

statutory information

Corporate Governance Statement

The main corporate governance policies and practices for the Hellaby Holdings Group are:

Role of Shareholders

- To appoint members to the Board of Directors in general meeting.
- To receive and consider interim and annual reports, financial statements and audit reports.
- To consider, and if applicable, approve major transactions and such other matters as required by statute, the company's constitution, and/or matters on the referral from the Board of Directors.
- To evaluate the performance of the Board of Directors and the company.

Role of Board of Directors

- To enhance the value of the company's shares and returns thereon relative to sharemarket trends and economic conditions.
- To evaluate investment business opportunities on an ongoing basis.
- To undertake the stewardship responsibilities of the company.
- To appoint chief executives of the operating businesses.
- To discharge the duties and responsibilities of directors as embraced under statute and common law, and in accordance with the company's constitution and the standards required of public listed companies.

Role of Management

- To discharge directives of the Board of Directors in a professional and timely manner.
- To manage the business affairs of the group effectively and to maximise the operational performance relative to the business environment.
- To fully inform the Board of Directors of all relevant matters.
- To comply with statutory requirements, including health and safety, resource management and building acts.

Role of External Auditors

- To audit the financial statements of the company and group in accordance with generally accepted auditing standards in New Zealand.
- To report on its findings to the shareholders of the company.

Auditor Independence

- The company requires its external auditor to maintain independence in accordance with best practice based on the International Federation of Accountants ("IFAC") guidelines.
- The company precludes its external auditor from undertaking a role not permitted under IFAC regulations, auditing their own work, or functioning as management.

Board of Directors

WJ Falconer	Non-executive Chairman
JM Williamson	Executive Director
PA Byrnes	Non-executive Director
RW Carter	Non-executive Director
H Green	Non-executive Director
JH Maasland	Non-executive Director

Messrs Byrnes, Falconer and Maasland are independent directors.

Messrs Carter and Green are associated with the Hugh Green Trust, beneficial owner of a 30.70% shareholding in Hellaby Holdings Limited.

Mr Williamson is the Chief Executive Officer and Managing Director of Hellaby Holdings Limited.

Directors' Remuneration and Other Benefits for Year Ended 30 June 2008

	Directors' Fees \$000	Salary & Other \$000
WJ Falconer	80	-
PA Byrnes	40	-
RW Carter	40	-
H Green	40	-
DMJ Houldsworth	20	285
JH Maasland	10	-
JM Williamson	-	402

Payment in Lieu of Notice:

Mr Houldsworth resigned as Managing Director of the Company with effect from 2 July 2007. Included in the above is a payment in lieu of six months notice of \$255,150 which was paid to Mr Houldsworth and has been expensed in the year ended 30 June 2008.

Financial Assistance:

No financial assistance to directors, their spouses or dependants, or to related parties has been given.

Directors and Officers Shareholding

	30.6.08 Shares	30.6.07 Shares
Directors		
WJ Falconer	440,000	440,000
JM Williamson	-	-
PA Byrnes	387,347	-
RW Carter	-	-
H Green	-	-
JH Maasland	-	-
JM Williamson	-	-
Officers		
DG Mannix	-	-
RP Jolly	20,000	-

Holdings by associated parties:

- RW Carter and H Green are associated with the Hugh Green Trust, beneficial owner of 15,424,906 shares (30.70%)
- JM Williamson is associated with Haynes Investments (Aust) Pty Limited, Generator Investments No 1 Limited and Paddock Holdings Limited, which together hold 1,274,818 shares (2.54%)
- RW Carter family trusts hold 253,798 shares (0.51%)
- DG Mannix's family trust holds 15,000 shares (0.03%)

Dealings in Hellaby Shares by Directors, Officers & Related Parties

18 April 2008

Allocation of 2,537 shares to Bentwood Investments Limited, a company beneficially owned by DMJ Houldsworth, under the company's dividend reinvestment plan, at \$1.67 per share.

Allocation of 2,257 shares to Paddock Holdings Limited, a company beneficially owned by JM Williamson, under the company's dividend reinvestment plan, at \$1.67 per share.

Allocation of 7,617 shares to PA Byrnes, under the company's dividend reinvestment plan, at \$1.67 per share.

Year ended 30 June 2008

During the year Paddock Holdings Limited, a company associated with JM Williamson, purchased on market 112,500 shares at an average of \$2.69 per share.

During the year PA Byrnes purchased on market 379,730 shares at an average of \$2.34 per share.

During the year RP Jolly purchased on market 20,000 shares at an average of \$2.53 per share.

During the year a family trust associated with DG Mannix purchased on market 9,000 shares at an average of \$2.60 per share.

Disclosure of Shareholding Interests by Directors, Officers & Related Parties

WJ Falconer

Shares in Energy Intellect Limited

110,000 shares acquired December 1997, at a cost of \$1.00 per share

Employees' Remuneration and Other Benefits of \$100,000 or More for Year Ended 30 June 2008

Remuneration Range	Number of Employees	
	Hellaby Holdings	Subsidiaries
\$610,000 - \$620,000	-	1
\$560,000 - \$570,000	-	1
\$520,000 - \$530,000	-	1
\$400,000 - \$410,000	1	-
\$380,000 - \$390,000	1	-
\$300,000 - \$310,000	-	1
\$270,000 - \$280,000	-	1
\$250,000 - \$260,000	-	1
\$240,000 - \$250,000	-	1
\$230,000 - \$240,000	-	1
\$220,000 - \$230,000	-	1
\$210,000 - \$220,000	-	4
\$200,000 - \$210,000	-	4
\$190,000 - \$200,000	-	3
\$180,000 - \$190,000	-	2
\$170,000 - \$180,000	-	2
\$160,000 - \$170,000	-	3
\$150,000 - \$160,000	-	2
\$140,000 - \$150,000	-	6
\$130,000 - \$140,000	1	5
\$120,000 - \$130,000	-	12
\$110,000 - \$120,000	-	12
\$100,000 - \$110,000	-	17
	3	81

Twenty Largest Shareholders (as at 8 August 2008)

	Shares	%
Castle Investments Limited	15,424,906	30.7
Accident Compensation Corporation (A/C NZCSD)	2,286,885	4.6
NZ Guardian Trust Investment Nominees Limited (A/C NZCSD)	675,000	1.3
Custodial Services Limited	645,306	1.3
Generator Investments No 1 Limited	637,472	1.3
Haynes Investments (Aust) Pty Limited	522,589	1.0
Highbury Holdings Limited	500,000	1.0
NZPT Custodians (Grosvenor) Limited	490,489	1.0
WJ Falconer	440,000	0.9
PA Byrnes	387,347	0.8
Custody and Investment Nominees Limited (A/C NZCSD)	368,286	0.7
Custodial Services Limited	293,577	0.6
Investment Custodial Services Limited	292,991	0.6
Leveraged Equities Finance Limited	289,663	0.6
Citibank Nominees (New Zealand) Limited (A/C NZCSD)	283,200	0.6
ANZ Nominees Limited (A/C NZCSD)	268,297	0.5
RW Carter Family Trust	243,438	0.5
First NZ Capital Custodians Limited	230,407	0.5
J & D Sands Limited	167,000	0.3
Brian Green Properties (1971) Limited	132,608	0.3
	24,579,461	48.9

In the above table, the shareholding of NZ Central Securities Depository Limited (NZCSD) has been re-allocated to the applicable members of NZCSD.

Spread of Shareholders (as at 8 August 2008)

		Number of Shareholders	Number of Shares Held	% Shares Held
Under	1,999	5,297	3,197,733	6.4
	2,000 - 4,999	1,669	4,874,658	9.7
	5,000 - 9,999	739	4,694,955	9.3
	10,000 - 49,999	576	9,307,293	18.5
	50,000 - 99,999	30	2,063,176	4.1
Over	100,000	34	26,105,967	51.9
		8,345	50,243,782	99.9
Treasury Stock			67,520	0.1
		8,345	50,311,302	100.0

Twenty Largest Capital Noteholders (as at 8 August 2008)

	Notes	%
Custodial Services Limited	3,561,000	7.1
Forsyth Barr Custodians Limited	2,803,000	5.6
First NZ Custodians Limited	2,093,000	4.2
Forsyth Barr Custodians Limited	2,014,000	4.0
Custodial Services Limited	1,605,000	3.2
Sterling Holdings Limited	1,058,000	2.1
Fletcher Building Educational Fund Limited	1,000,000	2.0
Asset Custodian Nominees Limited (A/C NZCSD)	550,000	1.1
Custodial Services Limited	550,000	1.1
LR & MA Idoine	500,000	1.0
Rotorua Trust Perpetual Capital Fund Limited	450,000	0.9
University of Otago	400,000	0.8
Investment Custodial Services Limited	386,000	0.8
F S Investments Limited	345,000	0.7
Custodial Services Limited	320,000	0.6
DJ & SA McCaulay	306,000	0.6
Palmer Oliver Holdings Limited	300,000	0.6
Guardian Trust Investment Nominees Limited (A/C NZCSD)	250,000	0.5
Forsyth Barr Custodians Limited	227,000	0.5
RH Pettigrew	225,000	0.5
	18,943,000	37.9

In the above table, the noteholding of NZ Central Securities Depository Limited (NZCSD) has been re-allocated to the applicable members of NZCSD.

Spread of Capital Noteholders (as at 8 August 2008)

	Number of Noteholders	Number of Notes Held	% Notes Held
5,000 - 9,999	208	1,134,000	2.3
10,000 - 49,999	871	16,326,000	32.7
50,000 - 99,999	184	9,909,000	19.8
100,000 - 499,999	42	6,897,000	13.8
500,000 - 999,999	3	1,600,000	3.2
Over 1,000,000	7	14,134,000	28.3
	1,315	50,000,000	100.0

Substantial Security Holders (as at 8 August 2008)

The following parties were substantial security holders in the company as at 8 August 2008:

	Shares	%
Hugh Green Capital Limited		
Castle Investments Limited	15,424,906	30.7

Hugh Green Capital Limited is beneficially owned by the Hugh Green Trust.

Stock Exchange Listing

The company's shares and capital notes are listed on the NZSX and NZDX, respectively.

Current NZX Waivers

NZX granted the following waivers dated 19 May 2006 in respect of the issue by Hellaby Holdings Limited of capital notes:

- Waiver from NZX Listing Rule 3.2(b) (trust deeds for debt securities) that the trust deed include a provision that the capital notes are to be repaid or made callable on demand on maturity without the holder having to give notice that repayment is required. The waiver has been granted on the condition that the offer document for the capital notes clearly discloses the terms of the capital notes so that the investors are aware of the prospect of rollover of the capital notes.
- Waiver from NZX Listing Rule 11.1.1 (right to transfer) to enable the transfer of capital notes only where both the transferee and transferor will hold a minimum amount of \$5,000 in capital notes following a transfer of capital notes.

NZX granted a waiver on 16 June 2008 from the requirement in Listing Rule 9.2.1 to obtain shareholder approval to enter into a transaction to sell the business and assets of BBQ Factory Limited to related parties.



Our priority is to restore investor confidence in Hellaby, to ensure that the company performs and grows, and to consistently improve total shareholder returns