
Aotearoa Fisheries Limited – Asset Disposal Policy

Dated April 2026

1. Purpose

This policy establishes procedures for the disposal of all quota and specified assets (with a value of greater than NZD \$5 million) by Aotearoa Fisheries Limited (AFL) or any of its Subcompanies, ensuring iwi (through MIOs and AHCs) are given a priority opportunity to acquire such assets in accordance with section 62(1) (i) of the Māori Fisheries Act 2004 as amended by the Māori Fisheries Amendment Act 2024 (MFA), and AFL's constitution (**Constitution**). The policy includes commitments for AFL to use best endeavours to come to an agreement with each of its Subcompanies, including Sealord Group Limited (**Sealord**), on the terms for every disposal proposal in accordance with the policy.

2. Scope

This policy applies only to the disposal of:

- Quota (any amount); and
- individual assets or asset groups with a market value exceeding NZD \$5 million, including:
 - marine licence space;
 - land and buildings;
 - business units; and
 - other significant assets as determined by the AFL Board from time to time,

(together, **Captured Assets**).

Other assets (i.e. those that are not Captured Assets) held by AFL or its Subcompanies are not subject to this policy.

3. Guiding Principles

- **Right of First Refusal:** AFL will give AHCs who are then-current shareholders of AFL (or the associated MIOs) the first opportunity to acquire any Quota or Captured Assets before they are offered to external parties.
- **Market Value:** All Captured Assets will be offered at an independently assessed market value.

4. Procedures

4.1 Asset Identification and Valuation

- Before AFL offers an asset for sale, AFL will take reasonable steps to determine whether the asset is a Captured Asset under this policy, including determining its market value.
- For any asset that is identified as a Captured Asset, AFL must obtain an independent valuation from an appropriately qualified professional valuer to determine its market value. The market value should reflect the current conditions and demand for the Captured Asset, as determined by the independent valuation.
- The valuation report should be made available to AHCs and MIOs as part of the notification process, to ensure transparency and enable informed decision-making.
- AFL will ensure that the valuation process is completed prior to commencing any notification, offer or disposal process.

4.2 Notification and Offer to Iwi

- AFL will notify AHCs of any proposed disposal of Captured Assets or Quota as follows: In the case of Captured Assets, notification will be provided to the relevant local AHCs and MIOs, as applicable and as determined at the sole discretion of the AFL Board.
- The notification (**Transfer Notice**) will include details of the following:
 - Asset description;
 - Market valuation;
 - Terms of sale; and
 - Deadline for expressions of interest.

4.3 Sale Process

Quota

- If, by the deadline specified in the Transfer Notice of a proposed disposal, AHCs or MIOs express interest in acquiring Quota, AFL will determine how the Quota is allocated amongst those that have expressed interest, including where there are any over or under-subscriptions. AFL may elect to adopt a process for addressing any over or under-subscriptions.
- Once the deadline in a Transfer Notice has closed and, subject to the above, any remaining Quota may be transferred to a third party as determined by AFL.

Captured Assets

- If, by the deadline in a Transfer Notice, AFL has received multiple expressions of interest from AHCs and/or MIOs to acquire a Captured Asset that in AFL's opinion cannot be easily divided, AFL may treat this as a competitive bid process and accept the offer that presents the best commercial outcome for AFL (in its sole discretion).

Transfer to a Third Party

- If, by the deadline specified in a Transfer Notice:

- AFL has received no expressions of interest from MIOs or AHCs willing to purchase the Quota or Captured Assets at market value;
- there is any remaining Quota not taken up by MIOs or AHCs; or
- the terms of a sale and purchase agreement with any AHC or MIO have not been concluded within a reasonable timeframe determined by AFL,

then AFL may offer the Quota or Captured Asset to a third party, at a price not less than market value and on terms no more favourable than those offered to the MIOs and AHCs.

5. Application of policy to Sealord Group Limited and other Subcompanies

- AFL will engage with Sealord and use best endeavours to agree how this policy will be applied to Captured Assets that are owned by Sealord. For the avoidance of doubt, this does not impose any binding requirements on AFL or Sealord.
- In addition to the above item (which relates to Sealord), AFL will engage with its other Subcompanies and use reasonable endeavours to agree how this policy will be applied to Captured Assets that are owned by those Subcompanies.

6. Governance and Oversight

- The AFL Board is responsible for approving and reviewing this policy.

6. Definitions

In this policy, capitalised terms have the following meanings (unless inconsistent with the context):

- **AHC** has the meaning given to the term “asset-holding company” in the MFA and includes “subsidiaries” referred to in the MFA;
- **MIO** has the meaning given to the term “mandated iwi organisation” in the MFA; and
- **Subcompany** has the meaning given to that term in the MFA, and, as at the date of this policy, includes the entities identified in Appendix 1.

Appendix 1 – List of Subcompanies

Sealord Group Limited