

POHUTUKAWA PRIVATE EQUITY II LIMITED

CHAIRMANS ADDRESS TO ASM 26TH MAY 2020

LADIES AND GENTLEMEN -WELCOME

I AM JOHN MCDONALD CHAIRMAN OF POHUTUKAWA II.

THANK YOU FOR YOUR ATTENDANCE

THE FORMAT FOR TODAY IS -

WE WILL BEGIN WITH FORMAL MEETINGS OF
POHUTUKAWA PRIVATE EQUITY 11 AND POHUTUKAWA V
FOLLOWED BY

AN ADDRESS FROM OUR INVESTMENT MANAGER, DIRECT CAPITAL, WHO WILL
UPDATE US ON THE PORTFOLIO OF EACH COMPANY AS WELL AS COMMENTING ON
THE PERFORMANCES OF THE INDIVIDUAL PORTFOLIO COMPANIES.

AS THERE IS SIGNIFICANT CROSSOVER IN SHAREHOLDING BETWEEN THE TWO
POHUTUKAWA COMPANIES IT IS EFFICIENT TO INVITE SHAREHOLDERS OF ALL THE
COMPANIES TO BE PRESENT.

I WILL CHAIR THE POHUTUKAWA II MEETING THEN I WILL HAND OVER TO NEIL
CRAIG CHAIRMAN OF POHUTUKAWA V

WE WILL TODAY SHARE WITH YOU AN UPDATE ON YOUR POHUTUKAWA
INVESTMENTS, THE INITIATIVES GOING FORWARD, AND THE STRATEGIC PRIORITIES
FOR THE YEAR AHEAD.

WE WELCOME YOUR QUESTIONS.

I NOW MOVE TO THE SHAREHOLDERS MEETING FOR POHUTUKAWA PRIVATE
EQUITY II LIMITED.

WE HAVE A QUORUM

THIS WAS OUR 11TH YEAR FOLLOWING THE RAISING OF \$82.5 MILLION IN 2009.

PRESENT TODAY ARE, MAURICE PENDERGAST AND NEIL CRAIG DIRECTORS ,
COMPANY SECRETARY PETER LALOR,
AND OTHER MEMBERS OF THE CRAIGS TEAM INVOLVED IN THE ADMINISTRATION
OF THE FUND.

ALSO IN ATTENDANCE IS GLEN KEARNEY OF KPMG -OUR AUDITORS. AND TIM
TUBMAN OF CHAPMAN TRIPP OUR LAWYERS WHO I UNDERSTAND HAVE JOINED
THE CALL.

I PAY TRIBUTE AND THANK OUR DIRECTOR MAURICE PENDERGAST WHO RETIRES
FROM THE BOARD AT THIS MEETING. MAURICE WAS A DIRECTOR AND INVESTMENT

COMMITTEE MEMBER FROM THE INCEPTION OF THE COMPANY AND OVER THE YEARS HIS WISDOM AND CONTRIBUTIONS HAVE BEEN OF GREAT VALUE.

DIRECTOR MIKE CAIRD ALSO RESIGNED A FEW WEEKS AGO ON HIS RETIREMENT FROM CRAIGS AND I ALSO THANK MIKE FOR HIS VALUED CONTRIBUTIONS TO THE BOARD.

THIS LEAVES ONLY NEIL AND I AS DIRECTORS-WHICH IS APPROPRIATE GIVEN THE SMALL SIZE OF THE REMAINING PORTFOLIO.

ALSO OUR MANAGER, HAS AGREED TO REDUCE THE MANAGEMENT FEE BY 50% GOING FORWARD -THANKYOU DIRECT CAPITAL.

WE NOW HAVE ONLY ONE MAJOR INVESTMENTS -PF OLSEN AND 2 SMALL RESIDUAL INVESTMENTS -IN BAYLEYS AND GEORGE H INVESTMENTS .

OUR INVESTMENT MANAGER WILL COMMENT ON THEIR PERFORMANCE AND FUTURE.

WE PAID DISTRIBUTIONS DURING THE FINANCIAL YEAR OF 2.9 CENTS AND AFTER THE YEAR END -IN APRIL -WE PAID 6 CENTS PER SHARE ON THE REALISATION OF MOST OF OUR INVESTMENT IN BAYLEYS .
THE REMAINING ASSETS HAVE A VALUE OF AROUND 5 CENTS PER SHARE.

SHAREHOLDERS HAVE TO DATE RECEIVED A RETURN OF 15 % PER ANNUM .

TURNING NOW TO THE FINANCIAL ACCOUNTS FOR THE YEAR

YOU HAVE COPIES AND THEY ARE REASONABLY SELF EXPLANATORY

TO SUMMARISE:

YOU WILL NOTE WE MADE A LOSS \$384,000 FOR THE YEAR.THIS LOSS AROSE FROM – AN ACCOUNTING WRITE DOWN IN THE VALUE OF OUR INVESTMENTS OF \$794,000, \$783,000 OF ADMINISTRATION FEES , OFFSET BY \$1.1MILLION OF DIVIDEND AND INTEREST INCOME .

ANY QUESTIONS ON THE FINANCIAL ACCOUNTS.

WE PREFER TO HOLD QUESTIONS ON THE PERFORMANCE OF THE INDIVIDUAL PORTFOLIO COMPANIES UNTIL AFTER THE MANAGERS ADDRESS.

QUESTIONS??

I NOW MOVE TO THE FORMAL RESOLUTION

THE RESOLUTION, DETAILED IN THE NOTICE OF MEETING, RELATES TO - REAPPOINTMENT OF OUR AUDITORS KMPG AND THAT DIRECTORS BE AUTHORISED TO FIX THE AUDITORS REMUNERATION FOR THE ENSURING YEAR.

ANY DISCUSSION OR QUESTIONS ON THE RESOLUTION?

WE WILL VOTE BY ---VOICE

ALL THOSE IN FAVOUR -----

ALL THOSE AGAINST -----

-RESOLUTION PASSED -THANKYOU

ANY GENERAL BUSINESS FOR POHUTUKAWA II?

IF NOT - PLEASE STAY WHILE NEIL CRAIG CHAIRS POHUTUKAWA V
MEETING --FOLLOWING WHICH WE WILL HEAR FROM OUR INVESTMENT MANAGER.

THANKYOU