www.aofrio.com

AoFrio Annual Shareholder Meeting May 28, 2025 Meeting Address

Slide 1

John Scott

Kia Ora and welcome to the Annual Shareholders Meeting of AoFrio Limited.
My name is **John Scott**, and I am the chair of the AoFrio Board.

May I first introduce you to our directors and senior management?
My fellow directors in the room are **John McMahon** and **Greg Allen.**

Roz Buick and **Keith Oliver** could not be present but joined the online meeting. The Board would like to take the opportunity to thank **Melissa Clark-Reynolds,** who advised the Board on April 16, 2025, of her intention to resign as a director, effective 28th May 2025. We appreciate Melissa's contribution to the development of AoFrio's growth strategy and wish her well.

We also have here today our **CEO – Greg Balla, our CFO Howard Milliner** and **Paul Seller** from **Deloitte.**

I will now hand it over to Greg

Greg Balla

Thanks John. Good morning, everyone.
Welcome to the AoFrio Headquarters at Apollo Drive in Rosedale, Auckland.

Today’s meeting is being held both in person and online via the Computershare Online Meetings platform.

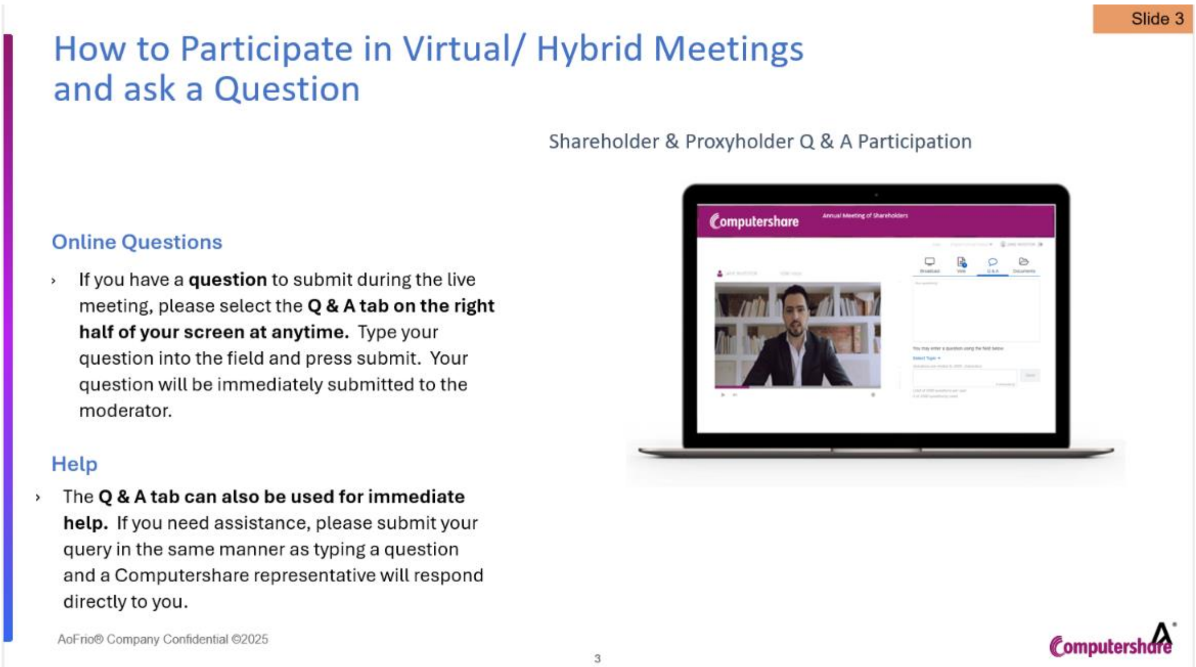
This allows Shareholders, Proxies, and guests who were not able to travel and attend the meeting in person the ability to attend the meeting virtually. All online attendees can watch a live webcast of the meeting and read the company documents associated with the meeting.

Slide 2

Greg:

For those who are attending online, we will now take you through a few instructions for you to participate in the Question & Answer session and for voting.

Slide 3

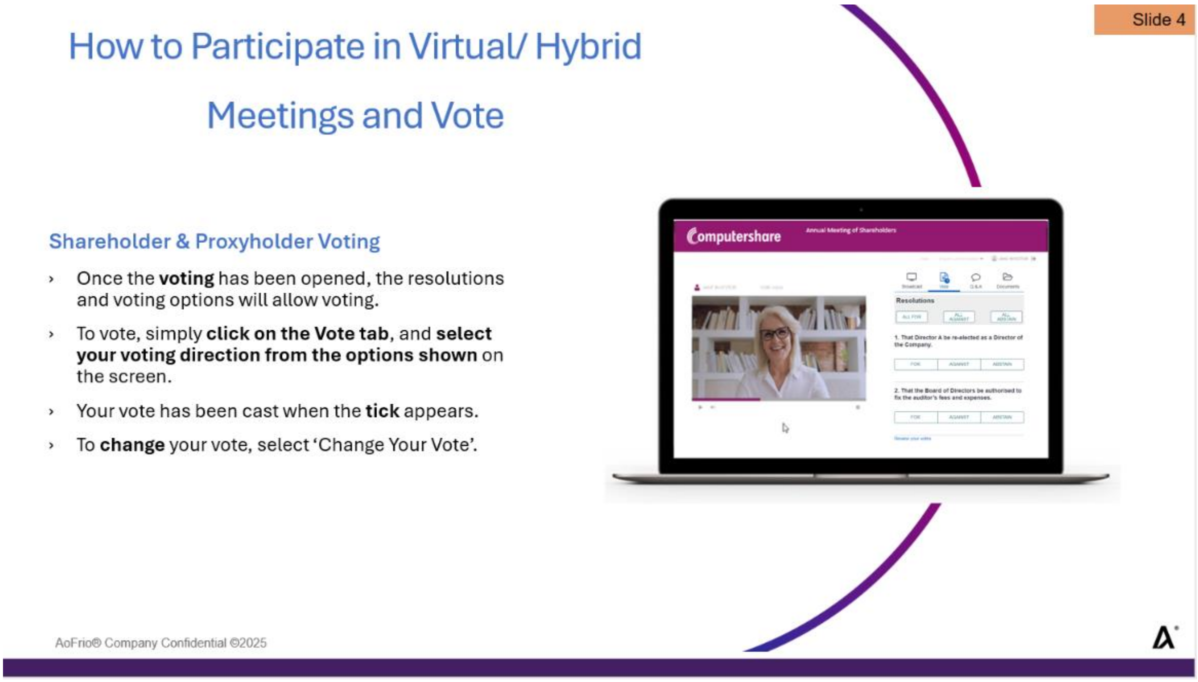


Greg:

If you would like to submit a question, the Q&A is always open, so please feel free to submit questions throughout the meeting; these will be addressed at the relevant time.

Questions may be moderated, or if we receive multiple questions on one topic, they will be amalgamated together. Any questions not answered in time will receive an email response after the meeting.

Slide 4



Greg:

Voting today will be conducted by way of a poll on all items of business. I will shortly open the online voting for all resolutions.

If you are eligible to vote at this meeting, you will be able to cast your vote under the Vote tab.

Once the voting has opened, the resolutions will allow votes to be submitted. You can change your vote up until the time I declare voting closed.

To vote, simply select your voting direction from the options shown on screen.

You can vote for all resolutions at once or by each resolution.
Your vote has been cast when the tick appears.

I am pleased to confirm that we have a quorum and therefore declare the 2024 Annual Shareholders' Meeting of AoFrio open.

The items of business for this meeting and the resolutions to be considered by shareholders are contained in the Notice of Meeting, which was sent to shareholders on April 29, 2025.

I now declare voting open on all items of business. I will give you a warning before I move to close voting.

Slide 5

Greg:

For our agenda today, we will comment on the full year 2024 performance, our Q1 2025 performance, an update on strategy and outlook for the year.

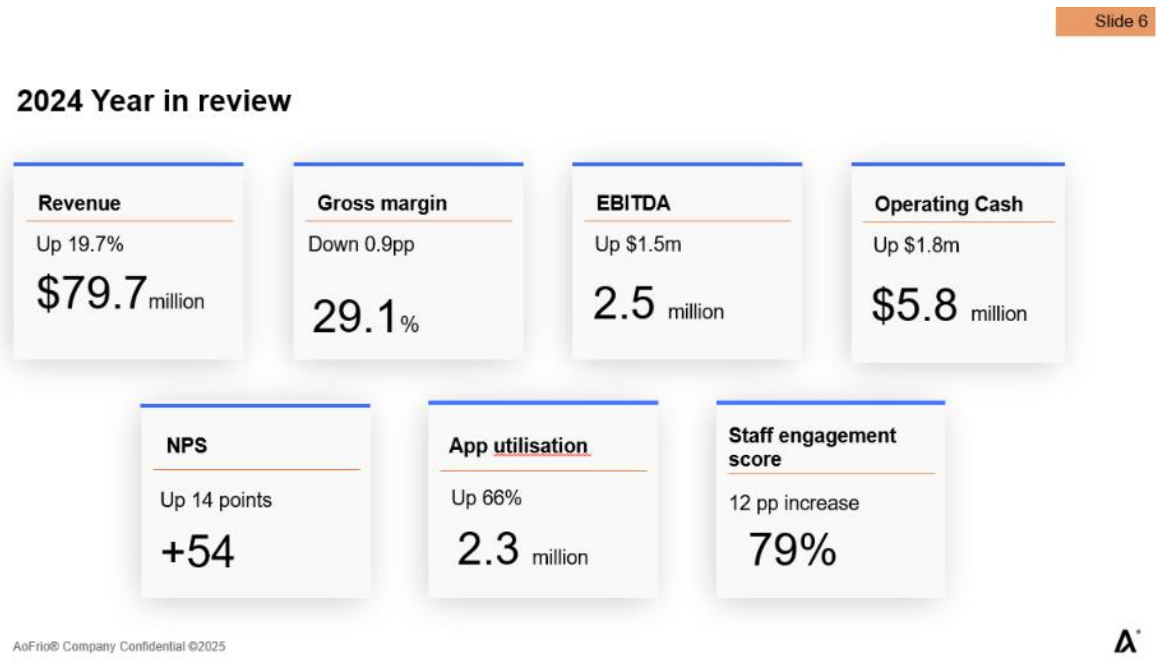
We will then take your questions.

After questions, we will proceed with the formal business of the meeting.

Please note the Safe Harbour statement on the screen.

I will hand it back to John Scott now.

Slide 6



John:

Revenue for the year at $79.7m was 19.7% above FY23.

IoT business delivered revenue of $ 43.3 million, up 23.4% on FY23 and the Motors business delivered revenue of $36.4 million, up 15.6% in FY23.

We launched our connected IoT solution in the USA, won market share for IoT in the Cold Drink Equipment market in Brazil, and won significant new motor volume in the USA for a heat pump water heater application.

Gross margin was slightly lower at 29.1% compared to 30.0% last year, caused by higher product costs and strategic pricing. IoT margins were 40.7% and motor margins were 15.4%.

Earnings before interest, tax, depreciation and amortisation (EBITDA) were a surplus of $2.5 million, up $1.5 million compared to FY23.

Operating cash was at $5.8m**,** up by $1.8 million from last year.

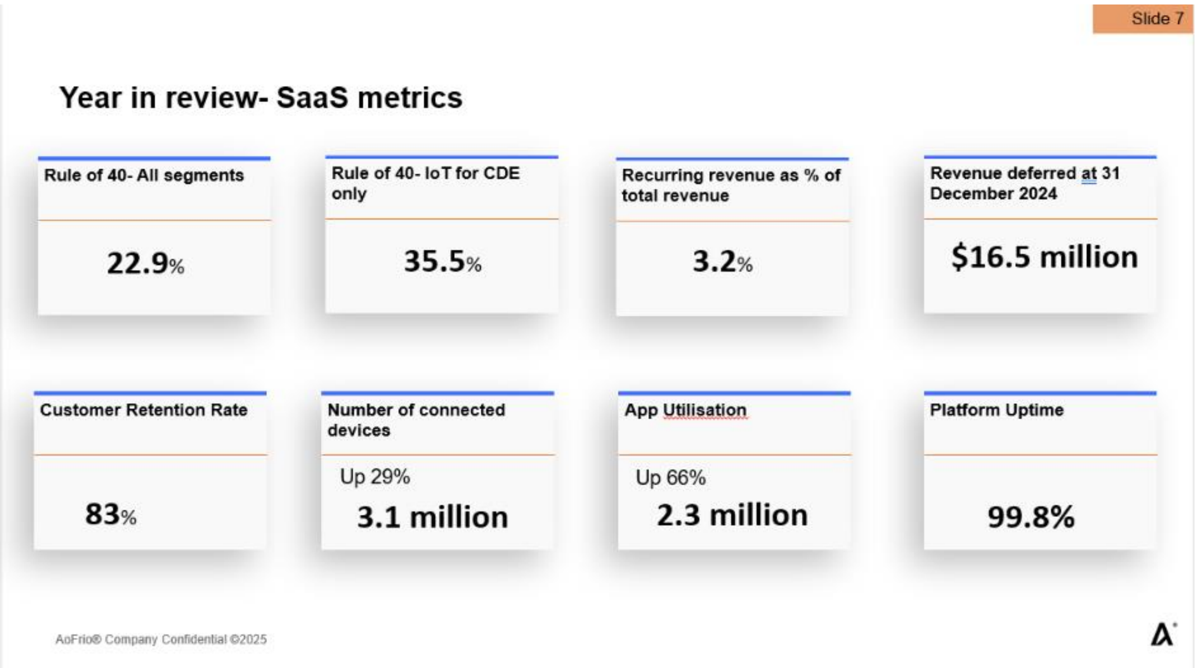
Our Net Promoter Score saw a 14-point increase in FY24 from the last time we surveyed our customers two years back (in 2022).

App utilisation is the measure of the number of times customers interact with our software. We saw an increase of 921,000, 66% compared to the previous year.

Our engagement score places us in the top 25% of New Zealand companies.

We are focused on delivering our longer-term strategic goal of growing revenue at an annual rate of 20% per annum, with an aspirational goal of having 50% of the revenue recurring.

Slide 7



John:

In our annual report, we mentioned that AoFrio will now focus on market segments and SaaS-based reporting to better align with our strategy.

The segments we will be reporting on are: Cold Drink Equipment, Motors & Fans and Food Retail.

Let me give you a quick overview of the key metrics from the past year:

- We achieved a Rule of 40 score of 22.9% across all segments, rising to 35.5% when isolating IoT, reflecting strong SaaS progress.
- In FY24, we invoiced $5.3 million in recurring revenue and recognised $2.7 million, representing 3.2% of total revenue. Our long-term aspirational goal is to grow recurring revenue to 50% of total revenue. Currently, $16.5 million has been deferred for recognition in future periods.
- Customer retention held steady at 83%. This indicates the number of customers who purchased our IoT solution in 2023 and continued to purchase our solution in 2024.
- We now have over 3.1 million connected devices in the field. An increase of 692,000 connected devices, resulting in a 29% increase from FY23.
- App interactions rose 66% to 2.3 million, and platform uptime stayed strong at 99.8%.

For details on each one of them and why they are important for our SaaS-based reporting, please refer to the annual report.

Slide 8

John:

- North American year-on-year growth was 26.4%. The launch of AoFrio's Gateway allowed an always-on solution to be available for this market. We secured a large ECR2 motors order with a major manufacturer of heat pump water heaters. Revenue for motors in the USA was $4.9 m. The addressable market (Serviceable Available Market- SAM) for the Heat Pump Water Heater Market is estimated at $180m and is anticipated to grow at about 9.2% CAGR from 2024 to 2032.

- South American year-on-year growth was 19.1%. We won volume from a local competitor during the first half of the year and are now providing our IoT solution to one of the biggest Coca-Cola bottlers in Brazil.

- APAC revenue for the year showed an increase of 12% year-on-year. There is a significant opportunity for our IoT solution in APAC.

- EMEA revenue declined due to aggressive competitor motor pricing.

We have hired additional sales staff in USA, APAC and EMEA to pursue significant opportunities in these regions.

In FY2024, we implemented our ESG framework, formed in 2023.

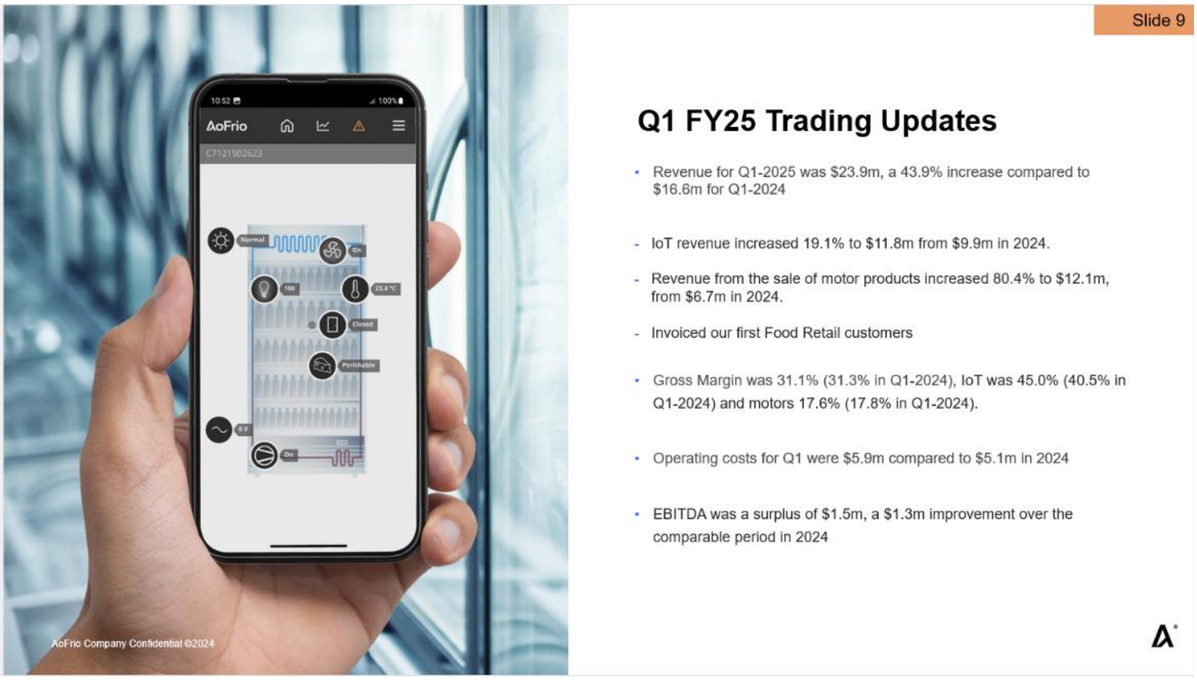
We made significant progress across the three pillars and focus areas of **ESG: Team, Operations and Product.**

We achieved a diversity score of 88%, up from 80% in 2023 and an engagement score of 79%, up from 67% in 2023.

AoFrio maintained its bronze medal from EcoVadis, the independent global sustainability ratings platform. This places AoFrio in the top 35% of companies evaluated by EcoVadis, reflecting our comprehensive approach to sustainability management.

We began embedding life cycle management into our product design, with ThinkStep ANZ conducting circularity reviews for our ECR®2 motor. To build on the organisation-wide circularity training, we held a focused workshop for our product, engineering, and design teams to strengthen their technical understanding of circularity.

Slide 9



John:

On Thursday, May 1, 2025, the business provided an update on trading performance for the three months ended 31 March 2025 (Q1-2025). The update is summarized on the screen.

The year has certainly started strongly. Q1-2025 is especially pleasing on several fronts. This performance is driven by our core business and the 43.9% revenue increase this quarter is even more impressive when you consider that Q1-2024 revenue was 13% higher than Q1-2023.

We secured our first significant food retail order in March following the completion of a proof-of-concept trial. The order includes recurring SaaS revenue under a multi-year contract. We are working on other significant opportunities in this segment.

Now I will hand over to Greg to take you through the business updates and outlook for the year.

Slide 10

Slide 10

Business update: Our strategy FY2025

Protect & Grow the Core

IoT for CDE

- Focus on multi-year CDE market entry strategy for the USA and Europe
- Strategic pricing
- Launch of AoFrio® iQ™ and Cellular Connected Controllers
- Develop and deliver an advanced remote management package

Motors & Fans

- Complete the Fanpack range
- Adapt solutions for new applications

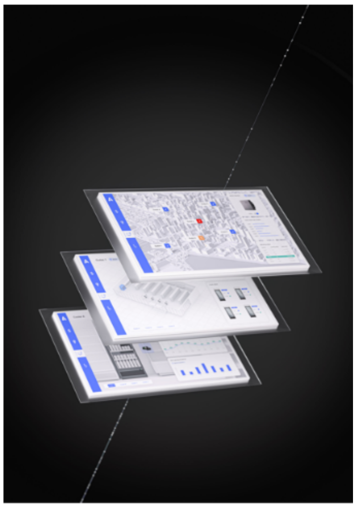
Diversify our market

Food Retail

SaaS solution for the Food Retail market

Transforming our foundations

Continue with our ESG priorities under the Team, Operations and Product pillars



Greg:

Thanks, John.

I will now provide you with a summary of AoFrio's strategy.

From a shareholder's perspective, AoFrio's strategy is designed to deliver quality growth. By this, we mean having a portfolio that delivers consistent growth, reduces the risk of revenue fluctuation and increases gross margin. We are doing this by diversifying our market segments, increasing the percentage of our revenue that is recurring and adding higher value solutions.

From a customer perspective, we are focused on providing solutions that allow a customer's whole fleet to be connected and then providing high-value insights and workflows that increase their revenue, reduce their operating costs and support their ESG objectives.

Our first strategy is to 'Protect and Grow' our Core business.

For our Branded Cold Drink Equipment business, which includes solutions for customers such as Coca-Cola, Pepsi, and AB InBev, our focus is on:

1. Delivering a new solution that allows us to connect whole fleets in the USA and Europe, where we have a low or no market share. These markets are bigger than the LATAM market, where we have a high share. In June

    - We are launching a new cellular-connected controller, SCS800
    - We are launching AoFrio® iQ™, our SaaS that leverages the data collected from both our Bluetooth and cellular solutions
    - With the cellular solution and AoFrio® iQ™, we are also launching some key advanced workflow solutions that allow remote disabling of a cooler and prompt remote maintenance actions needed to be taken

2. Adjusting our pricing model to reflect the launch of AoFrio® iQ™ will allow us to help protect the LATAM market while positioning us correctly against competition in the US and Europe.

For our Motors and Fans business, we are focused on three key strategic initiatives:

1. Completing the range of fans to go with the motors
2. Driving costs out of the solution to help protect market share
3. Application development to support growth, example- Heat Pump Water Heater solution

Our second strategy element is 'Diversifying our market segments'.

The first area we have chosen to focus on is the food retail segment, that is, solutions for supermarkets, micro markets and convenience stores. The main difference between these solutions and our CDE solution is that we connect multiple assets at a single location and, in some cases, use Wi-Fi technology for communication.

We are in the early days of this strategy. Last year, we completed three proof-of-concepts, one of which converted to a multi-year contract and the second is in commercial discussion. Based on the learnings from those proof-of-concepts, we are developing a food retail solution that we expect to launch more broadly later this year. This is a SaaS solution. We are continuing to evaluate opportunities as they arise before the launch.

The second area we are considering as part of our 'diversify' strategy is Ice Cream. We have run one proof-of-concept with an ice cream customer in Chile and were able to prove that we could reduce equipment loss (misplaced or stolen) from 20% to 0.5%. As resources allow, we will develop the full solution for this area.

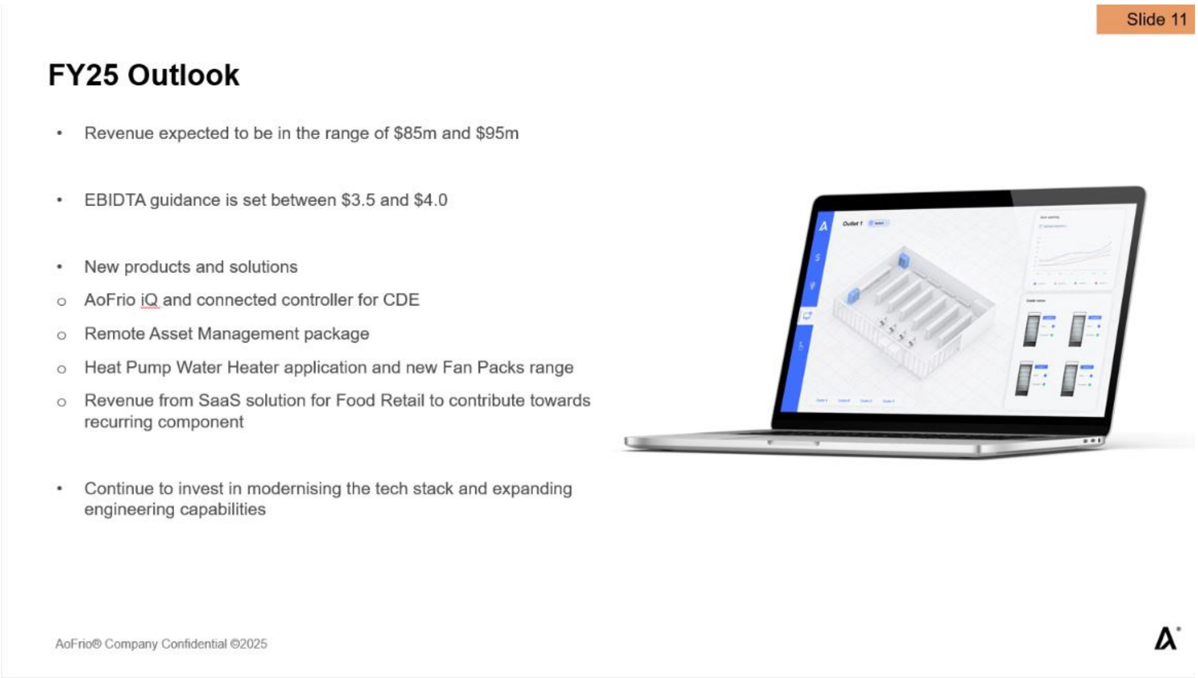
The third aspect of our strategy is 'Transforming our Foundations'.

This aspect of our strategy is about ensuring we have the right people, systems, technology, and processes to be successful. This ensures that we are:

- Developing our ESG approach to reduce risk, meet customer expectations, and do the right thing. We have a multi-year work plan and are delivering on it
- Modernising our SaaS platform and ensuring it is Machine Learning and AI-ready
- Developing our organisation's capabilities. Ensuring we have the right people with the right skills and approaches to be successful as we transition from a hardware company to a hardware-enabled SaaS company

We are confident we are on the right path, but we are also ensuring that we continue to review the market feedback we receive and adjust as required.

Slide 11



Greg:

Our guidance for the year is:

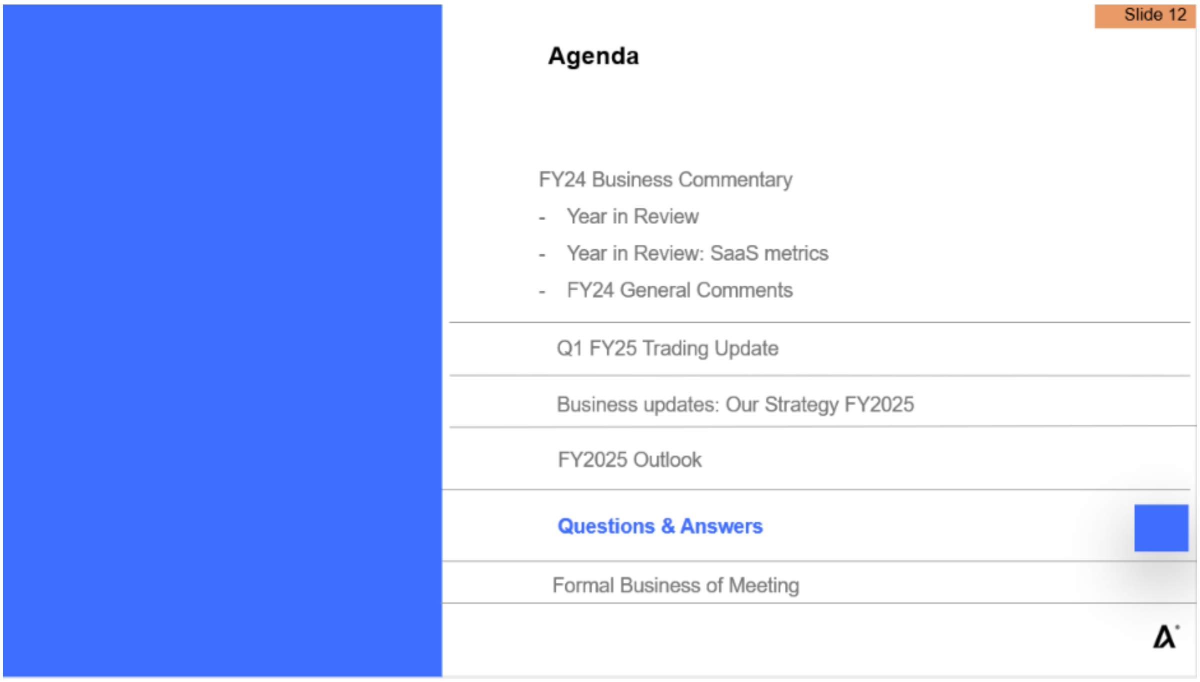
- Revenue to be in the range of $85 million to $95 million
- EBITDA between $3.5 million and $4.0 million

Macroeconomic conditions, NZ$/US$ currency fluctuations and the threat of US tariffs may influence these projections.

The rest of the year looks busy with the launch of new products and solutions.
We will continue investing in our tech stack and expanding engineering capabilities to accelerate development and delivery.

We have a strong pipeline of new products and solutions and growing recurring revenue streams. We're focused on executing our strategy and delivering on the many opportunities ahead in FY2025.

Slide 12



Greg:

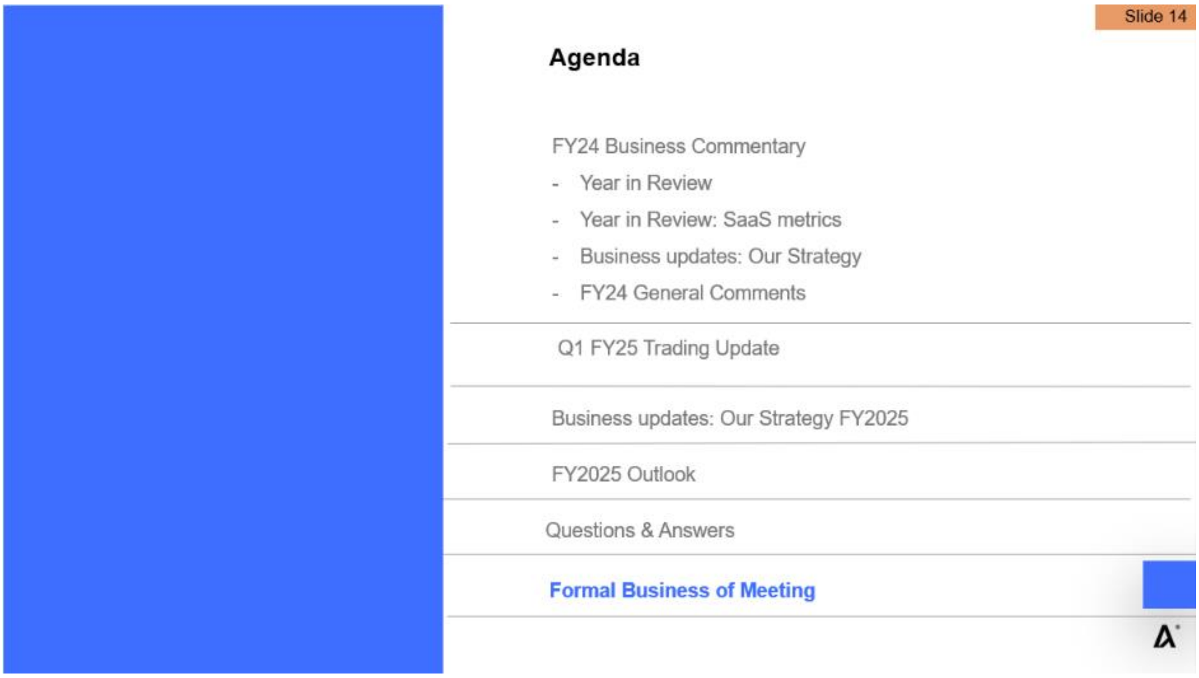
We will now move to the Question and Answers segment of today's meeting.

Slide 13

Greg:

A reminder for those of you attending the meeting virtually. You can submit a question by selecting the Q&A tab on the right half of your screen anytime. Type your question into the field and press send.

Slide 14



Greg:

I will now hand it back to John Scott.

John:

We will now move to the formal business of the meeting. Voting will be by way of poll and through proxy submission.

Once all the votes have been cast, they will be counted by the Company's share registrar, Computershare.

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

Slide 15

John Scott

As a reminder, if you are attending online, you have been able to vote since the meeting opened. To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution. Your vote has been cast when the tick appears. To change your vote, simply select 'Change Your Vote'. You can change your vote up until the time I declare voting closed.

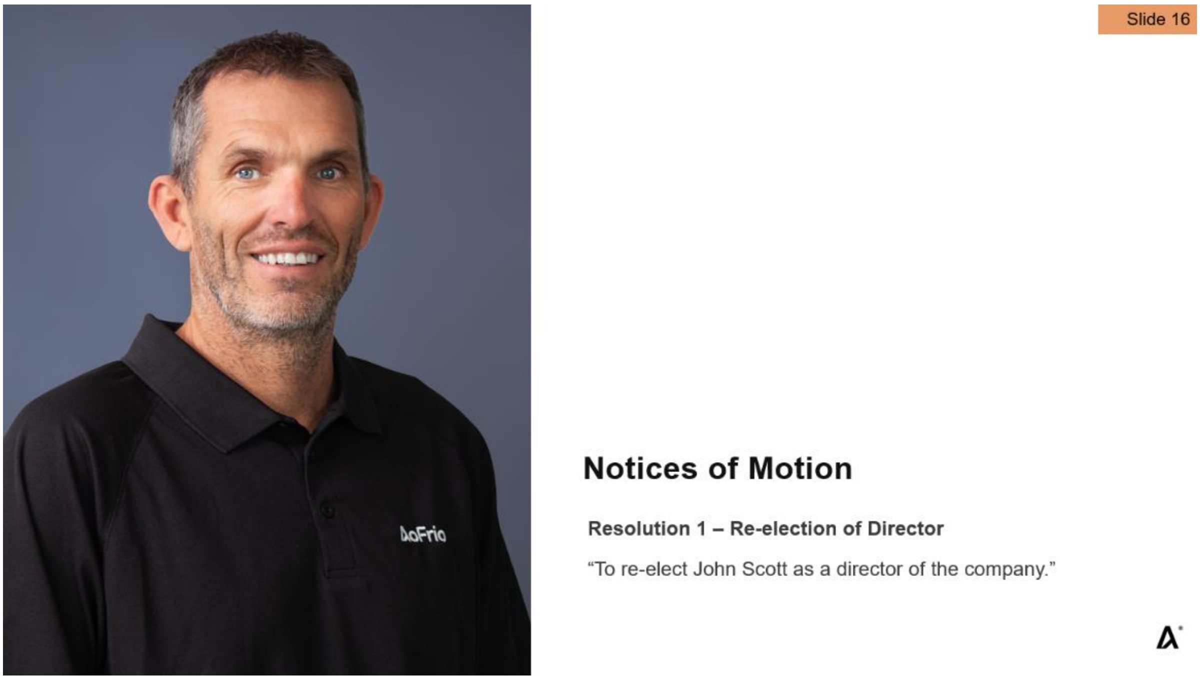
I would also ask you to start asking your questions on these resolutions now, and I will address those questions as we discuss each resolution.

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

Once all the votes have been cast, they will be counted by the Company's share registrar, Computershare.

I will now hand over to John McMahon.

Slide 16



John McMahon:

NZX Listing Rule 2.7.1 requires that the Company's Directors must not hold office without re-election past the third Annual Meeting of Shareholders following their appointment or three years, whichever is longer.

Having been last elected in 2022, John Scott will retire from office at this year's Annual Meeting. Being eligible, he offers himself for re-election as a Director of the Company. The Board has determined that Mr. Scott is an Independent Director as defined in the NZX Listing Rules.

I will now ask John Scott to speak to his reappointment.

John Scott- 'speech'

I will now hand it back to John McMahon.

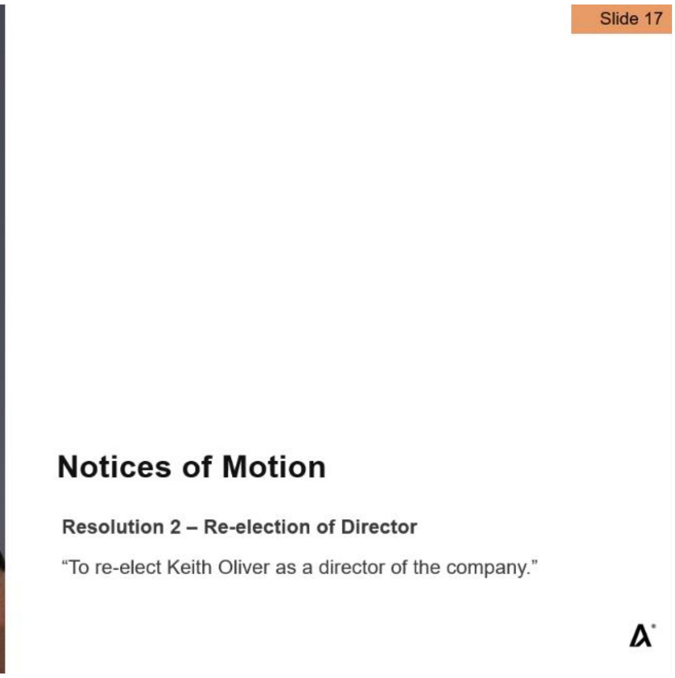
John M

Are there any questions?
I move, as an ordinary resolution, "To re-elect John Scott as a director of the Company."

If you haven't registered your vote online or completed the voting form here today, please do so now.

I will now hand it back to John Scott.

Slide 17



John Scott:

Thank you, John.

NZX Listing Rule 2.7.1 requires that the Company's Directors must not hold office without re-election past the third Annual Meeting of shareholders following their appointment or three years, whichever is longer.

Having been last elected in 2022, Keith Oliver will retire from office at this year's Annual Meeting. Being eligible, he offers himself for re-election as a Director of the Company.
The Board has determined that Mr. Oliver is an Independent Director as defined in the NZX Listing Rules.

I will now ask Keith Oliver to speak to his reappointment.

Keith Oliver: 'speech'

I will now hand it back to John Scott.

John S

Are there any questions?
I move, as an ordinary resolution, "To re-elect Keith Oliver as a director of the Company."

If you haven't cast your vote yet, you need to vote now.

Slide 18

John:

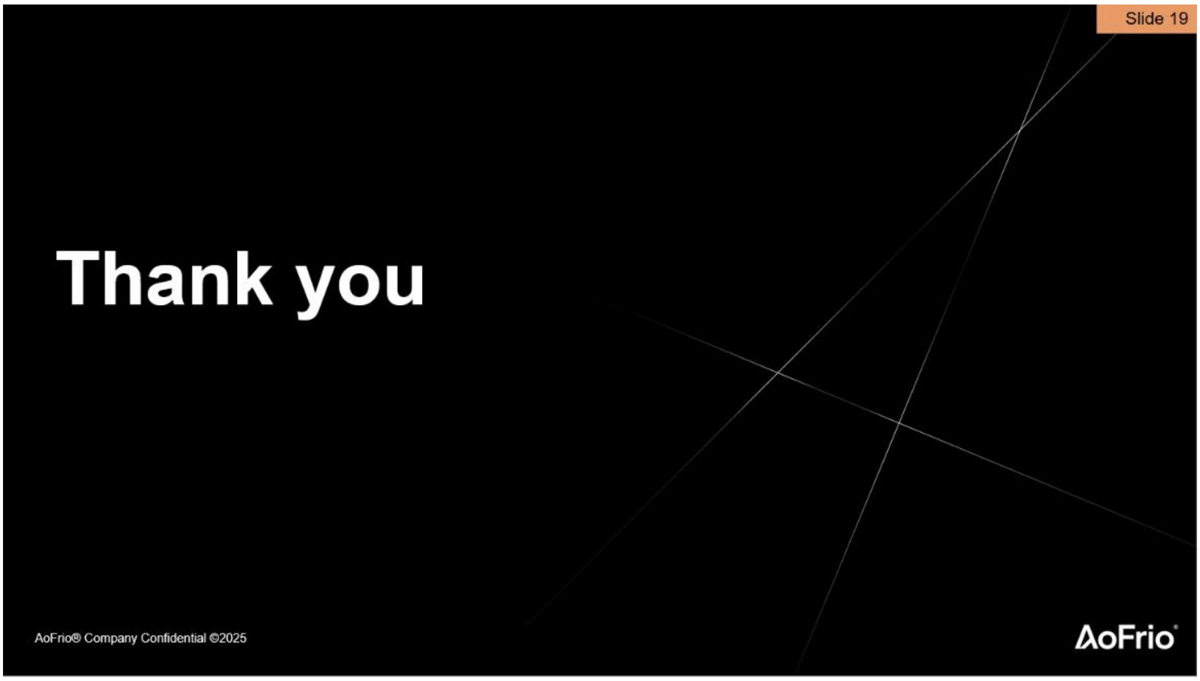
Deloitte is the existing auditor of the Company and is automatically re-appointed by virtue of section 207T of the New Zealand Companies Act 1993.

The proposed ordinary resolution is required to authorise the Directors of the Company to fix the auditor's remuneration for the purposes of section 207S of the New Zealand Companies Act 1993.

I now move, as an ordinary resolution, "To authorise the directors of the Company to fix the remuneration of the auditor for the purposes of section 207S of the New Zealand Companies Act 1993."

If you haven't registered your vote online or completed the voting form here today, please do so now.

Slide 19



John:

Ladies and gentlemen, that concludes our discussion on the items of business. I will close the voting online very shortly. Request Computershare to please collect the voting papers from shareholders in the room.

Thank you. Voting online is now closed.

Thank you for attending AoFrio's Annual Shareholders' Meeting 2025.