

**IN THE HIGH COURT OF NEW ZEALAND
AUCKLAND REGISTRY**

CIV-2015-404-2332

UNDER Part 15 of the Companies Act 1993
BETWEEN **SCOTT TECHNOLOGY LIMITED**
First Applicant
AND **JBS AUSTRALIA PTY LIMITED**
Second Applicant

Hearing: On the papers
Counsel: A J Horne for first applicant
Date of Minute: 6 April 2016

MINUTE OF KATZ J

Solicitors: MinterEllisonRuddWatts, Auckland

[1] Scott Technology Limited has applied to the Court for approval of a scheme of arrangement ("Arrangement") under Part 15 of the Companies Act 1993 ("Act"). Initial orders were made by Keane J on 14 October 2015. Those orders primarily related to the process for seeking the approval of Scott Technology's shareholders to the Arrangement. The initial orders have now been given effect. Scott Technology accordingly seeks final orders in terms of its application.

[2] Two supporting affidavits have been filed. They detail compliance with the initial orders and the satisfaction of other conditions of the Arrangement. I have also been provided with a comprehensive memorandum of counsel, in support of the application.

[3] From the affidavits before the Court it is apparent that Scott Technology has complied with the terms of the initial orders, save in one very minor respect which I am satisfied is not material and does not prejudice shareholders. There has also been compliance with the statutory provisions as to meetings, resolutions, and the application to the Court.

[4] The resolution to approve the Arrangement was put to shareholders with the result that:

- a) 96.79 per cent of the votes of class A shareholders were in favour of the resolution approving the Arrangement;
- b) 99.52 per cent of the votes of class B shareholders were in favour of the resolution; and
- c) 66.07 per cent of all votes entitled to be cast were in favour of the resolution.

[5] Accordingly nearly all shareholders who voted did so in favour of the resolution, with only a very small minority voting against. No shareholder or other person has given notice to Scott Technology of his or her intention to oppose the making of the order approving the arrangements.

[6] On 2 December 2015 the Takeovers Panel issued a “no objection statement” to the proposed Arrangement. Section 236A of the Act accordingly imposes no impediment to the Court making a final order approving the Arrangement. Other conditions as to the implementation of the arrangement have also been satisfied, including the requirement of the consent of the Overseas Investment Office (“OIO”).

[7] I am satisfied that the arrangement has been fairly put to the classes of shareholders concerned and that the terms of the arrangement are fair and equitable. The arrangement is such that an intelligent and honest business person, acting in respect of his or her own interests, would reasonably approve of it. Further, the arrangement will not adversely impact Scott Technology’s creditors. On the contrary, it appears that it will provide significant additional capital that will enable Scott Technology to reduce its existing debt.

[8] Taking all of these matters into account I am satisfied that it is appropriate to make the final orders sought in the originating application dated 7 October 2015. I order accordingly.

[9] I further order that the document evidencing the OIO consent (Exhibit D to Mr Hopkins’ second affidavit) be kept confidential by the Court on the basis that the exhibited consent document includes confidential information. I note, however, that the final form of the consent will be released publicly.



Katz J