

**Reprint
as at 1 December 2009**



**Securities Act (Richina Pacific
Limited) Exemption Notice 2008**

(SR 2008/440)

Securities Act (Richina Pacific Limited) Exemption Notice 2008: expired, on 1 December 2009, by clause 3.

Pursuant to the Securities Act 1978, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

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Notice

Note

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together with other explanatory material about this reprint.

This notice is administered by the Securities Commission.

1 Title

This notice is the Securities Act (Richina Pacific Limited) Exemption Notice 2008.

2 Commencement

This notice comes into force on the day after the date of its notification in the *Gazette*.

3 Expiry

This notice expires on the close of 30 November 2009.

4 Interpretation

(1) In this notice, unless the context otherwise requires,—

Act means the Securities Act 1978

amalgamation means the proposal to amalgamate the company, REH, REH (SLC), and Newco pursuant to Part VII of the Bermuda Companies Act 1981, with those companies continuing as Newco, but under the name Richina Pacific Limited

company means Richina Pacific Limited, a company registered in Bermuda and listed on the NZSX

division means—

- (a) the China division, representing the RPL group's leather, aquarium, and other China-based businesses; and
- (b) the New Zealand division, representing the RPL group's New Zealand businesses; and
- (c) the property division, representing the RPL group's property businesses (outside of the New Zealand division); and
- (d) the investments division, representing the balance of the businesses in the RPL group

investment statement means the investment statement in relation to the amalgamation, which incorporates an explanatory memorandum and a notice of meeting advising the shareholders of the shareholders' meeting

Newco means Richina Limited, a company registered in Bermuda

NZ IAS 34 means the financial reporting standard known as the New Zealand Equivalent to International Accounting Standard 34 (Interim Financial Reporting) that has been approved under the Financial Reporting Act 1993

NZSX means the securities market (as defined in the Securities Markets Act 1988) operated by New Zealand Exchange Limited and known as the NZSX or the New Zealand Stock Market

Regulations means the Securities Regulations 1983

REH means Richina Enterprise Holdings Limited, a company registered in the British Virgin Islands and that is to be registered in Bermuda before the amalgamation takes place

REH (SLC) means Richina Enterprise Holdings (SLC) Inc, a company registered in the British Virgin Islands and that is to be registered in Bermuda under the name Richina Enterprise Holdings (SLC) Limited before the amalgamation takes place

RPL group means the company and its subsidiaries

shareholder means a holder of shares in the company

shareholders' meeting means the meeting of shareholders to consider and vote on the amalgamation.

- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

5 Exemptions from sections 37 and 37A(1)(a) of Act and regulations 12(1) and 23(1)(b) of Regulations

Newco and every person acting on its behalf are exempted from the following provisions in respect of the offer of equity securities in connection with the amalgamation:

- (a) section 37 of the Act; and
- (b) section 37A(1)(a) of the Act; and
- (c) regulation 12(1) of the Regulations, to the extent necessary to permit an advertisement that refers to the amalgamation to refer to the amount of assets, net assets, or liabilities of the company, the RPL group, REH, REH (SLC), or a division as set out in any of the statements or reports referred to in clause 6(a)(iii) to (vii); and

- (d) regulation 23(1)(b) of the Regulations, to the extent necessary to permit an advertisement that refers to the amalgamation to—
 - (i) include a statement of the nature referred to in clause 6(a)(ii); and
 - (ii) describe the rationale for, and the consequences, advantages, and disadvantages of, the company ceasing to be listed on the NZSX, and neither Newco nor any securities issued by Newco in connection with the amalgamation being listed or quoted on the NZSX or any other stock exchange.

6 Conditions of exemption from section 37 of Act

The exemption in clause 5(a) is subject to the conditions that—

- (a) the investment statement contains all material information about the amalgamation, including—
 - (i) the information specified in clauses 1 to 7, 14 to 21, 39, and 40 of Schedule 1 of the Regulations (with all necessary modifications and, in particular, as if references in those clauses to the registered prospectus were references to the investment statement, and references to the specified date were references to the date of the investment statement), except that no information specified in clauses 15(4)(g) and (h) and 16(2)(h) and (i) of Schedule 1 of the Regulations is required in relation to the amalgamation; and
 - (ii) a prominent statement to the effect that as a result of the amalgamation, the company will cease to be listed on the NZSX, and neither Newco nor any securities issued by Newco in connection with the amalgamation will be listed or quoted on the NZSX or any other stock exchange, and that as a consequence shareholders may have difficulty disposing of their Newco shares following the amalgamation taking place; and
 - (iii) a copy of the audited financial statements of the company and the RPL group for the period ending 31 December 2007 and a statement by the

- directors of the company with respect to the balance sheet included in those financial statements of the nature required by clause 41 of Schedule 1 of the Regulations (with all necessary modifications and, in particular, as if references in that clause to the issuing group were references to the RPL group, and references to the specified date were references to the date of the investment statement); and
- (iv) a copy of the audited financial statements of REH for the period ending 31 December 2007 and a statement by (or on behalf of) the directors of REH with respect to the statement of financial position included in those financial statements of the nature required by clause 41 of Schedule 1 of the Regulations (with all necessary modifications and, in particular, as if references in that clause to the issuing group were references to REH, and references to the specified date were references to the date of the investment statement); and
 - (v) a copy of the audited financial statements of REH (SLC) for the period ending 31 December 2007 and a statement by (or on behalf of) the directors of REH (SLC) with respect to the statement of financial position included in those financial statements of the nature required by clause 41 of Schedule 1 of the Regulations (with all necessary modifications and, in particular, as if references in that clause to the issuing group were references to REH (SLC), and references to the specified date were references to the date of the investment statement); and
 - (vi) a copy of the company's half-year report for the 6-month period ending 30 June 2008 that was prepared for the purpose of Rule 10.5.2 of the NZX Listing Rules; and
 - (vii) pro forma statements of financial performance for each division for the 9-month period ending 30 September 2008, and pro forma statements of

financial position for each division as at 30 September 2008, that comply with the requirements of NZ IAS 34 in relation to format and the items presented in the statements; and

- (b) all of the directors of the company are directors of Newco as at the date of the investment statement; and
- (c) no allotment of shares in Newco as part of the amalgamation is made if, at the time of allotment, the investment statement is known by the company, or any director of the company, to be false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances (whether or not the investment statement became so false or misleading as a result of a change of circumstances that occurred after the date of the investment statement).

7 Conditions of exemption from section 37A(1)(a) of Act

The exemption in clause 5(b) is subject to the conditions that—

- (a) the company sends a copy of the investment statement to the recorded address of every shareholder whose name is recorded in the company's share register on 25 November 2008; and
- (b) the company instructs its share registrar to send a copy of the investment statement to any person acquiring shares of the company after 25 November 2008 but before the date of the shareholders' meeting; and
- (c) the company will, on receipt of a request from a shareholder before the date of the shareholders' meeting, send a copy of the investment statement to that shareholder as soon as practicable without charge; and
- (d) any advertisement published by the company in relation to the amalgamation includes a statement that the investment statement is available for shareholders on request and without charge.

Dated at Wellington this 25th day of November 2008.

The Common Seal of the Securities Commission was affixed in the presence of:

[Seal]

C A N Beyer,
Member.

Statement of reasons

This notice comes into force on the day after its notification in the *Gazette* and expires on 30 November 2009. It concerns a proposal to amalgamate Richina Pacific Limited (the **company**), Richina Enterprise Holdings Limited, Richina Enterprise Holdings (SLC) Inc, and a newly established company called Richina Limited (**Newco**) pursuant to Part VII of the Bermuda Companies Act 1981. Those companies would continue as Newco, but under the name Richina Pacific Limited. Shareholders in the companies that are amalgamated will be issued with 4 classes of shares in Newco.

This notice exempts Newco from sections 37 and 37A(1)(a) of the Securities Act 1978 and regulations 12(1) and 23(1)(b) of the Securities Regulations 1983. The exemptions are subject to certain specified conditions mainly relating to requirements to make various information available.

The Securities Commission considers that it is appropriate to grant the exemptions because—

- the offer will be made to existing shareholders in the company who can reasonably be expected to be familiar with the business of the company;
- the proposed amalgamation is distinguishable from other amalgamations in that the company's scheme is essentially a rearrangement of a group of companies in which the company's shareholders already hold securities, as opposed to an offer of securities in entities not previously known to shareholders:

- the company will be providing extensive information to investors in respect of the proposed amalgamation and, under the Securities Act 1978, will be civilly and criminally liable for any untrue statements in that information. A requirement to have a registered prospectus would add little additional protection to investors in this case:
 - the exemption from section 37A(1)(a) of the Securities Act 1978 allows Newco to allot shares following the amalgamation despite the fact that some shareholders may not have received the investment statement. Any allotment of shares will occur as a consequence of a shareholder vote. In these circumstances the allotment process does not allow the company to be certain that every shareholder received an investment statement. The conditions require the company to take certain steps to minimise the number of shareholders who may not receive the investment statement. This is consistent with the policy of previous exemptions that the Securities Commission has granted in respect of court-approved schemes of arrangement:
 - under regulation 12(1)(a) of the Securities Regulations 1983, any advertisement in connection with the proposed amalgamation would only be permitted to state the amount of the assets or net assets of the issuing group (in this case, Newco), and of no other person. The exemption recognises that the principal assets of Newco after the amalgamation will be the assets held by the company, Richina Enterprise Holdings Limited, and Richina Enterprise Holdings (SLC) Inc at the date of the amalgamation:
 - the exemption from regulation 23(1)(b) of the Securities Regulations 1983 is required to allow the company to provide the warning to the company's shareholders about the consequences of the shares in Newco not being listed following the amalgamation, as required by the conditions of the exemption.
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Reprinted as at **Securities Act (Richina Pacific Limited)**
1 December 2009 **Exemption Notice 2008**

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 27 November 2008.

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Notes**1 General**

This is a reprint of the Securities Act (Richina Pacific Limited) Exemption Notice 2008. The reprint incorporates all the amendments to the notice as at 1 December 2009, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that have yet to come into force or that contain relevant transitional or savings provisions are also included, after the principal enactment, in chronological order.

2 Status of reprints

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

3 How reprints are prepared

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not included in Acts, and provisions that are repealed or revoked are omitted. For a detailed list of the editorial conventions,

see <http://www.pco.parliament.govt.nz/editorial-conventions/>
or Part 8 of the *Tables of New Zealand Acts and Ordinances
and Statutory Regulations and Deemed Regulations in Force*.

4 Changes made under section 17C of the Acts and Regulations Publication Act 1989

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
 - indentation
 - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)
- position of the date of assent (it now appears on the front page of each Act)

- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
 - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
 - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

5 *List of amendments incorporated in this reprint
(most recent first)*

Securities Act (Richina Pacific Limited) Exemption Notice 2008
(SR 2008/440): clause 3
