AoFrio
Analyst Briefing
May 24, 2023

Meeting Address

Kia Ora and welcome to the Analyst Briefing for **AoFrio Limited.** My name is **Greg Balla,** and I am the CEO of the Company.

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Agenda

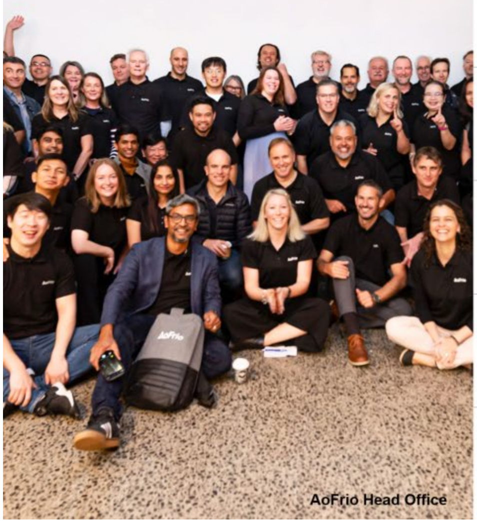
Safe Harbour

We will be making some forward-looking statements today and as these are predictive in nature, they are subject to a number of risks and uncertainties relating to the company, its operations and the markets in which it competes. Some things are beyond the control of the company and actual results and conditions may differ materially from those expressed or implied by such forward-looking-statements.

- Who we are and where we're going
- Building our core business
- Product overview
- New market opportunities
- Summary
- Q&A

Please note the Safe Harbour on the screen.

Agenda



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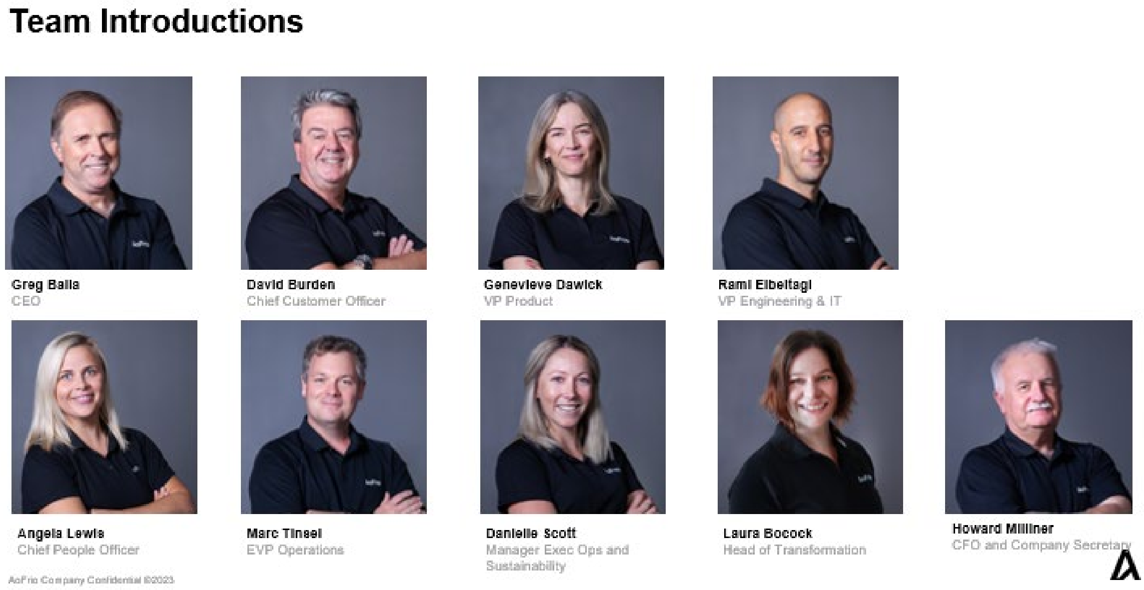


AoFrio is a technology company that helps its customers keep food and drinks fresh and safe at the point of sale. Our main customers today are global beverage brands like Coke, Pepsi, Heineken and they use our technology to manage their fleets of commercial bottle coolers. If you think of your corner dairy, convenience store or supermarkets you see rows of these bottle coolers and our technology is in them all around the world.

We will go into more detail about our technology soon but for a summary our technology collects data from commercial bottle coolers, uses it to optimize the individual cooler but also transmits the data to the cloud where we help our customer get highly valuable insights about their whole fleet.

Historically you would have heard us talk about our business as an Internet of Things or IoT business and a motors and fans business and today about 50% of our revenue is generated from each part of those two businesses.

On the screen now you can see some key data about us and our market today.

Our IoT business for Branded Bottle Coolers started in 2016 and we now have 2 million devices connected to our IoT cloud platform.

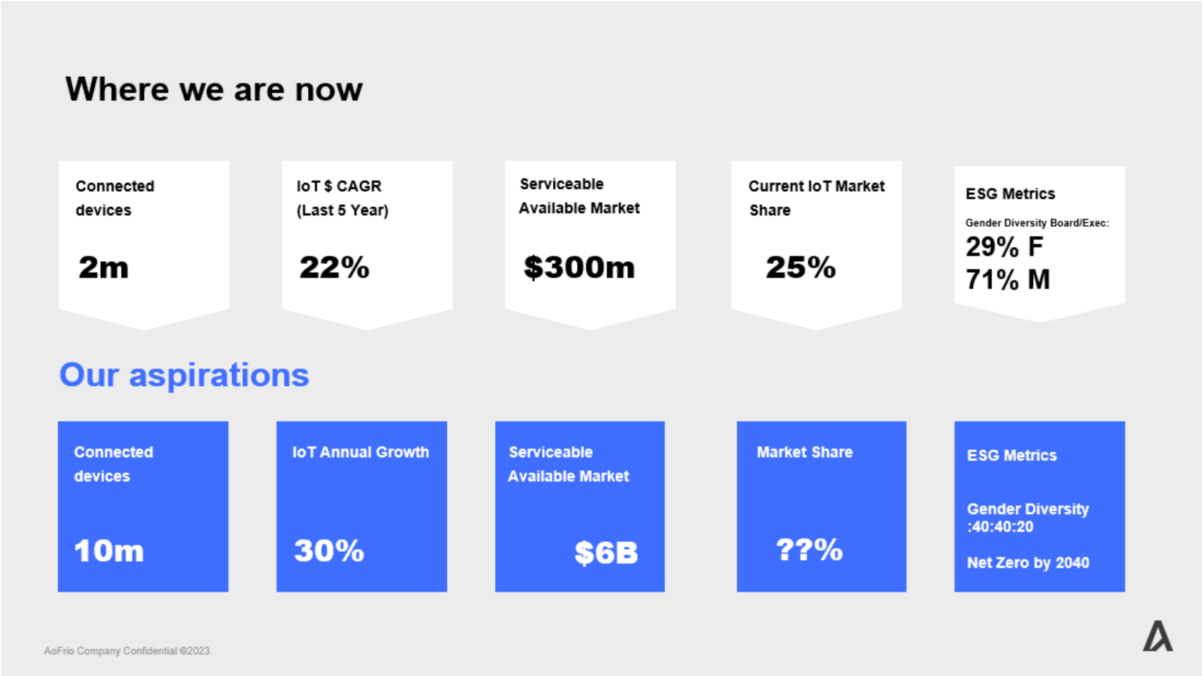
Our IoT business which is now approximately 50% of our revenue has been growing with a 5-year compound annual growth rate of 22%.

The Serviceable available market or the part of the market that we have access to and could have technology for is about $300m annually. This part of the market is called the New Build Branded Bottle Cooler market. The $300m translates into about 3m new branded bottle coolers being built each year and we have about 25% market share for our IoT solution and approximately 10% share for our motors in the new build market.

By using our technology our customers have significantly reduced their carbon footprint improving their ESG performance. We know that ESG is important for us as an organisation, and we are building on our Ecovardis certification to progress this. We are yet to finalise our targets for ESG, but we know that for our customers to achieve their targets our targets need to be the same or more ambitious. The targets we talk about today are our customers or other recommendations. We will be confirming our ESG targets during the year.

But this presentation isn't about where we are today and the operational challenges we are facing, it is about our aspiration and the potential we see for AoFrio in a rapidly growing IoT global market.

Today we are going to explain that aspiration and the approach we are taking to unlock the opportunity we see.



Our plans and aspirations see us continuing to grow in the branded bottle cooler market but also entering adjacent new markets with our IoT and motor solutions expanding our Serviceable Available Market from $300 million today to over $6B.

We believe we can leverage our global footprint, current channel relationships and our leading technology position to accelerate our business over time.

We are only at very early stages of validating the opportunity in these new verticals but today our presentation will outline the desirability of these opportunities, the stage of development of the verticals and why we think we are positioned well to take advantage of these opportunities.

While it will be challenging, we believe we have the capability and have staged plans to assess and if validated enter these new verticals and take share in this $6B market.

We are not looking for additional capital from shareholders to support the strategy we are talking about today; we are planning to cautiously invest the incremental gross profit we generate from our current business to do this.

Our Current Markets

- Branded Bottle Coolers IoT
- Branded Bottle Coolers & Food Retail
  Motors & Fans

New Markets

- Ice Cream
- Food Service & Retail
- Draught Beer
- Medical

Today we are going to talk about our strategy to grow in our current market. The branded bottle cooler market and then after the product demonstration discuss the adjacent new markets Ice Cream & Food Service.

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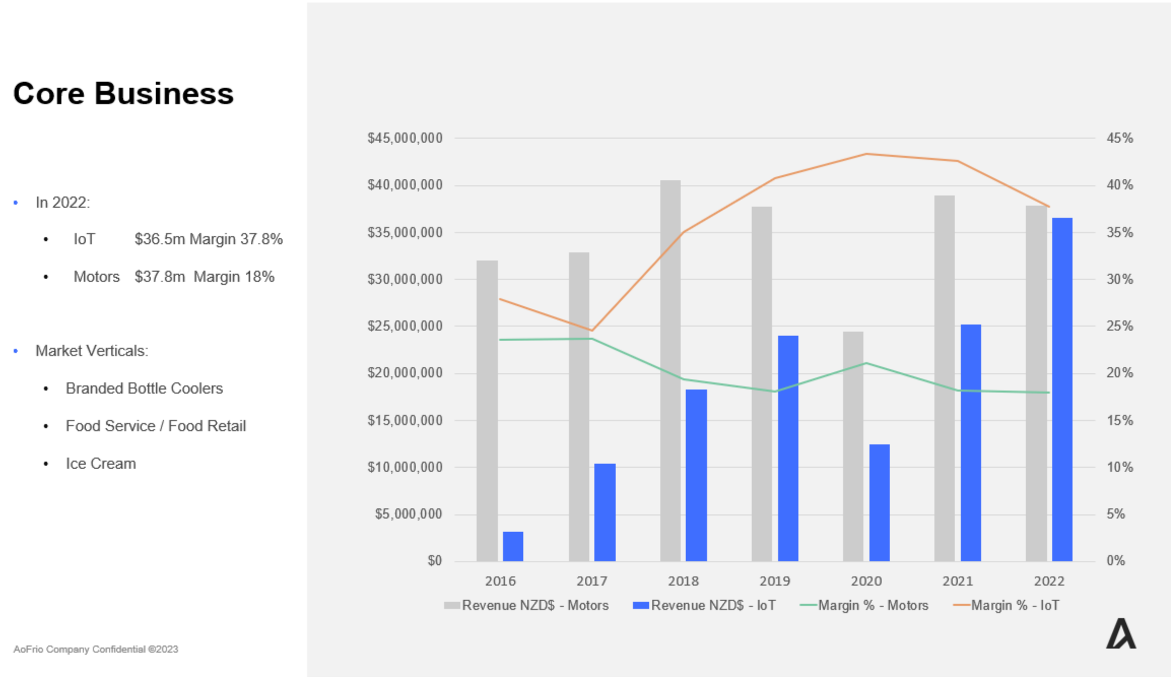


Hello, I am David Burden

In the past, we described our business as a motors and fans business and a IoT business.

As we move forward, and evolve the business, Motors and our IoT products will be incorporated into our key vertical product segments.

This graph represents our former way of reporting, it may be useful to visualise the growth in IoT over time.

The grey bar represents motors and fans NZD revenue, the blue bar is our IoT revenue. Besides our COVID-related blip in IoT revenue, IoT is growing strongly and in 2022 almost matched our motors revenue.

The red line represents IoT margin which is considerably higher than the motors business. IoT margin dipped in 2022 due to increased costs of components and freight charges.

As Greg mentioned, we are discussing three verticals.

- Branded Bottle Coolers
- Ice Cream
- Food Service and Food Retail

Today, I am discussing our core business, Branded Bottle Coolers.

Branded Bottle coolers refer to large fleets of distributed bottlers coolers, usually owned by brands such as Coca-Cola, Pepsi, Heineken, etc.

The fleet size can range from 10,000 coolers to greater than 100,000.

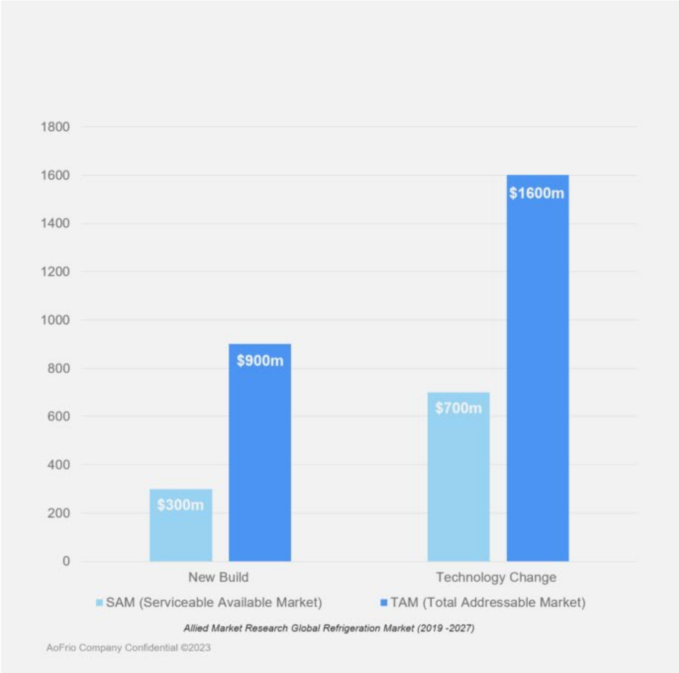
Branded Bottle coolers are a merchandiser for the brand’s products, a way to attract customers and serve them a product at the perfect temperature.

Managing and servicing a large fleet of widely distributed coolers is logistically challenging and expensive. This is why more bottlers and brands choose to use a connected refrigeration Controller or a Monitor device to improve their fleet insights and reduce costs across four value pillars.

A bottler usually replaces 10% of its fleet with new coolers yearly.

Some customers also choose to retrofit their fleet by removing the controller in an older cabinet and replacing it with an AoFrio SCS or by fitting our Monitor device to existing cabinets.

Our insights tell us that customers with over 40% of their cooler fleet connected are generating an ROI considerably faster than those with a smaller percentage connected.



Branded Bottle Coolers

- FY22 Revenue
  - IoT = $36.5m
  - Motors = $9.5m
- 60% of bottle cooler IoT connected devices
- 25% of our motors revenue
- IoT gross margin around 40% and Motor and Fans gross margin 20%
- 2m currently connected devices

The branded bottle cooler market is a very competitive market. It is very price sensitive and for most customers it is about the upfront cash cost as opposed to the total cost of ownership.

Globally, the new build, branded bottle coolers serviceable available market is approximately $300m which translates into 3m new build opportunity for controllers and motors.

With technology changes, we expect the new build market size to double over the next 5 years, as more bottlers choose to add cellular devices for the near real-time monitoring of their fleet.

We also believe that the demand for software-driven insights will steadily grow in future years, increasing the opportunity. An example of these insights includes our preventative maintenance alarm, where we can alert customers, with a high degree of accuracy, the potential of a component failing in a cooler.,

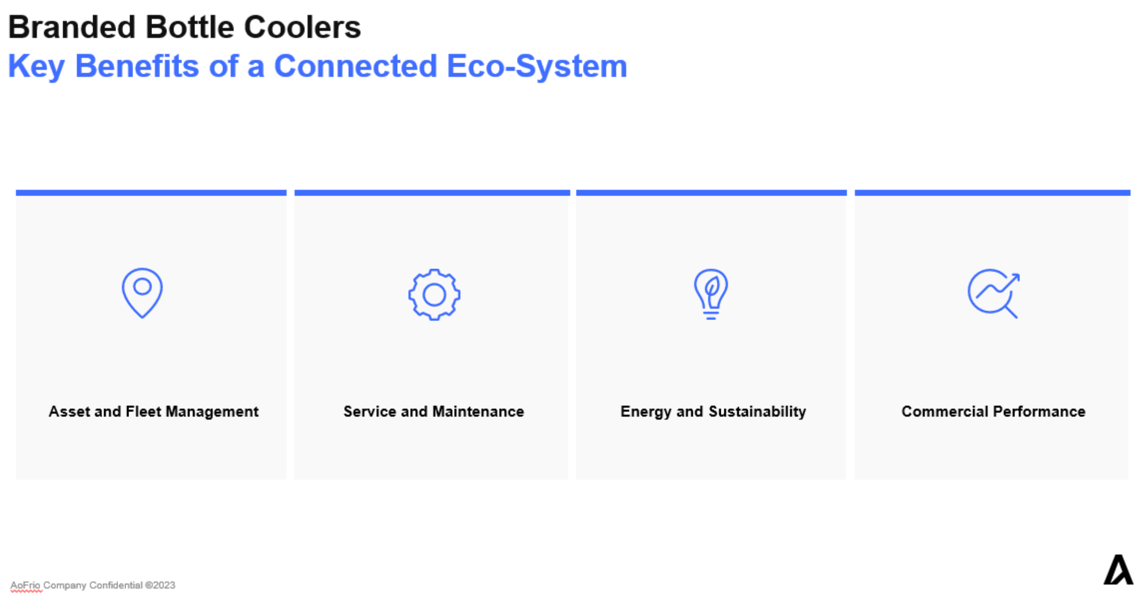
There is also another short-term opportunity to significantly increase the serviceable available market with a retrofit solution which I will discuss shortly.

Of the total number of bottle coolers connected to a cloud platform approximately 60% are connected to the AoFrio cloud. Our IoT hardware is a high gross margin product for us at around 40%. Whereas our typical motor and fan gross margin is around 20%.

Our IoT solution in the branded bottle cooler market is purchased using an upfront cash cost (capex) model. This means we receive cash at the time of the initial purchase for both the hardware and insights software. However, the software from accounting perspective is recognised over the life of the agreement usually 5, 10 or 15 years.

Our IoT and motors bottle coolers solutions are in a rapidly developing market with emerging competition but high growth potential, where we are the market leader.

AoFrio is well placed to keep winning in the market because we are a full solution provider, providing customers both their hardware and software to meet their needs. We also invest in in- region customer enablement to support customers to leverage the insights our ecosystem provides.



In a few minutes, Rami will demonstrate our technology and explain how customers are driving ROI from AoFrio’s innovation.

Within the Branded Bottle Cooler segment, we identified four key value pillars that dramatically impact a customer's ROI through investment in IoT and AoFrio insights.

Asset theft and loss is a problem for the Branded Bottle Cooler market, cooler loss ranges from 2% to 20% in different markets.

Recently in Brazil, due to our installed technology, we successfully worked with our Customer Andina and the local Police to recover many “missing coolers”, as Andina proved ownership through their remote control of the coolers.

AoFrio’s solution also provides:

- Accurate asset location tracking
- Reduction of administration and simplification of asset auditing

- Support for asset loss prevention and recovery, reducing capex spending on new equipment.

Service and Maintenance is important because:

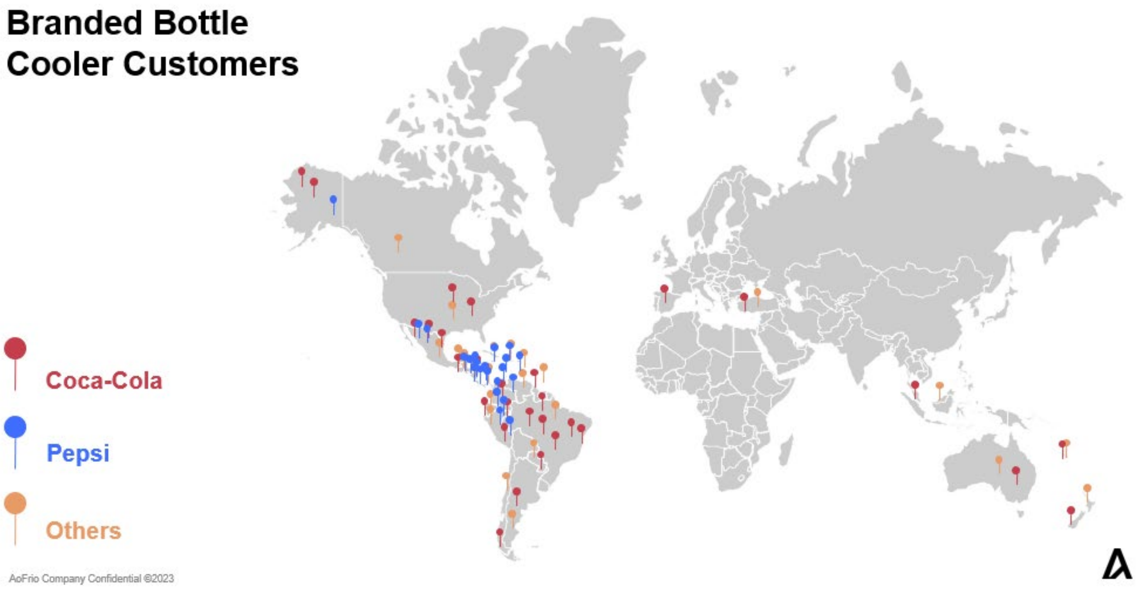
- Broken or poorly performing coolers greatly impacts product sales, affecting both the bottler and the retailer.
- One of the sales inhibitors is Coolers serving the wrong temperature product. Who will choose a warm bottle of beer over a cold one?
- AoFrio's data insights alert bottlers to both existing and unexpected problems allowing rapid corrective actions, often before they occur.
- We can also reduce unnecessary service calls by identifying false positive events; for example, a cooler may have iced up because the door was propped open too long during restocking. By understanding this event, we can calm the shopkeeper who has called for service and explain that the cooler will right itself.

Within Energy and Sustainability insights our customers use data and insights to support:

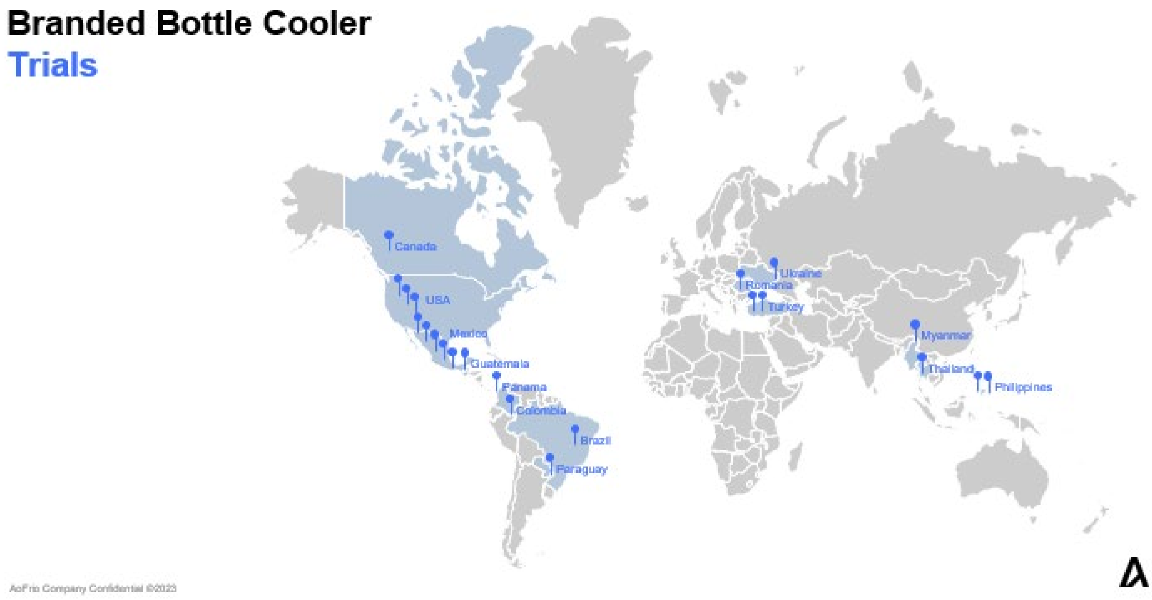
  - Optimised asset and fleet energy consumption supporting safe and desirable product sales temperatures.
  - Help to Implement and measure business ESG strategies, power saving and Carbon footprint reduction.

Our data insight ensures our customers get an improved ROI from their fleet.

- we can Optimise asset use and placement:
  - Right-sizing of underperforming assets and ensuring coolers are located in the high footfall channels.
- And through Storekeeper training and engagement:
  - We can optimise cooler reload time, so it occurs before the peak sales time.
  - By making sure coolers are not turned off at night, as it uses more energy cooling the drinks when repeatedly turning the coolers back on each day.
  - Through our insights, we can detect the Cooler's purity; the degree to which a cooler displays the correct stock for the Cooler's brand.



We have two customer types within our Branded Bottle Coolers vertical, the brands themselves, usually operating a local bottler for the overarching brand, and Original Equipment Manufacturers who manufacture under their own brands.

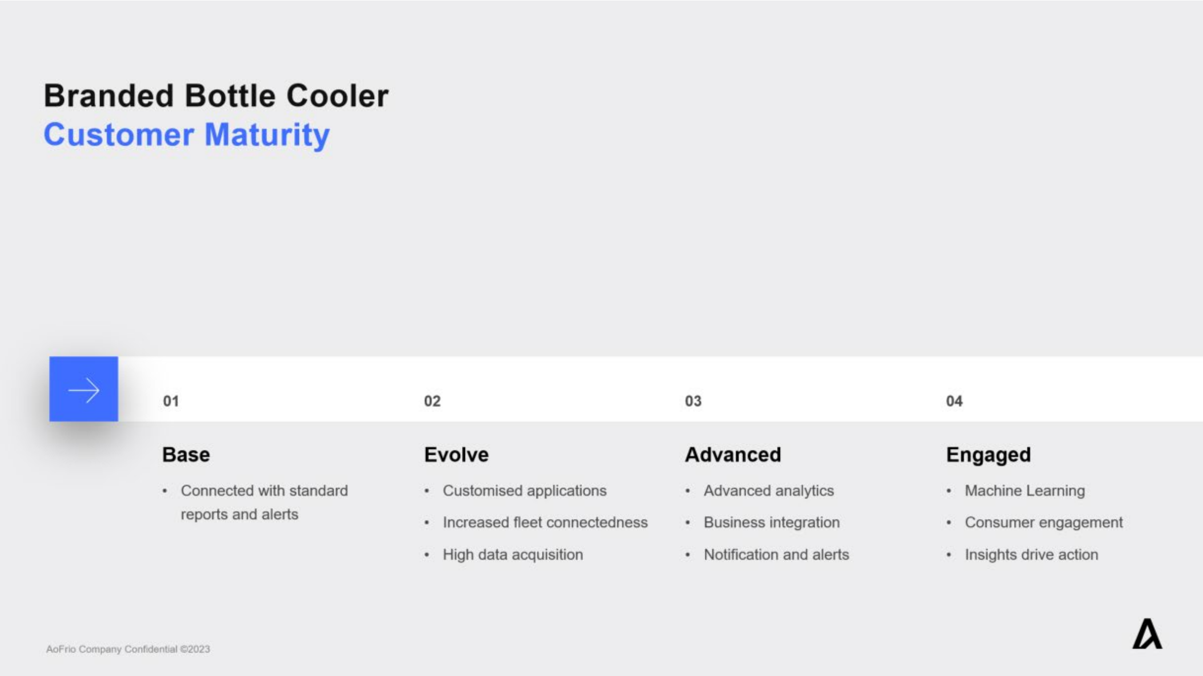


Here is a snapshot of the countries our current proof-of-concept trials underway are in.

We see expansion opportunities for our technology in Europe and North America.

Later, you will also see some trials being carried out under our food services banner in many of the same countries.

Most new customers require proof of concept to ensure that their internal systems and processes can extract the value that our solution brings to them.



Our strategy for the market continually evolves, and our approach is regionalised.

Most customers sit within our Base or Evolve offering. An example of the base offering would be bottling cooler location and temperature profile,

Two customers have now entered our Advanced stage and one customer is moving towards an Engaged stage. Our most engaged customer is working with us a machine learning solution where our maintenance algorithm identifies bottle coolers that are about to break down and why, the customers solution then initiates an action with the type of repair predicted included. We then receive feedback from the maintenance activity which allows us to refine our algorithm to improve prediction accuracy.

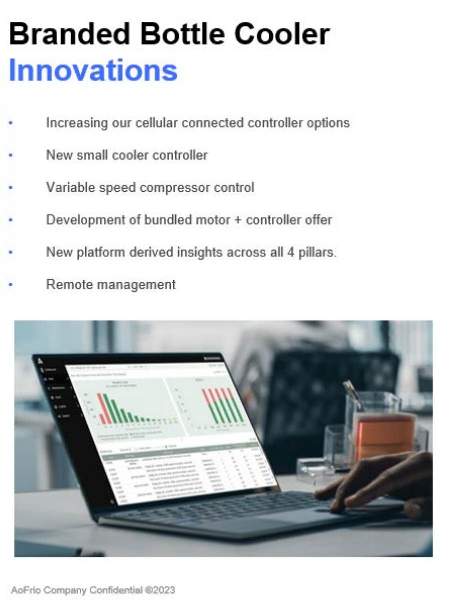
The journey to Engaged is driven by two key things; the level of connectivity of the fleet (one of the reasons our retrofit program is a key driver of this activity) and the willingness to understand the data and adjust their own business processes to drive value.

Our traditional market in LATAM continues to grow with new cooler builds. We are also focused on retrofitting existing coolers in the field with either new SCS controller kits or our battery-operated Monitor devices.

We have found that the sweet spot for data insights from a cooler fleet occurs when the bottler tracks more than 40% of their entire fleet. Our retrofit programs help bottlers achieve this at a faster rate than relying on new builds alone.

In the North America market ensuring that new build coolers are cellular connected for regular data transmission is now mandated by Coca-Cola. This represents an exciting opportunity, one we have started to address with our Network Pro, along with developing a connected controller.

In Europe, power and sustainability are the most important drivers, while sustainability and low power consumption are not yet such important factors in the Americas.



As the leading innovator in the technology for branded bottle cooler management:

- We are seeing growth in cellular connected controllers, currently the focus is on data collection, but we believe this will quickly switch to a requirement to remotely manage a geographically dispersed fleet.

- Having a range of connected solutions is important. Our Network Pro leads the industry in being able to connect a space that holds up to 16 controllers.

- AoFrio's SCS controller is one of the few controllers that allows motors to be variably controlled. By not having motors running constantly at full speed we can reduce energy consumption, resulting in a quieter cabinet and extending the life of components. Technology change has allowed us to start working on a solution that has the potential to reduce energy consumption on a commercial refrigerator by as much as 30% by leveraging the capability of both our AoFrio controller & AoFrio motor with a variable speed compressor. We currently have an initial solution under test with one our customers and if the energy savings are proven it will provide another significant reason to buy both our controller and motor as a package for this market.

- As our insight's platform evolves, increased ROI will deliver increased value to customers through new features and services, over time this platform will allow for the remote management of a distributed fleet and when customers can reduce service calls and control their fleet over the cloud, significant cost savings will ensure.

So, how do we win in the Branded Bottle Cooler vertical?

AoFrio remains the only player with its own fully integrated hardware solution. For many customers, this is their preferred way of engaging a vendor, and we continue to develop an agnostic approach for those customers that prefer multiple vendors.

We provide high support to both bottlers and our OEM customers. Local teams maintain these relationships, and we have the industry leading field support.

We are one of the few suppliers that offer in-factory support to our OEMs through our hardware and software solutions.

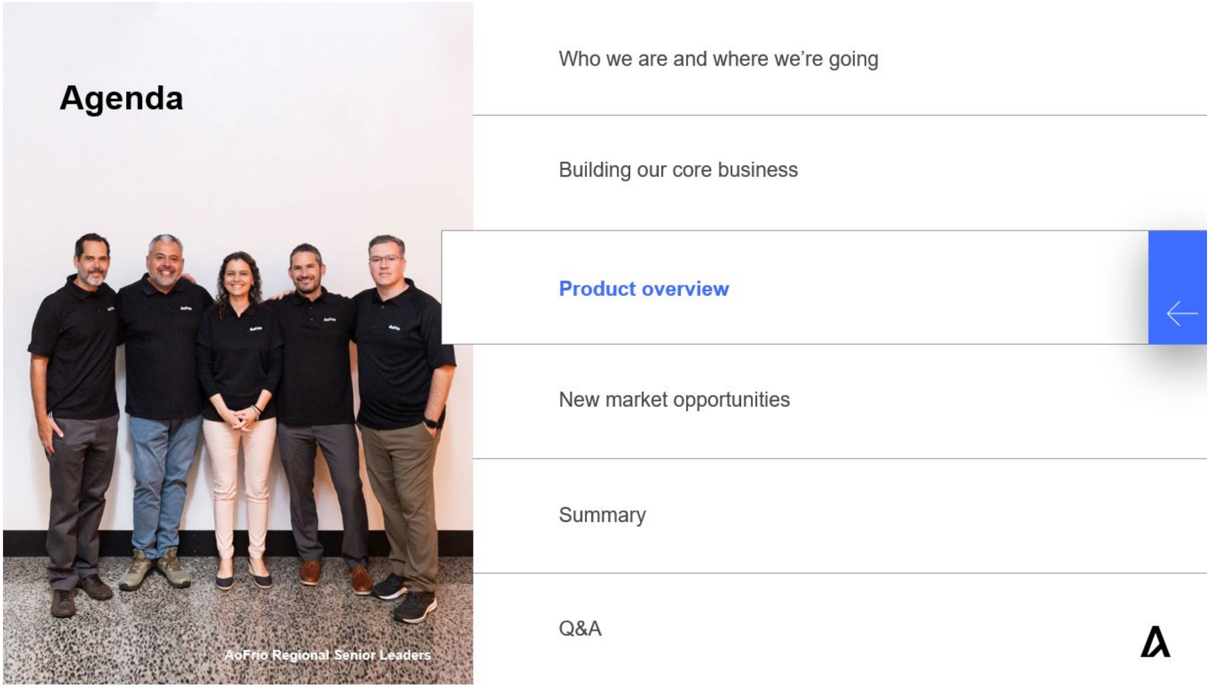
Our Wellington Motors remain one of the most efficient, power-saving motors in the marketplace. Their proven quality, low noise and IP67 rating make them one of the most reliable motors in this sector. They do have a higher initial price but a much lower total cost of ownership over the competitors.

Our products and engineering teams are highly focused on the continued development of insights for fleet owners; these insights not only help our customers save costs but also assist them in reducing the power consumption and carbon footprint of their bottle cooler fleets.

Next, we want to ensure that our customers completely control and manage their fleets remotely. This will be a quantum step in refrigeration asset management.

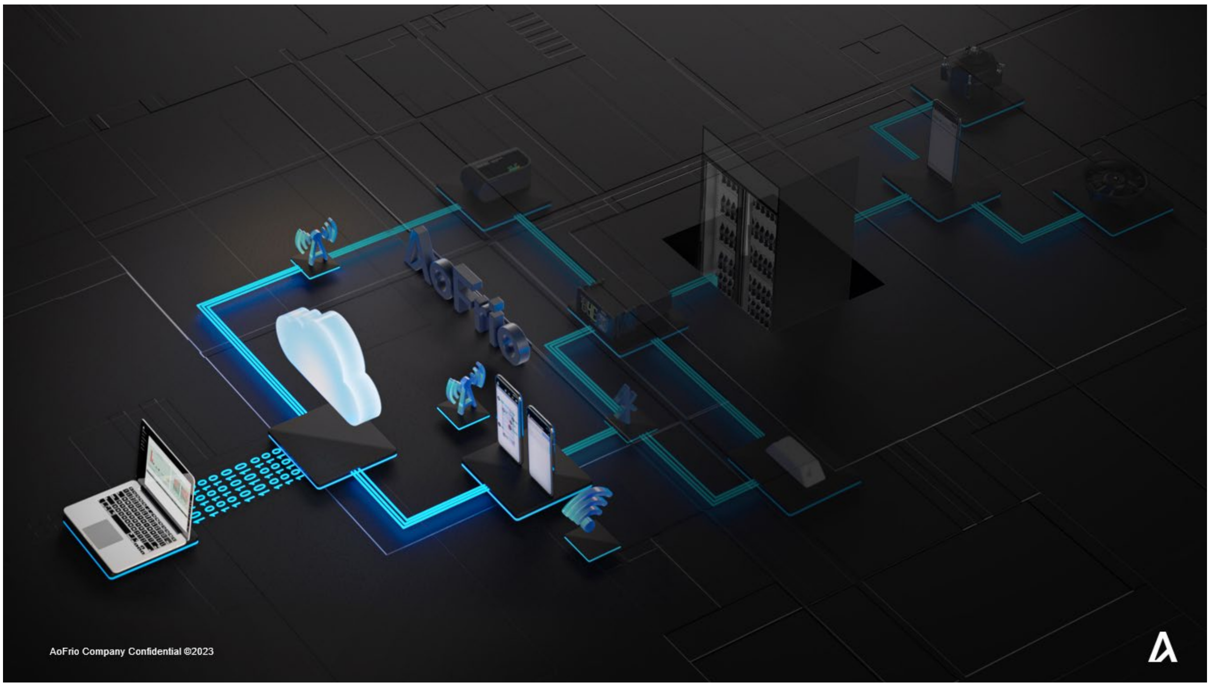
So, in summary the key strategies to help us continue to grow in the branded bottle cooler market are.

1. Geographic expansion as we enter North America and Europe
2. Support customers to retrofit.
3. Drive energy efficiency with variable speed
4. Move customers along our data insight's maturity scale.
5. Develop a connected solution for small Branded Bottle Coolers



Hello everyone, I am Rami Elbeltagi VP Engineering and I am here today to talk through our product overview to showcase the breadth of our offering.

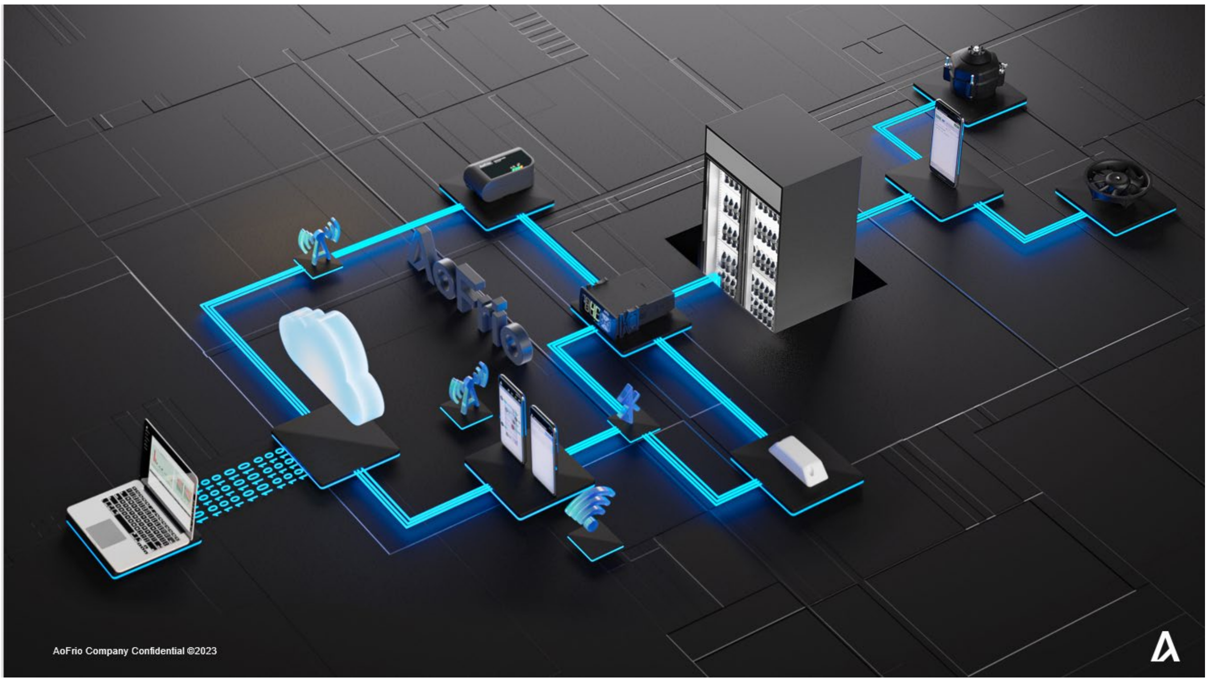
I will also talk you through examples of how we provide value to our customers through our value pillars.



We provide value to our customers through actionable insights enabled by the vast amount of data we collect. Our unique difference is the breadth of our product portfolio across both hardware and software. No one else provides an end-to-end solution for bottle coolers.

This is across both retrofits as well as new builds.

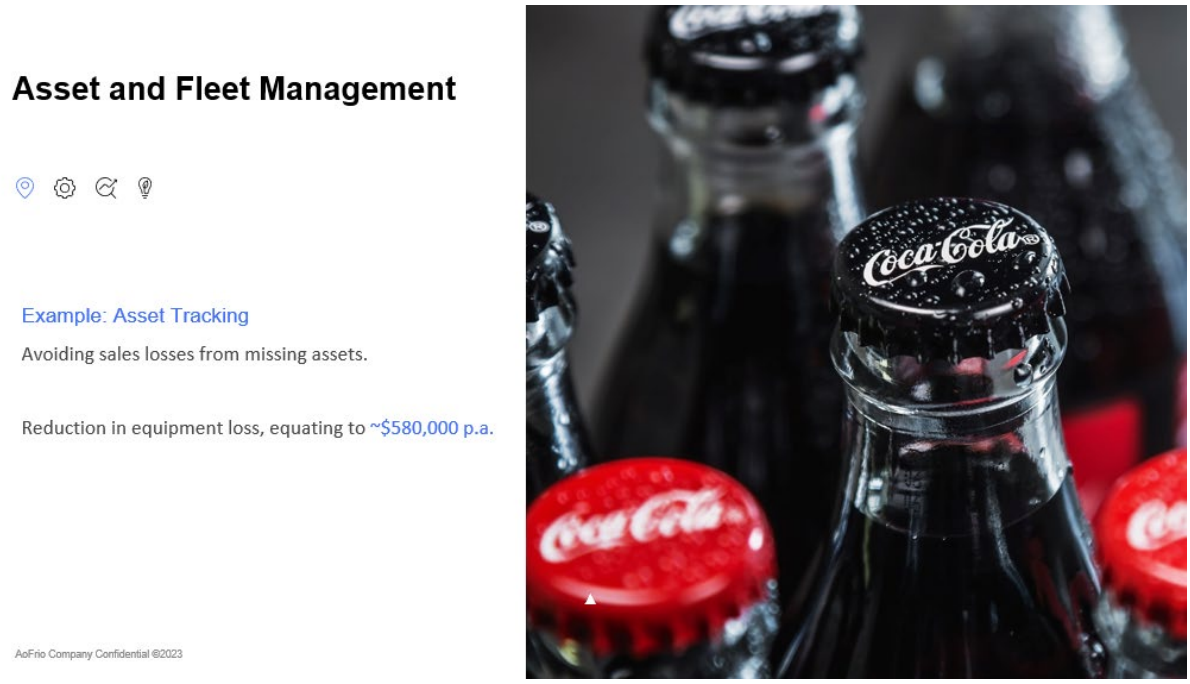
To the left you can see our software offering across mobile, web and desktop. The transmission of data for insights is enabled through wireless communication technology of Bluetooth, cellular and Wi-Fi.



To the right you can see our hardware that helps monitor, control, connect and operate coolers. This includes our Monitor, SCS controllers, Network Pro cellular gateway and our ECR motors and fanpacks.

This hardware and control system means we can optimise an individual cooler.

But then we can scale that up to an entire fleet of hundreds of thousands of coolers, improving our customers' actionable insights.

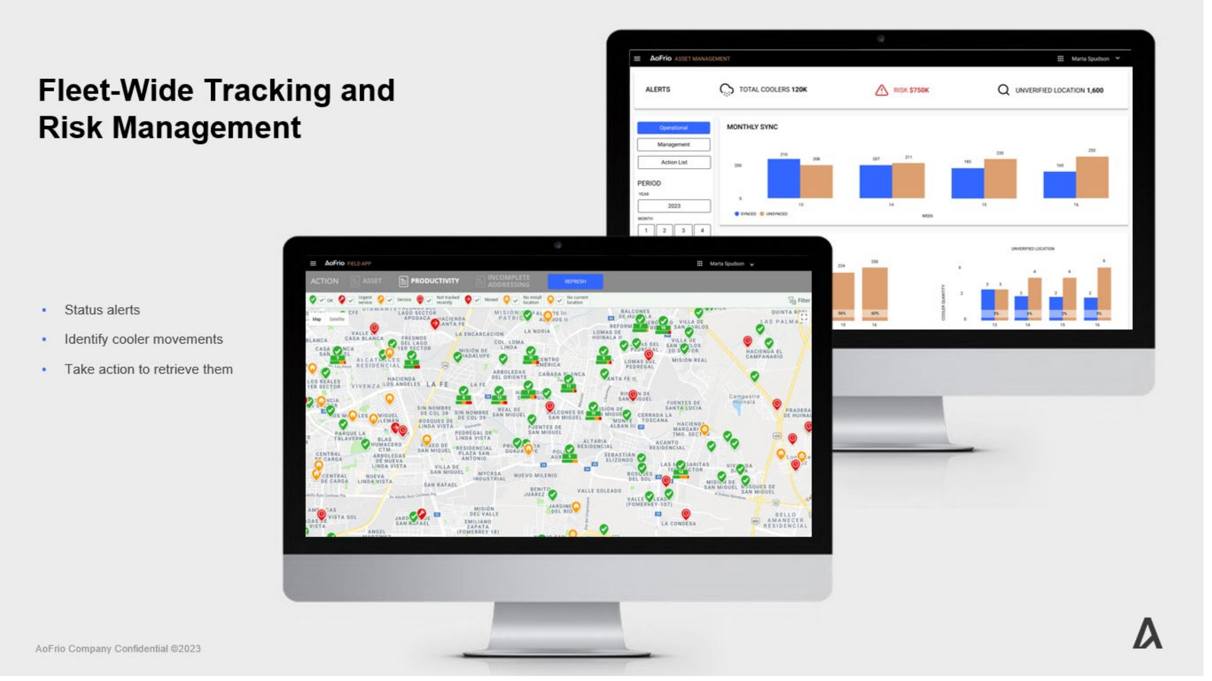


I'd like to talk you through a recent case study that touches on some of those key actionable insights across our value pillars.

Like many of our customers, Coca Cola Argentina were losing track of their fleet of coolers.

Using our data, they were able to reduce equipment loss by $580k/year.

Here's how.



Through the data we collect and its scalability we are able to provide constant passive surveillance across their whole fleet.

Not only that, but we're also able to provide rapid identification of equipment with unverified location.

This has resulted in a 30% reduction of equipment loss which provided that $580,000 savings per year.

What's important here, and why our customers really valued this is the saved time they get from being able to retrieve their equipment quickly rather than buying, delivering and commissioning new equipment.

Service and Maintenance

Example: Prioritising Service Callouts

Avoiding sales losses due to equipment malfunction.

25% reduction in service calls, improving response times by 1 day

With a large fleet of appliances around the region, service & maintenance is a costly exercise for our customers.

Back to our example, our customer Coca Cola Argentina were able to use our solution to reduce their service calls by 25% and improve their response times by 1 day.

Prioritized Service Requests, Asset Performance Insights

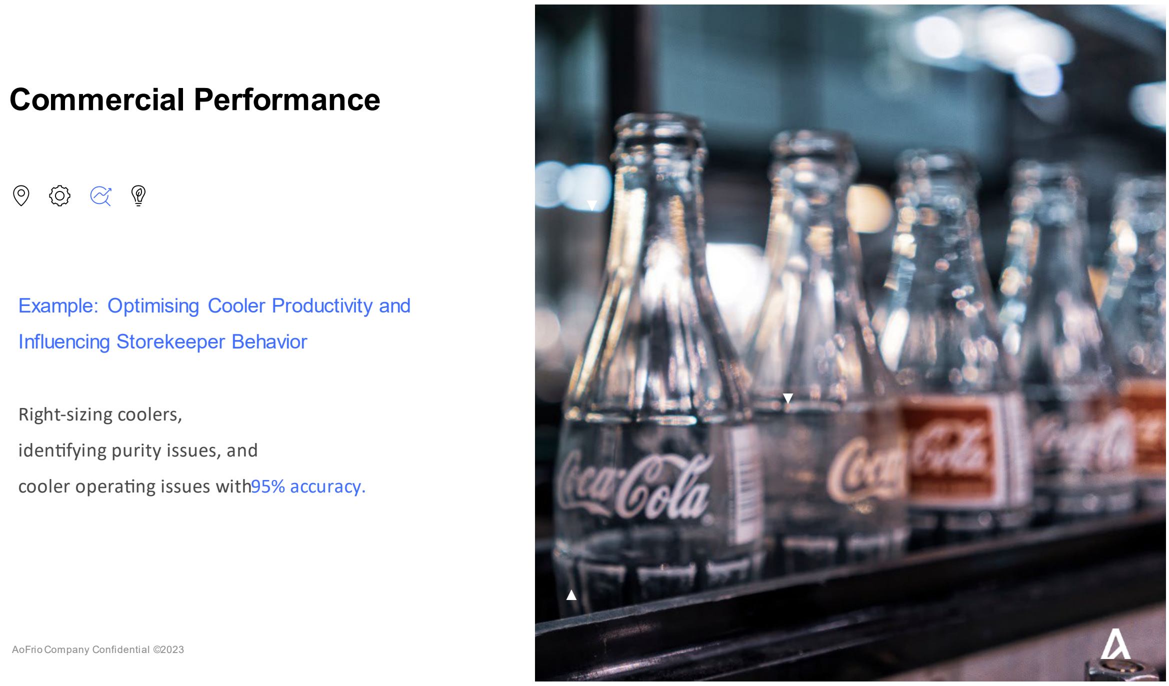
- Faults split by high and low priority.
- Drill down to individual asset performance.

Through the data we collect our solution can detect and notify when maintenance is required.

This is enabled due to our refrigeration expertise.

The prioritised service request view enables asset managers to schedule the most important maintenance jobs first. This helps minimise asset downtime.

We also provide the tools to dig into the diagnosis prior to attending to any fault. This helps the service staff be equipped with the right tools and parts at every visit.



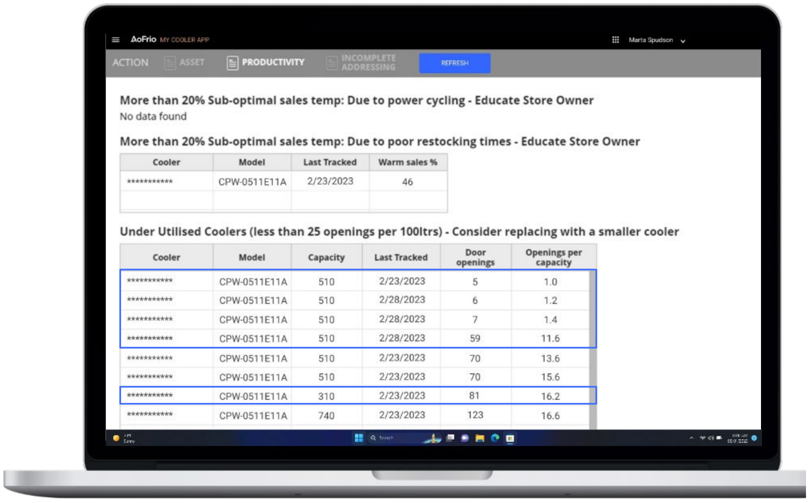
We also support our customers with their commercial performance.

We do this in multiple ways. A couple of examples that I’d like to touch on today are optimising cooler productivity and influencing storekeeper behaviour.

In the case of Coca Cola Argentina, we were able to identify opportunities for them to do this with 95% accuracy.

Cooler Productivity

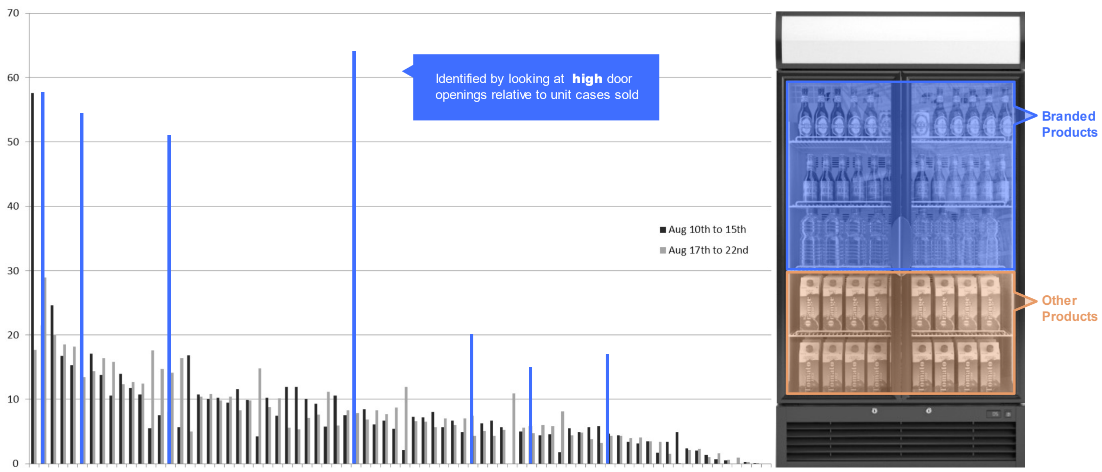
- Identify and optimise placement of high and low performing coolers



With the data that we collect, we can accurately provide a view of the utilisation of the coolers across our customer's fleet.

This enables them to make informed decisions on rightsizing their coolers to each store.

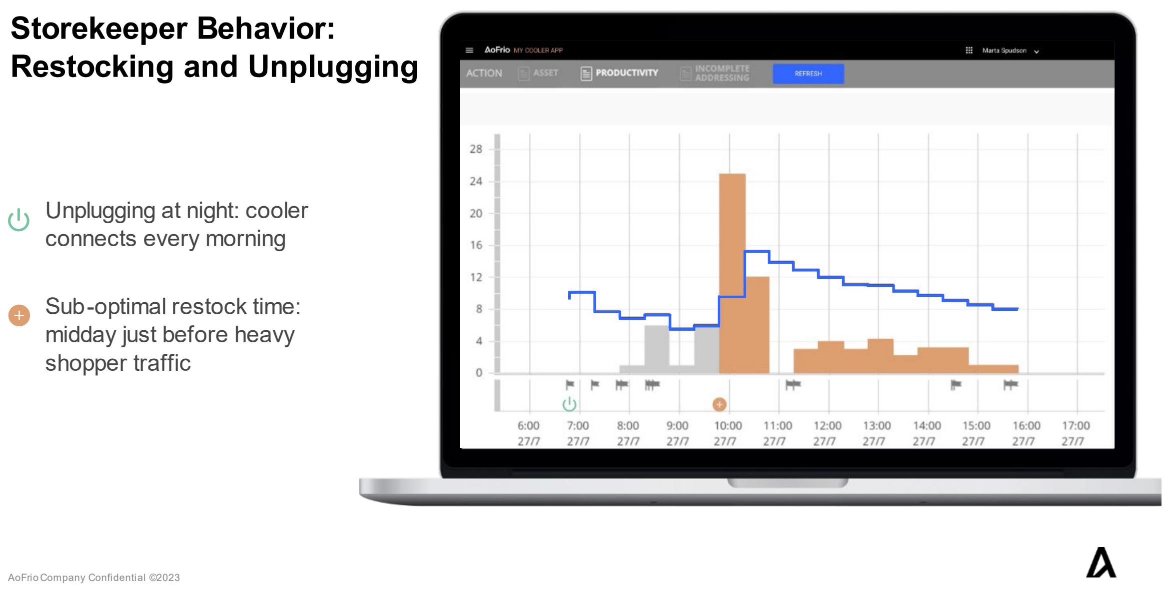
Storekeeper Behavior: Cooler Purity



We also look at ways of influencing storekeeper behaviour.

One of the things that often happens is they start to use the cooler to sell off brand products.

We can detect this, therefore identifying which stores are a problem.



With the data we collect, we can also tell that they’re unplugging their coolers at night.

As well as whether they’re reloading at suboptimal times.

This matters as the product will not be at the right temperature.

No one likes a warm coke.

Ultimately being able to collect this information enables our customers to have good dialogue with their storekeepers to influence their behaviour.

Energy and Sustainability

Our ecosystem of products can deliver real time system control, data and insights to support:

- Optimised asset and fleet energy consumption, supporting safe and desirable product temperatures
- Carbon footprint reduction initiatives
- Implementation of business ESG strategies

https://www.unido.org/our-focus-safeguarding-environment-implementation-multilateral-environmental-agreements-montreal-protocol/energy-efficient-and-green-cold-chain

https://habcomfg.com/how-much-power-does-a-commercial-refrigerator-use/

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The refrigeration sector accounts for 17% of Global Energy Consumption

17%

The (US) average commercial refrigerator uses 17,000 kwh per year - two times the average household.

17,000 kwh p.a.

Commercial freezers can draw down 38,000 kwh per year 4 times the average household

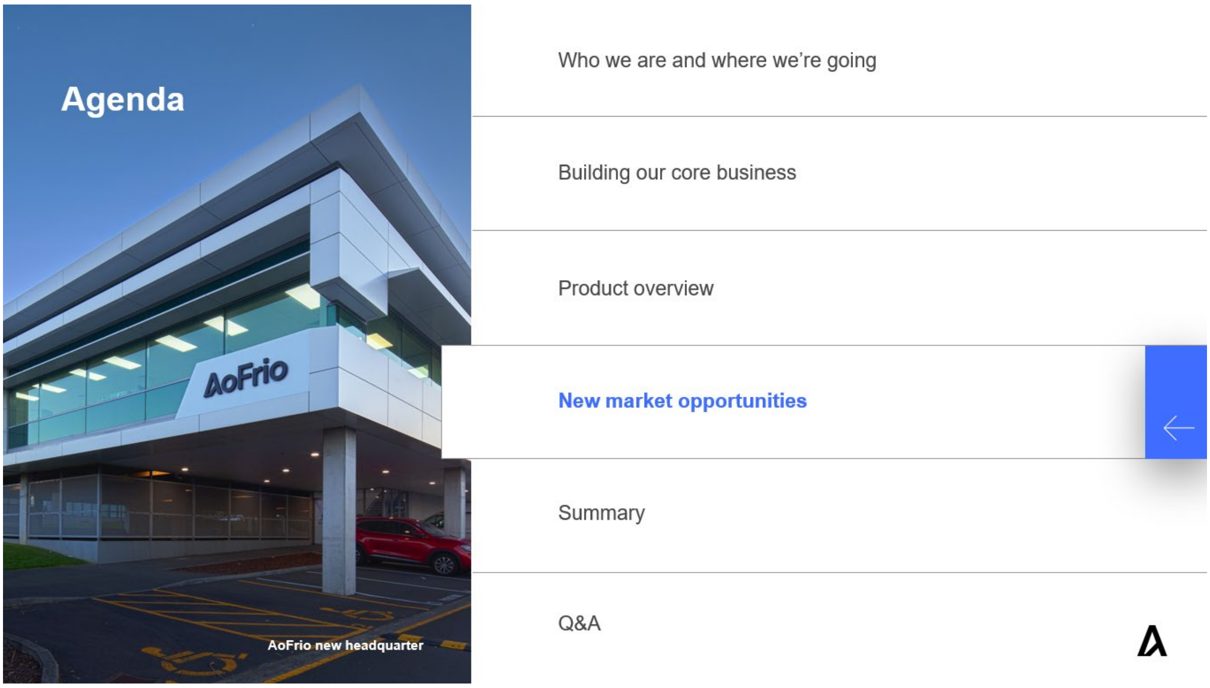
38,000 kwh p.a.

There is a growing need for better efficiency of refrigeration equipment worldwide.

We believe we can have a big impact on the carbon emissions not just at the individual cooler, but also across the entire fleet.

With the data we collect our customers can implement energy reduction initiatives and actively monitor their energy use.

This ability to track actual energy use across the fleet would also benefit ESG and sustainability reporting, as our customers would not have to rely on estimates.



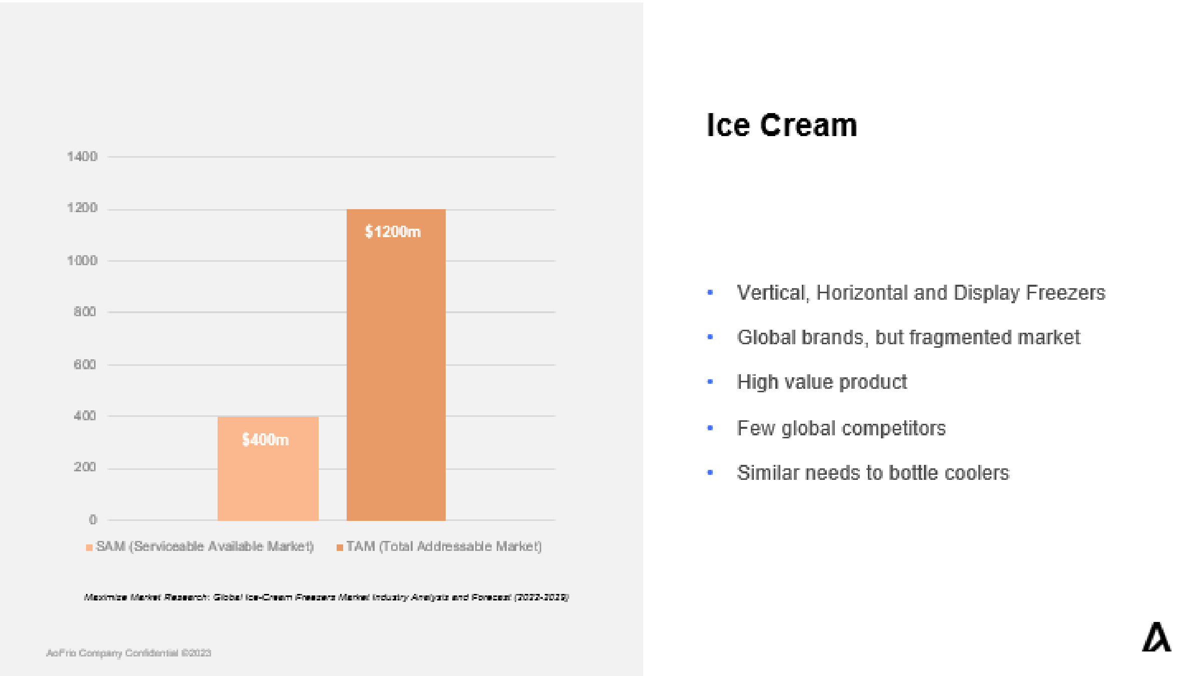
Hello everyone, I am Genevieve Dawick VP Product and I am here to discuss the new market opportunities in our strategic plan.

You've heard a lot about our existing markets and core capability that we will continue to protect and grow. What I'd like to touch on now is our growth strategy for expansion into new market segments.

We are in the process of exploring adjacent markets that will enable us to:

- Increase our margins,
- Establish recurring revenue streams.
- Diversify our customer base,
- And provide long term growth potential.

We have selected Ice Cream Brands as well as the Food Service and Retail space as our top priorities because we think they give us the best opportunity to leverage and build from our existing product investments.



The Ice Cream segment is similar to branded bottle coolers in that we have large brands that deploy their fleet of freezers to the point of sale in order to sell their product.

This means they have many of the same pain points already addressed by our value pillars, with a few key differences that we have been learning about as a part of our early customer trials:

- Although there are large global brands, this is a more fragmented market with few global competitors.
- One key difference to non-perishable beverages is that ice cream quality for consumption is dependent on a constant and reliable low temperature throughout the distribution chain to the point of sale. This means we may also need to consider new types of alarms as well as transport and storage scenarios. And we have some of these scenarios under trial at the moment.

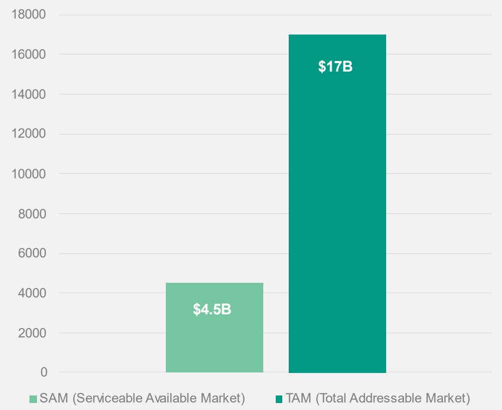
- Use of our products in freezers has also introduced some new future product requirements.

As mentioned, we already have some trials underway in this space, with an early minimum viable product (MVP) in market and a customer who has placed a significant order with us.

While it has taken us seven years to get to where we are with an IOT solution in the branded bottle coolers space, we anticipate we can be much faster to market with Ice Cream because:

- We already know how to do this.
- We have in-region relationships with customers with whom we can work closely on a solution.
- We have an existing product base to build on.
- We have a customer willing to work with us to develop beyond MVP.

What we're doing next is confirming our roadmap for this segment, which we'll continue to evolve over time, positioning us to capture a significant share of the available market.



NZTE Small Box Retail Dynata Research & Allied Market Research Global Refrigeration Market (2019/2017

Food Service and Food Retail

Food Retail:

- Small/mid-size supermarkets,
- Convenience stores
- Micromarkets

Food Services:

- Restaurant chains,
- Fast-food chains, Quick service restaurants
- Cafes

The food retail and food service space include mid-size supermarkets, convenience stores and micro markets or food service companies such as restaurants and fast-food chains. These are organisations that manage multiple sites and are interested in managing their equipment, the quality and safety of the food and beverages they serve, and their staff environment and processes.

We have excluded large hypermarkets from this segment as their product needs are more complex and they are already served by large competitors.

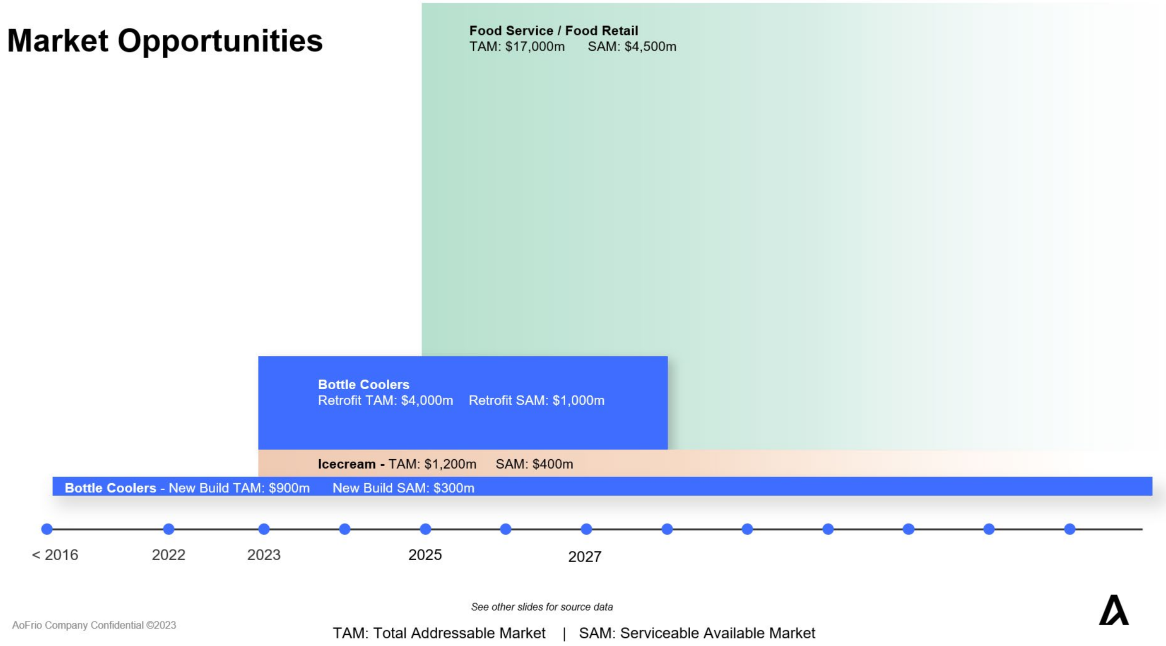
With a Serviceable Available market of $4.5B, this market presents us with an opportunity because:

- We have existing products that require minimum modification to suit this market.
- The market is highly fragmented with attractive gross margins and no key global players.
- In fact, initial research we've undertaken in the US with NZTE suggests the market is receptive to recurring revenue models and IoT gross margins of 60%-80% from hardware and software.
- Plus, we have initial channel access with our established Motors business - about 75% of which is sold into food retail.

We are undertaking 5 key trials across these new segments globally. They are designed to help us develop our understanding of the segment requirements in areas such as micro markets, freezers and the management of warm and ambient spaces.

- The purpose of these trials is to leverage our existing products with early adopter customers.
- This approach enables us to learn and deliver value using what we have, while identifying product market gaps.

- Then we innovate to close those gaps locally and prove value on a small scale, before extending our solutions globally.
- While there are some differences as we move up and down the temperature range from freezers to hot food, as well as across the distribution chain, having our product out there in the field, already working helps us to iterate fast, and focus our team on key gaps that will help us achieve product-market fit.

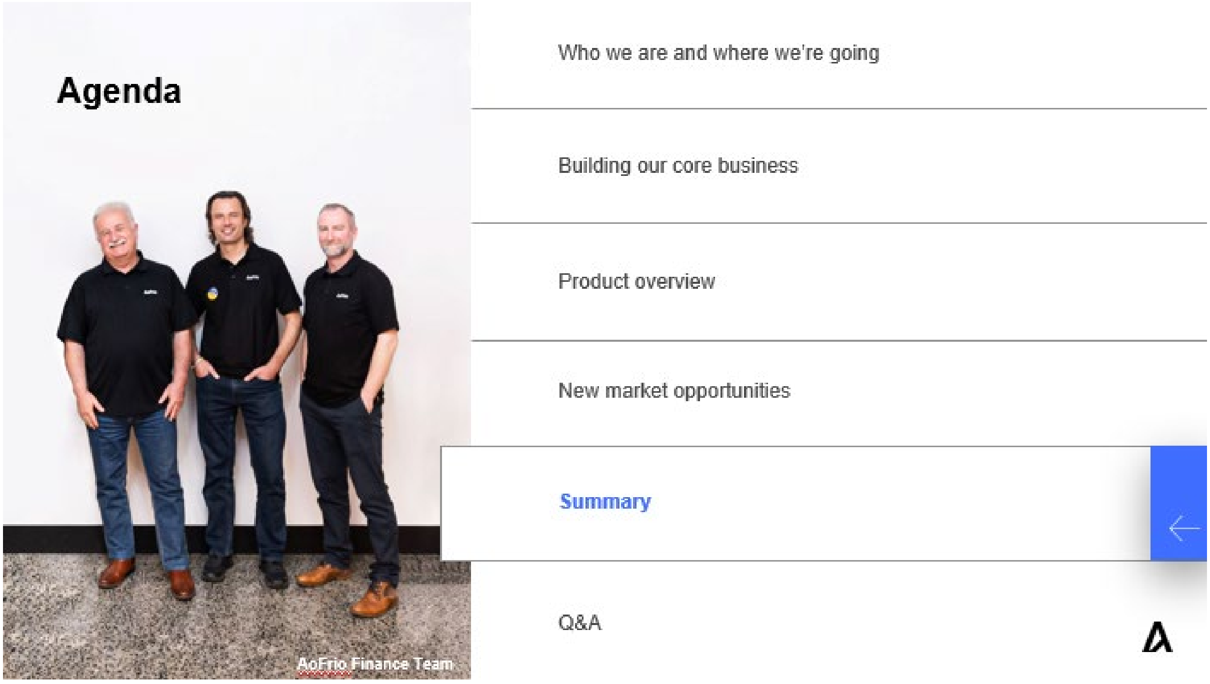


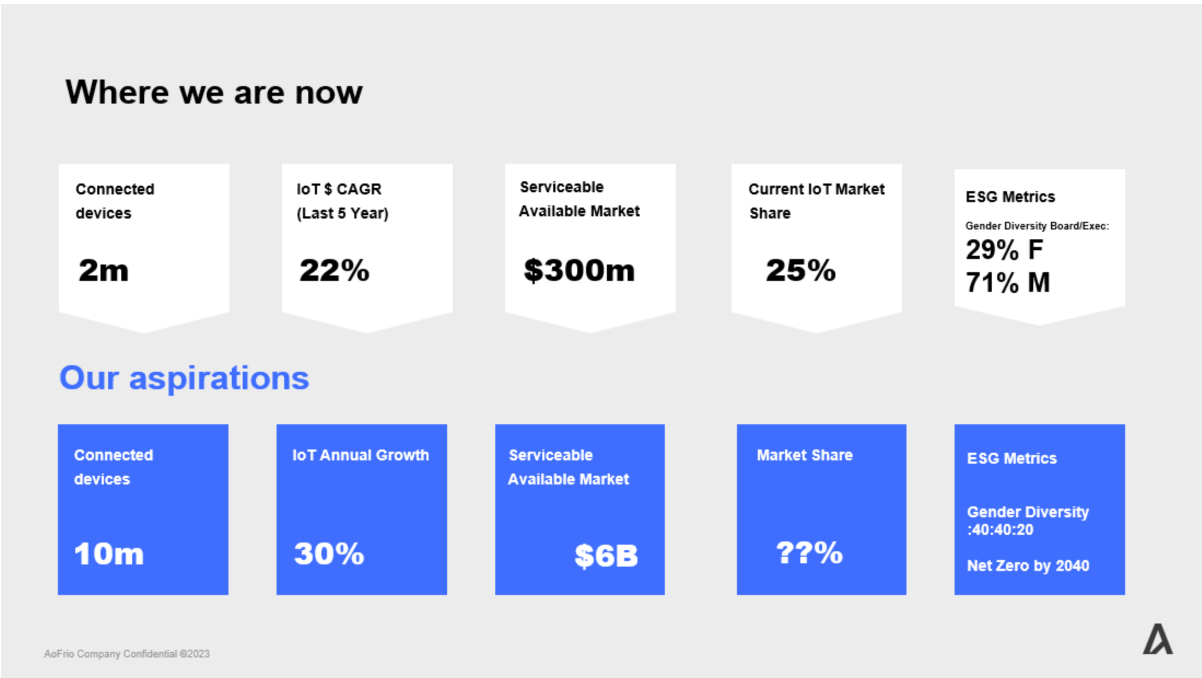
Finally, this is what our existing, plus new target segments look like when we pull them all together. As you can see, there is no shortage of opportunity, and a targeted expansion from our core business into these new spaces will support our growth, recurring revenue and diversification objectives.

Our plan is to use the incremental gross profit we generate to fuel this growth and deliver on our new opportunities without relying on additional shareholder capital.

So really, now it's up to us to execute well on our growth and product strategies as an early mover in these new segments.

I'll now hand back to Greg, our CEO who will sum things up:





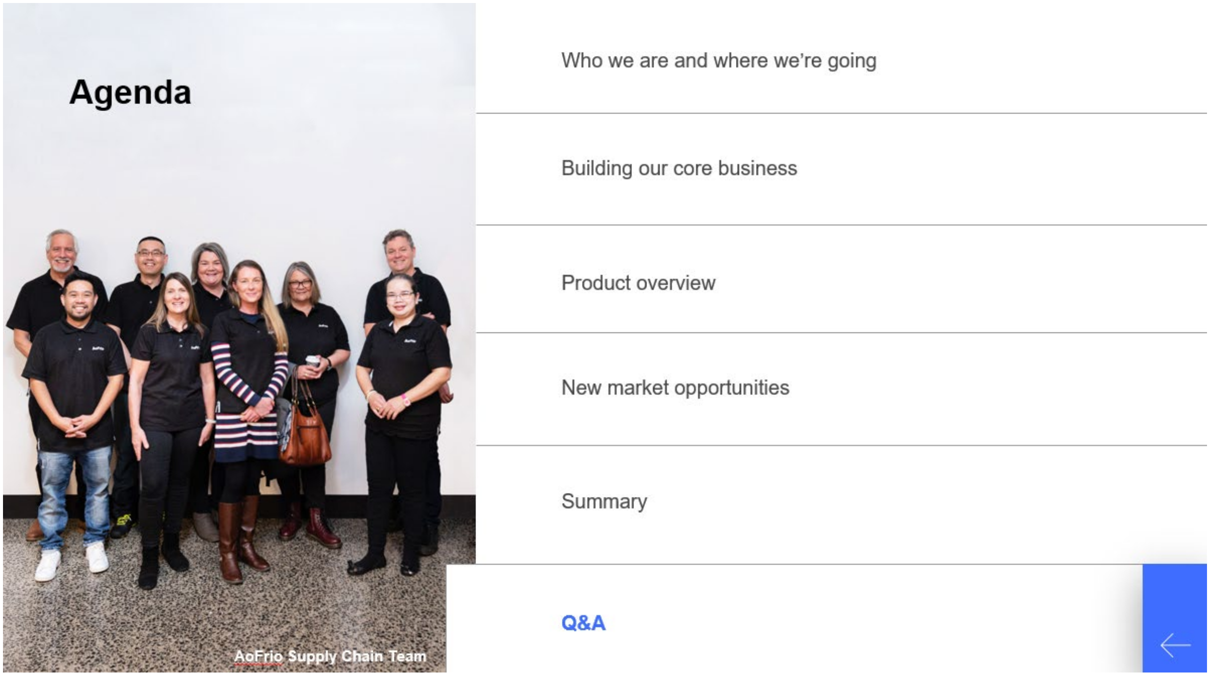
AoFrio is well placed to leverage its global footprint and its expertise in electronic hardware. cloud software technology and data insights to take advantage of a rapidly growing IoT market.

Our IoT and refrigeration expertise is core to our business. Alongside protecting and growing our branded bottle cooler business, we are focused on growing into ice cream and food service & retail.

We have commenced developing solutions for the new markets leveraging our existing technology in the first instance. We have chosen to work with trial customers that are prepared to work with us to develop the next version of our solution.

We look forward to updating you on key milestones as we enter new regions for the branded bottle cooler market and validate our assumptions and plans for the new verticals.

While this will be challenging, we believe we can leverage our existing capabilities to go faster than the seven years it has taken to get to this point for IoT for the branded bottle cooler market. The global IoT market is now and the fragmented markets that we have discussed today are good opportunities for AoFrio.



Thank you to our presenters today, and to you all for being here. I will now open the floor for any questions on our Strategic plan.

Thank you for your questions, and once again for your attendance. We look forward to putting these plans into action and achieving great things at AoFrio. Have a great afternoon.

END OF MEETING