

RANGATIRA LIMITED

**79th ANNUAL MEETING OF SHAREHOLDERS TO BE HELD IN THE ICON ROOM,
LEVEL 2 TE PAPA, 55 CABLE STREET WELLINGTON, ON MONDAY 1 AUGUST 2016
AT 4.30PM**

ANNUAL MEETING AGENDA

>>> DAVID PILKINGTON

1. WELCOME TO SHAREHOLDERS (79TH ANNUAL MEETING)

(DAVID PHOTO AND TITLE SLIDE)

Good afternoon and welcome to this the 79th Annual Meeting of Rangatira Shareholders.

I am pleased to declare the meeting open.

Before we start with the formal business of the meeting, I have a couple of quick housekeeping points. I'd be grateful if you could please make sure your phone is switched off or on silent. In the event of an emergency, please follow the emergency exit sign and instructions of the venue staff.

2. APOLOGIES

Ian and Annie Frame
Roderick Weir
Lesley Carmichael

3. QUORUM

Secretary to confirm that necessary quorum is present for meeting to proceed.
(Five holders of A Ordinary Shares personally present.)

4. INTRODUCTORY COMMENTS

Before getting underway with the formal business of the meeting I want to take the opportunity to introduce my fellow directors. Full details of their backgrounds and experience are contained in the Annual Report – nevertheless let me introduce them:

- Keith Gibson – Deputy Chair
- Nick Calavrias
- Lindsay Gillanders
- Sophie Haslem
- Sam Knowles
- Richard Wilks

Also present is Phil Veal our CEO and Chris Bradshaw our Chief Financial Officer.

Let me return now to the business of the meeting.

5. PROXIES

Ask Secretary to confirm number of valid proxies received. (454,390 (7.4%) A share proxies received, all in favour of every resolution)

6. NOTICE OF MEETING

Request that the Notice of Annual Meeting dated 17 June 2016, be taken as read.

7. REGISTER OF DIRECTORS' AND OFFICERS' SHAREHOLDINGS

Although not a requirement under the new Companies Act, the Register of Directors' and Officers' shareholdings has been tabled and is open for inspection during the meeting.

8. MINUTES OF LAST YEAR'S ANNUAL MEETING

The Minutes of the 78th Annual Meeting, held on 3rd August 2015, were confirmed as a correct record at a subsequent Meeting of Directors. They are on the table and available for inspection.

Our first item of business is to receive the Report of the Directors and the Audited Financial Statements for the year ended March 31, 2016. Before dealing with the resolution Phil and I will present the Chair and CEO addresses.

9. CHAIR'S ADDRESS (DAVID PILKINGTON)

[SLIDE OF TABLE 1 NET PROFIT]

2016 has been a year of good progress for us at Rangatira, and I'm pleased to report solid gains in our financial performance reflected in our Net Profit after Tax of \$50.2M. I'm also pleased to tell you that Operating Earnings increased to \$11.5M from \$9.2M last year, a gain of 24%.

The Assessed Net Asset Value as at 31 March 2016 is \$12.43 per share up from the figure of \$11.32 in the prior period.

As you will have gleaned from our annual report and reading the financial statements the requirement to consolidate our investment in Hellers has significantly impacted the reporting and makes prior period comparisons extremely difficult. Phil and Chris will touch more on this later.

During the year we made the following changes to our investment portfolio:

- We purchased an additional 12.5% shareholding in Hellers lifting us to 62.5% in total.
- We acquired 70% of Bio-Strategy.
- We participated in a pro rata capital raising increasing our overall investment in Partners Life.
- We invested in Icon Ventures' Fund VI.
- We rebalanced our New Zealand public equities portfolio.

At Rangatira, our aim is to deliver market competitive returns over the long-term and steadily increasing dividends to our shareholders. Accordingly, I am happy to report that Rangatira achieved a Total Shareholder Return of 14.0% in FY2016, up significantly on the 5.2% in FY2015.

[SLIDE OF RELATIVE PERFORMANCE]

While there isn't a directly comparable benchmark for Rangatira, due to our unique mix of Private and Public Investments, and long-term investment horizon, it is nonetheless interesting to compare performance against returns of investment options easily available to New Zealanders.

The NZX50 returned 15.7% in the 12 months to 31 March 2016. While this is higher than our Total Shareholder Return for the year, over the last 10 years, the NZX50 had a 6.2% compounded annual return compared to Rangatira's compounded annual return of 10.1%. The average wholesale growth fund returned 2.4% for the year, and a 2.8% p.a. compounded annual return over the last 10 an interim dividend for the year ended 31 March 2016 of 20 cents a share was paid in December 2015.

Directors have declared a final dividend of 31 cents which was paid in June 2016.

Now, let me hand over to Phil.

>>> PHIL VEAL**10. CEO'S ADDRESS (PHIL VEAL)**

Thank you David.

Tena koutou katoa / e nga kaipupuri hea / me nga kaitohu
Greetings to you all, shareholders and directors

I'd like to introduce our team.

[TEAM SLIDE TO INTRODUCE AMANDA, ANTON PLUS CHRIS AS TEAM]

In addition to Chris Bradshaw, who David introduced earlier, we also have our Investment Manager, Amanda Robertshawe, and our Analyst Anton Labrooy here this evening.

[RANGATIRA LOGO SLIDE]

As David has noted, I'm pleased to report a productive year at Rangatira, with positive outcomes from our private portfolio (including increased earnings) and encouraging results from our New Zealand public portfolio.

That said, however, we recognise that we still have plenty of work to do to refine our total portfolio to ensure that we are more consistent in our performance.

[TWO WAYS OF DELIVERING RETURNS SLIDE]

So I'd like to talk about what we're doing to look after our portfolio, and what we're doing to find the next great investment.

We tend to focus on two main ways of delivering returns: first, by allocating our shareholders' capital effectively, and secondly by working to improve the performance of our portfolio companies.

[NEW INVESTMENTS SLIDE GOES HERE NOW]

David has already discussed the main decisions we made in 2016 on capital allocation – investing further in Hellers and Partners Life, and investing in Bio-Strategy.

And we still retain the ability to allocate more capital to private investment opportunities. We are playing in an environment where most assets are expensive, and some are looking fully priced.

[MULTIPLE EXPANSION SLIDE GOES HERE NOW]

One informative proxy for this is the recent gains in the public markets. Analysing the growth in the NZX shows that nearly three quarters of the returns since 2012 have been driven by multiple expansion rather than earnings growth. In other words, the price is going up more than the rent.

In this market, the only thing that is cheap is money. I note that many central banks around the world are now paying negative rates, and our own Reserve Bank is mulling the possibility of another rate cut, perhaps 50bps, soon.

As a result, we expect to increase our allocation to private investments in the medium term, with some corresponding reduction in our public exposure. I'll talk more about how we approach the challenge of finding new opportunities in a little bit, and I'll also give you some operating updates on our portfolio companies.

But first, let me focus on our financials...

>>> CHRIS BRADSHAW**11. CFO'S ADDRESS (CHRIS BRADSHAW)**

There have been significant changes in the financial statements this year as a result of Hellers and Domett Properties becoming subsidiaries and the inclusion of Bio-Strategy for the first time.

As David said we acquired a further 12.5% of Hellers in 20 November 2015 making it a subsidiary. Hellers was included in our financial statements at fair value at that time, the fair value being the same as our acquisition price.

[HELLERS CONSOLIDATION SLIDE]

As a result, our balance sheet is now a more accurate view of the value of our portfolio than in previous years. We had previously provided shareholders with additional information on our investment portfolio value through our Directors Valuations.

Our balance sheet has grown significantly: Assets increased from \$166m to \$347m and now include a value for the Hellers brand, recipes and trademark of \$60m. A value we have always known is there but haven't been able to include in our Balance Sheet.

The Income Statement has also changed radically with the inclusion of 4 months' sales and expenses from Hellers. Group sales increased from \$42m to \$138m and 2017 will change even more as it will reflect the first full year's contribution from Hellers. The profit won't change as much as this year as we did equity account Hellers profit for the first 8 months.

[OPERATING EARNINGS SLIDE]

Our Income statement included some unusual items – the most significant being the \$36m gain from Hellers and Domett being included in the Balance Sheet at fair value for the first time. We also wrote down the value of our investment in NZ Pastures by \$1m, being our share of the decline in NZ Pastures' farm value. The Directors of NZ Pastures reviewed the value of it farm investments in January 2016 to take account the downturn in the NZ farming sector.

Operating earnings are a useful measure of valuation creation by our portfolio investments. Operating earnings also provide the cash to enable us to pay dividends to you, our shareholders.

During the year operating earnings increased by 24 % to \$11.5m. Part of the increase was due to the larger shareholding in Hellers and the inclusion of Bio-Strategy for the first time. However, there has been growth in earnings from the existing private investments.

The Rangatira parent continues to have a strong Balance Sheet with net cash and no debt. This gives Rangatira the ability to withstand external shocks that may occur. We also have the flexibility to acquire investments which provide attractive returns.

>>> PHIL VEAL

Now I want to talk to you about our portfolio companies, and tell you about some of the progress we've made in 2016, starting with Hellers...

[HELLERS VIDEO w LEIGH HART, 30sec]

At Hellers, we increased our stake to 62.5% from 50% in a transaction that closed on 20 November 2015. We purchased our additional stake from our co-investor Nick Harris. Our confidence in the transaction is based on our positive outlook for Hellers, where we see growth opportunities in new products and markets.

[HELLERS SLIDE ON COSTCO SALES]

On new markets, Hellers has started what we hope will be a very productive relationship with retailers in Australia, where our first shipment of pre-cooked sausages was sold out in less than four days. Based on market assumptions from New Zealand, Hellers had planned for the stock to last more than two weeks.

[HELLERS SLIDE ON MY MAIN COURSE PRODUCT]

On new products, Hellers are close to launching a line of products that will be at the centre of the family meal: My Main Course. You should look for that in supermarkets in late September.

On top of new markets and products, we made enhancements at Hellers that generated new efficiencies in supply chain and production, and delivered improved earnings. Our increased stake magnified our net returns from Hellers.

[BIO STRATEGY SLIDE]

Last year, in June 2015, we acquired a 70% stake in Albany-based laboratory equipment distributor Bio-Strategy. We're pleased to be co-investing with the current managers Graeme Thompson and Robert Lyon, who continue to lead the business. Bio-Strategy is a well-run, profitable business with good opportunities to grow in new product lines, new industry sectors, and new geographies. Our strategy is to build Bio-Strategy into a leading science solutions provider in Australia and New Zealand. As a result, the company is looking to double in size in the next three years, organically and potentially through acquisition, with some add-on opportunities already identified.

[RAINBOW'S END SLIDE – PRIME MINISTER PHOTO]

Rainbow's End welcomed a record 412,000 visitors through the gates. The Prime Minister dropped in to open the new gate and to announce the coming attraction Driverstown. Driverstown is a drivers education attraction aimed at teenagers, and we're pleased to count the Automobile Association and Suzuki among the sponsors of this new drawcard.

[RAINBOW'S END VIDEO, 30sec]**[POLYNESIAN SPA SLIDE]**

Polynesian Spa had another strong year on the back of record numbers of visitors from China, Korea, and other Asian countries. We are in the early stages of planning further investment into this iconic Rotorua attraction.

[TUATARA SLIDE]

Tuatara is growing at 35% a year, and is now the leading independent craft brewer in New Zealand. This photo shows a limited time beer called "Wilder Brew" that Tuatara produced for the release of the movie "Hunt for the Wilder People".

[ALL PRIVATE LOGOS SLIDE]

For Partners Life, 2016 is proving to be a milestone year. We like the team at Partners, including Chair, our own Sam Knowles, and standout Chief Executive Naomi Ballantyne. On the shareholder register, we'll soon be joined by listed U.S. private equity manager Blackstone, who've announced their intention to invest \$200M in Partners alongside existing investors including Rangatira. This additional capital will fuel further growth in the medium term, and provide a strong, reputable partner with a global track record in the sector. In addition, last year (September 2015), we invested, *pro rata*, in an expansion capital raising in Partners.

[ALL PUBLIC LOGOS SLIDE]

Our total public portfolio returned 2.9% after providing for tax, which included a 3.8% after tax dividend yield. Breaking down our public performance we note a very polarised set of numbers. Our New Zealand holdings were up 24.9%, against the NZX full year performance of 15.7%.

Against this strong New Zealand performance, however, our Australian holdings lost 10.8% before tax, adjusted for currency (against the ASX Net Total Return Index down 1.9%), and our International portfolio lost 2.9%.

While not included in our public portfolio, we still continue to have a significant \$3.2M interest in Xero through our investment in Valar Ventures L.P., a managed venture capital fund based in New York City.

Because we put capital to work in Bio-Strategy, Hellers and Partners Life during the year, our cash holdings are reduced compared to last year. That said, we still have capacity to make new investments. We continue to look for opportunities to work with successful owners and managers who want to create iconic New Zealand businesses.

Our ideal target company will have revenues from \$10M and up, and earnings of \$2M plus. In addition, we like the model where we can co-invest with existing owners, as we've successfully done with Todd Heller and Nick Harris at Hellers, or the Lobb family at Polynesian Spa. With Todd and Nick, we've been in business together for 12 years, and with the Lobb family, it's 44 years.

[NZ MAP SLIDE]

In the course of our pursuit of the 230 opportunities we considered in the last year, we've traveled from our office in Wellington to Whangarei in the Far North, Dunedin in the south, Gisborne in the east, etc. Words about number of opportunities reviewed/screened to find one deal, etc. (pipeline talk). We spend a significant proportion of time etc on this stuff

[EY FAMILY BUSINESS AWARD SLIDE]

We're proud of our record co-investing with family business owners, so we're getting in behind the new Family Business award at EY's Entrepreneur of the Year award program.

[RANGATIRA LOGO SLIDE]

While we're also pleased with our Total Shareholder Return figure of 14% for 2016, we believe it's important to note some macro factors that will provide headwinds for us this year and over the medium term.

We are seeing unprecedented developments in the world of sovereign debt, with US\$8 trillion dollars of government bonds now paying negative rates. I don't think there's ever been an economist who has a model for what happens when investors have to pay companies and governments to take their money.

In China, gross debt is now almost 250% of GDP, another unprecedented statistic. Internal posturing and external sabre-rattling may yet create challenges

that Beijing is not able to control easily. Any developments in China will quickly spill over into Australia, and then to our home market of New Zealand.

In Europe, while Brexit may create opportunities for New Zealand over the long term, we expect it only adds to the potential for economic headwinds in SE Asia/Pacific this coming year.

And anyone who's watched what's going on in the United States might wonder if the American project in democratic government is in jeopardy.

These issues are important to consider because we know New Zealand is a small economy at the end of the longest supply chain in the world, and what happens there will inevitably affect us here.

Against this backdrop, we have to find investment opportunities and operating enhancements that will allow us to continue to deliver superior returns to you our shareholders.

Based on the hard work that the Rangatira team and board have been and are engaged in, we're cautiously optimistic when we look ahead to 2017. We are managing your assets prudently, and we are well prepared to take advantage of investment opportunities as they arise.

David, let me hand back to you...

>>> DAVID PILKINGTON

12. ANNUAL REPORT AND ACCOUNTS

[RESOLUTION SLIDE 1]

Resolution

Move “That the Directors’ Report to Shareholders and the Audited Statement of Accounts for the year ended 31 March 2016 be adopted”.

Call for seconder.

Invite shareholders to ask any questions on the Group activities or the addresses to today's meeting

Put Motion (show of hands).

13. ELECTION OF DIRECTORS

[RESOLUTION SLIDE 2]

Sophie Haslem retires in accordance with the constitution and being eligible offers herself for re-election.

Resolution

Move “That Sophie Haslem be re-elected a director of the Company”.

Call for a seconder.

Before I put the motion I would like to invite Sophie to address the meeting.

Put motion (show of hands)

[RESOLUTION SLIDE 3]

As I too come up for re-election at this meeting I will ask Keith Gibson to take over the role of the Chair of the meeting.

David Pilkington retires in accordance with the constitution and being eligible offers himself for re-election.

Resolution

Move “That David Pilkington be re-elected a director of the Company”.

Call for a seconder.

Before I put the motion I would like to invite David to address the meeting.

Put motion (show of hands)

Keith hands back the role of Chair to David.

14. AUDITOR**[RESOLUTION SLIDE 4]**

The Board of Rangatira have a policy of putting the audit out to tender on a regular basis in line with good corporate governance standards.

Following a competitive external tender process, the Board has selected KPMG for appointment as Rangatira’s auditor (as you see in your Notice of Meeting). The Board is confident that KPMG will provide excellent service to Rangatira. Brent Manning, an audit partner at KPMG is present at the meeting here today.

I would like to thank our previous auditor, Deloitte, for over 25 years of audit services to Rangatira.

Resolution

Move “To appoint KPMG as auditor until the conclusion of the 80th Annual Meeting of the Company and to authorise the Board of Directors to fix the auditor’s remuneration for the ensuring year”.

Call for a seconder.

Before I put the motion I would like to invite Sophie to address the meeting.

Put motion (show of hands)

15. SHARE BUYBACK**[RESOLUTION SLIDE 5]**

A share buyback disclosure document has been provided to shareholders as required under the Takeovers code. This was attached to the Notice of Meeting that you will have received.

Directors continue to regard the share buy back as valuable in ensuring an efficient market for Rangatira shares and a good investment for Rangatira. We haven’t bought any shares in the past year but we believe we should retain the ability to have bids in the market.

16. OTHER BUSINESS**[ANY OTHER BUSINESS SLIDE]**

Any other business that may properly be submitted.

17. CLOSURE

Thank shareholders for attendance and invite them to join Directors for refreshments.