

In the High Court of New Zealand
Christchurch Registry
I Te Kōti Matua O Aotearoa
Ōtautahi Rohe

CIV-2019-409-

in the matter of: a scheme of arrangement under Part 15 of the
Companies Act 1993

and in the matter of: **PGG Wrightson Limited**, a duly incorporated
company having its registered office at 57 Waterloo
Road, Hornby, Christchurch 8042, and listed on the
NZX as a New Zealand rural services business
Applicant

Originating application for orders approving scheme of
arrangement under Part 15 of the Companies Act 1993

Dated: 11 June 2019

REFERENCE: L L Fraser (laura.fraser@chapmantripp.com)
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ORIGINATING APPLICATION FOR ORDERS APPROVING SCHEME OF ARRANGEMENT UNDER PART 15 OF THE COMPANIES ACT 1993

To the Registrar of the High Court at Christchurch

This document notifies you that—

- 1 The applicant will at _____ on July 2019 apply to the court for orders that:
 - 1.1 the proposed scheme of arrangement between the applicant, PGG Wrightson Limited (*PGW*) and its shareholders, as described in the Scheme Plan (a draft of which is **annexed** in the Schedule to this application and the final version of which will be submitted to the Court prior to the hearing of this application) (*the Scheme*), is approved and binding upon PGW, all of its shareholders and all such other persons as are necessary to give effect to the Scheme;
 - 1.2 PGW is granted leave to apply to the Court for approval of any amendment, modification or supplement to the Scheme.
- 2 The grounds on which each order is sought are as follows:
 - 2.1 Part 19 of the High Court Rules requires this application to be made by originating application (High Court Rule 19.2(c)).
 - 2.2 Section 236(1) of the Companies Act 1993 (*the Companies Act*) provides the Court with powers to make orders that the Scheme is binding on PGW and its shareholders and on such other persons as the Court may specify and upon such terms and conditions as the Court thinks fit.
 - 2.3 Section 237(1) of the Companies Act provides the Court with the power to make additional orders to give effect to the Scheme.
 - 2.4 By the date on which this application is determined PGW will have complied with the initial orders made by this Court and the requirements of Part 15 of the Companies Act.
 - 2.5 The proposed arrangement does not affect the voting rights of a code company, and accordingly, section 236A of the Companies Act is not engaged.
 - 2.6 The Scheme is such that:
 - (a) an intelligent and honest person of business acting in respect of his or her own interest would reasonably approve it; and

(b) it is fair and equitable,

3 The application is made in reliance on:

3.1 Part 15 of the Companies Act, particularly s 236, and Schedule 10 of the Companies Act;

3.2 Part 19 of the High Court Rules;

3.3 the affidavits/affirmations of:

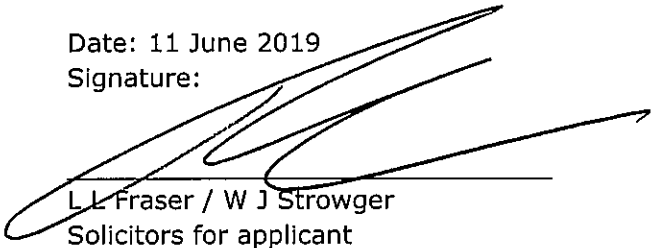
- Rodger John Finlay;
- Philip James Ascroft; and

any further affidavits/affirmations to be filed in support of this application; and

3.4 the memorandum of counsel filed in support of this application.

Date: 11 June 2019

Signature:



L.L. Fraser / W.J. Strowger
Solicitors for applicant

This document is filed by Laura Louise Fraser, solicitor for the applicant, of the firm Chapman Tripp. The address for service of the applicant is at the offices of Chapman Tripp, Level 38, 23 Albert Street, Auckland.

Documents for service on the applicant may be delivered to that address or may be:

- (a) posted to the solicitor at PO Box 2206, Shortland Street, Auckland 1140; or
- (b) emailed to the solicitor by all the email addresses on the front page of this document provided that a hard copy is also posted.

SCHEDULE:

SCHEME OF ARRANGEMENT BETWEEN PGG WRIGHTSON LIMITED AND ITS SHAREHOLDERS

Introduction

- A PGG Wrightson Limited (*PGW*) has proposed a scheme of arrangement between itself and its shareholders, the terms of which are set out in this document (*Scheme*).
- B The Scheme will take effect only if:
- (i) the Scheme is approved by shareholders, by resolution approved by 75 per cent or more of the votes cast by those holders of Ordinary Shares entitled to vote and voting on the resolution; and
 - (ii) the Scheme is approved by the Court in accordance with section 236 of the Companies Act 1993 (New Zealand).

Terms

1 Definitions

1.1 In this Scheme:

Business Day means any day (other than a Saturday, Sunday or public holiday in New Zealand) on which banks are open for business in Christchurch, New Zealand.

Ordinary Share means a fully paid-up ordinary share in the capital of PGW.

PGW has the meaning given in paragraph A of the Introduction.

Record Date means the fifth Business Day after the date on which the fact that the final order from the High Court of New Zealand has been made pursuant to section 236(1) of the Companies Act 1993 sanctioning the scheme is lodged on the NZX Main Board market announcement platform.

Scheme has the meaning given in paragraph A of the Introduction.

Special Meeting means the special meeting of shareholders, and any adjournment of that meeting, to be held to consider and, if thought fit, approve the Scheme.

Share Split has the meaning given in clause 2.1.

2 Scheme

- 2.1 At 5.00pm (New Zealand time) on the Record Date, the Ordinary Shares will be subdivided and split such that each shareholder of

PGW will receive two Ordinary Shares for every one Ordinary Share that is registered in the name of that shareholder at that time (*Share Split*).

- 2.2 Immediately following completion of the Share Split, one Ordinary Share out of every two Ordinary Shares registered in the name of each shareholder of PGW will be cancelled (together with all the rights attaching to those Ordinary Shares).
- 2.3 Within five Business Days after the Record Date, PGW will pay to each holder of Ordinary Shares NZ 31 cents multiplied by the number of Ordinary Shares registered in the name of the shareholder that have been cancelled in accordance with clause 2.2. Payments will be made by electronic funds transfer to a bank account for the shareholder where PGW or Computershare Investor Services Limited holds sufficient details to make payment in that manner, and otherwise by procuring the dispatch of a cheque to the shareholder by post to the address recorded in the share register as at the Record Date.
- 2.4 PGW may cancel a cheque issued under clause 2.3 if the cheque is returned to PGW or has not been presented for payment within one year after the Record Date.
- 2.5 During the period commencing one year after the Record Date, on request in writing from a shareholder to PGW, PGW must reissue, or procure the reissue of, a cheque that was previously cancelled under clause 2.4 or where an electronic funds transfer has failed, but otherwise PGW may invest or otherwise made use of, and mingle with other money of PGW, any unclaimed payment until claimed.

3 Amendment

- 3.1 PGW reserves the right to amend this Scheme at any time and from time to time provided that any such amendment must be contained in a written document which is filed with the Court and, if made following the Special Meeting, approved by the Court and communicated to shareholders in the manner required by the Court (if so required).
- 3.2 Any amendment to this Scheme may be proposed by PGW at any time prior to or at the Special Meeting with or without any other prior notice or communication and, if so proposed and accepted by the persons voting at the Special Meeting, will become part of this Scheme for all purposes.