

WINTON

MARKET ANNOUNCEMENT

NZX: WIN / ASX: WTN

25 October 2023

PRESENTATION TO THE WINTON ANNUAL MEETING

At 12.00pm on Wednesday, 25 October 2023.

Welcome and thank you for joining us at Winton's Annual Meeting for 2023 which is being held both virtually and in person.

My name is Chris Meehan, and I am the Chair of the Board of Directors and CEO of Winton. It is my pleasure to address you today.

Today we are very pleased to welcome our online participants through our virtual meeting platform provided by our share registrar Link Market Services and those that have joined us in person.

Before we begin, I have a few housekeeping points to cover:

For those here in attendance:

- Can I ask that you please put your mobile phone on silent.
- Toilet facilities are located to the right as you exit this meeting room, past the reception area – please follow the signs.

If a fire alarm goes off, please follow directions from Link staff who will direct us to the appropriate fire exit. For those online, the next slide demonstrates the voting and question platform.

You can vote and ask questions online. I'll provide you with further instructions as we progress through the meeting. If you encounter any issues, please refer to the virtual annual meeting online portal guide or you can phone the helpline on 0800 200 220 if you are in New Zealand or 1800 990 363 if you are dialling from Australia or elsewhere.

You can send through questions any time so I encourage you to send them through as soon as you can. This will allow us to answer these questions at the appropriate time of the meeting. To ask a question, you will need to click "ask a question" within the online meeting platform, select the item of business, type in your question and click submit.

Before we formally begin, I would like to re-introduce the other members of the Winton Board:

In the room at Links's offices we have:

- Julian Cook, Executive Director and Director of Retirement

- Michaela Meehan, Non-Executive Director

And online we have:

- Steven Joyce, Independent Director
- Glen Tupuhi, Independent Director
- David Liptak, Non-Executive Director
- James Kemp, Non-Executive Director, and
- Jelte Bakker, Non-Executive Director

We have some members of the Senior Management Team in attendance, including:

- Simon Ash, Chief Operating Officer
- Jean McMahon, Chief Financial Officer, and
- Justine Hollows, GM Corporate Services

Finally I would like to welcome representatives from our FY23 auditors, EY, and our legal counsel, Chapman Tripp, as well as the team from our share registrar, Link Market Services, here with us today.

Link Market Services will help conduct the voting on the formal business later in the meeting and act as scrutineer.

The Company Secretary has confirmed that the Notice of Meeting has been sent to shareholders and other persons entitled to receive it and I have been advised that we have a quorum present. On that basis, I am pleased to formally declare the meeting open.

Proxies have been appointed for the purposes of this meeting in respect of approximately 226 million shares, representing over 76% of the total number of shares on issue.

I'd like to thank shareholders for their participation in today's meeting.

My fellow directors and I intend to vote all discretionary proxies we have received in favour of the Resolutions as set out in the Notice of Meeting.

The order of events for this afternoon's meeting will be as follows:

I will start with a short presentation.

Then, as you have seen in the notice of meeting, we have two resolutions we would like you to approve. We will take questions from shareholders on each of the resolutions.

Voting on all resolutions will be conducted by way of poll.

After the resolutions we will then open the meeting to other business from shareholders before we close the meeting today. This will provide an opportunity for you to ask questions or to make comments about the presentation, the financial statements, or auditor's report

I encourage shareholders to submit their questions online through the virtual meeting platform as soon as possible.

For those attending in person we invite you to join us for some light refreshments at the conclusion of this meeting.

After our first full year on the NZX and ASX, we have successfully transitioned and adapted to being a listed company. We have delivered a record year, with 565 units settled driving EBITDA of \$95.6 million and a Net Profit After Tax of \$64.6 million.

Our pre-sale book is extensive at \$419.3 million as at 30 June 2023, which remains at a similar level today net of new sales and settlements. Our long-term strategy of seeking pre-sales has served us well through the market headwinds present over the last 18 months.

We continue to operate on an unlevered basis, with \$76.3 million in cash as at 30 June 2023 and no debt placing us in an enviable position.

During FY23 Winton was successful in obtaining resource consent for our Northbrook sites at Wanaka, Wynyard Quarter and Avon Loop, with Northbrook Launch Bay subsequently receiving resource consent in September 2023.

We have successfully launched sales Northbrook Wynyard Quarter and Northbrook Wanaka, and are pleased with how these projects have been received by the market.

We are pleased to have appointed Steven Joyce to the Board, who stands here for re-election today, and value his experience and expertise.

In FY23 we settled 565 units and delivered \$211.5 million in total revenue, lower than \$344.7 million forecast at PFI due to inclement weather conditions delaying the timing of completion for some projects into FY24. Gross profit was \$108.7 million, \$36.3 million above FY22, resulting in a gross profit margin of 51.4%. Winton met earnings at the lower end of guidance at \$73.8 million.

Northbrook is targeting the premium sector of the market which has been underserved by the incumbent operators. We have received resounding positive feedback from future residents, with feedback noting that there is nothing quite like the Northbrook offering available in the market.

The Northbrook Wynyard Quarter sales suite, which includes a full-size apartment, opened in June 2023. Construction of Northbrook Wynyard Quarter is expected to commence on 6th November.

The Northbrook Wanaka sales suite, which includes two full size apartments, opened in September 2023. On site, civil works continue and are nearing completion.

We have seen strong interest in the Northbrook product at Wynyard Quarter and Wanaka with presales now north of \$80m.

We are continuing with earthworks at Northbrook Arrowtown under the existing resource consent with construction of a show apartment due for completion in January 2024. A resource consent variation has been lodged.

Northbrook Avon Loop received resource consent during FY23, and we continue to work through the design phase at pace. We will build a show apartment on site in FY24 following the issuance of building consent.

We are pleased to have received resource consent for Northbrook Launch Bay on 4 September 2023. The site will incorporate the existing heritage listed hanger, and a 15-storey apartment complex with sweeping harbour views.

Ayrburn is a new hospitality offering near Arrowtown. As one of the regions original estates, it boasts a number of historic buildings and unrivalled landscaping. Set near Mill Creek, there are numerous walks around the estate which includes a stroll along the river to the picturesque waterfall.

With the township of Arrowtown at capacity, Ayrburn is an exciting opportunity to expand into a high-end offering in an area which is a popular tourist destination. We have obtained a number of consents to remediate the existing historic buildings, with the first stage of development complete ahead of the December opening.

There are 10 stores and venues to choose from within Ayrburn, from casual snacks at the Bakehouse or the Dairy, to high end dining at Billy's, Ayrburn offers something for everyone. A large outdoor venue, complete with a stage, offers events for up to 500 people under the current consent, while we are pursuing resource consent for a bespoke events venue known as the Dell.

There is nothing else like it in New Zealand. We expect strong interest from locals, New Zealand residents and overseas tourists, which will continue as additional venues open over the next 2-3 years. There is something for everyone and we look forward to people experiencing it for themselves in a few months.

It creates the perfect setting for our Northbrook village and will turn our food and beverage operations from a cost centre to a profit centre.

In the first half of FY22 Winton lodged the Sunfield Specified Development Project Application with Kainga Ora under the Urban Development Act 2020 legislation to seek rezoning of the property to allow the proposed development of forward thinking sustainable 15-minute neighbourhood.

Winton's submission under the Urban Development Act legislation was declined in April 2022. To say we are disappointed is an understatement.

We remain firm in our resolve to re-zone the entire Sunfield as it is currently master-planned.

Consenting Sunfield would not only be good for Winton, it would be:

- Good for Auckland – creating 11,000 permanent jobs and over 3,643 affordable homes.
- Good for New Zealand – Pioneering the development of a solar-powered neighbourhood and integrated community.
- Good for the Planet – clean green neighbourhoods like Sunfield are a step change in avoiding carbon emissions embedded in our conventional lifestyles.

An Amended Statement of Claim was filed in the Auckland High Court in July to include the provisionally independently assessed amount of \$138.5 million in damages plus costs and interest, which represents Winton's view as to the quantum of the loss and damages it has suffered as a result of Kāinga Ora's alleged anti-competitive conduct.

Winton is seeking Court declarations that Kāinga Ora's conduct is unlawful and in breach of the

Commerce Act, and an order requiring Kāinga Ora to consider Sunfield for assessment under the UDA, as well as substantial damages for Kāinga Ora's conduct to date.

As the matter is before the courts, we will not be able to comment any further.

We have made progress on our ESG journey since our last shareholders meeting. We have finalised our sustainability framework, completed our first emissions inventory and just had the second one audited, completed a health and safety review and implemented a master health and safety system, and submitted the design for our first building with Homestar 6 with NZ Green Building Council.

The sustainability framework is structured around three pillars – thriving planet, thriving people and sustainable future. And at Winton's core, positively contributing to New Zealand's housing supply provides opportunities for communities and, therefore, people to thrive. In delivering 565 units this year we have created a range of products at various price points, supported local businesses, created more job opportunities through new business units and contributed over \$11.7 million towards the infrastructure and long-term growth of the communities we operate in. We have also persisted with our carless and solar-powered Sunfield neighbourhood, which as I covered earlier, would unlock significant value across each of the three pillars of our sustainability framework.

We now have a solid base to leverage, and in FY24 we will continue the momentum. Alongside completing our first year of climate-related disclosures, we will set emission reduction targets, complete an emissions reduction plan, extend our scope 3 emissions boundary, and implement initiatives to support the commitments within the framework.

New Zealand's housing market has faced headwinds over the last 18 months, however there are signs that the market has stabilised and is beginning to show signs of recovery.

Despite increasing demand, building consents and construction activity continues to remain low. Rental prices are continuing to rise, which we are beginning to see translated into house price increases.

New Zealand's ageing population demonstrates that now is the right time to provide a premium retirement offering, never before seen in New Zealand.

The policy of the incoming National lead government is generally good for housing development and housing demand.

FY23 results were the culmination of years of development, and a standout year for settlements. While some units initially planned for settlement have been moved into FY24, we expect the number of settlements to be lower than in FY23.

We will not be issuing formal guidance, however will naturally keep the market informed of our plans and progress. This will allow us to focus on operating the business for maximum long-term shareholder value.