

MARKET RELEASE
27 July 2021

Bremworth rebuts legal threat from Godfrey Hirst – Letter to Shareholders

Dear Shareholder

You may have heard that Bremworth has been threatened with litigation by Godfrey Hirst, that amongst other things, demands Bremworth withdraw a number of key claims in its marketing campaign which promotes New Zealand wool, including as a natural, more sustainable alternative to synthetic carpet fibres made from plastic.

We want you to know we're standing firm in our support for New Zealand wool and won't shy away from promoting the virtues of wool and countering misconceptions in the market to enable customers to make well informed flooring choices.

We see this legal threat as a distraction and an attempt to stifle legitimate competition and consumer choice.....and we're not planning to change our ways.

We've been delighted to see more consumers becoming aware of the link between synthetic carpets and plastic and this is translating into escalating demand for our beautifully designed, high performing New Zealand wool carpets.

We're also excited to be welcoming our new CEO, Greg Smith, who was previously the CEO at Icebreaker. He shares the same passion and philosophies for natural fibres, supporting New Zealand's wool sector and creating more sustainable New Zealand businesses.

We see a real opportunity for our industry to take the lead in reducing plastic consumption and helping remove plastic fibres from our customers' homes and daily lives. After all, why would anybody want to put the equivalent of approx. 22,000 plastic bags in weight on their floor?

You can read Bremworth's announcement and response [here](#). Our story was also covered on TV3 News on Sunday night, which you can view [here](#).

Thank you for your support.

Ngā mihi

George Adams
Chairman
Cavalier Corporation

End

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Bremworth