continue to use a third-party share registrar to maintain its share register. Shareholders will still be able to undertake off-market private sales in the usual way by informing MUFG Corporate Markets following the delisting (see details under the heading "*Share registrar*" on page 15 below).

Shareholders can expect to continue receiving details relating to the Company via email. If shareholders do not have an email address recorded with MUFG Corporate Markets, they can expect to keep receiving statutorily required information by post.

### **Reasons against delisting from the NZX Main Board and listing on USX:**

The directors consider the primary reasons against delisting from the NZX Main Board and listing on the USX to be as follows:

#### *The unknown impact on liquidity of GFL shares*

USX is a less well-known market and has considerably less registered issuers and lower total trading activity, than the NZX Main Board. It is unclear to the directors what, if any, impact moving the Company's listing from the NZX to the USX will have on shareholders' ability to trade their shares, the demand for GFL shares and the GFL share price. Neither the directors nor any other person can provide any assurance that the GFL share price will not decline as a consequence of the Company moving to the USX.

#### *Reduced disclosure obligations*

Once GFL is delisted from the NZX Main Board, it will no longer be required to comply with, and shareholders will no longer have the benefit of, the continuous and other disclosure obligations under the NZX Listing Rules.

In particular, shareholders will no longer have the benefit of the NZX Listing Rule requiring the Company to immediately release "material information" (broadly, price sensitive information relating to GFL or its shares that is not generally available to the public) to NZX and the market. In addition, the Company will not be required to prepare and publish half-yearly financial results or half-yearly financial statements as it is required to do as an NZX-listed company.

However, as noted below (see the section titled "*Governance arrangements on USX*"), the Company intends to release quarterly financial information to shareholders through the USX announcement platform if the Resolutions are approved.

The USX Market Rules (which are available on the USX website at [www.usx.co.nz](http://www.usx.co.nz)) do contain certain ongoing disclosure expectations, including that the Company will be expected to report the following information by posting to the USX announcements platform as soon as available:

- financial reporting in compliance with the Financial Reporting Act 2013;
- changes to details or information including:
  - changes in its directors and senior managers;
  - corporate actions (i.e., any corporate event affecting the number, value or terms of quoted securities), both when approved and when actioned, including dividends, buybacks and issues of shares;
  - changes to basic company information (address, contact details, registrar, auditors and lawyers);
- any disclosures required by the Financial Markets Authority; and
- such other events, actions or new information that the Company in its sole discretion may consider to have a material impact on the market price of GFL shares if such event or action was known to investors, provided that such disclosure is considered by the Company to be in the interest of all shareholders generally.

USX disclosure rules are much less prescriptive than the NZX equivalent disclosure rules, and it is unclear how this difference will impact the "price discovery" or market pricing of GFL shares. However, the Board will continue to maintain a high level of transparency to ensure that shareholders continue to be well informed in the event that both Resolutions are approved. More information on the Company's governance arrangements in the event that Resolutions are passed can be found under the heading "*Governance arrangements on USX*" on page 13.



### Reduced regulatory obligations

By ceasing to be listed on the NZX Main Board, shareholders will no longer have the benefit of the various protections under the NZX Listing Rules and certain protections under the Financial Markets Conduct Act (FMCA). Those protections, as they apply to an NZX listed company and to a USX listed company, are summarised in the table below:

| Regulation                           | Application to an NZX Main Board-listed company  | Application to a USX-listed company   |
|--------------------------------------|--|---|
| <b>Market Rules</b>                  |  |   |
| <i>Overall application</i>           | <ul style="list-style-type: none"> <li>The NZX Listing Rules contain a number of rules designed to protect the interests of shareholders and ensure there is an informed market for the trading of financial products.</li> </ul>  | <ul style="list-style-type: none"> <li>The Company will no longer be subject to the NZX Listing Rules.</li> </ul>   |
| <i>Independent directors</i>         | <ul style="list-style-type: none"> <li>Listed companies are required to have at least two independent directors.</li> <li>An audit committee must comprise a majority of independent directors.</li> <li>Non-independent directors are more likely to have conflicts of interest.</li> <li>Directors of a listed company are not entitled to vote on a matter in which they are interested.</li> </ul> | <ul style="list-style-type: none"> <li>USX-listed companies are not required to have independent directors and are not required to have an audit committee. However, see the comments below under the heading “Governance arrangements on USX” regarding the Board’s intention to retain independent directors on the Board if the Resolutions are approved.</li> <li>Directors of a USX-listed company must disclose to the company matters in which they are interested but can remain entitled to vote on the matter in which they are interested.</li> <li>The overarching duties of directors under the Companies Act 1993 to act in good faith and in the best interests of the Company remain applicable.</li> </ul> |
| <i>NZX Corporate Governance Code</i> | <ul style="list-style-type: none"> <li>The Company must report (on a comply or explain basis) against recommendations in the NZX Corporate Governance Code.</li> </ul>   | <ul style="list-style-type: none"> <li>The Company’s annual report is no longer required to contain disclosures regarding its compliance with the recommendations in the NZX Corporate Governance Code.</li> </ul>  |
| <i>Issue of further shares</i>       | <ul style="list-style-type: none"> <li>Unless shareholder approval is obtained, NZX-listed companies are generally only allowed to issue shares not exceeding 15% of all shares on issue, calculated over a rolling twelve-month period or undertake pro rata share offers.</li> </ul>   | <ul style="list-style-type: none"> <li>Upon being delisted, the 15% limit will no longer apply to the Company and the Board will be entitled to issue additional shares without shareholder approval.</li> <li>However, if the Company does issue shares for any reason, the Companies Act 1993 requires the Board to resolve and certify that the share issue is in the best interests of the Company and is fair and reasonable to the Company and all its shareholders.</li> </ul>   |

| Regulation                                  | Application to an NZX Main Board-listed company  | Application to a USX-listed company   |
|---|--|---|
| <i>Major and related party transactions</i> | <ul style="list-style-type: none"> <li>The NZX Listing Rules relating to major transactions require that transactions that significantly change the nature of the Company's business or involve a gross value above 50% of the average market capitalisation of the Company be first approved by shareholders.</li> <li>The NZX Listing Rules also require the approval of non-associated shareholders to the Company entering a transaction with a related party where the transaction is in excess of certain thresholds.</li> <li>An independent expert's report on a related party transaction is typically required to be commissioned and sent to shareholders to consider before voting on such a transaction.</li> </ul> | <ul style="list-style-type: none"> <li>The Company will no longer be subject to the major and related party transaction restrictions under the NZX Listing Rules.</li> <li>The Company will remain subject to the major transaction rules under the Companies Act 1993 which requires shareholder approval if the gross value of the transaction is more than 50% of the market value of the Company's assets.</li> </ul>   |
| <i>Voting restrictions</i>                  | <ul style="list-style-type: none"> <li>Voting restrictions on related parties, associated persons and shareholders transacting with the Company apply to shareholders from time to time, depending on the nature of the resolution.</li> </ul>   | <ul style="list-style-type: none"> <li>The USX Market Rules do not impose voting restrictions on shareholders of USX-listed companies.</li> <li>Interested shareholders will not be restricted from voting, including on any transaction in which they have an interest.</li> </ul>   |
| <b>Financial Markets Conducts Act 2013</b>  |  |   |
| <i>Insider trading rules</i>                | <ul style="list-style-type: none"> <li>Insider trading is prohibited.</li> </ul>   | <ul style="list-style-type: none"> <li>Insider trading rules do not apply to USX-listed companies. While it is not illegal for any person with material information about a USX-listed company to trade shares, the Board will recommend adoption of a policy to continue the existing restrictions on insider purchases and sales.</li> <li>However, the Companies Act 1993 restricts the ability of directors to sell shares in the Company if they are aware of inside information.</li> </ul> |

| Regulation                           | Application to an NZX Main Board-listed company   | Application to a USX-listed company   |
|--------------------------------------|---|---|
| <p><i>Disclosure obligations</i></p> | <ul style="list-style-type: none"> <li>NZX-listed companies are required to comply with the continuous disclosure rules in the NZX Listing Rules, which require disclosure of Material Information to NZX and publicly via the NZX Market Announcements Platform unless an exception applies.</li> <li>Any share trading by directors, senior managers or persons having a “relevant interest” in 5% or more of all shares of the Company must be disclosed to the market through prescribed disclosure forms.</li> </ul> | <ul style="list-style-type: none"> <li>The Company will no longer be required to comply with the NZX’s continuous disclosure rules, and instead will be expected to comply with certain disclosure obligations in the USX Market Rules (as described on page 9 above)</li> <li>Shareholders wanting to know about the largest shareholdings in the Company will be able to view this information on the Companies Office website or in the Company’s Issuer Profile on the USX website (each of which are updated at least annually), or they can request such information off the share register from the Company’s share registry (currently MUFG Corporate Markets) in accordance with the relevant Companies Act 1993 provisions.</li> <li>The Company will still be subject to the FMCA in respect of any action, event or circumstance that occurred prior to delisting from the NZX Main Board.</li> </ul> |

While shareholders will lose the benefit of the above provisions on a migration to USX, the Company will remain subject to the following continuing obligations under applicable law:

- As long as the Company has 50 or more shareholders and 50 or more parcels of shares, it will continue to be required to complete audited financial statements each year. These statements will be sent to shareholders as part of an Annual Report under the Companies Act 1993 and will be registered on the Companies Office website.
- As long as the Company is “large” under the Financial Reporting Act (meaning, broadly, total assets exceeding \$66 million or total revenue exceeding \$33 million) or has 10 or more shareholders, the Company will be required to prepare an Annual Report each year including audited financial statements, and to send it to shareholders within five months of its financial year end. These will not be filed on the Companies Office website.
- Shareholders meetings will be held as required by the Companies Act, including an Annual Shareholders Meeting consistent with current practice.
- The Takeovers Code will continue to apply to the Company for so long as it has more than 50 shareholders and more than 50 share parcels and is “at least medium sized”. GFL will be at “least medium-sized” for the purposes of the Takeovers Code if either or both:
  - on the last day of the company’s most recently completed accounting period, the total assets of the company and its subsidiaries are at least \$30 million; or
  - in the most recently completed accounting period, the total revenue of the company and its subsidiaries is at least \$15 million.

The Company was considerably above these thresholds (particularly the total assets limb) as at 31 March 2024.

### *Potential loss of independent directors*

The Company will no longer be required to have any independent directors once it ceases to be listed on the NZX Main Board.

For so long as the Company's majority shareholder continues to hold more than 50% of the GFL shares on issue, it will be able to control the appointment of all directors.

Any loss of independent directors from the Board would mean a loss of those directors who are not associated with the Company's major shareholder or other interest groups, and so can independently hold management to account, and free from any suggestion that they do not represent the best interests of the Company and its shareholders as a whole, rather than those of individual shareholders or interest groups.

However, as noted below (see the section titled "*Governance arrangements on USX*"), the Company intends to retain independent directors on both the Boards of the Company and its subsidiary, Quest Insurance Limited (**Quest**), if the Resolutions are approved.

### **Governance arrangements on USX**

#### *Independent directors*

Currently there are three independent directors on the Board of the Company, being Robin King, Harley Aish and Grant Hally (the **Independent Directors**).

The Independent Directors also sit on the Board of Quest.

Although the USX does not require companies listed on their exchange to have independent directors, while the Company is listed on USX, GFL intends to have at least three independent directors (with "independent director" to be as defined under the NZX Listing Rules). No reduction in the existing number of independent directors on the board of directors of GFL and Quest (both of whom have three independent directors) is currently proposed.

As a licensed insurer, the Board will ensure that the board of directors of Quest complies with all applicable governance requirements at law. If the Company was to list on USX, no changes are contemplated to the current board of Quest.

#### *Board committees*

If the Company was to list on USX, the Board intends to (for the foreseeable future) continue to retain all of the Board committees (including the Audit and Risk Committee) that are currently in place.

#### *Quarterly financial reporting*

If the Resolutions are approved, the Company intends to release quarterly financial information to shareholders through the USX announcement platform.

#### *Dividend Policy*

The Board has resolved to adopt a dividend policy wherein the Company will distribute a minimum of 30% of its Net Profit After Tax to shareholders, subject to sufficient cash flow and liquidity and being able to pass the solvency test under the Companies Act 1993. The Board believes that this policy balances shareholder returns with the need for reinvestment in future growth and operational requirements. The Board will regularly review this policy to ensure alignment with the Company's financial health and strategic objectives.

#### *Director remuneration*

The Board does not currently intend to increase the existing level of remuneration in place for directors of the Company as a result of GFL being listed on the USX. If the Company delists from the NZX Main Board, any changes to the level of director remuneration would be accordance with the requirements of the Company's Constitution and the Companies Act 1993. This will not require shareholder approval for any increase in director fees.

### Constitution

No change to the Company's Constitution is required as a result of the Resolutions being approved. The Constitution incorporates the NZX Listing Rules by reference. However, the Constitution provides that the provisions of the NZX Listing Rules only apply to the Company while it is listed on the NZX Main Board. Pursuant to clause 3.4 of the Constitution, the relevant clauses in the Constitution which incorporate the NZX Listing Rules cease to have effect if GFL ceases to be listed.

If the Company delists from the NZX Main Board, GFL intends to remove the references in the Company's Constitution to the NZX Listing Rules at the next appropriate opportunity. However, no changes are required to delist from the NZX Main Board or to list on the USX.

### Discretion to change

The matters outlined in this section are reflective of the Board's current intentions. However, GFL does not intend to codify any of these arrangements. The Board reserves the right to change any of the matters set out above at any time if it considers it in the best interests of the Company to do so, having regard to any applicable regulatory requirements.

If the Company delists from the NZX Main Board and instead list on the USX, any changes to the arrangements set out in this section will be disclosed to shareholders through the USX announcement platform as soon as practicable after the relevant change is made.

### Procedure

NZX Listing Rule 9.9.1(c) enables the Company to make a written request to NZX that it wishes to cease to be listed on the NZX Main Board. NZX Limited and NZ RegCo have approved the delisting on the following conditions:

- the Company obtains, by way of ordinary resolution, approval from shareholders who are "Non-Affiliated Holders" to delist from the NZX Main Board;
- NZ RegCo reviews, prior to publication, any delisting announcement and communication that the Company sends its shareholders;
- the Company pay all fees owing to NZX and NZ RegCo; and
- the Company provides at least one month's notice of the delisting to the market, beginning from the date at which the announcement to delist is made.

This means if the Resolutions are passed, the delisting is expected to follow the indicative timetable below\*:

| Date   | Impact on Shareholders                                |
|--|---|
| 5 July 2024 (being date of meeting) to 17 July 2024<br>(being 1 calendar month from 17 June 2024 announcement to delist) | Shares continue to be listed on the NZX Main Board    |
| 15 July 2024   | Trading halt commences on shares at close of business |
| 17 July 2024   | Shares delisted from the NZX Main Board               |
| 18 July 2024   | Shares commence trading on the USX                    |

\*This indicative timetable is subject to change at the Company's discretion (as a result of market conditions or otherwise) or due to any other legal or regulatory requirements (including those of NZX or USX). The Company will announce to shareholders any changes to the indicative timetable.

Note the trading halt from 15 July to 17 July 2024 is to allow time for share trades to be settled by NZX

prior to the Company's ordinary shares being delisted from the NZX Main Board. Any trades placed prior to that trading halt will be processed in the normal way.

## **Resolution 2: Listing on USX**

The directors consider that:

- if the Company delists from the NZX Main Board, shareholders should be provided with an alternative platform on which to trade their shares; and
- USX, which is operated by Efficient Market Services Limited, offers such an alternative platform for shareholders.

Further information on USX can be obtained at [www.usx.co.nz](http://www.usx.co.nz).

USX is not a licensed financial product market. USX is a financial product market that operates under an exemption from the FMCA. Investors trading in securities quoted on the USX trade at their own risk and do not have the protections provided by Part 5 of the FMCA in relation to: insider trading, market manipulation, continuous disclosure, substantial holding disclosure, relevant interest disclosures, and the monitoring of market obligations by the Financial Markets Authority.

If Resolutions 1 and 2 are approved, the Board expects to finalise arrangements for the ordinary shares in the Company to be quoted on USX. Efficient Market Services Limited, which operates USX, has conditionally accepted the Company's listing application. The Company's ability to list on USX is now simply conditional on the Company completing the delisting process from the NZX.

USX is a well-established facility that:

- (a) provides a cost-effective share trading platform for shareholders; and
- (b) is public, transparent and centralised.

USX has no additional direct costs above the annual listing fee (currently \$15,700 plus GST), no service charges, and no requirement for a security bond. On an ongoing basis, total compliance costs for the Company will be significantly lower than those of the NZX.

Efficient Market Services Limited, which operates the USX, accepts no responsibility for any statement in this Notice of Meeting.

### *Share registrar*

MUFG Corporate Markets is the Company's share registrar and will continue to act as the Company's share registrar both prior to the delisting and after listing and trading on the USX commences. MUFG Corporate Markets will update the Company's share register with trading information it receives from the NZX (prior to delisting from the NZX Main Board) and from the USX (after share trading commences on USX). MUFG Corporate Markets' contact details are:

MUFG Corporate Markets Level 30, PwC Tower  
15 Customs Street West  
Auckland 1010  
Email: [enquiries@linkmarketservices.com](mailto:enquiries@linkmarketservices.com)

### *Buying and selling shares on USX*

The USX operates in a similar manner to the NZX. In particular:

- (a) brokers enter buy and sell orders on behalf of clients and where the price bid and offered matches the buy and sell orders are matched and a trade is completed. This matching is on a continuous basis during trading hours. The first quoted price will be based on buy and sell orders placed on USX by brokers on behalf of their clients;
- (b) on USX's website, shareholders can register as an investor to view market information and the current bids and offers listed on the market and recent company announcements and an Issuer Profile that is

prepared by USX on each issuer. Full information on trading ordinary shares on USX can also be found on USX's website [www.usx.co.nz](http://www.usx.co.nz);

- (c) a list of brokers who trade on USX can be found at [www.usx.co.nz/brokers](http://www.usx.co.nz/brokers). The brokers who trade on USX will require shareholders to sign an Investor Information and Disclaimer form prior to entering a trade into the market. This is a one-off requirement to confirm that the shareholder recognises that USX is exempt from the financial product market licensing requirements of the FMCA and that the obligations for issuers of USX are different to those applying to issuers whose shares are traded on a licensed financial product market (i.e., the NZX);
- (d) to trade shares on the USX, a shareholder will need to place an order to buy or sell shares with a USX broker. The broker will put the 'buy or sell order' into the market. Upon the matching of an order, the broker is advised by USX of such order being matched. The broker will then arrange for clearing and settlement of the trade with the other broker and MUFG Corporate Markets using electronic means; and
- (e) most USX brokers charge a similar fee as for an NZX trade. No other fees are payable by the investor.

*Consequences if Resolutions not approved*

Each of Resolutions 1 and 2 is inter-dependent, and requires that each of those Resolutions be passed by shareholders in order for the matters referred to in those Resolutions to be effected. If either Resolution 1 or 2 is not passed, then:

- (a) neither of those Resolutions will have been passed; and
- (b) the Company will remain listed on the NZX Main Board.

The Board believes that continuing to be listed on the NZX Main Board will be detrimental to the Company as the costs of maintaining an NZX listing are considered disproportionate compared to the benefits of the Company being listed.

**Board Recommendation**

The directors unanimously recommend that shareholders vote in favour of both Resolutions.