Goodwood Capital Limited

Independent Adviser's Report and Appraisal Report

In Respect of the:

- **Acquisition of WasteCo Holdings NZ Limited**
- **Capitalisation of the Debt Owing to Mounterowen Limited**

November 2022

Statement of Independence

Simmons Corporate Finance Limited confirms that it:

- has no conflict of interest that could affect its ability to provide an unbiased report; and
- has no direct or indirect pecuniary or other interest in the proposed transactions considered in this report, including any success or contingency fee or remuneration, other than to receive the cash fee for providing this report.

Simmons Corporate Finance Limited has satisfied the Takeovers Panel, on the basis of the material provided to the Takeovers Panel, that it is independent under the Takeovers Code for the purposes of preparing this report.

Index

Section **Page**

1. Executive Summary ... 1
2. Evaluation of the Merits of the Restructure (including the WasteCo Allotment) ... 9
3. Evaluation of the Fairness of the Restructure (Including the Debt Capitalisation) ... 25
4. Profile of Goodwood ... 28
5. Profile of WasteCo ... 33
6. Valuation of WasteCo ... 39
7. Reasonableness of the WasteCo Allotment Issue Price ... 45
8. Sources of Information, Reliance on Information, Disclaimer and Indemnity ... 47
9. Qualifications and Expertise, Independence, Declarations and Consents ... 49

Appendix

I Comparable Companies Transaction Multiples ... 50

II Comparable Companies Trading Multiples ... 51

1. Executive Summary

1.1 Background

Goodwood Capital Limited (**Goodwood** or the **Company**) is a listed shell company with no active trading operations or assets apart from a nominal amount of cash. The Company was placed into liquidation on 14 March 2019 and restored from liquidation on 19 October 2020.

The Company's shares are listed on the main equities securities market (the **NZX Main Board**) operated by NZX Limited (**NZX**) with a market capitalisation of approximately $1.3 million as at 26 April 2022 (when its shares were suspended from quotation). Its audited total equity as at 31 March 2022 was negative $0.3 million.

A profile of the Company is set out in section 4.

1.2 Restructure of the Company

Overview

Goodwood announced on 26 April 2022 that it would undertake a series of transactions that will restructure the Company and change the nature of its operations (the **Restructure**).

Under the Restructure, Goodwood has agreed to:

- consolidate its 33,409,809 ordinary shares on issue on a 2.5 to one basis down to 13,363,927 ordinary shares (the **Share Consolidation**). In anticipation of the Restructure proceeding, the Share Consolidation was completed on 5 May 2022
- capitalise $531,803 of advances from Mounterowen Limited (**Mounterowen**) into equity (the **Debt Capitalisation**)
- acquire 100% of the shares in WasteCo Holdings NZ Limited (**WasteCo**) and all of the mandatory convertible notes (**MCNs**) issued by WasteCo (the **Acquisition**)
- raise $4 million of new capital (the **Capital Raise**).

Debt Capitalisation

Prior to the completion of the Acquisition, Goodwood will undertake the Debt Capitalisation, whereby $531,803 of the approximately $550,000 of advances provided to Goodwood by Mounterowen will be capitalised into 10,636,073 fully paid ordinary shares (the **Debt Capitalisation Shares**) at an issue price of $0.05 per share.

Mounterowen is Goodwood's largest shareholder, holding 18.71% of the Company's shares. Mounterowen is owned by Sean Joyce, Goodwood's chair.

Acquisition of WasteCo

On 24 April 2022, Goodwood entered into the *Reverse Listing Agreement in Respect of WasteCo Holdings NZ Limited and Goodwood Capital Limited* (the **Reverse Listing Agreement**) with the 7 parties who are WasteCo's shareholders (the **WasteCo Shareholders**).

The Reverse Listing Agreement was subsequently varied by the *Variation of Reverse Listing Agreement dated 24 April 2022 ("the Agreement")* dated 9 June 2022 and the *Variation of Reverse Listing Agreement dated 24 April 2022 as varied by letter agreement dated 9 June 2022* dated 18 August 2022 (the **Variations**).

Under the Reverse Listing Agreement and the Variations, Goodwood has agreed to acquire:

- 100% of the shares in WasteCo from the WasteCo Shareholders
- $4.0 million of MCNs issued by WasteCo.

The purchase price for the WasteCo shares will be $25.2 million, satisfied by the issue of 504,000,000 fully paid ordinary shares at an issue price of $0.05 per share (the **Consideration Shares**) to the WasteCo Shareholders.

The purchase price for the MCNs will be $4.0 million, satisfied by the issue of 80,000,000 fully paid ordinary shares at an issue price of $0.05 per share (the **MCN Shares**) to the holders of the MCNs (the **MCN Shareholders**).

Accordingly, Goodwood will pay $29.2 million (the **Purchase Price**) to acquire 100% of the shares in WasteCo and all of the MCNs, satisfied by the issue of 584,000,000 fully paid ordinary shares at an issue price of $0.05 per share (the **WasteCo Allotment**).

Goodwood expects that the Acquisition will be completed on or around 5 December 2022 (the **Completion Date**).

Capital Raise

Goodwood will undertake a capital raising to raise $4.0 million of fresh equity through the issue of 80,000,000 fully paid ordinary shares at an issue price of $0.05 per share (the **Placement Shares**) to wholesale investors (as defined in the Financial Markets Conduct Act 2013) (the **Placement Shareholders**) post completion of the Debt Capitalisation and the Acquisition.

Impact of the Restructure

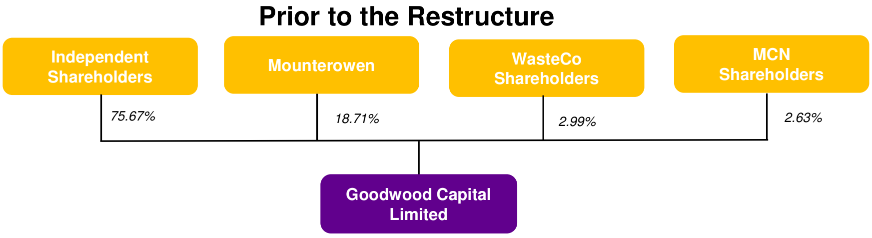
The Acquisition and the WasteCo Allotment represent a backdoor listing (or reverse acquisition) of WasteCo through Goodwood. The Company's business will change to focus on the waste management industry in New Zealand.

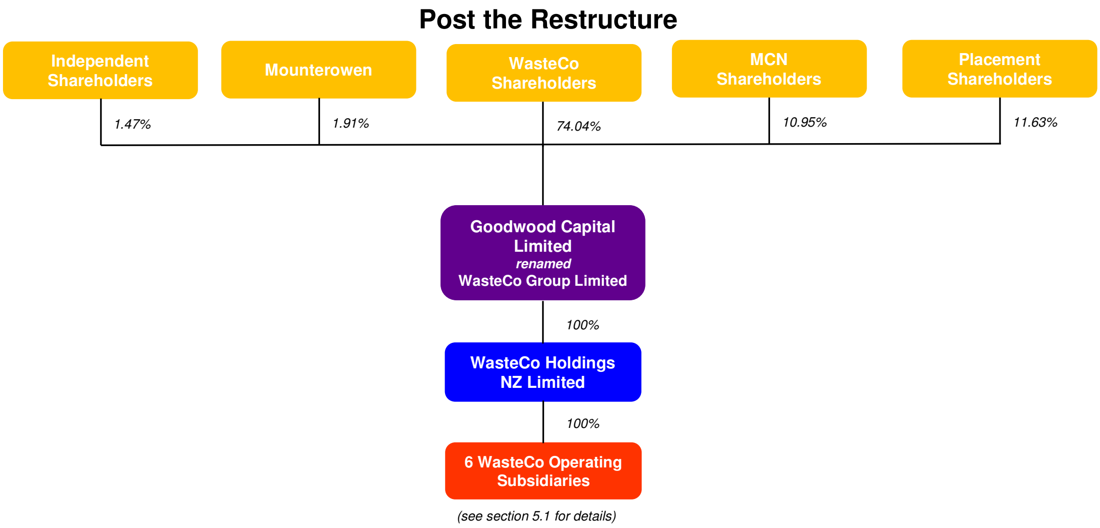
The Debt Capitalisation will increase Mounterowen's shareholding in the Company and the WasteCo Allotment and the Capital Raise will result in the introduction of the WasteCo Shareholders, the MCN Shareholders and the Placement Shareholders as new shareholders in Goodwood.

The shareholdings of the Company's current shareholders (the **Existing GWC Shareholders**) will be very significantly diluted due to the issue of the Debt Capitalisation Shares, the Consideration Shares, the MCN Shares and the Placement Shares.

Following the completion of the Restructure:

- WasteCo will be a wholly owned subsidiary of Goodwood
- Goodwood will change its name to WasteCo Group Limited and its NZX ticker code to *WCO*
- Carl Storm, James Redmayne and Shane Edmond will be appointed to Goodwood's board of directors (the **Board**). The Company's current director Sean Joyce will resign from the Board while Angus Cooper and Roger Gower will remain on the Board.





1.3 WasteCo

WasteCo and its 6 subsidiaries (the **WasteCo Group**) operate a diversified waste, refuse and industrial services business with operations in Christchurch, Ashburton, Timaru, Oamaru, Dunedin and Balclutha.

A profile of WasteCo is set out in section 5.

1.4 Impact on Shareholding Levels

Following the Share Consolidation on 5 May 2022, Goodwood has 13,363,927 ordinary shares on issue, held by 1,350 Existing GWC Shareholders.

One of the WasteCo Shareholders (Shane Edmond) is an Existing GWC Shareholder, currently controlling 400,000 shares in Goodwood through Ashvegas Limited (**Ashvegas**). This represents 2.99% of the Company's shares.

One of the MCN Shareholders (Ilakolako Investments Limited (**Ilakolako**)) is an Existing GWC Shareholder, currently holding 351,127 shares. This represents 2.63% of the Company's shares.

Following the Restructure and assuming there are no other changes to the Company's capital structure:

- the Existing GWC Shareholders not associated with Mounterowen or the WasteCo Shareholders or the MCN Shareholders (the **Independent Shareholders**) will collectively hold 1.47% of the Company's ordinary shares on issue
- Mounterowen will hold 1.91% of the Company's ordinary shares on issue
- the WasteCo Shareholders will hold 74.04% of the Company's ordinary shares on issue
- the MCN Shareholders will hold 10.95% of the Company's ordinary shares on issue
- the Placement Shareholders will hold 11.63% of the Company's ordinary shares on issue.

Impact on Shareholding Levels

	Current	Debt Capitalisation	WasteCo Allotment	Capital Raise	Post the Restructure No. of Shares	Post the Restructure %
Independent Shareholders	10,112,800	-	-	-	10,112,800	1.47%
Mounterowen	2,500,000	10,636,073	-	-	13,136,073	1.91%
WasteCo Shareholders	400,000[1]	-	509,000,000[3]	-	509,400,000	74.04%
MCN Shareholders	351,127[2]	-	75,000,000	-	75,351,127	10.95%
Placement Shareholders	-	-	-	80,000,000	80,000,000	11.63%
Total	13,363,927	10,636,073	584,000,000	80,000,000	688,000,000	100.00%

1 Held by Ashvegas (Shane Edmond)
2 Held by Ilakolako
3 Includes 5,000,000 MCN Shares issued to Shane Edmond

1.5 Summary of Opinion

Takeovers Code

Our evaluation of the merits of the WasteCo Allotment as required under the Takeovers Code (the **Code**) is set out in section 2.

In our opinion, after having regard to all relevant factors, the positive aspects of the Restructure (including the WasteCo Allotment) significantly outweigh the negative aspects from the perspective of the Independent Shareholders.

NZX Listing Rules

Our evaluation of the fairness of the Restructure (including the Debt Capitalisation) as required under the NZX Listing Rules (the **Listing Rules**) is set out in section 3.

In our opinion, after having regard to all relevant factors, the terms and conditions of:

- the Restructure is fair to the Independent Shareholders
- the Debt Capitalisation is fair to the Independent Shareholders.

1.6 Special Meeting of Shareholders

Restructure Resolutions

Goodwood is holding a special meeting of shareholders on 5 December 2022, where the Company will seek shareholder approval of 11 resolutions which cover the Restructure and associated matters (the **Restructure Resolutions**):

- resolution 1 – approval of the Acquisition and WasteCo Allotment for the purposes of the Listing Rules and section 129 of the Companies Act 1993 (the **Companies Act**)
- resolution 2 – approval of the WasteCo Allotment component to the WasteCo Shareholders for the purposes of the Listing Rules and the Code
- resolution 3 – approval of the WasteCo Allotment component to the MCN Shareholders for the purposes of the Listing Rules and the Code
- resolution 4 – approval of the Capital Raise for the purposes of the Listing Rules
- resolution 5 – approval of the Debt Capitalisation for the purposes of the Listing Rules
- resolution 6 – the appointment of Shane Edmond as a director
- resolution 7 – the appointment of James Redmayne as a director
- resolution 8 – the appointment of Carl Storm as a director
- resolution 9 – approval of an increase in the aggregate maximum amount of directors' fees to $300,000 per financial year
- resolution 10 – approval of the issue of up to 35,200,000 options to employees, contractors and non-executive directors for the purposes of the Listing Rules
- resolution 11 – approval of the issue of up to 126,560,000 new ordinary fully paid shares to wholesale investors at an issue price of not less than $0.05 per share within one year of the special meeting (the **Post Completion Placement**) for the purposes of the Listing Rules.

The Restructure Resolutions are interdependent. All 11 resolutions must be passed in order for any one particular resolution to be implemented. If a resolution is not passed then no further resolutions will be put to the meeting and any resolutions previously put to the meeting will not be treated as having been passed.

Resolution 1 is a special resolution. A special resolution is a resolution passed by a majority of 75% or more of the votes of those shareholders entitled to vote and voting on the resolution in person or by proxy.

Resolutions 2 to 11 are ordinary resolutions. An ordinary resolution is a resolution passed by a simple majority of votes of those shareholders entitled to vote and voting on the resolutions in person or by proxy.

If all 11 resolutions are passed, then any shareholder that has cast all of their votes against resolution 1 is entitled to require Goodwood to purchase their shares in accordance with section 110 of the Companies Act. Appendix 3 of the notice of special meeting sets out the procedure for minority buy-out rights.

Voting Restrictions

Any shareholders of the Company and their respective Associated Persons (as defined in the Listing Rules) who are to receive any of the securities referred to in resolutions 2, 3, 4, 5, 10 or 11 are not entitled to vote in respect of those resolutions.

In relation to resolution 2, the WasteCo Shareholders and their respective Associates (as defined in the Code) are prohibited from voting any shares that they hold.

In relation to resolution 3, the MCN Shareholders and their respective Associates (as defined in the Code) are prohibited from voting any shares that they hold.

In relation to resolution 5, Mounterowen and its Associated Persons are prohibited from voting any shares that they hold.

1.7 Regulatory Requirements

Takeovers Code

Goodwood is a code company as it is listed on the NZX Main Board (and has financial products that confer voting rights) and is subject to the provisions of the Code.

Rule 6 of the Code prohibits:

- a person who holds or controls no voting rights or less than 20% of the voting rights in a code company from holding or controlling an increased percentage of the voting rights in the code company unless, after that event, that person and that person's associates hold or control in total not more than 20% of the voting rights in the code company
- a person who holds or controls 20% or more of the voting rights in a code company from holding or controlling an increased percentage of the voting rights in the code company

unless done in compliance with exceptions to this fundamental rule.

One of the exceptions, set out in Rule 7(d) of the Code, enables a person to become a holder or controller of an increased percentage of voting rights by an allotment of voting securities in the code company if the allotment is approved by an ordinary resolution of the code company (on which neither that person, nor any of its associates, may vote).

The WasteCo Shareholders are treated as associates under the Code by virtue of certain pre-existing personal and / or commercial relationships between them. As stated in section 1.4, WasteCo Shareholder Shane Edmond currently holds or controls 400,000 shares in the Company (via Ashvegas), representing 2.99% of the voting rights in Goodwood. The WasteCo Allotment will result in the WasteCo Shareholders collectively holding or controlling 74.04% of the voting rights in Goodwood.

Accordingly, in accordance with the Code, the Independent Shareholders will vote at the Company's special meeting on ordinary resolutions in respect of the WasteCo Allotment (resolutions 2 and 3).

Rule 18 of the Code requires the directors of a code company to obtain an Independent Adviser's Report on the merits of an allotment under Rule 7(d).

This Independent Adviser's Report is to be included in, or accompany, the notice of meeting pursuant to Rule 16(h).

NZX Listing Rules

Acquisition and WasteCo Allotment

Listing Rule 5.1.1 stipulates that an Issuer must not enter into a transaction to acquire assets where the transaction would significantly change the nature of the Issuer's business or involves a Gross Value above 50% of the Average Market Capitalisation of the Issuer unless the transaction is approved by way of an ordinary resolution.

The Acquisition will change the nature of Goodwood's business and have a Gross Value above 50% of the Company's Average Market Capitalisation.

Listing Rule 7.3.1 (b) (iii) requires Goodwood to provide a listing profile in respect of the Acquisition (the **Profile**).

NZX Guidance Note *Backdoor and Reverse Listing Restructure* dated 10 December 2020 (the **Guidance Note**) states that "NZX considers that a notice of meeting in relation to a backdoor or reverse transaction must include an independent appraisal report prepared in accordance with Rule 7.10".

Debt Capitalisation

Listing Rule 5.2.1 stipulates that an Issuer must not enter into a Material Transaction if a Related Party is a party to the Material Transaction or to one of a related series of transactions of which the Material Transaction forms part unless the Material Transaction is approved by way of an ordinary resolution from shareholders not associated with the Related Party.

The Debt Capitalisation is a Material Transaction as it has an aggregate value in excess of 10% of the Average Market Capitalisation of Goodwood.

Mounterowen is a Related Party of the Company as it currently holds 18.71% of the Company's shares.

Listing Rule 7.8.8 (b) requires an Appraisal Report to be prepared where a meeting will consider a resolution required by Listing Rule 5.2.1.

1.8 Purpose of the Report

The Company's board of directors (the **Board**) has engaged Simmons Corporate Finance Limited (**Simmons Corporate Finance**) to prepare an Independent Adviser's Report on the merits of the allotment of shares under the WasteCo Allotment in accordance with Rule 18 of the Code.

Simmons Corporate Finance was approved by the Takeovers Panel on 3 May 2022 to prepare the Independent Adviser's Report.

The Board has also engaged Simmons Corporate Finance to prepare an Appraisal Report on the fairness of the Restructure in accordance with the Guidance Note and the Listing Rules.

Simmons Corporate Finance was approved by NZ RegCo on 5 May 2022 to prepare the Appraisal Report in respect of the Restructure.

Simmons Corporate Finance issues this Independent Adviser's Report and Appraisal Report to the Board for the benefit of the Independent Shareholders to assist them in forming their own opinion on whether to vote for or against the Restructure Resolutions.

We note that each shareholder's circumstances and objectives are unique. Accordingly, it is not possible to report on the merits of the WasteCo Allotment and the fairness of the Restructure in relation to each shareholder. This report on the merits of the WasteCo Allotment and the fairness of the Restructure is therefore necessarily general in nature.

The Independent Adviser's Report and Appraisal Report is not to be used for any other purpose without our prior written consent.

1.9 Listing Profile

A Profile as required under Listing Rules 1.11.1 and 7.3.1 accompanies the notice of special meeting provided by Goodwood to the Independent Shareholders.

The Profile discloses particulars of the business of Goodwood if the Restructure are approved. The Profile also provides financial information in respect of the Restructure and identifies the key risk factors associated with WasteCo.

This report should be read in conjunction with the Profile. In order to avoid unnecessary repetition, references are made to information contained in the Profile rather than being repeated in this report.

2. Evaluation of the Merits of the Restructure (including the WasteCo Allotment)

2.1 Basis of Evaluation

Rule 18 of the Code requires an evaluation of the merits of the allotment of shares to the WasteCo Shareholders under the WasteCo Allotment, having regard to the interests of the Independent Shareholders.

There is no legal definition of the term *merits* in New Zealand in either the Code or in any statute dealing with securities or commercial law.

In the absence of an explicit definition of *merits*, guidance can be taken from:

- the Takeovers Panel *Guidance Note on Independent Advisers* dated 11 March 2021
- definitions designed to address similar issues within New Zealand regulations which are relevant to the proposed transaction
- overseas precedents
- the ordinary meaning of the term *merits*.

The WasteCo Allotment is a component of the Restructure. Therefore, when assessing the merits of the WasteCo Allotment, an assessment of the merits of the Restructure also needs to be undertaken.

We are of the view that an assessment of the merits of the Restructure should focus on:

- the rationale for the Restructure
- the terms and conditions of the Restructure
- the alternatives to the Restructure
- the impact of the Restructure on Goodwood's financial position
- the impact of the Restructure on the control of Goodwood
- the impact of the Restructure on Goodwood's share price
- the benefits and disadvantages to the Independent Shareholders, the WasteCo Shareholders and the MCN Shareholders of the Restructure
- the likelihood of the Restructure Resolutions being approved
- the implications if the Restructure Resolutions are not approved.

Our opinion should be considered as a whole. Selecting portions of the evaluation without considering all the factors and analyses together could create a misleading view of the process underlying the opinion.

2.2 Summary of the Evaluation of the Merits of the Restructure (Including the WasteCo Allotment)

The Existing GWC Shareholders currently hold shares in a listed shell company with negligible assets and total equity of negative $0.3 million as at 31 March 2022 and no active trading operations.

The Restructure consists of Goodwood:

- issuing 10,636,073 Debt Capitalisation Shares to Mounterowen at an issue price of $0.05 per share under the Debt Capitalisation
- acquiring WasteCo from the WasteCo Shareholders and the MCN Shareholders for $29.2 million under the Acquisition
- issuing 504,000,000 Consideration Shares to the WasteCo Shareholders and 80,000,000 MCN Shares to the MCN Shareholders at an issue price of $0.05 per share under the WasteCo Allotment
- issuing 80,000,000 Placement Shares to the Placement Shareholders at an issue price of $0.05 per share under the Capital Raise.

The intended completion date of the Restructure is on or around 5 December 2022.

The Restructure will change the essential nature of Goodwood's business to focusing on the waste management and industrial services industries in the South Island.

The Independent Shareholders will hold shares in Goodwood at a very significantly diluted level due to the Debt Capitalisation, the WasteCo Allotment and the Capital Raise.

The Independent Shareholders are being asked to vote on 11 resolutions in respect of the Restructure. All resolutions must be passed in order for the Restructure to proceed.

Accordingly, shareholders have 3 alternatives with regard to their voting:

- vote in favour of all 11 resolutions, in which case if all of the Restructure Resolutions are passed, the Company will complete the Restructure and will transform into a waste management business, or
- vote against any of the 11 resolutions. In the event that any resolution is not passed, then the Restructure will not be undertaken and Goodwood will remain as a listed investment company, or
- abstain from voting, in which case the voting of the other shareholders will determine the outcome.

Our evaluation of the merits of the Restructure are set out in detail in sections 2.3 to 2.18.

In our view, the key overriding factor in assessing the merits of the Restructure is that the Independent Shareholders will potentially be in a more advantageous financial position post the Restructure, where they will collectively holding a 1.47% interest in Goodwood. The degree to which they are financially better off will depend on the value of the WasteCo business, which will be driven to a large degree by the Company's ability to successfully execute WasteCo's business strategy and growth initiatives following the Restructure.

In summary, the positive aspects of the Restructure are:

- the rationale for the Restructure is sound. WasteCo will be backdoor listed into Goodwood, transforming the Company from a small listed investment company into a much larger waste management and industrial services business based in the South Island
- the terms of the Restructure are reasonable:
  - the Purchase Price of $29.2 million is fair to the Independent Shareholders. We assess the value of WasteCo (including the MCNs) to be in the range of $26.9 million to $33.8 million
  - the WasteCo Allotment issue price of $0.05 per share is fair to the Independent Shareholders as it adequately recognises the value of Goodwood's NZX Main Board listing
  - the conditions and warranties set out in the Reverse Listing Agreement are in line with market practice for transactions of this nature and are not unreasonable
  - the Debt Capitalisation will convert $531,803 of debt into equity, strengthening the Company's financial position
  - the Debt Capitalisation Shares and Placement Shares issue price of $0.05 per share is the same as the WasteCo Allotment issue price
- the Restructure will have a positive impact on the Company's financial position, increasing its level of total equity from negative $0.3 million as at 31 March 2022 to approximately $33.4 million immediately after the completion of the Restructure
- the Company's shares may be re-rated by the market, which may improve the liquidity of the shares
- the implications of the Restructure Resolutions not being approved by the Independent Shareholders are significant. In the absence of a capital raising in the very near term, Goodwood will be unable to repay its debts as they fall due and the Board will likely have no option but to seek shareholder approval to place the Company into liquidation. Such an outcome is unlikely to result in any return to shareholders.

In summary, the negative aspects of the Restructure are:

- the risk profile of Goodwood will change significantly from the limited risks associated with a listed shell company to the wide range of risks associated with a much larger business operating in the waste management and industrial services industries
- the WasteCo Shareholders will have significant influence over the Company:
  - collectively, they will be able to determine the outcome of any ordinary resolution or special resolution
  - they will hold 3 out of 5 appointments to the Board
  - they will form the Company's senior management team
- the dilutionary impact of the Debt Capitalisation, the WasteCo Allotment and the Capital Raise on the Independent Shareholders will result in their current collective interests in the Company reducing by 98.1%.

In our view, the Restructure is unlikely to have any material impact on:

- the liquidity of the Company's shares in the near term
- the attraction of Goodwood as a takeover target.

There are a number of positive and negative features associated with the Restructure. In our view, when the Independent Shareholders are evaluating the merits of the Restructure, they need to carefully consider whether the negative aspects of the Restructure, particularly the dilutionary impact, could justify voting against the Restructure Resolutions with the outcome that the Company will likely be placed into liquidation unless it can raise additional capital and / or sell some or all of its investments in the very near term.

In our opinion, after having regard to all relevant factors, the positive aspects of the Restructure (including the WasteCo Allotment) significantly outweigh the negative aspects from the perspective of the Independent Shareholders.

2.3 The Rationale for the Restructure

Goodwood is a listed shell company with no active trading operations or assets apart from a nominal amount of cash.

The Board has advised us that since the Company was restored from liquidation in October 2020, it has actively engaged in looking to identify a suitable business opportunity to invest in and / or acquire through a reverse acquisition to leverage and unlock the value of its listed status.

The Board stated in the Company's 2021 annual report that it was focusing on business opportunities that satisfy one or more of the following investment criteria:

- the business has excellent personnel and management
- the business operates in an attractive and positive business sector
- the business has a robust business model
- the business has solid historical earnings or has a sound business platform from which to implement its business plan and generate strong earnings in the future
- the business owns proprietary intellectual property
- the business has the potential to grow organically, via acquisition, or through further investment in capital plant
- the business has the potential to scale internationally
- the business would benefit from being able to raise additional capital in the market
- is likely to generate superior returns for the Company and its existing shareholders.

The Board has held discussions with several potential acquisition targets. The Acquisition represents the most compelling opportunity evaluated by the Board.

The Acquisition will transform Goodwood to focusing on the waste management and industrial services industries in the South Island.

The Board considers the Acquisition to be of significant benefit for the Company and the Independent Shareholders for the following reasons:

- WasteCo is a well-established business with more than 8 years of trading history
- WasteCo's earnings have grown steadily since it commenced operations
- the business sectors in which WasteCo operates are relatively stable and non-volatile
- WasteCo has several opportunities to continue to grow organically and via acquisition
- WasteCo has an experienced executive team well entrenched in the waste, refuse and industrial service sectors.

In our view, the rationale for the Restructure is sound. The Acquisition achieves the Board's objective of backdoor listing a sizeable business through Goodwood and the Debt Capitalisation and the Capital Raise ensure that the Company will be adequately capitalised in the near term.

2.4 Process Undertaken by Goodwood

We are advised by the Board that the Company commenced discussions with the WasteCo Shareholders in respect of the Acquisition in October 2021, following an approach from WasteCo.

Negotiations on behalf of Goodwood were led by the Company's chair Sean Joyce and supported by directors Angus Cooper and Roger Gower.

Negotiations on behalf of WasteCo were led by Shane Edmond, Carl Storm and James Redmayne.

The parties entered into a non-binding indicative terms sheet in November 2021.

The due diligence process undertaken by the Company was led by directors Sean Joyce, Angus Cooper and Roger Gower.

The Board then negotiated and entered into the Reverse Listing Agreement with the WasteCo Shareholders on 24 April 2022.

2.5 Terms of the Restructure

Share Consolidation

The Share Consolidation was completed on 5 May 2022, whereby Goodwood's 33,409,809 ordinary shares were consolidated into 13,363,927 ordinary shares. This equated to a consolidation factor of 2.5 : 1 (subject to rounding of individual shareholders up to a whole number of shares).

Debt Capitalisation

Before the completion of the Acquisition, Goodwood will conduct the Debt Capitalisation, whereby $531,803 of the indebtedness of the Company to Mounterowen will be capitalised into 10,636,073 Debt Capitalisation Shares.

The effect of the Debt Capitalisation is that the Mounterowen debt will be capitalised into equity and the Company will have no interest bearing debt (**IBD**) at the Completion Date.

The Debt Capitalisation will take effect on 5 December 2022.

Acquisition

Purchase Price

The Purchase Price is $29.2 million for 100% of the WasteCo shares and all of the MCNs and is to be satisfied by the WasteCo Allotment (being 504,000,000 Consideration Shares and 80,000,000 MCN Shares issued at $0.05 per share).

The Board has advised us that it negotiated the Purchase Price on a commercial arms-length basis with the WasteCo Shareholders and that the Purchase Price reflects WasteCo's historic earnings, financial position, brand strength and growth potential.

Set out in section 6 is our assessment of the value of WasteCo (including the MCNs). We assess the value of WasteCo to be in the range of $26.9 million to $33.8 million.

The Purchase Price is within our valuation assessment, marginally below the midpoint of the range. Accordingly, we are of the view that the Purchase Price is fair to the Existing GWC Shareholders.

WasteCo Allotment

The 504,000,000 Consideration Shares and 80,000,000 MCN Shares issued under the WasteCo Allotment will be fully paid ordinary shares ranking equally in all respects with all existing shares, issued at $0.05 per share to the WasteCo Shareholders.

The WasteCo Shareholders will hold the 504,000,000 Consideration Shares as set out below.

Consideration Shares Held by the WasteCo Shareholders

WasteCo Shareholders	Shares in WasteCo	No. of Consideration Shares	% of Consideration Shares	% of Goodwood Shares[1]
Cullinane Steel Trustees (2003) Limited, Laurence Redmayne and Samantha Redmayne	3,285	165,564,000	32.85%	24.06%
C & F Trustees 35776 Limited, Carl Storm and Dawn Storm	3,135	158,004,000	31.35%	22.97%
Glendarvie Holdings Limited	1,080	54,432,000	10.80%	7.91%
Gleneig Holdings Limited	1,000	50,400,000	10.00%	7.33%
Shane Edmond	900	45,360,000	9.00%	6.59%
Ashvegas	400	20,160,000	4.00%	2.93%
Belinda Edmond	200	10,080,000	2.00%	1.47%
	10,000	504,000,000	100.00%	73.26%

1 After the Debt Capitalisation and the Capital Raise

The WasteCo Shareholders have agreed to enter into agreements whereby they shall be restricted from trading 80% of the Consideration Shares. 403,200,000 Consideration Shares will be placed in escrow (with restrictions on trading) up until the date that Goodwood announces its preliminary result to the market for the financial year ended 31 March 2023 (the **Escrow**). Further details on the Escrow are set out on pages 21 and 22 of the notice of special meeting.

Under the terms of the Reverse Listing Agreement and the Variations, the $4.0 million of MCNs mandatorily convert into 4,000,000 ordinary fully paid shares in WasteCo at the completion of the Acquisition and are contemporaneously then sold to Goodwood in exchange for the 80,000,000 MCN Shares.

The MCN Shareholders will hold the 80,000,000 MCN Shares as set out below.

MCN Shares Held by the WasteCo Shareholders

MCN Shareholders	No. of MCNs ($)	No. of MCN Shares	% of MCN Shares	% of Goodwood Shares[1]
Youthlab Limited	1,350,000	27,000,000	33.75%	3.92%
Horizon Resources Limited	650,000	13,000,000	16.25%	1.89%
Shane Edmond[2]	250,000	5,000,000	6.25%	0.73%
John Kruyf and Jenette Kruyf	250,000	5,000,000	6.25%	0.73%
Charles Hayward, Karyn Hayward and C A Trustees 2012 Limited	250,000	5,000,000	6.25%	0.73%
AWD Finance Limited	250,000	5,000,000	6.25%	0.73%
John Lee	250,000	5,000,000	6.25%	0.73%
Barry Gray and Fiona Gray	250,000	5,000,000	6.25%	0.73%
Ilakolako[3]	200,000	4,000,000	5.00%	0.58%
Michael Joyce	200,000	4,000,000	5.00%	0.58%
Gary Agnew	50,000	1,000,000	1.25%	0.15%
Lisa Symonds	50,000	1,000,000	1.25%	0.15%
	4,000,000	80,000,000	100.00%	11.63%

1 After the Debt Capitalisation and the Capital Raise
2 Shane Edmond is also a WasteCo Shareholder and is an Existing GWC Shareholder (via Ashvegas)
3 Ilakolako is an Existing GWC Shareholder

We assess the value of Goodwood's shares post the Debt Capitalisation and prior to the Acquisition and the Capital Raise to be in the range of $0.018 to $0.030 per share.

Our valuation assessment is set out in section 7.

Based on our valuation assessment, we consider the Consideration Shares and the MCN Shares issue price of $0.05 per share under the WasteCo Allotment to be fair to the Existing GWC Shareholders.

The Consideration Shares and the MCN Shares issue price is the same price at which the Debt Capitalisation Shares and the Placement Shares will be issued at.

Conditions

The Acquisition is conditional on:

- Goodwood obtaining the Independent Shareholders' approval of the Restructure Resolutions
- Goodwood obtaining NZX's approval of the Restructure
- Goodwood entering into conditional subscription agreements in respect of the Capital Raise

- Goodwood obtaining the consent to the proposed transfer of shares in WasteCo to Goodwood from:
  - each creditor in respect of each general security agreement registered over WasteCo or its subsidiaries
  - each landlord in respect of each deed of lease entered into by WasteCo or its subsidiaries
  - each counterparty to each material contract entered into by WasteCo or its subsidiaries.

The date for satisfaction of the above conditions is no later than 5 December 2022.

We are of the view that the conditions of the Acquisition are in line with market practice for transactions of this nature and are not unreasonable.

Warranties and Indemnities

Goodwood has provided warranties in respect of Goodwood's corporate structure and shares, the information provided to WasteCo, compliance with laws, guarantees and litigation / claims.

The WasteCo Shareholders and WasteCo have provided warranties in respect of WasteCo's shares, the due diligence material, accounts, assets, books and records, statutory compliance, proceedings, employees, intellectual property and contracts.

Each party's liability under these warranties is limited to claims brought within 12 months of the Completion Date and to an aggregate amount limited to:

- $1.0 million in respect of Goodwood
- the Purchase Price in respect of the WasteCo Shareholders.

Goodwood has given the WasteCo Shareholders an indemnity in respect of its taxation compliance up until the Completion Date and the WasteCo Shareholders have given Goodwood an indemnity in respect of the taxation compliance of WasteCo up until the Completion Date.

We are of the view that the warranties and indemnities provided under the Reverse Listing Agreement are in line with market practice for transactions of this nature and are not unreasonable.

Capital Raise

The Capital Raise involves the issue of 80,000,000 Placement Shares to the Placement Shareholders at an issue price of $0.05 per share to raise $4.0 million of fresh equity post completion of the Acquisition.

Due to the regulatory framework associated with reverse listing transactions, Goodwood is not able to raise new capital through an offer to all Existing GWC Shareholders or other members of the public in conjunction with the completion of the Acquisition.

The Board has advised us that the purpose of the Capital Raise is to fund further growth of the WasteCo business operations.

The Placement Shares will be issued at $0.05 per share – the same issue price as for the WasteCo Allotment and the Debt Capitalisation. Accordingly, we consider the Capital Raise to be fair to the Existing GWC Shareholders.

2.6 Limited Likelihood of Alternative Transactions

The carrying value of Goodwood's equity was negative $0.3 million as at 31 March 2022. The Company had $39,000 of assets and $339,000 of liabilities (including $314,000 owing to Mounterowen) at that date.

Goodwood will have insufficient working capital to continue operations as a listed entity unless it undertakes a capital raising in the very near term. If the Company is unable to repay its debts as they fall due, the Board will have no option but to seek shareholder approval to place the Company into liquidation. Such an outcome is unlikely to result in any return to shareholders.

The Board has confirmed to us that it is not evaluating any other acquisitions / backdoor listing opportunities as it has entered into an exclusivity arrangement with WasteCo. Accordingly, we consider the likelihood of an alternative transaction in the near term to be limited.

2.7 Impact on Financial Position

A summary of Goodwood's recent financial position is set out in section 4.6.

The Company's total equity as at 31 March 2022 was negative $0.3 million and it had negligible cash on hand.

The Restructure will significantly strengthen Goodwood's financial position. Following the Restructure, Goodwood will have total equity of approximately $33.4 million and cash on hand of approximately $4.0 million.

2.8 Impact on Control

Share Capital and Shareholders

Following the Share Consolidation on 5 May 2022, Goodwood has 13,363,927 fully paid ordinary shares on issue held by 1,350 shareholders. The names, number of shares and percentage holding of the Company's 10 largest shareholders as at 31 October 2022 are set out in section 4.4.

Shareholding Voting

Following the Restructure, the WasteCo Shareholders' ability to influence the outcome of shareholder voting will be significant. The WasteCo Shareholders' holding of 74.04% of the Company's voting rights will enable the WasteCo Shareholders to collectively:

- pass or block ordinary resolutions (which require the approval of more than 50% of the votes cast by shareholders)
- block special resolutions (which require the approval of 75% of the votes cast by shareholders).

The WasteCo Shareholders will most likely be able to singlehandedly pass special resolutions with their 74.04% collective shareholding. This is because a number of shareholders in listed companies tend not to vote on resolutions and hence the relative weight of each shareholding increases.

The ability for any shareholder to influence the outcome of voting on the Company's ordinary resolutions or special resolutions may be reduced by external factors such as the Company's constitution, the Code, the Listing Rules and the Companies Act (eg if the shareholder is precluded from voting on the resolution because it is a party to the transaction which the resolution relates to).

Given the above, we are of the view that the Restructure will provide the WasteCo Shareholders with significant ability to exert control over shareholder voting.

The MCN Shareholders will collectively hold 10.95% of the shares in the Company following the Restructure and the Capital Raise Shareholders will collectively hold 11.63%. Neither shareholding bloc will be able to singlehandedly determine the outcome of shareholding voting.

Board Control

As set out in section 4.3, the Company currently has 3 directors on the Board, none of whom are associated with the WasteCo Shareholders.

Following the Restructure, the WasteCo Shareholders will exert significant control over the Board as they will hold 60% of the Board appointments:

- WasteCo Shareholders Carl Storm, James Redmayne and Shane Edmond will be appointed to the Board
- current Company director Sean Joyce will resign from the Board while Angus Cooper and Roger Gower will remain on the Board as independent directors
- Shane Edmond will be appointed Board chair.

Resumes of the directors are set out in section 4 of the Profile entitled *The WasteCo Group And What It Does*.

Operations

Following the Restructure, the Company's management will be undertaken in Christchurch and the WasteCo Shareholders will exert significant influence over the Company's operations:

- James Redmayne will be appointed as the Company's Chief Executive Officer
- Carl Storm will be appointed as the Company's Chief Operating Officer.

Following the Restructure, the Company's senior management will include:

- Sam Vanderpyl, Chief Financial Officer and Company Secretary
- Hamish Sheppard, Heavy Industrial – Operations Leader
- Misty Soper, ES Sweeping – Sales & Operations Manager
- Jasmine Etherington, ES Waste – Operations Manager (Canterbury)
- Rodney White, Sortco – Manager
- Graeme Wilson, ES Manager – Dunedin & Balclutha
- David Oberholzer, Health, Safety, Quality, Compliance & Environment Manager
- Kelvin Linton, WasteCo Group Fleet Manager
- Hermann Rombke, Timaru Workshop & R&D Manager.

Resumes of the senior management team are set out in section 4 of the Profile entitled *The WasteCo Group And What It Does*.

2.9 Dilutionary Impact

The Debt Capitalisation, the WasteCo Allotment and the Capital Raise will result in the Independent Shareholders' shareholdings in the Company being diluted by 98.1%.

While the dilutionary impact is very significant, we are of the view that the Independent Shareholders' main focus should be on whether there is any dilutionary impact on the value of their respective shareholdings rather than on their level of voting rights.

As set out in section 2.5, we are of the view that the terms of the Restructure are fair and that there are no material value transfers from the Independent Shareholders to the WasteCo Shareholders, the MCN Shareholders or Mounterowen.

2.10 Impact on Share Price and Liquidity

A summary of Goodwood's daily closing share price and monthly volume of shares traded from 24 November 2020 (when the shares were lifted from suspension of quotation) to 22 April 2022 is set out in section 4.8.

The Company's shares were suspended from trading following the announcement of the Restructure on 26 April 2022 in accordance with NZX practice.

In the year up to 22 April 2022, 3.8% of the Company's shares traded at a volume weighted average share price (**VWAP**) of $0.032. This equates to a VWAP of $0.080 on a post Share Consolidation basis.

Re-rating of Goodwood Shares

The completion of the Restructure may lead to a re-rating of the Company's shares. The transformation of Goodwood into a waste management company may lead to greater demand for the Company's shares, which in turn may lead to higher prices for the shares. However, Independent Shareholders should also bear in mind that any re-rating of the Company's shares may increase the variability in the Company's share price and this may result in the share price either increasing or decreasing.

Liquidity

Trading in the Company's shares is extremely thin, reflecting that the top 10 shareholders collectively hold 59.92% of the shares.

Independent Shareholders currently have very limited opportunities to sell their shares. Only 3.8% of the Company's shares traded in the year up to 22 April 2022.

The Restructure will not necessarily improve the liquidity of the Company's shares in the near term as the number of shares held by the Independent Shareholders will not change.

Should the WasteCo Shareholders and / or the MCN Shareholders seek to dispose of some of their Goodwood shares, this may result in increased trading in the Company's shares, thereby improving liquidity. However, we note that 80% of the Consideration Shares are subject to the Escrow.

While we would expect increased demand for the Company's shares post the Restructure, we note that the relatively small free float means that there will be a limited number of shares available for sale and this may restrict the level of trading in the Company's shares.

2.11 Main Advantage to the Independent Shareholders of the Restructure

Following the Restructure, the Independent Shareholders will collectively hold 1.47% of the shares in a company that focuses on the waste management and industrial services industries in the South Island and has total equity of approximately $33.4 million.

Currently they hold 100% of the shares in a listed shell company with negligible assets and total equity of negative $0.3 million as at 31 March 2022 and whose shares are thinly traded on the NZX Main Board.

2.12 Main Disadvantage to the Independent Shareholders of the Restructure

The main disadvantage to the Independent Shareholders of the Restructure is that the shares issued under the Debt Capitalisation, the WasteCo Allotment and the Capital Raise will very significantly dilute their interests in the Company.

The Independent Shareholders' collective shareholding will be diluted by 98.1% from their collective shareholding of 75.67% at present to 1.47%.

In our view, the positive aspects of the transformation of the Company (as set out in section 2.2) significantly outweigh the dilutionary impact of the Restructure.

2.13 Other Issues for the Independent Shareholders to Consider

Change in Business Risk

As a listed shell company with negligible assets and no active operating business, Goodwood currently faces a relatively limited range of business risks.

A detailed analysis of the risks associated with an investment in Goodwood post the Restructure is set out in section 7 of the Profile entitled *Risks To The WasteCo Group's Business And Plans* and is summarised in section 5.4 of this report.

The analysis highlights the significant change in the nature of risk associated with an investment in the Company post the Restructure and the Independent Shareholders need to be cognisant of the change in the risk profile of their investment in the Company.

Future Requirements for Capital

Section 4 of the Profile entitled *The WasteCo Group And What It Does* discusses WasteCo's growth strategies which include:

- innovation and vertical expansion
- geographical expansion
- acquisition opportunities
- investment in plant and infrastructure.

Resolutions 4 (in respect of the Capital Raise) and 11 (in respect of the Post Completion Placement) authorise future capital raising initiatives for the Company of $4.0 million and approximately $6.3 million respectively.

The funds raised from the Capital Raise and the Post Completion Placement will be applied towards WasteCo's primary near and medium term strategic objectives, including:

- funding the ongoing working capital requirements of the WasteCo Group
- funding the acquisition of new capital equipment required to meet its growth requirements
- investing in WasteCo Group's human capital by hiring additional employees.

Existing GWC Shareholders should be cognisant that any equity raisings by the Company in the future in which they do not participate will lead to further dilution of their proportionate interests in the Company.

Funding of Restructure Costs

The total transaction costs associated with the Restructure are estimated to be in the vicinity of $200,000. The costs include legal fees, financial advisory fees, Takeovers Panel fees, NZ RegCo fees, shareholder meeting costs and the cost of this report.

Mounterowen has agreed to provide additional advances to fund Goodwood's out of pocket third party costs associated with the Restructure.

Benefits to Goodwood of the WasteCo Shareholders as Cornerstone Shareholders

The WasteCo Allotment will position the WasteCo Shareholders as important cornerstone investors in Goodwood, signalling their confidence in the future prospects of the Company. Furthermore, certain WasteCo Shareholders will undertake integral roles in the governance and management of the Company.

Independent Shareholder Approval is Required

Pursuant to Rule 7(d) of the Code, the Independent Shareholders must approve by ordinary resolution the WasteCo Allotment.

Pursuant to Listing Rules 5.1.1 and 5.2.1, the Independent Shareholders must approve by special resolution the Acquisition and by ordinary resolutions the WasteCo Allotment and the Debt Capitalisation.

The Restructure will not proceed unless the Independent Shareholders approve all of the Restructure Resolutions.

Inability to Creep

The *creep provisions* of Rule 7(e) of the Code enable entities that hold or control more than 50% and less than 90% of the voting securities in a code company to acquire up to a further 5% of the code company's shares in any 12 month period without the need for shareholder approval.

Following the Restructure, no individual WasteCo Shareholder will hold or control more than 50% of Goodwood's shares. Accordingly, the WasteCo Shareholders will not be able to utilise the *creep provisions*.

Attractiveness of the Company as a Takeover Target Unlikely to Change Significantly

Following the Restructure, the WasteCo Shareholders will not be able to increase their level of shareholding in the Company unless they comply with the provisions of the Code and the Listing Rules.

They will only be able to acquire more shares in the Company if:

- they make a full or partial takeover offer
- the acquisition is approved by way of an ordinary resolution of the Independent Shareholders
- the Company makes an allotment of shares which is approved by way of an ordinary resolution of the Independent Shareholders
- the Company undertakes a share buyback that is approved by the Company's shareholders and the WasteCo Shareholders do not accept the offer of the buyback.

If the Restructure Resolutions are approved and WasteCo is backdoor listed, we consider it unlikely that the WasteCo Shareholders would make a takeover offer for the Company as this would result in WasteCo being privatised, thereby reversing the backdoor listing transaction.

We note however that WasteCo, as a listed entity, will have a higher profile and may be more visible and attractive to potential investors, which may increase the likelihood of a takeover offer for the Company sometime in the future.

2.14 Key Benefit to the WasteCo Shareholders and the MCN Shareholders

Enhanced Investment Liquidity

The Restructure provides the WasteCo Shareholders and the MCN Shareholders with the opportunity to sell WasteCo for $29.2 million in exchange for a collective 84.99% shareholding in Goodwood.

Goodwood offers the WasteCo Shareholders and the MCN Shareholders an effective and efficient means to achieve a listing of WasteCo on a recognised stock exchange.

Backdoor listing WasteCo on the NZX Main Board via Goodwood will provide a number of benefits to WasteCo, the WasteCo Shareholders and the MCN Shareholders:

- an enhancement of WasteCo's profile in the market place
- the ability to raise equity capital more easily
- the ability to use scrip for acquisitions
- liquidity for the WasteCo Shareholders and the MCN Shareholders.

The WasteCo Shareholders and the MCN Shareholders will exchange their investments in a closely held non-listed company for a combined shareholding of 84.99% in a company listed on the NZX Main Board, thereby enhancing the liquidity of their investment.

2.15 Key Disadvantage to the WasteCo Shareholders and the MCN Shareholders

Exposure to the Regulatory Requirements of Goodwood

The key risks that are likely to impact upon the business operations of WasteCo are summarised in section 5.4. The WasteCo Shareholders and the MCN Shareholders currently face these risks through their investment in WasteCo and therefore their risk exposure does not change to any significant extent.

However, following the Restructure, WasteCo will be a subsidiary of Goodwood and will be subject to the additional regulatory requirements of the Code and the Listing Rules (such as restrictions on share transactions and related party transactions as well as higher compliance costs).

2.16 Likelihood of the Restructure Resolutions Being Approved

The Board has unanimously recommended the approval of the Restructure Resolutions. Directors Sean Joyce, Roger Gower and Angus Cooper collectively control 18.72% of the Company's shares, which we assume will be voted in favour of the Restructure Resolutions (to the extent permitted under the voting restrictions placed on Mounterowen).

The Company's top 10 shareholders collectively hold 59.92% of the Company's shares. This includes director Sean Joyce (through Mounterowen) and WasteCo Shareholder Shane Edmond (through Ashvegas). We are not aware of how these major shareholders will vote in respect of the Restructure Resolutions (other than assuming Mr Joyce and Mr Edmond will vote in favour of the resolutions that they are permitted to vote on). The votes of the major shareholders will significantly influence the outcome of the voting on the Restructure Resolutions.

2.17 Implications of the Restructure Resolutions not Being Approved

If any one of the 11 Restructure Resolutions is not approved, then the Restructure cannot proceed and Goodwood will remain as a listed investment company.

If Goodwood were to continue as a shell company listed on the NZX Main Board, seeking to undertake another backdoor listing transaction, there is no certainty as to if, or when, such a transaction could be completed. In the meantime, Goodwood would continue to incur operating costs associated with remaining listed on the NZX Main Board (including directors' fees, listing fees, registry fees and audit fees).

Goodwood had $14,000 of cash as at 31 March 2022. The Company will need to raise additional capital from its existing shareholders and / or new shareholders in the very near term. Otherwise the Board will need to contemplate seeking shareholder approval to place the Company into liquidation. Such an outcome is unlikely to result in any return to the Existing GWC Shareholders.

The non-approval of the Restructure Resolutions could possibly have negative implications for future capital raising initiatives as potential investors may be hesitant to invest in the Company – especially if shareholder approval is required.

2.18 Options for Shareholders who do not Wish to Retain Their Investment in Goodwood

Sell On-market

Those Independent Shareholders who do not wish to remain shareholders in the Company after the Restructure is completed may look to sell their shares on-market once the shares are lifted from suspension of quotation.

We note however that given the thin trading in the Company's shares, it may be difficult to sell some or all of their shares on-market.

Minority Buy-out Rights Under the Companies Act

If the Restructure Resolutions are passed, those Independent Shareholders who voted all of their shares against special resolution 1 will be entitled to require the Company to buy their shares in accordance with the provisions of the Companies Act.

A shareholder entitled to require the Company to purchase its shares by virtue of section 110 of the Companies Act may, within 10 working days of the passing of the special resolution, give written notice to the Company requiring it to purchase the shares.

The Board is then required to give notice to the shareholder of a fair and reasonable price for the shares. Shareholders who do not agree with the nominated price can object to the price, in which case the price will be determined by arbitration.

A detailed explanation of the minority buy-out rights is set out in Appendix 3 of the notice of special meeting.

2.19 Voting For or Against the Restructure Resolutions

Voting for or against the Restructure Resolutions is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile and other factors. Shareholders will need to consider these consequences and consult their own professional adviser if appropriate.

3. Evaluation of the Fairness of the Restructure (Including the Debt Capitalisation)

3.1 Basis of Evaluation

The Guidance Note states that "*NZX considers that a notice of meeting in relation to a backdoor or reverse transaction must include an independent appraisal report prepared in accordance with Rule 7.10*".

Listing Rule 7.10.2 requires an Appraisal Report to consider whether the terms and conditions of:

- the Restructure is *fair* to the Independent Shareholders
- the Debt Capitalisation is *fair* to the Independent Shareholders.

There is no legal definition of the term *fair* in either the Listing Rules or in any statute dealing with securities or commercial law in New Zealand.

Listing Rule 5.2.1 stipulates that an Issuer must not enter into a Material Transaction if a Related Party is a party to the Material Transaction or to one of a related series of transactions of which the Material Transaction forms part unless the Material Transaction is approved by way of an ordinary resolution from shareholders not associated with the Related Party.

The Debt Capitalisation is a Material Transaction as it has an aggregate value in excess of 10% of the Average Market Capitalisation of Goodwood.

Mounterowen is a Related Party of the Company as it holds 18.71% of the Company's shares.

Listing Rule 7.8.8 (b) requires an Appraisal Report to be prepared where a meeting will consider a resolution required by Listing Rule 5.2.1.

In our opinion, the Restructure will be fair to the Independent Shareholders if:

- they are likely to be at least no worse off if the Restructure proceeds than if it does not. In other words, we consider that the Restructure will be fair if there is no value transfer from the Independent Shareholders to the WasteCo Shareholders and the MCN Shareholders, and
- the terms and conditions of the Restructure are in line with market terms and conditions.

Similarly, the Debt Capitalisation will be fair to the Independent Shareholders if:

- they are likely to be at least no worse off if the Debt Capitalisation proceeds than if it does not. In other words, we consider that the Debt Capitalisation will be fair if there is no value transfer from the Independent Shareholders to Mounterowen, and
- the terms and conditions of the Debt Capitalisation are in line with market terms and conditions.

We have evaluated the fairness of the Restructure (including the Debt Capitalisation) by reference to:

- the rationale for the Restructure
- the terms and conditions of the Restructure
- the alternatives to the Restructure
- the impact of the Restructure on Goodwood's financial position
- the impact of the Restructure on the control of Goodwood
- the impact of the Restructure on Goodwood's share price
- the benefits and disadvantages to the Independent Shareholders, the WasteCo Shareholders and the MCN Shareholders of the Restructure
- the likelihood of the Transaction Resolutions being approved
- the implications if the Restructure Resolutions are not approved.

Our opinion should be considered as a whole. Selecting portions of the evaluation without considering all the factors and analyses together could create a misleading view of the process underlying the opinion.

3.2 Evaluation of the Fairness of the Restructure (Including the Debt Capitalisation) for the Purposes of Listing Rule 7.10.2

In our opinion, after having regard to all relevant factors, the terms and conditions of:

- **the Restructure is fair to the Independent Shareholders**
- **the Debt Capitalisation is fair to the Independent Shareholders.**

The basis for our opinion is set out in detail in sections 2.3 to 2.18. In summary, the key factors leading to our opinion are:

- the rationale for the Restructure is sound
- the terms of the Restructure are reasonable:
  - the Purchase Price is fair
  - the WasteCo Allotment, Debt Capitalisation and Capital Raise issue price is fair
  - the conditions and warranties set out in the Reverse Listing Agreement are in line with market practice
  - the Debt Capitalisation will convert $531,803 of debt into equity
- the Restructure will have a positive impact on the Company's financial position
- the Company's shares may be re-rated by the market
- the WasteCo Shareholders' influence over the outcome of shareholding voting and control over the Board and the Company's operations will be significant
- the dilutionary impact of the WasteCo Allotment, Debt Capitalisation and Capital Raise on the Independent Shareholders will result in their current collective interests in the Company reducing by 98.1%

- the Restructure is unlikely to have any material impact on:
  - the liquidity of the Company's shares in the near term
  - the attraction of Goodwood as a takeover target
- the implications of the Restructure Resolutions not being approved by the Independent Shareholders are significant. In the absence of a capital raising in the very near term, Goodwood will be unable to repay its debts as they fall due and the Board will likely have no option but to seek shareholder approval to place the Company into liquidation. Such an outcome is unlikely to result in any return to shareholders.

3.3 Alternative Courses for Goodwood

As stated in section 2.6, the likelihood of an alternative transaction in the near term is limited. The Board is not evaluating any other potential transactions.

3.4 Voting For or Against the Restructure Resolutions

Voting for or against the Restructure Resolutions is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile and other factors. Shareholders will need to consider these consequences and consult their own professional adviser if appropriate.

4. Profile of Goodwood

4.1 Background

The Company was incorporated on 24 November 2010 as Rec No.1 Limited. It subsequently changed its name to:

- Snakk Media Limited (**Snakk**) on 18 July 2011
- Goodwood Capital Limited on 20 October 2020.

Snakk provided mobile phone enabled promotions and marketing services in Australia, New Zealand and Singapore. It had 2 wholly owned subsidiary companies:

- Snakk Media Pty Limited (**Snakk Aust**)
- Snakk Media Pte. Limited (**Snakk Sing**).

Snakk's shares were initially listed on the Alternative Market operated by NZX (the **NZAX**) on 6 March 2013.

Snakk ceased operations in December 2018. It was placed into voluntary administration on 7 February 2019 and into liquidation on 14 March 2019.

Snakk Aust was placed into voluntary administration on 10 December 2018 and deregistered on 15 December 2020.

Snakk Sing ceased operations in 2019 and was removed from the Singapore Companies Register on 16 December 2020.

Following Mounterowen acquiring $248,706 of Goodwood's debts owing to third parties and becoming the ultimate creditor of the Company, an application was made to the High Court in July 2020 to restore the Company from liquidation.

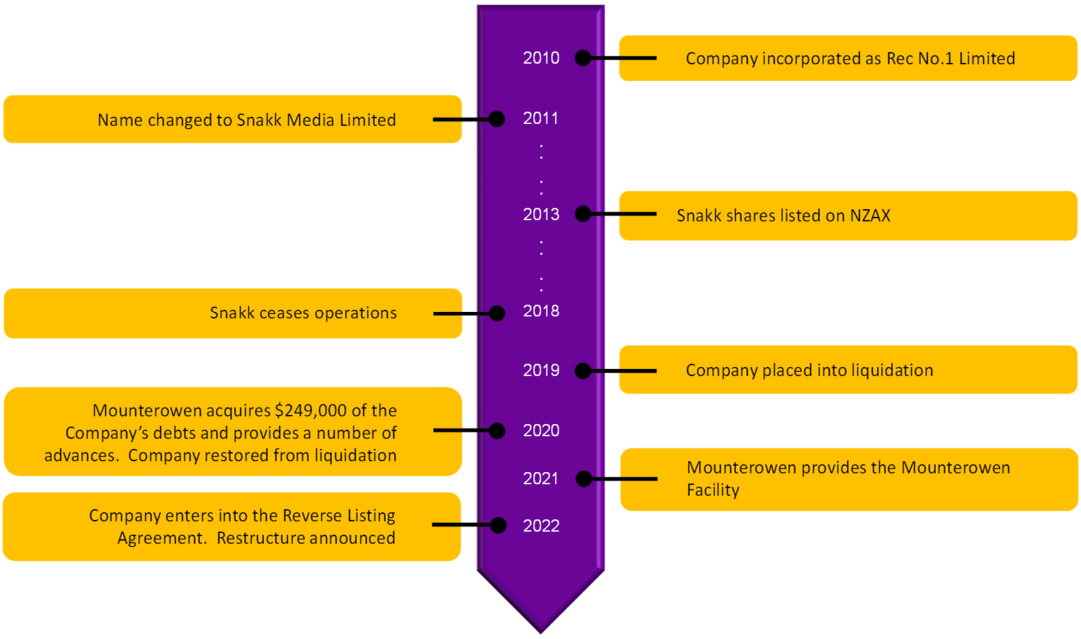
The Company was restored from liquidation on 9 October 2020 by order of the High Court and the restoration was completed on 19 October 2020.

Since then, the Company has been a shell company listed on the NZX Main Board, funded by Mounterowen:

- in September and October 2020, Mounterowen advanced $91,931 in aggregate to the Company under 2 separate loan agreements to assist with costs associated with the application made to the High Court to terminate the liquidation, liquidators' costs and accounting and administration costs. The balance payable under these loan agreements incurred interest at a rate of 5%
- on 15 December 2020, as part of a capital raising initiative undertaken by the Company, $125,000 of the loan advance was converted into 6,249,999 ordinary shares at an issue price of $0.02 per share
- during the 2021 financial year, Goodwood received several loan advances from Mounterowen, amounting to $90,000 in aggregate
- in July 2021, the Company received an additional loan advance of $40,000 from Mounterowen

- on 10 November 2021, the Company entered into an unsecured working capital loan facility agreement with Mounterowen. In accordance with the terms of the agreement, Mounterowen has made available a funding line of $200,000 (the **Mounterowen Facility**) to be used to assist with costs associated with maintaining an NZX listing, directors' fees and accounting and administration costs. Interest accrues at 5% per annum on advances made under the facility. The loan becomes repayable when the Company completes a reverse takeover transaction and is repayable either in new shares issued at the same price as the shares issued for the reverse takeover transaction, or in cash, at the discretion of Mounterowen
- in November 2021, the Company received an initial loan advance of $50,000 from Mounterowen under the loan facility
- a further $50,000 was received on 1 April 2022.

The Company's key events are set out below.



4.2 Nature of Current Operations

Goodwood is a listed shell company with assets of $39,000 and liabilities of $339,000 as at 31 March 2022.

The Company is currently non-trading.

4.3 Directors and Senior Management

The Board consists of 3 directors:

- Angus Cooper, independent director
- Roger Gower, independent director
- Sean Joyce, non-independent chair.

The Company has no employees.

4.4 Capital Structure and Shareholders

Following the Share Consolidation on 5 May 2022, Goodwood currently has 13,363,927 fully paid ordinary shares on issue held by 1,350 shareholders.

The names, number of shares and percentage holding of the 10 largest shareholders as at 31 October 2022 are set out below.

Goodwood's 10 Largest Shareholders		
Shareholder	**No. of Shares**	**%**
Mounterowen	2,500,000	18.71%
Forsyth Barr Custodians Limited	1,641,555	12.28%
Far East Associated Traders Limited (**Far East**)	815,453	6.10%
Yee Industries Limited	517,647	3.87%
Ross Harvey	489,068	3.66%
Derek Handley	489,000	3.66%
Russell Roberts	403,225	3.02%
Ashvegas	400,000	2.99%
Foster Capital NZ Limited	400,000	2.99%
Karen MacKenzie-Paget	351,127	2.63%
Top 10 shareholders	8,007,075	59.92%
Others (1,340 shareholders)	5,356,852	40.08%
Total	13,363,927	100.00%

Source: NZX Company Research

Mounterowen is owned by Sean Joyce, Goodwood's chair.

Far East is associated with Derek Handley. Mr Handley also holds 3.66% of the Company's shares in his own name. Mr Handley was the founder of the Snakk business and a former director of the Company.

Ashvegas is associated with Shane Edmond who is a WasteCo Shareholder.

4.5 Financial Performance

A summary of Goodwood's recent financial performance is set out below.

Summary of Goodwood Financial Performance			
	Year to 31 Mar 20 (Audited) $000	**Year to 31 Mar 21 (Audited) $000**	**Year to 31 Mar 22 (Audited) $000**
Revenue	-	-	-
Expenses	(15)	(176)	(168)
(Loss) from continuing operations	(15)	(176)	(168)
Gain / (loss) from discontinued operations	70	(143)	-
Net gain / (loss) for the year	55	(319)	(168)

Source: Goodwood audited financial statements

Discontinued operations in the 2020 and 2021 financial years related to the Snakk operations.

Since the cessation of the Snakk operations in December 2018, the Company has had no sources of revenue.

Expenses have consisted mainly of accounting fees, audit fees, directors' fees, legal fees and listing fees.

4.6 Financial Position

A summary of Goodwood's recent financial position is set out below.

Summary of Goodwood Financial Position	As at 31 Mar 20 (Audited) $000	As at 31 Mar 21 (Audited) $000	As at 31 Mar 22 (Audited) $000
Current assets	2	79	19
Non current assets	20	20	20
Total assets	22	99	39
Current liabilities	(294)	(27)	(25)
Non current liabilities	-	(218)	(314)
Total liabilities	(294)	(245)	(339)
Total equity	(272)	(146)	(300)

Source: Goodwood audited financial statements

Goodwood's current assets as at 31 March 2022 consisted of cash and receivables.

Non current assets as at 31 March 2022 consisted of a NZX bond.

Current liabilities as at 31 March 2022 comprised trade and other payables, owing mainly to directors.

Non current liabilities as at 31 March 2022 represented the advances from Mounterowen.

The Company had equity of negative $0.3 million as at 31 March 2022, comprising:

- share capital – approximately $12.9 million
- accumulated losses – approximately negative $13.2 million.

Post the 31 March 2022 balance date, Mounterowen has advanced a further $240,000 under the Mounterowen Facility (excluding accrued interest).

4.7 Cash Flows

A summary of Goodwood's recent cash flows is set out below.

Summary of Goodwood Cash Flows	Year to 31 Mar 20 (Audited) $000	Year to 31 Mar 21 (Audited) $000	Year to 31 Mar 22 (Audited) $000
Net cash (outflow) from operating activities	(8)	(128)	(141)
Net cash inflow from investing activities	-	-	-
Net cash inflow from financing activities	-	177	104
Net increase / (decrease) in cash held	(8)	49	(37)
Opening cash balance	10	2	51
Closing cash balance	2	51	14

Source: Goodwood audited financial statements

Goodwood has incurred cash losses from its operations over the past 3 financial years.

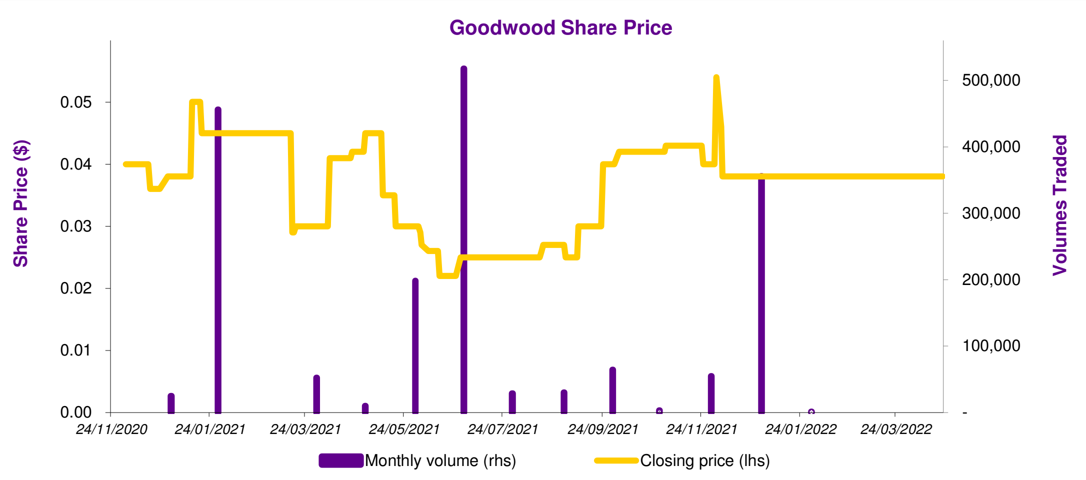
The Company has funded its operating losses by raising equity and debt:

- approximately $177,000 in the 2021 financial year from the issue of 8,883,450 ordinary shares at $0.02 per share
- approximately $14,000 in the 2022 financial year from the issue of 720,000 ordinary shares at $0.02 per share and $90,000 of advances from Mounterowen.

4.8 Share Price History

Set out below is a summary of Goodwood's daily closing share price and monthly volumes of shares traded from 24 November 2020 (when the shares were lifted from suspension of quotation following the Company's restoration from liquidation) to 22 April 2022 (the last trading day before the quotation of the shares was suspended due to the announcement of the Restructure).

The trading prices for the shares are on a pre Share Consolidation basis.



Source: NZX Company Research

During the period, Goodwood's shares traded between $0.022 and $0.054 at a VWAP of $0.036.

This equates to between $0.055 and $0.135 at a VWAP of $0.090 on a post Share Consolidation basis.

An analysis of Goodwood's recent VWAP, traded volumes and liquidity (measured as traded volumes as a percentage of shares outstanding) up to 22 April 2022 is set out below. The trading prices are on a pre Share Consolidation basis.

Share Trading up to 22 April 2022					
Period	**Low ($)**	**High ($)**	**VWAP ($)**	**Volume Traded (000)**	**Liquidity**
1 month	n/a	n/a	n/a	n/a	n/a
3 months	n/a	n/a	n/a	n/a	n/a
6 months	0.038	0.054	0.045	412	1.2%
12 months	0.022	0.054	0.032	1,260	3.8%

n/a: Not applicable as the shares did not trade

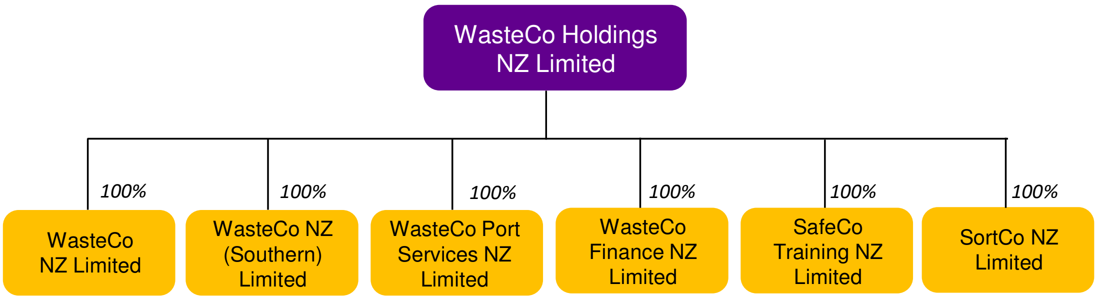
Source: NZX Company Research

The analysis highlights the extremely thin trading in the Company's shares. The shares last traded on 7 January 2022.

5. Profile of WasteCo

5.1 Group Structure

The WasteCo Group consists of WasteCo and 6 subsidiaries.



WasteCo Group		
Company	**Operations**	**Date of Incorporation**
WasteCo Holdings NZ Limited	Holding company	1 Dec 2020
WasteCo NZ Limited	Waste collection, recycling and disposal	28 Aug 2013
WasteCo NZ (Southern) Limited	Waste collection, recycling and disposal	25 Sep 2017
WasteCo Port Services NZ Limited	Industrial cleaning	11 Mar 2016
WasteCo Finance NZ Limited	Credit card merchant account holder	5 Mar 2014
SafeCo Training NZ Limited	Training workshops	5 Aug 2021
SortCo NZ Limited	Sorting and diversion	5 Aug 2021

5.2 Overview of the WasteCo Group

Section 4 of the Profile entitled *The WasteCo Group And What It Does* provides a comprehensive overview of the WasteCo Group. In order to avoid unnecessary repetition, only a summary of the WasteCo Group's operations is set out below.

The WasteCo Group was formed by Carl Storm and James Redmayne and commenced operations in 2013.

WasteCo owns and operates a range of business activities associated with:

- environmental services:
  - waste and refuse collection
  - recycling and disposal
  - street cleaning
- industrial services.

Environmental Services

- waste collection via front load bins, hook bins, skip bins and wheelie bins from both commercial and private customers
- a large gantry collection operation in Christchurch
- road sweeping for councils and commercial customers. WasteCo operates an extensive sweeping operation in the South Island
- waste sorting and diversion. WasteCo operates a 3,600 m^2 dedicated sorting facility in Christchurch with a strong focus on diversion from landfill. WasteCo is currently achieving global diversion in excess of 50% of waste away from the landfill
- a new specialised facility for the collection and treatment of medical and quarantine waste
- training services - WasteCo provides internal and external training courses to its own staff and to third party organisations.

Industrial Services

- high pressure water blasting, urgent spill response services, septic tank cleaning and portaloos. These services are offered on a 24/7/365 basis. WasteCo is one of the largest providers of industrial services in the South Island
- port services - WasteCo provides maintenance, cleaning and auxiliary services to several ports and shipping companies in the South Island
- the continued provision of WasteCo's services to customers throughout the South Island.

WasteCo's activities are domiciled in the South Island, primarily in:

- Christchurch
- Ashburton
- Timaru
- Oamaru
- Dunedin
- Balclutha.

5.3 Growth Strategies

WasteCo's key growth strategies are:

- launch into complementary vertical markets associated with recycling and sustainability
- expand WasteCo's brand presence in the waste, refuse and industrial services space through providing new additional services and through innovation
- geographical expansion into other regions within the South Island and also potentially into the North Island market
- increase gross margins as the volume of business increases
- acquiring complementary businesses
- further investment in plant and infrastructure.

5.4 Key Business Risks

Section 7 the Profile entitled *Risks To The WasteCo Group's Business And Plans* sets out in detail the key business risks faced by WasteCo.

In summary, the key business risks are:

- dependence on key personnel – WasteCo's operations are heavily reliant on certain key personnel (including James Redmayne and Carl Storm). Failure to retain any of the key personnel could adversely affect WasteCo's operations
- reliance on significant contracts – WasteCo's business is largely reliant on its ability to retain and grow existing customer relationships and develop new business. There is no guarantee that the existing significant business contracts will be renewed at the end of the contract terms, or if they do, that these contracts will continue to be successful
- competition – the waste, refuse and industrial services sectors in New Zealand are highly competitive. One or more of WasteCo's competitors could seek to offer comparable services:
  - at lower prices, which might cause downward pressure on WasteCo's pricing and ability to create margin and revenue
  - which are preferred by the market, leading to reduced demand for WasteCo's services
- management of growth opportunities – as WasteCo continues to expand organically and through acquisitions, it may not successfully manage its growth, which could lead to adverse operational and financial performance
- entry into new geographic markets and new verticals – expansion into new geographical markets and new verticals is difficult and there is a risk that WasteCo may fail to successfully execute its strategy in new markets and new verticals
- regulatory risk – as a large part of WasteCo's business comprises the collection, recycling and disposal of waste and refuse, it is possible that those operations may be subject to new regulations. There is also risk regarding potential government intervention in the manner in which certain recycling / diversion is subsidised. This may have an impact on the revenue that WasteCo derives from a particular contract
- environmental risk – WasteCo's operations are subject to significant environment regulation. Non compliance with these requirements may have a material adverse impact on WasteCo's operations from both a reputational perspective and from an economic perspective through the imposition of fines or restrictions on WasteCo's commercial operations
- health and safety risk – WasteCo operates heavy machinery, often on public roads and industrial sites. When operating such equipment in such environments there is a risk of injury or even death to the WasteCo staff who operate the equipment or to members of the public or third party contractors in the event of an accident occurring.

5.5 Financial Information

WasteCo has provided Goodwood with its audited financial statements for the years ended 31 March, 2021 and 2022.

The financial information is summarised in section 6 of the Profile entitled *Financial Information*.

There is no prospective financial information included in the Profile. Section 6 of the Profile entitled *Financial Information* states:

> "*The Vendors and the Company have resolved to not include prospective financial statements for the financial year to 31 March 2023.*"

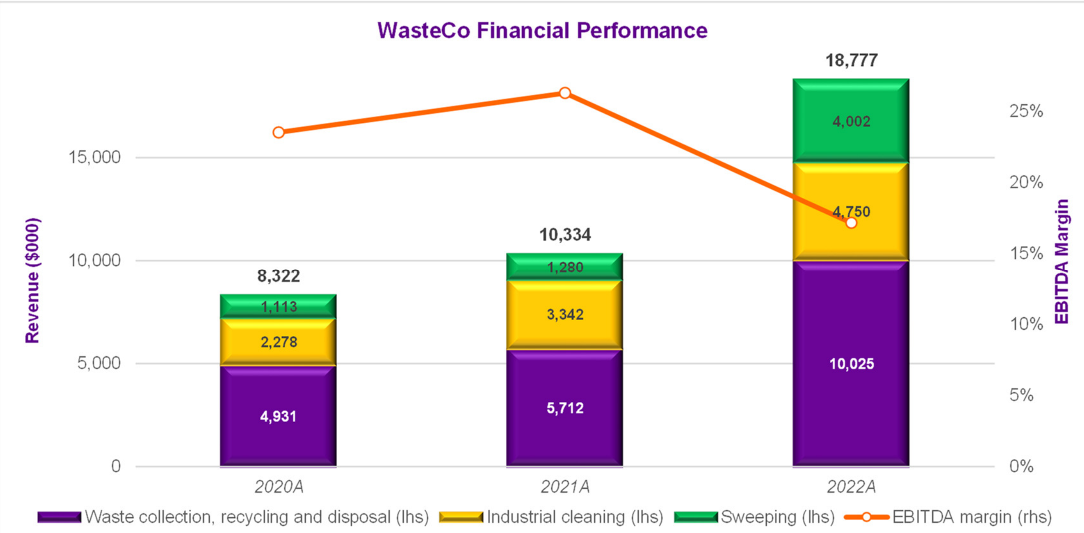
5.6 Financial Performance

A summary of WasteCo's recent financial performance is set out below.

Summary of WasteCo Financial Performance			
	Year to 31 Mar 20 (Unaudited) $000	**Year to 31 Mar 21 (Audited) $000**	**Year to 31 Mar 22 (Audited) $000**
Revenue	8,322	10,334	18,777
EBITDA	1,958	2,717	3,223
EBIT	1,131	1,505	829
NPBT	572	1,027	(142)
NPAT	412	742	(4)

EBITDA: Earnings before interest, tax, depreciation and amortisation
EBIT: Earnings before interest and tax
NPBT: Net profit before tax
NPAT: Net profit after tax

Source: WasteCo financial statements



WasteCo's revenue is generated from 3 main sources:

- waste collection, recycling and disposal services (approximately 54% of 2022 revenue)
- industrial cleaning services (approximately 25% of 2022 revenue)
- sweeping services (approximately 21% of 2022 revenue).

WasteCo's main expenses are:

- employee benefits (approximately 43% of 2022 revenue)
- collection, recycling and waste disposal expenses (approximately 21% of 2022 revenue)
- fleet operating expenses (approximately 14% of 2022 revenue).

WasteCo has grown considerably over the past 2 years due to both organic growth and acquisitions:

- revenue grew by 24% in 2021 and EBITDA grew by 39%. $0.6 million of COVID-19 wage subsidy was received in the year
- revenue grew by 82% in 2022 and EBITDA grew by 19%.

Section 6 of the Profile entitled *Financial Information* states:

> "*Unaudited consolidated revenue, and EBITDA, derived from management accounts for the six month period ended 30 September 2022 is $17.3m and $3.45m respectively. The EBITDA margin of 19.9% for the six month period ended 30 September 2022 is similar to the previous financial year.*"

5.7 Financial Position

A summary of WasteCo's recent financial position is set out below.

Summary of WasteCo Financial Position

	As at 31 Mar 20 (Unaudited) $000	As at 31 Mar 21 (Audited) $000	As at 31 Mar 22 (Audited) $000
Current assets	1,940	2,524	4,467
Non current assets	7,624	12,795	29,978
Total assets	9,564	15,319	34,445
Current liabilities	(2,178)	(4,407)	(14,676)
Non current liabilities	(6,406)	(8,663)	(17,486)
Total liabilities	(8,584)	(13,070)	(32,162)
Total equity	980	2,249	2,283

Source: WasteCo financial statements

Current assets as at 31 March 2022 consisted mainly of:

- trade and other receivables – $3.7 million
- cash – $0.7 million
- inventories – $0.1 million.

Non current assets as at 31 March 2022 consisted mainly of:

- property, plant and equipment (mainly vehicles and plant and equipment) – $24.5 million
- right of use assets (leased warehouse and administration premises) – $5.3 million.

Current liabilities as at 31 March 2022 consisted mainly of:

- trade and other payables – $5.5 million
- amount payable for the acquisition of Total Waste Solutions - $3.6 million
- borrowings (asset finance) – $3.8 million
- MCNs - $1.0 million
- lease liabilities (in respect of right of use assets) – $0.6 million.

Since 31 March 2022, an additional $3.0 million of MCNs have been issued.

Non current liabilities as at 31 March 2022 consisted mainly of:

- borrowings – $11.8 million
- lease liabilities – $5.4 million
- deferred tax liabilities – $0.3 million.

Total equity of $2.3 million as at 31 March 2022 consisted of:

- share capital – $0.6 million
- retained earnings – $1.7 million.

5.8 Cash Flows

A summary of WasteCo's recent cash flows is set out below.

Summary of WasteCo Cash Flows

	Year to 31 Mar 20 (Unaudited) $000	Year to 31 Mar 21 (Audited) $000	Year to 31 Mar 22 (Audited) $000
Net cash inflow from operating activities	1,949	3,813	3,744
Net cash (outflow) from investing activities	(1,631)	(6,062)	(12,107)
Net cash inflow / (outflow) from financing activities	(153)	2,647	8,445
Net increase / (decrease) in cash held	165	398	82
Opening cash balance	82	247	616
Cash transferred on sale of subsidiary	-	(29)	-
Closing cash balance	247	616	698

Source: WasteCo financial statements

WasteCo has generated positive cash flows from its operations each year.

Investing cash outflows mainly represent purchases of property, plant and equipment.

Financing activities in the 2022 financial year included $1.0 million from the issue of MCNs.

6. Valuation of WasteCo

6.1 Standard of Value

We have assessed the fair market value of 100% of the shares in WasteCo.

Fair market value is defined as the price that a willing but not anxious buyer, with access to all relevant information and acting on an arm's length basis, would be prepared to pay to a willing but not anxious seller in an open, unrestricted and stable market.

6.2 Basis of Valuation

In general terms it is recognised that the value of a share represents the present value of the net cash flows expected therefrom. Cash flows can be in the form of either dividends and share sale proceeds or a residual sum derived from the liquidation of the business.

There are a number of methodologies used in valuing shares and businesses. The most commonly applied methodologies include:

- discounted cash flow (**DCF**)
- capitalisation of earnings
- net assets or estimated proceeds from an orderly realisation of assets.

Each of these valuation methodologies is applicable in different circumstances. The appropriate methodology is determined by a number of factors including the future prospects of the business, the stage of development of the business and the valuation practice or benchmark usually adopted by purchasers of the type of business involved.

The DCF method is the fundamental valuation approach used to assess the present value of future free cash flows (**FCF**), recognising the time value of money and risk. The value of an investment is equal to the value of FCF arising from the investment, discounted at the investor's required rate of return.

The capitalisation of earnings method is an adaptation of the DCF method. It requires an assessment of the maintainable earnings of the business and a selection of a capitalisation rate (or earnings multiple) appropriate to that particular business for the purpose of capitalising the earnings figure.

An assets based methodology is often used in circumstances where the assets of a company have a market value independent of the profitability of the company that owns them. A valuation based on an orderly realisation of assets is normally restricted to instances where the investor holds sufficient control to effect a sale of the assets and/or there is some indication that an orderly realisation is contemplated.

6.3 Valuation Approach

We have assessed the fair market value of WasteCo using the capitalisation of earnings method.

The capitalisation of earnings method that we have applied derives an assessment of the value of the core operating business, prior to considering how the business is financed or whether it has any significant surplus assets. This ungeared business value is commonly referred to as the enterprise value and represents the market value of the operating assets (i.e. operating working capital, fixed assets and intangible assets such as brand names, licences, know-how and general business goodwill) that generate the operating income of the business.

In order to assess the value of WasteCo's shares, we have added the value of WasteCo's freely distributable cash and cash equivalents that Goodwood will receive to WasteCo's enterprise value and deducted the value of WasteCo's IBD that Goodwood will assume under the Acquisition.

6.4 Capitalisation of Earnings Valuation

Overview

We have assessed the Company's future maintainable earnings and have reviewed the market valuation and operational performance of comparable companies to derive a range of earnings multiples to apply to our assessed level of maintainable earnings.

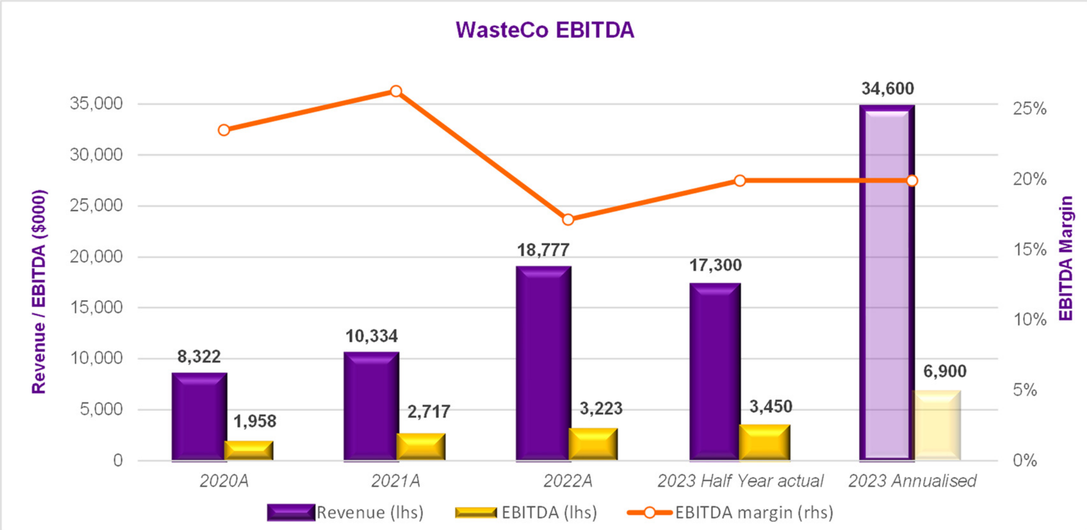
Future Maintainable Earnings

The evaluation of maintainable earnings involves an assessment of the level of profitability which (on average) the business can expect to generate in the future, notwithstanding the vagaries of the economic cycle.

The assessment of maintainable earnings is made after considering such factors as the risk profile of the business, the characteristics of the market in which it operates, its historical and forecast performance, non-recurring items of income and expenditure and known factors likely to impact on future operating performance.

We have used EBITDA as the measure of earnings. The use of EBITDA and EBITDA multiples is common in valuing businesses for acquisition purposes as it eliminates the effect of financial leverage which is ultimately in the control of the acquirer and also eliminates any distortions from the tax position of the business and differing accounting policies in respect of depreciation and the amortisation of intangible assets.

WasteCo's financial performance is set out in section 5.6.



The analysis highlights that WasteCo's revenue and EBITDA has grown significantly recently:

- revenue has increased from $8.3 million in the 2020 financial year to $18.8 million in the 2022 financial year at a compound annual growth rate (**CAGR**) of 43% due to organic growth, new contracts and the acquisition of further assets
- EBITDA has increased from $2.0 million in the 2020 financial year to $3.2 million in the 2022 financial year at a CAGR of 28%:
  - 39% growth in the 2021 financial year
  - 19% growth in the 2022 financial year.

As stated in section 5.6, WasteCo has recorded unaudited revenue of $17.3 million and EBITDA of $3.45 million in the 6 months ended 30 September 2022:

- revenue for the half year equates to 92% of revenue for the full 2022 financial year
- EBITDA for the half year equates to 107% of EBITDA for the full 2022 financial year
- EBITDA margin of 19.9% for the half year exceeds EBITDA margin of 17.2% for the full 2022 financial year.

We are advised by WasteCo that the growth in revenue and EBITDA is a continuation of the positive impact of organic growth, new contracts and the acquisition of further assets and is expected to be maintained for the second half of the 2023 financial year.

In the absence of any prospective financial information and on the basis that there are no material seasonal trends in WasteCo's operations, we have annualised WasteCo's actual revenue and EBITDA for the 6 months ended 30 September 2022 to derive an indication of WasteCo's financial performance for the 2023 financial year. This indicates potential revenue of approximately $34.6 million and EBITDA of approximately $6.9 million for the 2023 financial year.

Given the significant growth levels in revenue and EBITDA in 2021, 2022 and the first half of 2023, we consider it appropriate to base future maintainable earnings on extrapolated EBITDA for the 2023 financial year (based on the actual results for the first half of the year).

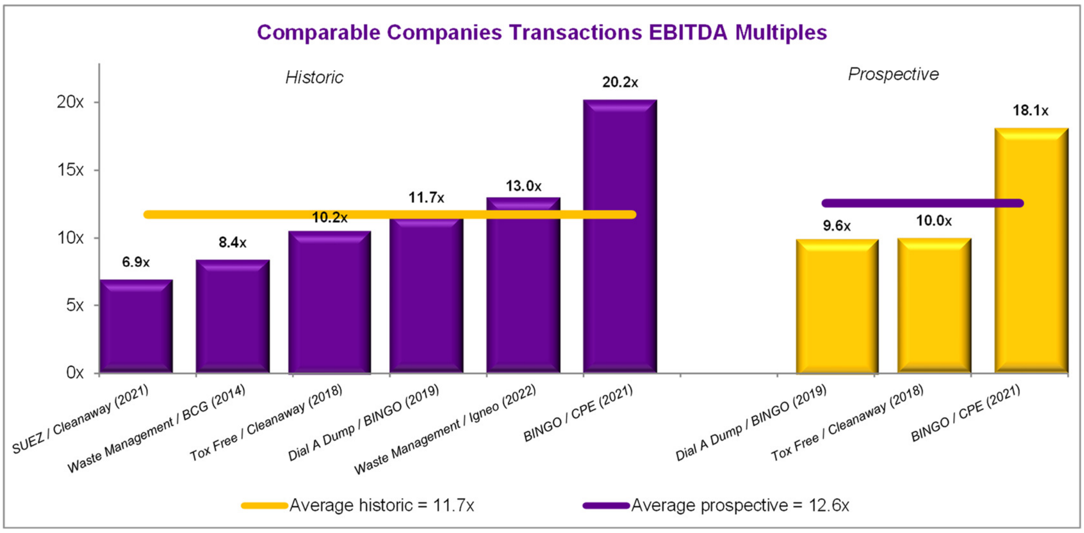
Accordingly, we assess WasteCo's maintainable EBITDA to be in the vicinity of \$6.9 million (being double the actual EBITDA of \$3.45 million for the 6 months ended 30 September 2022).

Earnings Multiple

Actual sales of comparable businesses can provide reliable support for the selection of an appropriate earnings multiple. In addition, we can infer multiples from other evidence such as minority shareholding trades for listed companies in Australia with similar characteristics to WasteCo or transactions involving businesses in the same industry.

Transaction Multiples

Set out at Appendix I is an analysis of 6 recent transactions involving New Zealand and Australian businesses in the waste management industry, showing historic and prospective EBITDA multiples.



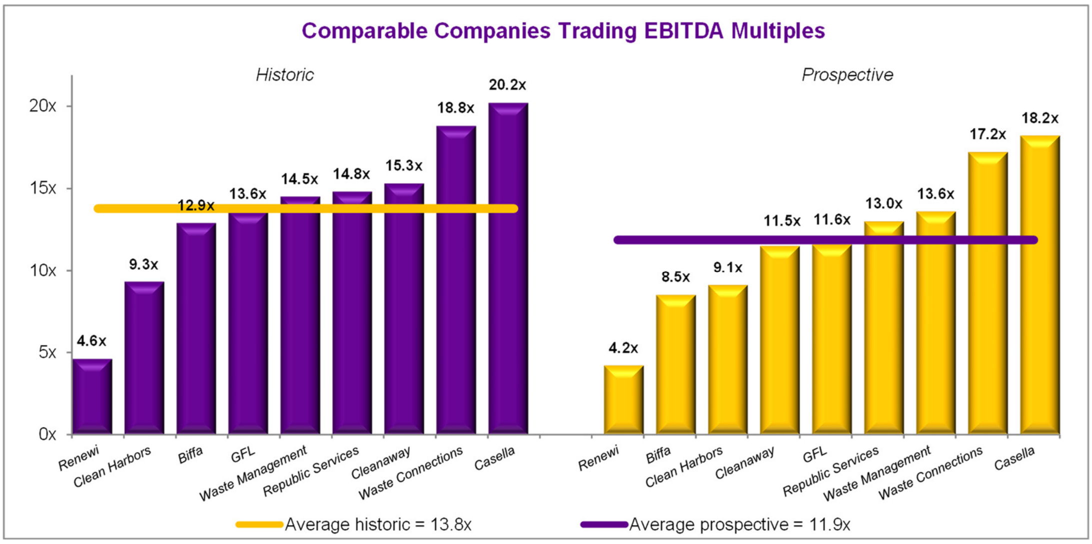
Source: S&P Capital IQ, broker's reports, media coverage, company websites

The analysis shows that:

- the historic EBITDA trading multiples range from 6.9x to 20.2x at an average of 11.7x and a median of 11.0x
- the prospective EBITDA trading multiples range from 9.6x to 18.1x at an average of 12.6x and a median of 10.0x.

Trading Multiples

Set out in Appendix II is an analysis of historic and prospective EBITDA multiples for 9 listed waste management companies operating in Australia, Canada, the USA and the UK.



Source: S&P Capital IQ, data as at 9 November 2022

The analysis shows that:

- the historic EBITDA trading multiples range from 4.6x to 20.2x at an average of 13.8x and a median of 14.5x
- the prospective EBITDA trading multiples range from 4.2x to 18.2x at an average of 11.9x and a median of 11.6x.

Selection of EBITDA Multiple Range

In selecting an appropriate EBITDA multiple for WasteCo, we have taken into account:

- assessed maintainable EBITDA of $6.9 million is based on extrapolated results for the 2023 financial year
- WasteCo has recorded significant growth in earnings in 2021 and 2022 and is expecting further significant growth in 2023
- WasteCo is significantly smaller than all of the comparable companies
- the observed trading multiples are based on minority trades and as such do not include any premium for control.

Given the above, we consider an appropriate prospective EBITDA multiple for WasteCo to be in the range of 6.5x to 7.5x.

Valuation Conclusion

We assess the WasteCo enterprise value to be in the range of $44.9 million to $51.8 million as at the present date based on the capitalisation of earnings method.

Valuation of WasteCo Business		
	Low $000	**High $000**
Future maintainable EBITDA	6,900	6,900
EBITDA multiple	6.5x	7.5x
Value of WasteCo business	44,850	51,750

6.5 Valuation of WasteCo Shares

To derive the value of the WasteCo shares, the amount of freely distributable cash and cash equivalents that Goodwood will receive under the Acquisition is added to the enterprise value and the IBD that Goodwood will assume under the Acquisition is deducted.

Goodwood expects that WasteCo will have net IBD of approximately $18.0 million as at the Completion Date (consisting of asset finance borrowings and lease liabilities less cash).

We assess the fair market value of 100% of the shares in WasteCo (on the basis that the MCNs have been capitalised into equity) to be in the range of $26.9 million to $33.8 million as at the present date.

Valuation of WasteCo Shares		
	Low $000	**High $000**
Value of WasteCo business	44,850	51,750
Net IBD at Completion Date	(18,000)	(18,000)
Value of WasteCo shares	26,850	33,750

6.6 Conclusion

We assess the fair market value of 100% of the shares in WasteCo (based on its assumed capital structure at the Completion Date which includes the capitalisation of the MCNs into equity) to be in the range of $26.9 million to $33.8 million as at the present date.

The valuation represents the full underlying standalone value of WasteCo based on its current strategic and operational initiatives.

7. Reasonableness of the WasteCo Allotment Issue Price

7.1 Basis of Setting the Issue Price

The WasteCo Allotment involves the issue of 504,000,000 Consideration Shares and 80,000,000 MCN Shares at $0.05 per share.

We are advised by the Board that the issue price of $0.05 was based on a negotiated value with the WasteCo Shareholders and the MCN Shareholders and, in the Board's view, fairly reflects the value of Goodwood as a NZX listed shell company following the Share Consolidation and the Debt Capitalisation.

7.2 Assessment of the Reasonableness of the Issue Price

We have assessed the reasonableness of the issue price of $0.05 per share by reference to the asset backing of the shares and recent share issues by the Company.

In our view, the prices at which the Company's shares have recently traded on the NZX Main Board are largely irrelevant as trading in the shares is extremely thin and the shares last traded on 7 January 2022.

7.3 Net Assets per Share

Goodwood's total equity amounted to negative $0.3 million as at 31 March 2022, equating to net assets of negative $0.022 per share on a post Share Consolidation basis.

Following the Debt Capitalisation, the carrying value of Goodwood's net assets will be approximately $0.2 million, equating to net assets of $0.010 per share.

Goodwood's only material intangible asset is its NZX Main Board listing.

In general terms, the value ascribed to a NZX Main Board listing is a function of the costs saved by a company undertaking a backdoor listing or reverse listing rather than undergoing an initial public offering (**IPO**) or compliance listing.

The costs of an IPO (when a company seeks to raise capital at the time of its listing) can be significant due to brokerage fees as well as other expenses such as share registry expenses, legal fees, accounting fees, advertising costs, printing costs and postage costs associated with preparing a product disclosure statement. However, the costs associated with a compliance listing, where a company's shares are listed but no new capital is raised, are considerably lower.

Recent backdoor listings and reverse listings on the NZX Main Board have ascribed values in the range of $200,000 to $500,000 to the NZX Main Board listings.

We consider a reasonable value for Goodwood's NZX Main Board listing to be in the range of $200,000 to $500,000.

Based on the above, we are of view that the value of Goodwood shares following the Debt Capitalisation and prior to the Acquisition and the Capital Raise will be in the range of $0.018 to $0.030 per share.

Value of Goodwood Shares Prior to the Restructure				
	Total		Per Share[1]	
	Low $000	High $000	Low $	High $
Net assets as at 31 March 2022	(300)	(300)	(0.022)	(0.022)
Debt Capitalisation[2]	532	532	0.050	0.050
Post Debt Capitalisation	232	232	0.010	0.010
Value of NZX Main Board listing	200	500	0.008	0.021
Value of Goodwood shares[3]	432	732	0.018	0.030

1 Based on 13,363,927 shares on issue post the Share Consolidation
2 Indebtedness to Mounterowen as at the date of the completion of the Acquisition
3 Post the Debt Capitalisation and prior to the Acquisition and the Capital Raise

A value of $0.05 per Goodwood share (post the Share Consolidation) implies a value of $968,000 for Goodwood's NZX Main Board listing. We consider this implied value to be reasonable from the perspective of the Existing GWC Shareholders.

7.4 Recent Share Issues

Goodwood has issued a total of 15,853,450 ordinary shares in 3 tranches since 13 November 2020, raising approximately $317,000. All of the shares were issued at an equivalent issue price of $0.05 per share on a post Share Consolidation basis.

Recent Share Issues					
	Pre Share Consolidation		Post Share Consolidation[1]		
	No.	Issue Price	No.	Issue Price	$000
13 Nov 2020	2,633,451	$0.02	1,053,380	$0.05	53
15 Dec 2020	12,499,999	$0.02	5,000,000	$0.05	250
14 Jul 2021	720,000	$0.02	288,000	$0.05	14
	15,853,450	$0.02	6,341,380	$0.05	317

1 Calculated on a 2.5 : 1 basis

7.5 Conclusion

We consider the issue price of $0.05 per share under the WasteCo Allotment to be fair from the perspective of the Existing GWC Shareholders as it adequately reflects the value of Goodwood's NZX Main Board listing and is in line with the issue price of the shares issued in recent capital raisings.

8. Sources of Information, Reliance on Information, Disclaimer and Indemnity

8.1 Sources of Information

The statements and opinions expressed in this report are based on the following main sources of information:

- the draft notice of special meeting
- the draft Profile
- the Reverse Listing Agreement
- the Variations
- the Goodwood annual reports for the years ended 31 March, 2021 and 2022
- data in respect of WasteCo, including due diligence material prepared by Goodwood and its advisers
- publicly available information on the New Zealand waste management industry
- data in respect of Goodwood and companies operating in the waste management and industrial services industries from NZX Company Research and S&P Capital IQ.

During the course of preparing this report, we have had discussions with and / or received information from the Board and Goodwood's legal advisers.

The Board has confirmed that we have been provided for the purpose of this Independent Adviser's Report and Appraisal Report with all information relevant to the Restructure that is known to them and that all the information is true and accurate in all material aspects and is not misleading by reason of omission or otherwise.

Including this confirmation, we have obtained all the information that we believe is desirable for the purpose of preparing this Independent Adviser's Report and Appraisal Report.

In our opinion, the information to be provided by Goodwood to the Company's shareholders is sufficient to enable the Board and the Existing GWC Shareholders to understand all the relevant factors and to make an informed decision in respect of the Restructure.

8.2 Reliance on Information

In preparing this report we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by Goodwood and its advisers.

We have evaluated that information through analysis, enquiry and examination for the purposes of preparing this report but we have not verified the accuracy or completeness of any such information or conducted an appraisal of any assets. We have not carried out any form of due diligence or audit on the accounting or other records of Goodwood or WasteCo. We do not warrant that our enquiries would reveal any matter which an audit, due diligence review or extensive examination might disclose.

8.3 Disclaimer

We have prepared this report with care and diligence and the statements in the report are given in good faith and in the belief, on reasonable grounds, that such statements are not false or misleading. However, in no way do we guarantee or otherwise warrant that any forecasts of future profits, cash flows or financial position of Goodwood or WasteCo will be achieved. Forecasts are inherently uncertain. They are predictions of future events that cannot be assured. They are based upon assumptions, many of which are beyond the control of Goodwood and WasteCo and their directors and management teams. Actual results will vary from the forecasts and these variations may be significantly more or less favourable.

We assume no responsibility arising in any way whatsoever for errors or omissions (including responsibility to any person for negligence) for the preparation of the report to the extent that such errors or omissions result from our reasonable reliance on information provided by others or assumptions disclosed in the report or assumptions reasonably taken as implicit, provided that this shall not absolve Simmons Corporate Finance from liability arising from an opinion expressed recklessly or in bad faith.

Our evaluation has been arrived at based on economic, exchange rate, market and other conditions prevailing at the date of this report. Such conditions may change significantly over relatively short periods of time. We have no obligation or undertaking to advise any person of any change in circumstances which comes to our attention after the date of this report or to review, revise or update this report.

We have had no involvement in the preparation of the notice of special meeting or the Profile issued by Goodwood and have not verified or approved the contents of the notice of special meeting or the Profile. We do not accept any responsibility for the contents of the notice of special meeting except for this report.

8.4 Indemnity

Goodwood has agreed that, to the extent permitted by law, it will indemnify Simmons Corporate Finance and its directors and employees in respect of any liability suffered or incurred as a result of or in connection with the preparation of the report. This indemnity does not apply in respect of any negligence, wilful misconduct or breach of law. Goodwood has also agreed to indemnify Simmons Corporate Finance and its directors and employees for time incurred and any costs in relation to any inquiry or proceeding initiated by any person. Where Simmons Corporate Finance or its directors and employees are found liable for or guilty of negligence, wilful misconduct or breach of law or term of reference, Simmons Corporate Finance shall reimburse such costs.

9. Qualifications and Expertise, Independence, Declarations and Consents

9.1 Qualifications and Expertise

Simmons Corporate Finance is a New Zealand owned specialist corporate finance advisory practice. It advises on mergers and acquisitions, prepares independent expert's reports and provides valuation advice.

The person in the company responsible for issuing this report is Peter Simmons, B.Com, DipBus (Finance), INFINZ (Cert).

Simmons Corporate Finance and Mr Simmons have significant experience in the independent investigation of transactions and issuing opinions on the merits and fairness of the terms and financial conditions of the transactions.

9.2 Independence

Simmons Corporate Finance does not have at the date of this report, and has not had, any shareholding in or other relationship with Goodwood, Mounterowen, WasteCo or the WasteCo Shareholders or any conflicts of interest that could affect our ability to provide an unbiased opinion in relation to the Restructure.

Simmons Corporate Finance has not had any part in the formulation of the Restructure or any aspects thereof. Our sole involvement has been the preparation of this report.

Simmons Corporate Finance will receive a fixed fee for the preparation of this report. This fee is not contingent on the conclusions of this report or the outcome of the voting in respect of the Restructure Resolutions. We will receive no other benefit from the preparation of this report.

9.3 Declarations

An advance draft of this report was provided to the Board for its comments as to the factual accuracy of the contents of the report. Changes made to the report as a result of the circulation of the draft have not changed the methodology or our conclusions.

Our terms of reference for this engagement did not contain any term which materially restricted the scope of the report.

9.4 Consents

We consent to the issuing of this report in the form and context in which it is to be included in the notice of special meeting to be sent to the Existing GWC Shareholders. Neither the whole nor any part of this report, nor any reference thereto may be included in any other document without our prior written consent as to the form and context in which it appears.

Peter Simmons
Director
Simmons Corporate Finance Limited
10 November 2022

Appendix I

Comparable Companies Transaction Multiples

Transaction Multiples					
Date	Target	Buyer	Enterprise Value ($m)	EBITDA Multiple	
				Historic	Prospective
Mar 2022	Waste Management	Igneo	NZ$1,900	13.0x	n/d
Dec 2021	SUEZ	Cleanaway	A$501	6.9x	n/d
Aug 2021	BINGO	CPE Capital	A$2,646	20.2x	18.1x
Mar 2019	Dial A Dump	BINGO	A$603	11.7x	9.6x
May 2018	Tox Free	Cleanaway	A$854	10.2x	10.0x
Jun 2014	Waste Management	BCG	NZ$950	8.4x	n/d
Minimum				*6.9x*	*9.6x*
Median				*11.0x*	*10.0x*
Average				*11.7x*	*12.6x*
Maximum				*20.2x*	*18.1x*

n/d: Not disclosed

Source: S&P Capital IQ, Independent Expert's Reports, media coverage

Igneo Infrastructure Partners acquired **Waste Management NZ Limited** from **BCG NZ Investment Holding Limited** on 31 March 2022 for $1,900 million. Waste Management provides waste disposal services in New Zealand. It collects, transports, treats, recycles, recovers and disposes residential, commercial and industrial waste.

Cleanaway Waste Management Limited acquired the Putrescibe and Inert landfills and 5 transfer stations in Sydney, Australia from SUEZ Groupe S.A.S. on 18 December 2021 for A$501 million.

CPE Capital Pty Limited acquired **BINGO Industries Limited** on 5 August 2021 for A$2,288 million. BINGO is a recycling and waste management company that provides end-to-end solutions across the resource management supply chain including collections, processing and recovery, disposal, waste equipment manufacturing and recycled products in New South Wales and Victoria, Australia.

BINGO Industries Limited acquired **Dial A Dump Industries Pty Limited** on 25 March 2019 for A$603 million. Dial A Dump offers waste removal, waste management and waste transfer services in New South Wales, Australia.

Cleanaway Waste Management Limited acquired **Tox Free Solutions Limited** on 11 May 2018 for A$671 million. Tox Free provides industrial and waste management services in Australia.

BCG NZ Investment Holding Limited acquired **Waste Management NZ Limited** from **Transpacific Industries Group (NZ) Limited** on 30 June 2014 for NZ$950 million.

Appendix II

Comparable Companies Trading Multiples

Trading Multiples						
Company	Market Capitalisation ($m)	Enterprise Value ($m)	EBITDA Multiples		PE Multiples	
			Historic	Prospective	Historic	Prospective
Biffa	2,464	3,626	12.9x	8.5x	n/m	18.3x
Casella Waste Services	7,273	8,306	20.2x	18.2x	78.6x	66.7x
Cleanaway	6,616	8,443	15.3x	11.5x	71.1x	34.1x
Clean Harbors	11,397	15,444	9.3x	9.1x	21.7x	18.1x
GFL Environmental	15,903	27,212	13.6x	11.6x	n/m	44.9x
Renewi	838	1,875	4.6x	4.2x	6.7x	6.5x
Republic Services	72,090	92,679	14.8x	13.0x	29.0x	27.9x
Waste Connections	58,343	68,004	18.8x	17.2x	50.0x	33.2x
Waste Management	111,825	135,784	14.5x	13.6x	29.4x	26.4x
Minimum	*838*	*1,875*	*4.6x*	*4.2x*	*6.7x*	*6.5x*
Median	*11,397*	*15,444*	*14.5x*	*11.6x*	*29.4x*	*27.9x*
Average	*31,861*	*40,153*	*13.8x*	*11.9x*	*40.9x*	*30.7x*
Maximum	*111,825*	*135,784*	*20.2x*	*18.2x*	*78.6x*	*66.7x*

n/m: Not meaningful

Source: S&P Capital IQ, data as at 9 November 2022

Biffa plc provides waste management services in the UK. The company operates in 2 segments - Collections and Resources & Energy. It is involved in the collection, recycling, treatment, processing and disposal of waste and production of energy. The company offers general waste collection, dry mixed recycling, food waste collection, single stream recycling, hazardous waste collection and treatment, unplanned waste removal, skip hire, asbestos waste disposal and bin cleaning services. Biffa plc was founded in 1912 and is headquartered in High Wycombe, UK.

Casella Waste Systems, Inc. operates as a vertically integrated solid waste services company in the north-eastern USA. It offers resource management services primarily in the areas of solid waste collection and disposal, transfer, recycling and organics services to residential, commercial, municipal, institutional and industrial customers. As of 31 January 2022, it owned and/or operated 50 solid waste collection operations, 65 transfer stations, 23 recycling facilities, 8 Subtitle D landfills, 3 landfill gas-to-energy facilities and one landfill. Casella Waste Systems, Inc. was founded in 1975 and is headquartered in Rutland, Vermont, USA.

Cleanaway Waste Management Limited provides waste management, industrial and environmental services in Australia. It operates through 3 segments - Solid Waste Services, Industrial & Waste Services and Liquid Waste & Health Services. The company offers commercial and industrial, municipal and residential collection services for various types of solid waste streams, including general waste, recyclables, construction and demolition waste, as well as medical and washroom services. The company was formerly known as Transpacific Industries Group Limited and changed its name to Cleanaway Waste Management Limited in February 2016. Cleanaway Waste Management Limited was incorporated in 2002 and is headquartered in Melbourne, Australia.

Clean Harbors, Inc. provides environmental and industrial services in North America. The company operates through 2 segments - Environmental Services and Safety-Kleen Sustainability Solutions. The Environmental Services segment collects, transports, treats and disposes hazardous and non-hazardous waste. The Safety-Kleen Sustainability Solutions segment offers specially designed parts washers, automotive and industrial cleaning products. Clean Harbors, Inc. was incorporated in 1980 and is headquartered in Norwell, Massachusetts, USA.

GFL Environmental Inc. operates as a diversified environmental services company in Canada and the USA. The company offers non-hazardous solid waste management, infrastructure and soil remediation and liquid waste management services. Its solid waste management business line includes the collection, transportation, transfer, recycling and disposal of non-hazardous solid waste. The company's infrastructure and soil remediation business line provides remediation of contaminated soils. The company was incorporated in 2007 and is headquartered in Vaughan, Canada.

Renewi plc provides waste-to-product services. The company operates through the Commercial Waste, Mineralz & Water and Specialities segments. The Commercial Waste segment engages in the collection and treatment of commercial waste in the Netherlands and Belgium and processing of wood, aggregates, plastics, paper products and organic waste. The Mineralz & Water segment decontaminates, stabilises and re-uses contaminated materials to produce secondary products for the construction industry in the Netherlands and Belgium. The Specialities segment engages in processing of plants that focuses on recycling and diverting specific waste streams. It operates in the UK, the Netherlands, Belgium, France, Portugal and Hungary. The company was formerly known as Shanks Group plc and changed its name to Renewi plc in February 2017. Renewi plc was founded in 1880 and is headquartered in Milton Keynes, UK.

Republic Services, Inc. offers environmental services in the USA. The company offers collection and processing of recyclable materials, collection, transfer and disposal of non-hazardous solid waste and other environmental solutions. As of 31 December 2021, the company operated through 356 collection operations, 239 transfer stations, 198 active landfills, 71 recycling processing centres, 6 saltwater disposal wells and 7 deep injection wells, as well as 3 treatment, recovery and disposal facilities in 41 states. It also operated 77 landfill gas-to-energy and renewable energy projects and had 124 closed landfills. The company was incorporated in 1996 and is based in Phoenix, Arizona, USA.

Waste Connections, Inc. provides non-hazardous waste collection, transfer, disposal and resource recovery services in the USA and Canada. It offers collection services to residential, commercial, municipal, industrial and exploration and production customers, landfill disposal services and recycling services for various recyclable materials. As of 31 December 2021, it owned 334 solid waste collection operations, 142 transfer stations, 61 municipal solid waste landfills, 12 E&P waste landfills, 14 non-MSW landfills, 71 recycling operations, 4 intermodal operations, 23 E&P liquid waste injection wells and 19 E&P waste treatment and oil recovery facilities. The company also operates an additional 53 transfer stations, 10 MSW landfills and 2 intermodal operations. Waste Connections, Inc. was founded in 1997 and is based in Woodbridge, Canada.

Waste Management, Inc. provides waste management environmental services to residential, commercial, industrial and municipal customers in North America. It offers collection services and owns, develops and operates landfill gas-to-energy facilities in the USA, as well as owns and operates transfer stations. As of 31 December 2021, the company owned or operated 255 solid waste landfills, 5 secure hazardous waste landfills, 96 MRFs and 340 transfer stations. The company was formerly known as USA Waste Services, Inc. and changed its name to Waste Management, Inc. in 1998. Waste Management, Inc. was incorporated in 1987 and is headquartered in Houston, Texas, USA.