

29 September 2022

Chairman and Chief Executive – 2022 AGM Script

Slide 1. Cover Page

[Open webcast on this slide at 10.50am - no webcam]

[Warren to quiet meeting room, prior to count in]

[JX Live to count Craig in prior to start]

[At 11.00am and after the count in, switch on Craig's webcam - full layout]

Welcome

Good morning shareholders. My name is Craig Stobo and I am the Chair of NZ Windfarms and it is my pleasure to welcome you all to the 2022 Annual Shareholders Meeting.

A copy of this presentation and script has been released to market earlier this morning.

You may wish to download a copy of the script and presentation and follow along.

This document should be read in conjunction with the 2022 AGM slide presentation released with this document, the annual report for FY2022, the notice of meeting and the virtual meeting guide.

[Switch to default layout – Craig's camera]

Slide 2. Disclaimer

Before we start, I need to point out the disclaimer and fine print that accompanies this presentation.

Please review that in your own time.

Slide 3. Agenda

Meeting Preamble:

Quorum

In accordance with the Company's constitution, a quorum for a meeting of shareholders is **ten** security holders, having the right to vote at the meeting, are present in person or proxy.

I can **confirm** that this requirement has been met.

Therefore, I am able to declare, that a quorum is present, and so declare, the 2022 Annual Shareholders Meeting of NZ Windfarms Limited - **open**.

Notice of Meeting

All shareholders and the auditor of the Company have been sent a copy of the Notice of Meeting.

In addition, Shareholders who have requested a copy of the 2022 Annual Report, should have received one.

Proxies

Roughly **65 million** proxy votes have been cast for resolutions 1 through 4 and **13 million** for **resolution 5**.

There are approximately **4 million** open proxies for resolution **1** and approximately **2.8 million** for resolution 2 through 5.

The NZ Shareholders Association holds roughly **2.7 million** open proxies across all resolutions which represents roughly **1%** of the total shares on issue.

As Chairman of the meeting I hold the balance of the open proxies. I intend to vote those in favour of all resolutions.

Apologies

I have received **No** apologies prior to the start of the meeting.

Are there any apologies from the floor? If so, please raise your hand if attending in person or utilise the question function if attending online...

[Pause] ...

there are none, I will continue... / *[there is one thank you, I will note that and continue]*

Introductions

Shortly, I will **introduce** NZ Windfarms directors, staff and advisers who are either present in the room or online.

Presentations:

After that, there will be presentations from the Chairman and Chief Executive, before the FY2022 annual report and audited financial statements are presented to shareholders followed by the opportunity to ask questions on these items.

Business of the meeting

Following that, the **business of the meeting** will be discussed, and votes cast. Those who have yet to cast a vote, may do so by utilising the online voting platform or by utilising the card you received during registration if voting in person.

I will notify shareholders once voting closes.

If you have any queries in relation to casting a vote online or asking a question online, please refer to the online meeting guide or talk to link representative in the room.

Slide 4. Board of Directors

Introductions – Available online and in person are my fellow directors.

[Pause between participant to allow the introduced person to be shown on the broadcast screen. Participants to wave at their web cams or the main camera in the room]

[Only spotlight directors and CE as others participants will be sitting outside of camera shot – Craig to mention all others are online.]

- 4.1 **Fellow directors:** Philip Cory-Wright [Wave at room camera], Pat Brockie [Wave at room camera], Mark Evans [Wave at room camera], and Christine Spring [Wave at webcam]
- 4.2 **Key appointments:** Chief Executive - Warren Koia [Wave at room camera], GM Operations - Adam Radich and Acting CFO, Lisa Shaw.
- 4.3 **Auditors** – Our auditors from BDO are in attendance represented by – Mark Nicholson. Mark will also act as the vote scrutineer in conjunction with Link Market Services.
- 4.4 **Legal Representative** – Our corporate legal adviser from Wynn Williams, Partner, Stephen Lowe, is in attendance.
- 4.5 **Share Registrar** - Link Market Services – Brendon Jarvis and his team are in attendance.

[Switch to default layout]

Slide 5. NZ Windfarms Annual Meeting - Online Guide

Administrative Matters

The virtual meeting guide has instructions for those online who may have questions in relation to the annual report, resolutions or general business sections.

For those online or in attending in person - questions of a similar nature or theme can be aggregated and answered together for ease of administration.

Those attending in person can simply raise their hand to ask a question and one of our staff will find you with a roving microphone. Please speak into the microphone so those online may hear the question.

We will take questions from the floor first, before reviewing questions received from the online question portal.

The online meeting guide also has instructions on how to cast your online votes.

Slide 6. Chairman's Address

Before commencing the formal section of this meeting, I would like to comment on the key features of the year to 30 June 2022 as published in the Annual Report and update shareholders on progress since that date.

There are two major concurrent workstreams that the company continues to run. The first is the fast track reconsementing process. I will talk about this shortly.

The second is the business as usual workstream, which Warren will mostly address once I have finished.

Slide 7. Key Highlights

As per slide.

Slide 8. Key Financial Metrics

As per slide.

Slide 9. Consenting process and potential repower

As per slide.

Slide 10. Consenting process and potential repower – Continued

As per slide.

Slide 11. Governance Changes

As per slide

...I will now ask our CEO, Warren Koia, to address the meeting and provide an operations overview of the Te Rere Hau wind farm.

Warren....

Slide 12. Chief Executives Address

[Warren to take podium - default layout]

Tena Koutou Katoa, Greetings and welcome.

My name is Warren Koia - and it gives me great pleasure - to present to you – my Chief Executive report for FY22.

Slide 13. About NZ Windfarms Ltd

On the screen is a snap-shot of your Company. This slide is provided for the benefit of new shareholders and as a reminder for seasoned shareholders.

Key points to highlight:

- All of our generation is 100% renewable
- We are well positioned to support the transition to a low emissions economy
- We have a class 1A wind site
- We are running 92 turbines with a nameplate capacity of 46MW
- Those wind turbines make up 50% of our asset base
- We also own 324 hectares of the wind farm with the balance being leased.
- We inject our generation into the grid via the neighbouring wind farm.

Slide 14. Business Overview

Key points to highlight

- Electricity prices have been trending up.
- Generation has been volatile
- But net net sales have been trending up
- This has flowed through to EBITDAF

Slide 15. Business Overview (Continued)

Key points to highlight

- NPAT is volatile because of non-cash movements such as derivative movements, revaluations and the annual impairment test. This is the reason we focus on EBITDAF to assess profitability between financial periods.
- Staff numbers have been stable for a period of time
- And our health and safety record continues to be excellent.

Slide 16. Generation and average wind speed

Our annual generation was 100.2 GWh. This is down on the prior period 110.5 GWh.

As you can see - there is a close correlation between average wind speed - and annual generation

As a reminder, in the later years, we are de-rating turbines – we are utilising TI curtailment - and we have a slightly smaller fleet size compared to the earlier years of operation - where the fleet was under warranty and these management techniques were not utilised.

Slide 17. Generation Waterfall Chart and Availability

If we start at our annual budget generation of 117.2 GWh - the lower wind resource accounted for 17.0 GWh of potential generation.

The last factor that affects generation - and hence revenue - is availability.

97.3% availability is above the industry benchmark of 97% and above the manufacturers benchmark of 95%. It should be noted that, the industry benchmark is based on newer technology turbines.

Slide 18. Ten year monthly GWAP electricity prices

This chart shows the generation weighted - average monthly - spot wholesale price - received by the Company - dating back to FY2012. The chart excludes the impact of hedging.

- The black dashed line is the monthly average for FY22.
- The gray dashed line is the monthly average for FY21.
- The bottom whisker is the lowest average monthly price received for that month since 2012.
- The top whisker is the highest average monthly price received for that month since 2012.
- The line in the middle of the box where the colours change denotes the monthly median price received by the Company since 2012.

Note average monthly spot electricity prices, were trading near the bottom of the range in Q4 2021 before reversing in Q1 and Q2 2022.

This chart highlights the volatility in spot electricity prices.

Slide 19. EBITDAF Financial Year Ended: 30 June 2022

This chart reconciles EBITDA (a GAAP measure) to EBITDAF which is a non-gaap measure.

Slide 20. Bank Debt

Bank debt has been decreasing. There was a slight increase this year to account for the new lending to purchase a block of land that was formerly leased.
Interest rates have been tracking higher.

Slide 21. Dividends

Dividends are lumpy but reflect free cash flow

Slide 22. AMP Remaining Useful Life and Impairment Test

We have implemented an asset management plan. This takes a long term view of asset lives and considers risk and return, levels of service and asset condition.

The AMP underpins the impairment model assumptions around the decommissioning process of the existing fleet.

The actual decommissioning process will be dependent on the repower decision, asset conditions, and forward price path signals.

The impairment test resulted in an increase to property, plant and equipment of \$2.8m. This was driven by forward electricity prices but offset by WACC and forward projections of opex and capex.

Slide 23. Key components replaced

This chart highlights the key components replaced between FY13 and FY22.

Our in-house operational team - continues to work with our suppliers - to develop and improve turbine components - to maximise component life - and to seek operational efficiencies.

Components are sourced from multiple suppliers where possible - and no longer from the turbine manufacturer.

That concludes my presentation. Thank you for your continued support and nga mihi.

Craig, back to you...

Slide 24. Presentation of the Annual Report and Audited Financial Statements

[Switch to Craig's webcam - default layout]

...Thank you, Warren

I will now move on to the formal business of the meeting.

The first formal item is the Annual Report, which includes written reports from the Chairman and CEO, and the audited financial statements for the financial year ended 30 June 2022.

This has been circulated and is taken as read.

I now invite questions and comments in respect of the 2022 Annual Report and the presentations made today.

I have received **no** written questions prior to this meeting in regards to the 2022 Annual Report.

If anyone has any questions on the annual report, audited financial statements or the presentations delivered today, please submit them now.

Please note there will be an opportunity to raise wider questions in the general business segment.

I will wait a few moments for anyone to complete their questions.

We will start with questions from the floor.

[Switch to Craig's webcam – full screen]

[CEO will read questions and then Chair to address]

[Once Q&A is complete] ...

There are no further questions on the annual report and presentations, I will now move onto the resolutions.

Slide 25. Business of the meeting

[Switch to Craig's webcam - default layout]

Resolutions – Overview

The resolutions that we will now be voting on are as follows:

- Resolution 1. Appointment and remuneration of auditors.
- Resolution 2. Election of Craig Stobo as a director.
- Resolution 3. Election of Philip Cory-Wright as a director
- Resolution 4. Re-election of Patrick Brockie as a director
- Resolution 5. Remuneration of directors

All the Resolutions are ordinary resolutions and are required to be passed by a simple majority of votes.

In my capacity as Chair, I direct that a poll be held for each of the resolutions.

I have appointed our audit representative to be scrutineer for the resolutions.

There will be an opportunity to ask questions on each resolution being put to shareholders, and time will be provided at the completion of the questions, to complete your online voting form or cards.

If anyone is unsure how to complete the online voting form - I will ask that you ring the Link Market Services helpline on 0800 200 220.

Slide 26. Proxy and Postal Votes as at 27 September 2022

Roughly **65 million** proxy votes have been cast for resolutions 1 through 4 and **13 million** for **resolution 5**.

There are approximately **4 million** open proxies for resolution **1** and approximately **2.8 million** for resolution 2 through 5.

The NZ Shareholders Association holds roughly **2.7 million** open proxies across all resolutions which represents roughly **1%** of the total shares on issue.

As Chairman of the meeting I hold the balance of the open proxies. I intend to vote those in favour of all resolutions.

Slide 27. Resolution 1 – Appointment and remuneration of Auditors

RESOLUTION 1: Resolution one is that the Board are authorised to appoint and fix the remuneration of the Company's auditors for the forthcoming financial year.

I move, as an ordinary resolution, that the Board are authorised to appoint and fix, the remuneration of the Company's auditors for the forthcoming financial year.

May, I have a seconder? – I have a seconder from director and shareholder Mark Evans.

Is there any discussion on this resolution?

I will pause briefly to allow any questions to filter through the online platform and from the floor if any.

[Switch to full screen mode starting on Craig's webcam for questions.]

[CEO will read questions and then Chair to address]

[Once Q&A is complete] ...

There appears to be no further discussion.

I will now move onto the second resolution.

[Switch to Craig's webcam - default layout]

Slide 28. Resolution 2 – Election of Craig Stobo as a Director

I will ask Patrick Brockie to come to the lectern to Chair this portion of the meeting.

Thanks Patrick...

RESOLUTION 2: Resolution two relates to the election, of Craig Stobo as a Director

I will now ask Craig if he would like to address the meeting on his proposed election.

Craig, ...

[Switch to Craig's webcam for his address – full screen layout]

Craig to address meeting in support of this resolution

...Thank you, back to you Patrick

[Switch back to Patrick at the Lectern camera - default layout]

Thank you, Craig,

I now move, as an ordinary resolution, that Craig Stobo be elected as a director.

May, I have a seconder? – I have a seconder from director and shareholder Mark Evans.

Is there any discussion on this resolution?

There appears to be [some / no] further discussion.

[CEO will read questions and then Craig or Patrick to address]

[Once Q&A is complete] ...

There appears to be no further discussion.

I will now hand the meeting back to Craig.

[Switch to Craig's webcam - default layout]

Slide 29. Resolution 3 – Election of Philip Cory-Wright as a Director

RESOLUTION 3: Resolution three relates to the election, of Philip Cory Wright as a Director

I will now ask Philip if he would like to address the meeting on his proposed election.

Philip, ...

[Switch to Philip at the Lectern – full screen layout]

Philip to address meeting....

....Thank you, back to you Craig

[Switch back to Craig's Webcam - default layout]

Thank you, Philip,

I now move, as an ordinary resolution, that Philip Cory-Wright be elected as a director.

May, I have a seconder? – I have a seconder from director and shareholder Mark Evans.

Is there any discussion on this resolution?

There appears to be [some / no] further discussion.

[CEO will read questions and then Craig or Philip to address]

[Once Q&A is complete] ...

There appears to be no further discussion.

[Switch to Craig's webcam - default layout]

Slide 30. Resolution 4 – Election of Patrick Brockie as a Director

RESOLUTION 4: Resolution four relates to the re-election, of Patrick Brockie as a Director

I will now ask Patrick if he would like to address the meeting on his proposed election.

Patrick, ...

[Switch to Patrick at the Lectern – full screen layout]

Patrick to address meeting and resolution....

....Thank you, back to you Craig

[Switch back to Craig's Webcam - default layout]

Thank you, Patrick,

I now move, as an ordinary resolution, that Patrick Brockie be elected as a director.

May, I have a seconder? – I have a seconder from director and shareholder Mark Evans.

Is there any discussion on this resolution?

There appears to be [some / no] further discussion.

[CEO will read questions and then Craig or Patrick to address]

[Once Q&A is complete] ...

There appears to be no further discussion.

[Switch to Craig's webcam - default layout]

Slide 31. Resolution 5 – Remuneration of Directors

RESOLUTION 5: Resolution five relates to the remuneration of directors

I will now address this resolution in conjunction with the explanatory notes in the notice of meeting.

The Board last proposed an increase in directors' remuneration in 2019. At that time, the Company set a fee pool of \$400,000 when there were four directors. That fee cap was automatically increased in accordance with the NZX Listing Rules by the addition of a fifth director.

Since 2019, the regulatory landscape in which the Company operates has continued to change, with increased regulatory risk and obligations resulting in increased demand on directors' time and broadening their scope of responsibilities in monitoring and assessing legal and regulatory compliance. The Company's repowering project will involve additional commitment and this year the Board established a dedicated Repowering Committee to oversee this project.

The Company engaged Board Dynamics to provide a report on the current director remuneration at NWF and recommend changes (if any) in the current fees based on current market data since the last review in 2019. A copy of the Board Dynamics report is available in the Investor Centre section of www.nzwindfarms.co.nz.

The Board reviewed this market data and, based on a comparison of the Company's directors' fees to the market data, considers the proposed directors' remuneration set out below is appropriate.

I now move, as an ordinary resolution, that the director fee pool be abolished and that fees be approved based on the role each director undertakes from time to time. These fees are:

- \$160,000 for the Chair,
- \$70,000 for the base director fee,
- \$10,000 for the Chair of the audit and risk committee,
- \$10,000 for the Chair of the Repower Committee; and
- \$5,000 for members of the audit and risk committee.

If Resolution 5 is passed, the changes to the directors' remuneration will take effect on and from 1 November 2022.

May, I have a seconder? – I have a seconder from...

Is there any discussion on this resolution?

I have received one written question...

There appears to be [some / no] further discussion.

[CEO will read questions and then Craig or Patrick to address]

[Once Q&A is complete] ...

There appears to be no further discussion.

[Switch to Craig's webcam - default layout]

Slide 32. Final voting instructions and vote closure

Voting

If you wish to vote on these motions, and have not cast your vote already, then please follow the instructions on your individual screen or in the virtual meeting guide or from Link staff dotted around the meeting room.

When you cast your vote, please check one box either for, against or abstain, alongside each resolution in the section marked Voting Instructions.

Once all the votes have been cast, they will be counted by the Company's share registrar, Link Market Services, and scrutineered by the Company's auditor, BDO.

Results of the Meeting

The results of today's resolutions will be released to the NZX on the completion of verification of voting later on today.

Vote Closing

Now that you have heard both resolutions and have had time to consider each resolution, I will now instruct the Share Registrar to close voting in five minutes. Please make your choice before the expiration of that time period.

Slide 33. General Business and Q&A

At this point, I will open the floor to general business questions.

Before we start, I will firstly address the general business questions, I have to hand now, as a result of shareholders asking questions before this meeting.

After I address these questions, if you would like to ask a question, please follow the instructions in the online guide or simply raise your hand if you are in the meeting room.

We will start with questions in the room and then go to questions received via the online portal.

[Switch to full screen mode starting on Craig's webcam but switch between the lectern or webcam depending on whoever is answering]

I have received one written question...

Are there any items of general business to be discussed?

[Chair and CEO to answer questions from the room first]

Warren are there any questions from the online portal?

[Once Q&A is complete] ...

There appears to be no further discussion.

Slide 34. Back Cover Page - Meeting Closure

I now declare the formal proceedings of the Annual Meeting closed and would like to thank you for your attendance and interest in the Company's business.

The NZ Windfarms team would like to invite those in attendance to stick around and enjoy some light refreshments and to talk informally with our key staff and directors.

Thank you one and all.

[Close live stream]

Please contact Warren Koia, info@nzwindfarms.co.nz or 06 280 2773 if you have any queries.

Craig Stobo
Chairman

About NZ Windfarms Limited

NZ Windfarms Ltd is a long term specialist wind farm owner and operator, with its revenue coming from the sale of sustainably generated electricity from its Te Rere Hau wind farm.

The Te Rere Hau wind farm is located on North Range Road in the Tararua Ranges outside of Palmerston North. The wind farm has 92 turbines with a capacity of 46 MW producing enough clean energy to power about 16,000 homes. In comparison to generate the same amount of energy, a gas-fired power plant would emit roughly 64,000 tonnes of carbon dioxide, the same as an additional 23,000 cars on the road

NZ Windfarms Ltd (NWF) is a public company listed on the NZ Stock Exchange. Up to date share trading information can be obtained from the NZX website.