



# Notice of Special Meeting

13 JUNE 2022

To seek Shareholders' approval for issuing Rangatira "A" shares to qualifying existing shareholders and new investors to support the on-going growth of Rangatira

*Your directors unanimously recommend that you vote in favour of the proposed resolution*

The Special Meeting will be held at:

Time: 3:00pm

Date: Thursday 7 July 2022

Place: KPMG Boardroom  
10 Customhouse Quay  
Wellington 6011



# Notice of Special Meeting

**Notice of Special Meeting:** Notice is hereby given that a Special Meeting of Rangatira Limited (Rangatira) will be held at **KPMG Boardroom 10 Customhouse Quay Wellington 6011** on **Thursday 7 July 2022**, at **3:00pm**. You can also attend the Special Meeting virtually using the instructions explained further below under "Virtual Attendance". However, to vote you must either attend the Special Meeting or submit a Proxy Voting Form.

**Business of the Special Meeting:** The purpose of the Special Meeting is to seek Shareholders' approval to the proposed Capital Raising described in this Notice of Special Meeting. Shareholders' approval is required further to the requirements of clause 6 of Rangatira's constitution.

**Resolutions:** It is proposed that the Shareholders consider and, if thought fit, pass the following ordinary resolution:

"The Capital Raising and the issuance of new Class A shares thereunder is approved for all purposes, including clause 6 of Rangatira's constitution."

**Capital Raising:** For the purposes of the above resolution, the "Capital Raising" is the issuance of new Class A shares by Rangatira to raise \$35million with an ability to accept oversubscriptions at the Board's discretion for up to \$15million (i.e. up to \$50million in total). The new Class A shares may be issued to such persons that the Board considers to be wholesale investors under applicable law (or persons to whom disclosure is not otherwise required under Part 3 of the Financial Markets Conduct Act 2013), at the time, in the number and otherwise on the terms that the Board sees fit, subject to the preceding sentence.

**Directors' recommendation:** The Directors recommend that Shareholders vote in favour of the Resolution before the Special Meeting.

**Key Dates:** If you do not wish to attend, but would like to vote, you must submit your Proxy Voting Form no later than **3:00pm** on **Tuesday 5 July 2022**, in accordance with the instructions on the Procedural Notes and the Proxy Voting Form.

By order of the Board



**Mark Dossor** Chief Executive Officer

13 June 2022

All enquiries relating to this Notice of Special Meeting should be directed to Rangatira.

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## Procedural Notes

**Attendance:** All Rangatira shareholders (A and B shareholders) are welcome to attend the Special Meeting.

**Voting eligibility:** Consistent with the Rangatira Constitution only Class A Shareholders registered as holding Class A shares on Rangatira's share register at 3:00pm on Thursday 7 July 2022 are entitled to vote on the Resolution before the Special Meeting.

**Voting threshold:** The resolution before the Special Meeting is an ordinary resolution. To be passed, this Resolution requires the approval of a simple majority of the votes cast by Class A Shareholders entitled to vote and voting on the Resolution.

**Poll voting:** Voting on the Resolution will be by way of poll.

**How to vote:** Class A Shareholders can vote in three ways:

- **Personal attendance:** you can attend the Special Meeting in person to cast your vote on the poll; or
- **Appointment of proxy:** A Class A Shareholder entitled to attend and vote at the Special Meeting is entitled to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be another Shareholder, and you may appoint the Chair of the Meeting to be your proxy. To do so simply write "Chair of the Meeting" as the proxy's name on the Proxy

Voting Form. A Proxy Voting Form is enclosed with this Notice of Special Meeting. It must be deposited with Rangatira not later than 3:00pm on Tuesday 5 July 2022, using one of the methods explained below. Rangatira may however accept late Proxy Voting Forms at its sole discretion.

- Online at [www.investorvote.co.nz](http://www.investorvote.co.nz). To appoint a proxy online shareholders will be required to enter their CSN/Securityholder Number, postcode/ country of residence and the secure access Control Number that appears on the front of their Proxy Voting Form;
- Posting it to Computershare's office in the supplied reply-paid envelope; or
- Faxing it to Computershare at +64 9 488 8787.
- **Appointment of corporate representative:** A Class A Shareholder that is a company may appoint a person to attend the Special Meeting on its behalf in the same manner as that in which it could appoint a proxy.
- **Virtual attendance:** to attend the Special Meeting virtually, please refer to the "Virtual Attendance Instructions". However, if you wish to vote then you must appoint a proxy to attend the Special Meeting on your behalf as noted above.



# Explanatory Notes

**Purposes of this Document:** The purpose of this document is to provide you with information about the proposed Capital Raising, explain the terms, conditions and effect of the Capital Raising; and explain the manner in which the Capital Raising will be implemented, if approved. This document is not a Product Disclosure Statement, or other disclosure document under the Financial Markets Conduct Act 2013 and should be read in conjunction with Rangatira's interim financial statements for the half year ended 30 September 2021, available on Rangatira's website.

**Your decision:** The information in this document does not consider your individual investment objectives, financial situation or needs. You must make your own decisions and seek your own advice in this regard. The information and recommendations contained in this document do not constitute, and should not be taken as constituting, financial product advice. If you are in any doubt as to what you should do, you should seek advice from your financial, taxation, legal and/or other professional adviser before making any decision regarding the Capital Raising. A list of registered financial advisors is available at: [www.fsp-register.companiesoffice.govt.nz/](http://www.fsp-register.companiesoffice.govt.nz/).

**Not an offer:** This document does not constitute an offer of securities to shareholders (or any other person), or a solicitation of an offer of securities from shareholders (or any other person), in any jurisdiction.

**Laws of New Zealand:** This document has been prepared in accordance with New Zealand law. Accordingly, the information in it may not be the same as might have been disclosed had the document been prepared in accordance with the laws and regulations of another jurisdiction.

**Forward-looking statements:** Forward-looking statements are all statements other than statements of historical fact. By their nature, forward-looking statements involve risk and uncertainty because they are based on assumptions and judgements and relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. You acknowledge that any forward-looking information: (i) is provided for illustrative purposes only; (ii) reflects various judgements and assumptions which may or may

not prove to be correct, reasonable or reliable; (iii) is subject to the emergence of new risk factors and to unexpected impacts of known risks; and (iv) may be affected by subsequent events, including changes in economic and other circumstances.

**Responsibility:** None of Rangatira (and its subsidiaries), or any of their respective directors, officers, trustees, shareholders, partners, employees, agents, advisers or other representatives (Representatives) make, to the maximum extent permitted under law, any representation or warranty as to the accuracy, completeness, value or reasonableness of the information in this document, nor accept any liability whatsoever for or in respect of the same. Any reliance by any person on any information in this document is a matter for that person's own judgement and no liability is accepted by Rangatira, its subsidiaries or any Representative for any such reliance, to the maximum extent permitted by law.

**Date of this Document:** This document is dated 13 June 2022.



# Capital Raising overview

Rangatira is seeking Shareholder approval to raise capital and support the company's growth.

## OVERVIEW

**Amount sought:** Rangatira is proposing to raise **\$35million**, with up to **\$15million of oversubscriptions** at the Board's discretion (i.e. up to \$50million in total), by issuing further Class A shares.

**Purpose:** To provide capital to support Rangatira's ability to take advantage of transaction opportunities as they are presented in private businesses consistent with Rangatira's investment criteria.

**Eligible investors:** Expressions of interest, and in due course subscriptions, will only be sought by invitation from the Board from 'wholesale investors' (see pages 8-9).

**Existing Shareholder Priority:** Existing Class 'A' and 'B' Shareholders that are eligible to participate will be given priority in the allocation of new Class A shares.

**Takeovers Code:** If the Capital Raising is approved, any participation will be subject to compliance with the Code. While members of the Gibson and McKenzie families may be associated under the Code, and they should take their own advice, it is expected that they will be able to participate to maintain their percentage holding of voting rights in Rangatira, subject to being wholesale investors.

**Price:** The subscription price is still to be determined by the Board but will consider recent trading, the most recent directors' valuation of Net Asset Value (NAV), the trading discount to NAV typically experienced by Rangatira and other comparable companies, as well as the discount observed in other comparable transactions. The maximum number of Class A shares to be issued implies **a price of no less than \$14.00**.

**Not pro-rata:** Non-participating or ineligible existing Shareholders will be diluted by the Capital Raising. Based on the minimum price and a capital raise of \$50million, after the transaction the maximum number of Class A shares to be issued would represent up to 37% of A shares on issue, or up to 17% of the total (Class A and B) shares on issue.\* Nevertheless, the Board believes their proposal is in the best interests of all Shareholders irrespective of their participation. No change is planned to the dividend policy or investment objectives of Rangatira because of this Capital Raising.

**Further information:** Interested parties will be provided with an Information Memorandum (IM) providing further information about Rangatira and detailing the application process.

## Indicative Timetable

Item	Event	Indicative date/time
1.	Proxy Forms return date	5 July 2022
2.	Voting Eligibility Date	7 July 2022
3.	Special Meeting to be held	7 July 2022
If the proposal is approved by shareholders, the Capital Raising will follow the steps set out below. The dates below specifically relating to the Capital Raising are indicative only and subject to change.		
4.	Annual Results and Dividend announcement	17 June 2022
5.	Annual Report released	1 July 2022
6.	Dividend payment	4 July
7.	Capital Raising opens - Expressions of Interest invited / Information Memorandum available	22 July 2022
8.	Annual General Meeting	1 August 2022
9.	Capital Raising closes unless extended	26 August 2022
10.	Capital Raising settlement and allotment of Shares	29 August – 9 September 2022
11.	Capital Raising transaction confirmation dispatched	9 September 2022

\* Note: Current A shares on issue are ~6.2million and total shares (A and B) currently on issue are ~17.7m; \$50million @ \$14 per share = ~3.6million shares. Post capital raise, the implied total shares on issue would be 21.3million shares, implying newly issued shares would comprise ~17%.





# Rationale for Capital Raising

The Board believes that Rangatira must continue to grow to stay relevant in the market if it is to fulfil its objectives

<b>Continue private equity focussed investment strategy.</b>	<ul style="list-style-type: none"> <li>Focus on generating Shareholder returns (including a predictable cash yield) through investing in and managing a <b>diversified portfolio of mid-market New Zealand private equity investments</b>.</li> <li>As a general guideline and acknowledging exceptions can be made as opportunities arise, this has meant targeting private companies with revenues of \$10million-\$200million and EBITDA of \$2million-\$30million, with no sector or industry restrictions.</li> <li>As Rangatira grows, the company expects to increase the average deal size.</li> </ul>
<b>Investable funds reducing.</b>	<ul style="list-style-type: none"> <li>Rangatira's investment philosophy is focused on long-term investment as opposed to needing to sell assets to recycle capital.</li> <li>The listed equities portfolio is steadily reducing – ~\$55million in March 2022 from ~\$78million in March 2021 as private investments are funded.</li> </ul>
<b>Strong deal pipeline that must be maintained.</b>	<ul style="list-style-type: none"> <li>Rangatira has experienced positive deal flow and investment opportunities (both new investment opportunities and within the existing portfolio) and expects it to continue.</li> <li>Rangatira believes it is critical to remain "in market" and to be able to transact to ensure ongoing access to opportunities.</li> <li>If Rangatira does not raise capital, Rangatira risks being unable to take advantage of opportunities as they are presented with consequent risks to Rangatira's growth prospects and financial performance.</li> </ul>
<b>Use of proceeds.</b>	<ul style="list-style-type: none"> <li>Capital raised will be used to invest consistent with Rangatira's investment criteria, including investing in private businesses.</li> <li>Initially, funds may be held in cash or other relatively liquid investment assets until suitable investments are identified, and/or repay outstanding debt facilities and capital raise transaction costs.</li> </ul>
<b>Priority for existing shareholders and broaden shareholder base</b>	<ul style="list-style-type: none"> <li>Priority will be given to existing Shareholders to invest further capital.</li> <li>Additional investors will provide a potential source of future capital as well as potentially improving liquidity.</li> </ul>





An aerial photograph of a beach scene. In the upper center, a large, circular sandcastle is built into the sand, featuring concentric rings and a central tower. To the left, a rocky shoreline is visible with waves crashing against the rocks, creating white foam. A small, dense green bush sits on the sand near the rocks. To the right, the ocean is a deep turquoise color, with white waves breaking along the shore. The word "Appendix" is written in a white, serif font in the upper right quadrant of the image.

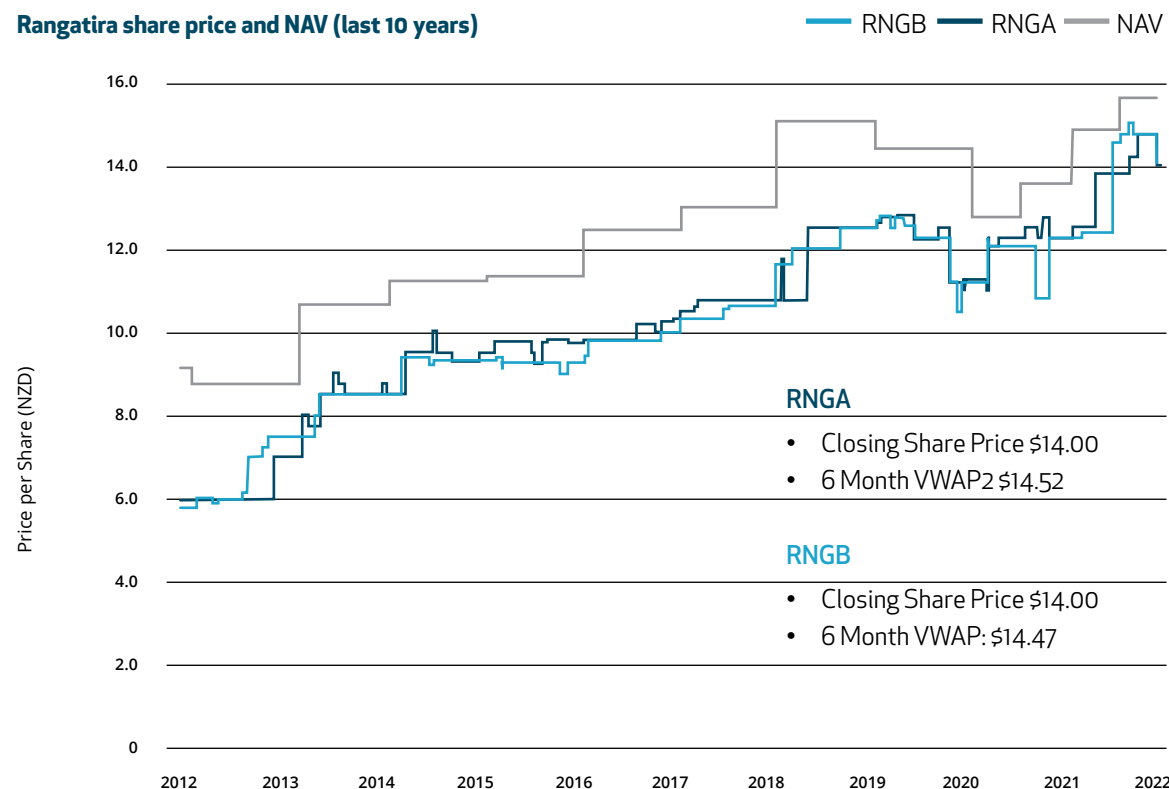
# Appendix



# Rangatira Trading Information

Rangatira has A and B class shares listed on the USX.<sup>1</sup>

Rangatira shares have typically traded at a discount to NAV.



Source: USX as at 31 May 2022, Rangatira.

1. Unlisted (USX) is not a Licensed Financial Product Market.

2. Volume Weighted Average Price

## Key metrics (LTM)

Share performance - A shares	14.3%
Share performance - B shares	20.4%
Gross dividend yield - A shares	5.3%
Gross dividend yield - B shares	5.4%
Average discount to NAV - A shares	10.0%
Average discount to NAV - B shares	10.6%

## Trading

Total market cap	\$248.0m
Closing share price discount to NAV - A shares	14.0%
Closing share price discount to NAV - B shares	14.0%





# Wholesale Investors

The available categories of 'wholesale investor' under the Financial Markets Conducts Act 2013 (FMCA) include the ones set out in the table below, but Rangatira may rely on any other applicable exclusion in Schedule 1 of the FMCA (or corresponding overseas laws).

If existing Shareholders wish to participate and are not sure if they are a 'wholesale investor', they are welcome to discuss their participation with Rangatira and whether they are eligible to participate.

Category	Criteria
<b>Eligible Investor</b>	<p>A person (A), in relation to a relevant transaction or class of relevant transactions, if:</p> <ul style="list-style-type: none"><li>• A certifies in writing, before the relevant time, that:<ul style="list-style-type: none"><li>• in relation to an offer of financial products (or a class of those transactions), A has previous experience in acquiring or disposing of financial products that allows A to assess:<ul style="list-style-type: none"><li>• the merits of the transaction or class of transactions (including assessing the value and the risks of the financial products involved);</li><li>• A's own information needs in relation to the transaction or those transactions; and</li><li>• the adequacy of the information provided by any person involved in the transaction or those transactions;</li></ul></li><li>• A understands the consequences of certifying themselves as an eligible investor;</li></ul></li><li>• A states in the certificate the grounds for this certification; and</li><li>• a financial adviser, a qualified statutory accountant, or a lawyer that is not disqualified by the regulations signs a written confirmation of this certification.</li></ul> <p>The certification must specify the offer of financial products, market service, or other relevant transaction or class of relevant transactions to which it applies.</p>





# Wholesale Investors

Category	Criteria
<b>Investment Activity</b>	<p>A person <b>(A)</b> meets the investment activity criteria if at least one of the following paragraphs applies:</p> <ul style="list-style-type: none"> <li>• A owns, or at any time during the two year period before the relevant time has owned, a portfolio of specified financial products of a value of at least \$1 million (in aggregate). In determining the specified financial products owned by A, the specified financial products owned by an entity controlled by A may be treated as being owned by A;</li> <li>• A has, during the two year period before the relevant time, carried out one or more transactions to acquire specified financial products where the amount payable under those transactions (in aggregate) is at least \$1 million, and the other parties to the transactions are not associated persons of A. In determining the transactions carried out by A, transactions carried out by an entity controlled by A may be treated as carried out by A; or</li> <li>• A is an individual who has, within the last 10 years before the relevant time, been employed or engaged in an investment business and has, for at least two years during that 10-year period, participated to a material extent in the investment decisions made by the investment business.</li> </ul>
<b>Large Investor</b>	<p>A person is large if at least one of the following paragraphs applies:</p> <ul style="list-style-type: none"> <li>• as at the last day of each of the two most recently completed financial years of the person before the relevant time, the net assets of the person and the entities controlled by the person exceeded \$5 million; and</li> <li>• in each of the two most recently completed financial years of the person before the relevant time, the total consolidated turnover of the person and the entities controlled by the person exceeded \$5 million.</li> </ul>
<b>Large Subscription</b>	<p>A person is also a wholesale investor, in relation to an offer of financial products, if:</p> <ul style="list-style-type: none"> <li>• in relation to an offer of financial products for issue or sale: <ul style="list-style-type: none"> <li>• the minimum amount payable by the person on acceptance of the offer is at least \$750,000; or</li> <li>• the amount payable by the person on acceptance of the offer plus the amounts previously paid by the person for financial products of the issuer of the same class that are held by the person add up to at least \$750,000.</li> </ul> </li> </ul>





