

POHUTUKAWA PRIVATE EQUITY II LIMITED

CHAIRMAN'S ADDRESS TO ASM 23 MAY 2017

WE NOW MOVE TO THE ANNUAL SHAREHOLDERS MEETING OF POHUTUKAWA II LIMITED

I WELCOME ALL POHUTUKAWA SHAREHOLDERS TO STAY FOR THIS MEETING

WE HAVE A QUORUM - ANY APOLOGIES?

THIS IS OUR 8TH SHAREHOLDERS MEETING FOLLOWING THE RAISING OF \$82.5 MILLION IN 2009.

FOLLOWING THE REALISATIONS OF TRANSACTION SERVICES AND SCALES IN THE PREVIOUS YEAR. THIS YEAR WAS A CONCENTRATION ON THE GROWTH AND DEVELOPMENT OF OUR 6 REMAINING PORTFOLIO COMPANIES. THERE WERE NO MAJOR TRANSACTIONS THIS PAST YEAR.

WE PAID DISTRIBUTIONS DURING THE YEAR OF 14 CENTS PER SHARE. MAINLY ARISING FROM THE SALE OF A RESIDUAL SHAREHOLDING IN SCALES AND SOME OF THE ASSETS HELD BY GEORGE H INVESTMENTS.

I AM PLEASED TO ADVISE THAT WE WILL BE PAYING. NEXT MONTH, A DISTRIBUTION FROM DIVIDENDS RECEIVED FROM OUR PORTFOLIO COMPANIES OF AROUND 2 CENTS PER SHARE - A CASH PAYMENT OF 1.4 CENTS

SHAREHOLDERS HAVE TO DATE, PAID IN 62 CENTS PER SHARE - RECEIVED 84 CENTS IN DISTRIBUTIONS - AND HAVE A REMAINING NET ASSET VALUE OF 27 CENTS PER SHARE IN SIX DIVERSE INVESTMENTS. A RETURN TO DATE OF 15.8% PER ANNUM.

YOUR BOARD AND MANAGERS ARE CONVINCED ON THE LONG TERM PROSPECTS OF OUR REMAINING INVESTMENTS.

OUR INVESTMENT MANAGER WILL COMMENT ON THEIR PERFORMANCE AND FUTURE.

THERE ARE NO CURRENT PLANS FOR A FURTHER CALL ON YOUR OUTSTANDING COMMITMENT OF 18 CENTS PER SHARE.

TURNING NOW TO THE FINANCIAL ACCOUNTS FOR THE PAST YEAR.

THE \$5.3 MILLION PROFIT WAS A REASONABLE RESULT.

THIS AROSE FROM AN \$5.2 MILLION UPLIFT IN VALUATION FROM OUR REMAINING PORTFOLIO. AND WE RECEIVED \$1.9 MILLION IN DIVIDENDS - CONTRIBUTED BY MOST OF THE INVESTMENTS.

FROM THESE AMOUNTS WERE DEDUCTED \$1.2 MILLION FOR ADMINISTRATION AND \$1.1 MILLION FOR THE EARNOUT.

THE ACCOUNTS ARE REASONABLY STRAIGHT FORWARD. I AM HAPPY TO TAKE ANY QUESTIONS ON THE FINANCIALS?

IF THERE ARE NO FURTHER QUESTIONS WE WILL MOVE TO THE FORMAL RESOLUTION.

PROXY VOTES --- 1,325,000 IN FAVOUR

THE RESOLUTION DETAILED IN THE NOTICE OF MEETING IS THAT RELATING TO

REAPPOINTMENT OF AUDITORS KPMG AND THAT DIRECTORS BE AUTHORISED TO FIX THEIR REMMUNERATION FOR THE ENSURING YEAR

ANY DISCUSSION OR QUESTIONS?

VOTE BY A SHOW OF HANDS -RESOLUTION PASSED -THANKYOU

IS THERE ANY GENERAL BUSINESS FOR POHUTUKAWA II?

I NOW HAND THE MEETING OVER TO OUR INVESTMENT MANAGEMENT TEAM HEADED BY ROSS GEORGE.

BEFORE I DO, I SINCERLY THANK MY FELLOW DIRECTORS MAURICE, NEIL AND MIKE AND THE DIRECT CAPITAL TEAM.

THANKYOU ALL FOR YOUR SUPPORT, HARD WORK AND DEDICATION TO THE GROWTH OF OUR TWO POHUTUKAWA COMPANIES.

ROSS WILL NOW ADDRESS YOU ON THE PERFORMANCE AND FUTURE OF OUR PORTFOLIO COMPANIES.

FOLLOWING WHICH ROSS AND THE DIRECT CAPITAL TEAM WILL WELCOME YOUR QUESTIONS.

ROSS, PLEASE IF YOU WOULD INTRODUCE YOUR TEAM

THANKYOU