

9 December 2020

Annual Meeting of Shareholders - Chairman's address

Welcome to the Annual Meeting of Shareholders of Goodwood Capital Limited. I am Sean Joyce, the Chairman of Directors of the Company.

Following the Company's removal from liquidation pursuant to an order of the High Court dated 9 October 2020, the current Board was appointed.

This Board's immediate focus was to restructure the Company with a view to seeking the lifting of the trading suspension in the Company's shares that was imposed when the Company was originally placed into liquidation several years ago.

The suspension on the trading of the Company's shares was lifted on 24 November.

The Board is actively looking to identify a suitable business opportunity to invest in and/or acquire through a reverse takeover transaction. Currently, there are no initiatives being investigated, but the Company will provide the market with any updates as to material developments in due course.

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.

Subsequently, Mounterowen has also made several additional loan advances amounting to circa \$100,000 in aggregate to the Company to assist with costs associated with the application made to the High Court to terminate the liquidation, liquidators' costs, and accounting and administration costs. These advances are repayable at the earlier of 12 months from the date of the loan advances, provided the Company is solvent at the time, and the date upon which the Company enters into a major transaction.

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 a reverse takeover transaction, when a suitable opportunity is identified, the Board proposes to seek the approval of shareholders to the following two initiatives at the Annual Meeting of the Company to be held in December 2020:

- The capitalization of up to \$125,000 of the loan advances previously made by Mounterowen Limited into new shares in the Company, at an issue price of 2 cents per share.

- The issue of up to 6.5 million new ordinary fully paid shares to wholesale investors, at an issue price of 2 cents per share, to raise up to \$125,000.

Company's financial position

The Company's financial position following the \$52,669 capital raise noted above, was that it held total assets of circa \$107,000 and had total liabilities of \$385,000.

Should resolutions 6 and 7 be approved, and all of the new shares are issued pursuant to the wholesale placement and the partial capitalisation of the Mounterowen debt, the Company will hold circa \$192,000 of assets of which \$135,000 will be held in cash, and will have liabilities of circa \$250,000.

Result

The financial result for the Group for the six months ended 30 September 2020 is a loss after taxation of NZD \$57,481 which is largely due to costs associated with the Company's removal from liquidation, and accounting and administration costs.

For further information please contact:

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