

Goodwood Capital Limited

Annual Meeting of Shareholders - Chair's address

28 September 2021

Introduction

During the course of the financial year ended 31 March 2021, the following material events have occurred.

On 9 October 2020, the Company was removed from liquidation pursuant to an order of the High Court.

On 24 November 2020 the trading suspension in the Company's shares that was imposed when the Company was originally placed into liquidation several years ago, was lifted.

Mounterowen Limited ("Mounterowen"), a company controlled by me, has continued to support the Company.

Initially Mounterowen acquired all outstanding liquidation debts of approximately \$250,000 and has agreed to defer the repayment of that debt.

Mounterowen has also made several additional loan advances amounting to approximately \$90,000 in aggregate to the Company to assist with costs associated with the application made to the High Court to terminate the liquidation, liquidators' costs, accounting, administration costs and ongoing working capital requirements.

When the new Board assumed their roles as directors of the Company, the Company had no cash reserves, and no assets, other than a cash bond held by NZX. In order to provide the Company with additional working capital to fund the costs associated with the Company being listed, the Company undertook a capital raise of \$52,669 through the issue of 2,633,451 new ordinary shares to wholesale investors at an issue price of 2 cents per share. The new shares were issued on 13 November 2020.

In addition, with a view to strengthening the Company's balance sheet, and to provide additional working capital which the Company can deploy against the payment of potential costs to be incurred in advancing an RTO, when a suitable opportunity is identified, the Company issued the following new ordinary fully paid shares on 15 December 2020:

- 6,250,000 new ordinary fully paid shares to wholesale investors, at an issue price of 2 cents per share, to raise \$125,000; and
- 6,249,999 new ordinary fully paid shares to Mounterowen, at an issue price of 2 cents per share, which comprised the capitalisation of \$124,999 of the loan advances previously made by Mounterowen to the Company.

Annual Result for the FY ended 31 March 2021

The financial result for the Group for the financial year ended 31 March 2021 is a loss after taxation of NZD \$307,206. \$130,610 of this loss relates to an accounting requirement to reclassify to the profit or loss, the balance in the foreign currency translation reserve on the wind up of the Company's Singaporean subsidiary.

Operational costs of \$176,596 were largely due to costs associated with the Company's removal from liquidation, and accounting and administration costs.

Going Forward

The Board is actively looking to identify a suitable business opportunity to invest in and/or acquire through a reverse takeover transaction ("RTO").

The Board continues to investigate all credible investment opportunities that may present themselves and are hopeful of having a transaction underway in the near term.

COVID 19 has made progressing an RTO transaction more difficult for several reasons. Many companies are focused on navigating their way through the various challenges that COVID 19 presents. This is understandable, but also means that many companies are not looking at the opportunity to take their business public and look to grow through the opportunities that the capital markets provide. Instead, they are simply want to consolidate and make it through this challenging period.

We will keep you advised on any development in respect of the RTO process as they come to hand.