

GOODWOOD CAPITAL LIMITED

Po Box 42 258
Orakei
Auckland 1745

18 August 2022

Update on acquisition of WasteCo Holdings NZ

The directors of Goodwood Capital Limited (NZX: GWC) have previously announced that GWC has reached agreement to acquire 100% of WasteCo Holdings NZ Limited (**WasteCo**), a diversified waste, refuse and industrial services business with operations in Christchurch, Ashburton, Timaru, Oamaru, Dunedin and Balclutha.

By way of an update to the market on progress of the transaction:

1. The documentation in support of the WasteCo transaction (Notice of Meeting, Listing Profile and IA Report) have largely been completed and are nearly ready for submission to NZ RegCo and the Takeovers Panel for review.
2. However, the suite of materials intended to be circulated to shareholders in support of the WasteCo acquisition includes reference to audited financial statements for WasteCo for the last two financial years, ie for 31 March 2021 and 31 March 2022.
3. Given WasteCo has not been previously audited, WasteCo has had to engage an auditor for the first time. As with any audit process, the first introductory audit is generally a longer and more protracted process than subsequent audits given there are significant benchmarking investigations to be undertaken, and introductory information to be aggregated.
4. In addition, COVID related issues appear to be creating some human resource challenges for a number of audit firms in New Zealand, which in turn can also provide timetabling challenges for the audit process.
5. In short, the audit process for WasteCo has taken longer to conclude than originally contemplated at the outset of the process. Currently, it is anticipated that:
 - (a) the audit for the FY ended 31 March 2021 will be completed within the next two weeks; and
 - (b) the audit for the FY ended 31 March 2022 will be completed by the end of September.
6. Given these timing issues, it is anticipated that GWC will not be in a position to circulate the requisite materials in support of the WasteCo transaction to shareholders until November 2022.
7. Having regard to the above delays, the parties have agreed to vary the dates for the satisfaction of the relevant conditions precedent relating to shareholder approvals etc until 30 November 2022.

ENDS

For further information on GWC and the acquisition transaction, please contact:

Sean Joyce
Chairman, Goodwood Capital Limited
email: sean@corporate-counsel.co.nz
mobile: 021 865 704

For further information on WasteCo, please contact:

Shane Edmond
Non-executive director, WasteCo Holdings NZ Limited
mobile: 021 995 519