

From: Camia Young camia@ohu.nz
Subject: Collett's Corner: Two possible pathways
Date: 1 June 2023 at 11:55 AM
To: Collett's Corner info@collettscorner.nz



Kia ora,

A few shareholders requested an update and one shareholder has requested that we liquidate the company. Below is an update as well as two options for your consideration.

Please complete [this poll](#) by 15 June at 5:00pm.

Background

On 30 July 2021 Shareholders passed [this](#) resolution to sell the land. I (Camia Young) hold the security over the land in lieu of the loan provided to Collett's Corner Ltd to purchase the land. I have not called on this security. The intention has been to sell the land and distribute the proceeds to shareholders.

To liquidate the company now, I would need to call on the security over the land and the land would need to be returned to me. If this is done, Collett's Corner can be liquidated.

Sale of the land and options

Since we announced the company was wrapping up, we have had two offers, both of which fell through. Since then, we have had a few people express interest in purchasing the site, but we have not received an offer. The site remains for sale. We do not know when the site will sell.

As some shareholders have expressed a desire to progress with liquidating the company, we have outlined the following two possible pathways with a request for you to indicate your preference.

Option A: Stay with the status quo: the Company will continue with its endeavours to sell the land and distribute funds from the sale to shareholders, as per the shareholders' special resolution passed 30 July 2021.

Option B: The Company be liquidated now: I (Camia Young) will call on the security I hold over the land, and any surplus beyond that liability (and all other expenses/debts being repaid) will be distributed to the shareholders. Please note that this distribution will not be in accordance with special resolution previously passed. Rather, this will be a wrap up of the Company as it stands now.

The remaining bank balance minus any costs to liquidate the company would be returned to Investor Shareholders if we progress with Option B. The current bank balance is \$483,000. The estimated cost to liquidate the company is between \$40,000 - \$50,000, this includes legal, accounting, distribution fees and rates.

In the event we proceed with Option B, I would waive all my rights to the 4,431 Founder Shares that I control. There are a total of 14,715 Investor Shares. If we distribute the funds now, then each Investor Share is worth approximately \$30 based on the amount we have in the bank minus the estimated cost to liquidate the company. Option holders would receive \$0 per share in the event we progress with Option B. The shareholder register is available [here](#).

All shareholders and options holders need to seek their own independent legal and tax advice related to the options outlined above.

Poll

Please indicate which option you prefer by voting in [this poll](#) by 15 June at 5:00pm. We will share the outcome with all shareholders. Votes will be weighted by the number of shares you own.

Questions

Please get in touch with any questions. You are welcome to call me or email (camia@ohu.nz or 021 1125 087). I will log all incoming questions [here](#) with answers.

Kindly,

Camia Young
Director Collett's Corner Ltd
021 1125 087