

Pohutukawa Private Equity Limited

Annual Report

For the year ended 31 December 2020

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Statement of comprehensive income

For the year ended 31 December 2020

	Note	2020	2019
Interest income		332	216,426
Dividend income		-	-
Change in fair value of investments	7(a)	-	(25,156)
Profit/(Loss) on realisation of investments	7(a)	328,160	877,073
Impairment of loans to portfolio companies		-	(22,652)
Reversal of impairment of loans to portfolio companies		-	959,331
Administrative expenses	5	(27,267)	(45,950)
Movement in earnout provision	13	(68,900)	(374,320)
Operating profit/(loss) before tax		232,325	1,584,752
Income tax expense	6	-	-
Profit/(loss) for the year		232,325	1,584,752
Other comprehensive income for the year		-	-
Total comprehensive income for the year		232,325	1,584,752
Attributable to:			
Equity holders of the parent		(26,936)	185,345
Equity holders of investment companies	3a(iv)	259,261	1,399,407
Profit and total comprehensive income for the year attributable to the equity holders of stapled securities		232,325	1,584,752

Statement of changes in equity

For the year ended 31 December 2020

	Attributable to equity holders of the parent			Attributable to equity holders of investment companies	
	Share capital	Retained losses	Total	companies	Total equity
Balance at 1 January 2020	15,565,274	(13,478,023)	2,087,251	(2,043,976)	43,275
Total comprehensive income for the year	-	(26,936)	(26,936)	259,261	232,325
Distributions to equity holders	-	(16,340)	(16,340)	(259,260)	(275,600)
Balance at 31 December 2020	15,565,274	(13,521,299)	2,043,975	(2,043,975)	-
Balance at 1 January 2019	15,565,274	(11,926,753)	3,638,521	(3,424,159)	214,362
Total comprehensive income for the year	-	185,345	185,345	1,399,407	1,584,752
Distributions to equity holders	-	(1,736,615)	(1,736,615)	(19,224)	(1,755,839)
Balance at 31 December 2019	15,565,274	(13,478,023)	2,087,251	(2,043,976)	43,275

Statement of financial position

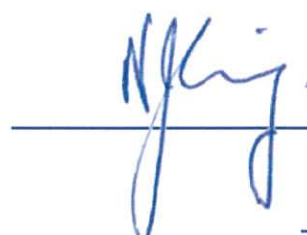
As at 31 December 2020

	Note	2020	2019
Assets			
Cash and cash equivalents	10	4	39,272
Other receivables	8	15	10,503
Total current assets		19	49,775
Investments – equity securities	7(b)	-	-
Total non-current assets		-	-
Total assets		19	49,775
Equity			
Issued capital	11	15,565,274	15,565,274
Retained losses		(13,521,299)	(13,478,023)
Total equity attributable to equity holders of the parent		2,043,975	2,087,251
Equity attributable to equity holders of investment companies	3a(iv)	(2,043,975)	(2,043,976)
Total equity attributable to equity holders of stapled securities		-	43,275
Liabilities			
Trade and other payables	12	19	6,500
Total current liabilities		19	6,500
Earnout provision	13	-	-
Total non-current liabilities		-	-
Total liabilities		-	-
Total equity and liabilities		19	49,775

For and on behalf of the Board



Director
23 March 2021
Date



Director
23 March 2021
Date

Statement of cash flows

For the year ended 31 December 2020

	Note	2019	2019
Cash flows from/(to) operating activities			
Interest received		332	250,506
Dividends received		-	-
Cash paid to suppliers		(29,817)	(112,960)
Interest paid			-
Taxation paid		6,557	(6,557)
Distribution of earnout	13	(68,900)	(429,205)
Net cash from/(to) operating activities	14	(91,828)	(298,216)
Cash flows from/(to) investing activities			
Loans repaid by portfolio companies		-	959,331
Proceeds from sale of investments		328,160	996,436
Net cash from/(to) financing activities		328,160	1,955,767
Cash flows from/(to) financing activities			
Distributions to equity holders		(275,600)	(1,755,839)
Net cash from/(to) financing activities		(275,600)	(1,755,839)
Net movement in cash and cash equivalents		(39,268)	(98,288)
Cash and cash equivalents at 1 January		39,272	137,560
Cash and cash equivalents at 31 December	10	4	39,272

Notes to the consolidated financial statements

1. Reporting entity

Pohutukawa Private Equity Limited (the "Company") is a company incorporated and domiciled in New Zealand. Pohutukawa Private Equity Limited and the 4 (2019: 4) Investment Companies, refer Note 18, are registered under the *Companies Act 1993* and are reporting entities for the purposes of the *Financial Reporting Act 2013* and the *Financial Markets Conduct Act 2013*. The consolidated financial statements of the Group for the year ended 31 December 2020 comprise the Company and 4 (2019: 4) Investment Companies (together referred to as the "Group").

Pohutukawa Private Equity Limited is primarily involved in private equity investment made through the Investment Companies.

The financial statements were approved by the Directors on 23 March 2021.

2. Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). The comply with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for Tier 1 for-profit oriented entities. The financial statements also comply with International Financial Reporting Standards ("IFRS").

(b) Basis of measurement

The Directors have agreed to wind up the Group as the investments held have been realised. Therefore, the going concern basis of preparing financial statements has not been applied and the financial statements have been prepared on a non-going concern basis. Considering the nature of the Group's assets and liabilities, the change in the basis of preparation did not materially impact the financial statements as at and for the year ended 31 December 2020.

(c) Functional and presentation currency

The financial statements are presented in New Zealand dollars, which is the Groups functional currency, and rounded to the nearest dollar.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the consolidated financial statements

2. Basis of preparation (continued)

(d) Use of estimates and judgements (continued)

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 7 - Investments – equity securities
- Note 13 – Earnout provision
- Note 15 – Financial risk management

3. Significant accounting policies

As stated above, the financial statements are prepared on a non-going concern basis. Accordingly, all assets and liabilities are recorded at their net realisable value or other basis as stated in the specific accounting policies. The basis of preparation and consequential impact on the specific accounting policies have been applied as at the reporting date. Comparative figures have not been restated. The change in accounting policy at reporting date has not had a material effect on the financial statements.

(a) Basis of consolidation

(i) Stapled securities

For every ordinary share held in Pohutukawa Private Equity Limited, investors also hold 100 preference shares in Pohutukawa Private Equity Limited as well as one preference share in each of the 4 (2019: 4) Investment Companies. All of these shares are stapled securities. This stapling arrangement creates a business combination by contract alone without any individual entity obtaining an ownership interest. The Group has designated Pohutukawa Private Equity Limited as the acquirer and the parent entity for the purpose of preparing consolidated financial statements. The 4 (2019: 4) companies combining under the stapling arrangement are designated as the Investment Companies, refer Note 18, which invest in Portfolio Companies, refer Note 7.

The Group and Investment companies are deemed to be Investment Entities as they invest shareholder's funds solely for returns on investments from capital appreciation, interest and dividends.

(ii) Associates

Investments in equity securities (i.e. the Portfolio Companies), which would normally be classified as investments in unlisted associates, are carried at fair value in the consolidated financial statements and are not equity accounted (see accounting policy 3 (b)). This is due to the fact that the parent and group are private equity investors.

(iii) Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

(iv) Equity attributable to equity holders of investment companies

Equity attributable to equity holders of investment companies refers to the equity of the Investment Companies as this is owned directly by shareholders of the parent and the Manager, and not by the parent company itself. These are considered non-controlling interests and are attributable to the parent company shareholders as a result of their direct investment in the preference shares of the Investment Companies and to the Manager as a result of its ownership of the ordinary shares in the Investment Companies.

Notes to the consolidated financial statements

3. Significant accounting policies (continued)

(b) Investments in equity securities

The Group's investments in unlisted equity securities are financial assets designated at fair value through profit or loss and presented as non-current assets in the statement of financial position. They are stated at fair value, with any resultant change in fair value recognised in profit or loss.

Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Groups investment strategy. Regular purchases and sales of investments are recognised on a trade-date basis, being the date on which the Group commits to purchase or sell the asset.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits, short-term deposits with an original maturity of 90 days or less and bank overdrafts. Cash excludes short-term deposits that are not used as part of the Group's day-to-day cash management.

(d) Impairment

The carrying amounts of the Group's assets, other than investments in unlisted equity securities (see accounting policy 3(b)), and deferred tax assets (see accounting policy 3(i)), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss is reversed in profit or loss if there has been a change in the estimates used to determine the recoverable amount.

(e) Share capital

(i) Preference share capital

Preference share capital is classified as equity if it is non-redeemable and any dividends are discretionary, or is redeemable but only at the Company's option. Dividends on preference share capital classified as equity are recognised as distributions within equity.

(ii) Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity.

(iii) Dividends

All dividends are recognised as a liability in the period in which they are declared.

Notes to the consolidated financial statements

3. Significant accounting policies (continued)

(f) Loans and borrowings

Loans and borrowings are recognised initially at fair value net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest rate basis.

(g) Trade and other payables

Trade and other payables are stated at amortised cost.

(h) Revenue

(i) Equity investments

Movements in the fair value of the Group's investments in equity instruments are recognised in profit or loss. Dividend income is recognised in profit or loss on the date the entity's right to receive payments is established.

(ii) Interest income

Interest income is recognised as revenue in profit or loss as it accrues, using the effective interest rate method.

(i) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is calculated, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

4. Determination of fair values

There are no longer any investments in unlisted equity securities.

Notes to the consolidated financial statements

5. Administrative expenses

	2020	2019
Management fees	-	15,449
Other administrative expenses	27,627	30,501
	<u>27,267</u>	<u>45,950</u>

The following items of expenditure are included in administrative expenses:

Auditor's remuneration to KPMG comprises:

Audit of financial statements	325	6,500
	<u>325</u>	<u>6,500</u>

6. Income tax expense

	2020	2019
Income tax expense in statement of comprehensive income	-	-

Reconciliation of effective tax rate

	Note	2020	2019
Profit/(loss) before tax		232,325	1,584,752
Income tax expense/(benefit) at 28% tax rate		65,051	443,731
Non-assessable income		(91,885)	(535,073)
Non-deductible expenses		19,292	139,070
Imputation credits received		-	-
Tax (profit)/losses not recognised	9	7,542	(47,728)
Total income tax expense in statement of comprehensive income		<u>-</u>	<u>-</u>

Imputation credits

Imputation credits available to shareholders of the parent company in subsequent reporting periods:

	2020	2019
Through the parent	6,558	
Through investment companies	47,567	57,312
	<u>54,125</u>	<u>57,312</u>

Notes to the consolidated financial statements

7. Investments – equity securities

Non-current investments

The Group had a number of investments in unlisted equity securities. At the end of the 2020 reporting period no investments were held.

a) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 December 2020	Level 1	Level 2	Level 3	Total
Investments	-	-	-	-

31 December 2019	Level 1	Level 2	Level 3	Total
Investments	-	-	-	-

There have been no transfers between levels during the year.

Notes to the consolidated financial statements

7. Investments – equity securities (continued)

a) Fair value hierarchy (continued)

The following table shows reconciliation from the beginning balance to the ending balance for fair value measurements in Level 3 of the fair value hierarchy:

Investments	2020	2019
Opening balance	-	144,519
Total gains (or losses):		
Change in fair value	328,160	851,917
Divestments	(328,160)	(996,436)
Closing balance	-	-

Total gains (or losses) included in profit or loss for the year in the above table are presented in the statement of comprehensive income as follows:

Investments	2020	2019
Total gains (or losses) included in profit or loss for the year	-	851,917
Total gains (or losses) for the year included in profit or loss for assets held at the end of the reporting period	-	-

Although the Group believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

b) Fair value of investments portfolio

As investments in equity securities are carried at fair value through profit and loss in the Group, the results and net assets of the Portfolio Companies are not recognised in these financial statements. There are no remaining investments as at 31 December 2020 (2019: \$nil).

c) Gain / (Loss) on realisation of investments

During the year ended December 2020 residual capital proceeds of \$328,160 were received in relation to the realisation of NZP Holdings Limited in 2016. All remaining investments were realised in the year ended 31 December 2019 resulting in a gain on realisation of \$877,073.

Notes to the consolidated financial statements

8. Other receivables

	2020	2019
Income tax receivable	15	6,573
Prepayments	-	3,163
GST receivable	-	766
Other receivables	-	1
	<u>15</u>	<u>10,503</u>

As at 31 December 2020, no receivables are considered past due (2019: \$Nil).

9. Deferred tax assets and liabilities

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Note	2020	2019
Opening balance 1 January		715,348	763,076
Tax loss not recognised	6	7,542	(47,728)
Tax loss foregone		-	-
Closing balance 31 December		<u>722,890</u>	<u>715,348</u>

Due to the nature of the stapled securities and the fact that ordinary shares in the Investment Companies are owned by Pohutukawa I Investment Holdings LP, there is no ability to offset losses between the Parent (Pohutukawa Private Equity Limited) and the Investment Companies.

Tax losses do not expire, subject to shareholder continuity rules being met. Deferred tax assets have not been recognised in respect of these items because it is uncertain that future taxable profit will be available against which the Group can utilise the benefit.

Investment Companies taxation losses cannot be used by the parent.

Notes to the consolidated financial statements

10. Cash and cash equivalents

	2020	2019
Call deposits	4	39,272
Cash and cash equivalents in the statement of cash flows	4	39,272

Call deposits are held with ANZ Bank New Zealand Limited via CIP Cash Management Nominees Limited. The weighted average interest rate for 2020 on call deposits was 0.71% (2019: 1.84%).

11. Share capital

Share capital

Consolidated In millions of shares	Investment Co's Preference shares		PPE Ordinary shares		PPE Preference shares	
	2020	2019	2020	2019	2020	2019
On issue at 1 January	212	212	53	53	1,581	1,581
Redemption and cancellation of shares	-	-	-	-	-	-
On issue at 31 December	212	212	53	53	1,581	1,581

Preference shares are only redeemable at the option of the issuer.

At 31 December 2020, the share capital of the Company comprised 53,000,000 ordinary shares (2019: 53,000,000), and 1,581,527,700 preference shares (2019: 1,581,527,700). In addition, there are 212,000,000 (2019: 212,000,000) preference shares in the 4 (2019: 4) Investment Companies (53,000,000 in each company).

Ordinary shares and Investment Company preference shares have been allotted at nil value. The Pohutukawa Private Equity preference shares have been allotted at \$0.01 per share.

The holders of ordinary shares are entitled to receive distributions as declared from time to time and are entitled to one vote per share at meetings of the Company. Distributions of \$275,600 (\$0.006 per share) were declared during the year by companies within the Group to shareholders (2019: \$1,755,839). All ordinary shares rank equally with regard to the Company's residual assets. Holders of the Company preference shares do not have an entitlement to vote, and are not entitled to participate in distribution of income, but are entitled to \$0.01 per preference share upon redemption by the Company at the Company's option. Preference shareholders in the Investment Companies do not have an entitlement to vote, but are entitled to receive distributions of capital and/or income as prescribed in the Investment Companies' constitutions.

Pohutukawa I Investment Holdings LP is a related party which holds 100 ordinary shares in each of the Investment Companies.

Notes to the consolidated financial statements

12. Trade and other payables

	Note	2020	2019
Intercompany payable	17(b)	19	-
Audit fees payable		-	6,500
		<u>19</u>	<u>6,500</u>

13. Earnout Provision

	2020	2019
Opening provision	-	54,885
Movements during the year	68,900	374,320
Distribution of earnout during the period	(68,900)	(429,205)
Closing earnout provision	<u>-</u>	<u>-</u>

In accordance with clause 11 of the Prospectus, the Earnout Holder is entitled to earnout calculated at 20% of net returns to Pohutukawa Private Equity Limited provided investors have received back their original investment together with further distributions producing a pre-tax compound hurdle rate of 8.0% per annum on Called Capital. As at 31 December 2020 there is no further provision for earnout (2019: \$nil). During the year ended 31 December 2020 earnout of \$68,900 (2019: \$429,205) has been distributed to the Earnout Holder.

14. Reconciliation of profit/ (loss) after taxation to the net cash flow from/(to) operating activities

	Note	2020	2019
Profit/(loss) for the year		232,325	1,584,752
Adjustments for:			
Change in fair value of investments		-	(916,991)
Gain on realisation of investment		(328,160)	(877,073)
Net impairment of loans from portfolio companies		-	5,468
Change in trade and other receivables		3,930	47,583
Change in trade payables and accruals		(6,481)	(80,512)
Change in taxation receivable		6,558	(6,558)
Change in earnout provision	13	-	(54,885)
Net cash flow from/(to) operating activities		<u>(91,828)</u>	<u>(298,216)</u>

Notes to the consolidated financial statements

15. Financial risk management

Introduction and overview

The Group has exposure to the following risks from its use of financial instruments:

- equity price risk
- credit risk
- interest rate risk
- liquidity risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Equity price risk

The Group has policies in place to mitigate equity price risk, particularly in its investments. This includes detailed analysis of prospective equity investments. Investments in unlisted equity securities are, by their nature, less liquid and subject to greater equity price risk than listed securities.

Credit risk

Exposure to credit risk arises in the normal course of the Group's business from its loans and receivables and bank balances. The Group does not require collateral in respect of financial assets. At reporting date there were no significant concentrations of credit risk, other than those detailed in Note 8.

The Group invests its surplus funds in short-term deposits with ANZ Bank New Zealand Limited via CIP Cash Management Nominees Limited. (See Note 10). The maximum exposure to credit risk is represented by the carrying amount of each financial asset, in the statement of financial position.

Interest rate risk

Exposure to interest rate risk arises in the normal course of the Group's business from bank accounts, short-term deposits and loans advanced to portfolio companies which the Investment Companies hold an ownership interest in. The Group earns interest on bank accounts, short-term deposits and loans to portfolio companies. Management invest excess funds in short-term deposits to maximise interest revenue whilst ensuring funds are available if required. The Group may also borrow short-term funds at floating rates due to the short-term nature of these borrowings.

Effective interest rates and repricing

The only interest bearing financial assets in the Group are bank balances, and short-term deposits. At balance date the effective interest rates for bank balances are 0.15% (2019: 1.25%), there are no short-term deposits (2019: nil).

Bank balances reprice daily, short-term deposits reprice within 3 months, and loans advanced to portfolio companies reprice annually.

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations to settle its financial liabilities when due. The Group evaluates its liquidity requirements on an ongoing basis, and maintains sufficient cash to meet all obligations. Investments in unlisted equity securities are, by their nature, less liquid.

Notes to the consolidated financial statements

15. Financial risk management (continued)

Interest rate risk – repricing analysis

	Note	Total	Non interest bearing	Interest bearing
2020				
Cash and cash equivalents	10	4	-	4
Total				
2019				
Cash and cash equivalents	10	39,272	-	39,272
Total		39,272	-	39,272

Capital management

The Group's capital includes share capital and retained earnings.

The Group's policy is to maintain its capital structure in terms of the prospectus and repay capital as investments are realised.

The Group is not subject to any externally imposed capital requirements.

The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

There have been no material changes in the Group's management of capital during the year.

Notes to the consolidated financial statements

15. Financial risk management (continued) Classification and fair values

2020	Note	Designated at fair value through profit or loss	Amortised cost	Total carrying amount	Fair value
Assets					
Cash and cash equivalents	10	-	4	4	4
Total assets		-	4	4	4

Liabilities					
Trade and other payables	12	-	19	19	19
Total liabilities		-	19	19	19

2019	Note	Designated at fair value through profit or loss	Amortised cost	Total carrying amount	Fair value
Assets					
Cash and cash equivalents	10	-	39,272	39,272	39,272
Total assets		-	39,272	39,272	39,272

Liabilities					
Trade and other payables	12	-	6,500	6,500	6,500
Total liabilities		-	6,500	6,500	6,500

Notes to the consolidated financial statements

16. Related parties

a) Identity of related parties

The Company has a related party relationship with its Investment Companies (see Note 18).

Craigs Investment Partners Limited, as the administration manager, and Direct Capital Management Limited, as the investment manager, own 50% each of Pohutukawa Management Limited, the Manager of Pohutukawa Private Equity Limited. Craigs Investment Partners Limited and Direct Capital III Investment Partners LP are limited partners in Pohutukawa I Investment Holdings LP which is the holder of ordinary shares in the Investment Companies. Certain directors of the Company and the Investment Companies are also directors of Craigs Investment Partners Limited. Certain directors of the Investment Companies are also directors of Direct Capital Management Limited. Direct Capital Management Limited is responsible for preparing valuations of investments.

b) Transactions with related parties

During the year, the Group entered into the following transactions with related parties:

- No management fees were paid to Pohutukawa Management Limited in the year ended 31 December 2020 (2019: \$nil). As at 31 December 2020 no amount was outstanding (2019: \$nil).
- Surplus cash has been invested in ANZ Bank New Zealand Limited via CIP Cash Management Nominees Limited, a subsidiary of Craigs Investment Partners Limited.
- Earnout of \$68,900 was distributed to Pohutukawa I Investment Holdings LP (2019: \$429,205).

The terms and conditions of the transactions with key management personnel and their related parties are in accordance with the terms of the management agreement.

c) Transactions with key management personnel

	2020	2019
Directors fees (total remuneration)	-	-

The balance owing to key management personnel at 31 December 2020 is \$Nil (2019: \$Nil). Directors are no longer remunerated.

d) Directors holding office during the year

Neil Craig
John McDonald

17. Subsequent events

There were no material subsequent events for the Group.

18. Group entities Investment Companies

	Country of incorporation	Ownership interest*	
		2020	2019
Pohutukawa Alpha Investments Limited ("Alpha")	New Zealand	0%	0%
Pohutukawa Delta Investments Limited ("Delta")	New Zealand	0%	0%
Pohutukawa Zeta Investments Limited ("Zeta")	New Zealand	0%	0%
Pohutukawa Mu Investments Limited ("Mu")	New Zealand	0%	0%

*As stated in Note 3(a)(i), the preference shares in the Investment Companies are owned by the individual shareholders of Pohutukawa Private Equity Limited but are consolidated into the Group as they are stapled securities.