

Pro Forma Consolidated Statement of Financial Position - Maximum Capital Raise

Winton Land Limited
Pro Forma Consolidated Statement of Financial Position - Maximum Capital Raise
As at 30 June 2021

Reporting entity and basis of preparation

The table below sets out the adjustments that have been made to the consolidated statement of financial position of Winton Land Limited ('the Company') and its subsidiaries ('the Group') as at 30 June 2021 in order to prepare the unaudited pro forma consolidated statement of financial position ('Pro Forma Consolidated Statement of Financial Position - Maximum Capital Raise') for the Group. These adjustments reflect the events and assumptions discussed in the notes to the table.

The Pro Forma Consolidated Statement of Financial Position - Maximum Capital Raise has been prepared using the same accounting policies as the Group's audited financial statements for the year ended 30 June 2021 which is available on the Offer Register filed in connection with the Offer at (<https://disclose-register.companiesoffice.govt.nz/> offer number OFR13223).

The adjustments are consistent with the assumptions adopted in the Prospective Financial Information prepared in connection with the Offer. The Pro Forma Consolidated Statement of Financial Position - Maximum Capital Raise has been prepared solely for the purpose of satisfying the requirements under the listing rules of the Australian Securities Exchange ('ASX') in connection with the admission of Winton Land Limited to the official list of ASX as a Foreign Exempt Listing.

Winton Land Limited
Statutory Historical Consolidated Statement of Financial Position and Pro Forma
Consolidated Statement of Financial Position - Maximum Capital Raise
As at 30 June 2021

NZ\$m	Historical Financial Consolidated Statement of Financial Position (audited) 1	Pro forma adjustments		Unaudited Pro Forma Consolidated Statement of Financial Position
		Capital Issued 2	Transaction Costs 3	
Assets				
Current assets				
Cash and cash equivalents	35.0	350.0	(21.2)	363.8
Restricted cash	34.4			34.4
Accounts receivable, prepayments, and other receivables	5.3			5.3
Taxation receivable	-			-
Inventories	47.0			47.0
Total current assets	121.7	350.0	(21.2)	450.5
Non-current assets				
Restricted cash	11.1			11.1
Inventories	116.9			116.9
Investment properties	-			-
Property, plant and equipment	2.9			2.9
Right-of-use asset	0.7			0.7
Intangible assets	0.1			0.1
Deferred tax asset	-			-
Total non-current assets	131.7	-	-	131.7
Total assets	253.4	350.0	(21.2)	582.2
Liabilities				
Current liabilities				
Accounts payable, accruals, and other payables	16.6			16.6
Taxation payable	15.1		(1.3)	13.8
Total current liabilities	31.7	-	(1.3)	30.4
Non-current liabilities				
Borrowings	128.7			128.7
Lease liability	0.5			0.5
Contract liability	7.2			7.2
Deferred tax liabilities	1.1			1.1
Long term deposits	0.4			0.4
Total non-current liabilities	137.9	-	-	137.9
Total liabilities	169.6	-	(1.3)	168.3
Net assets				
	83.8	350.0	(19.9)	413.9
Equity				
Share capital	49.1	350.0	(14.6)	384.5
Foreign currency translation reserve	-			-
Retained earnings	34.7		(5.3)	29.4
Total equity	83.8	350.0	(19.9)	413.9

Notes supporting the Pro Forma Consolidated Statement of Financial Position – Maximum Capital Raise

- 1 The historical statutory consolidated statement of financial position represents the audited statement of financial position of Winton Land Limited as at 30 June 2021.
- 2 **Capital Issued** – a total of \$350m of new equity is to be issued through the Offer.
- 3 **Transaction Costs** – as a consequence of the Offer, total cash transaction costs of \$24.1m are payable, and to be recognised in FY22F. Of these costs, \$2.9m is settled by way of issuance of new shares. \$6.6m will be recognised in the statement of comprehensive income and \$1.9m is assumed not deductible for tax purposes (net profit after tax impact of \$5.3m). The remaining \$17.5m is expected to be capitalised against equity as these costs relate to the issue and listing of new capital.



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The Directors
Winton Land Limited
Level 4, 10 Viaduct Harbour Avenue
Auckland
1010, New Zealand

2 December 2021

Dear Directors

Limited Assurance Investigating Accountant's Report – Maximum Capital Raise

Introduction

KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Transaction Services is a division) ("KPMG Transaction Services") has been engaged by Winton Land Limited ("Winton") to prepare this report as part of a submission for application for an ASX foreign exempt listing. Winton are expected to raise capital within an agreed minimum and maximum range and this report considers the maximum capital raise as set out in the document called "Pro Forma Consolidated Statement of Financial Position – Maximum Capital Raise".

Scope

You have requested KPMG Transaction Services to perform a limited assurance engagement in relation to the pro forma historical financial information described below.

The pro forma historical financial information is presented in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

KPMG Financial Advisory Services (Australia) Pty Ltd is an affiliate of KPMG. KPMG is an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Pro Forma Historical Financial Information

You have requested KPMG Transaction Services to perform limited assurance procedures in relation to the pro forma historical financial information of Winton (the responsible party).

The pro forma historical financial information has been derived from the historical financial information of Winton, after adjusting for the effects of pro forma adjustments principally associated with the expected equity raising described and presented in document called "Pro Forma Consolidated Statement of Financial Position – Maximum Capital Raise". The pro forma financial information consists of Winton's Pro Forma Consolidated Statement of Financial Position – Maximum Capital Raise as at 30 June 2021 ("Pro Forma Historical Financial Information").

The stated basis of preparation is the recognition and measurement principles contained in the International Financial Statements as adopted in New Zealand, which are consistent with Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position.

The Pro Forma Historical Financial Information has been compiled by Winton to illustrate the impact of the event(s) or transaction(s) described in the document called "Pro Forma Consolidated Statement of Financial Position – Maximum Capital Raise" on Winton's financial position as at 30 June 2021, reflecting the maximum capital raising of Winton. As part of this process, information about Winton's financial position has been extracted by Winton from Winton's financial statements for the period ended 30 June 2021.

The financial statements of Winton for the year ended 30 June 2021 were audited by KPMG New Zealand in accordance with International Standards on Auditing (New Zealand). The audit opinions issued to the members of Winton relating to those financial statements were unqualified.

For the purposes of preparing this report we have performed limited assurance procedures in relation to Pro Forma Historical Financial Information in order to state whether, on the basis of the procedures described, anything comes to our attention that would cause us to believe that the Pro Forma Historical Financial Information is not prepared or presented fairly, in all material respects, by the directors in accordance with the stated basis of preparation.

We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would

have been obtained had we performed an audit. Accordingly, we do not express an audit opinion about whether the Pro Forma Historical Financial Information is prepared, in all material respects, by the directors in accordance with the stated basis of preparation.

Directors' responsibilities

The directors of Winton are responsible for the preparation of the Pro Forma Historical Financial Information, including the selection and determination of the pro forma transactions and/or adjustments made to the historical financial information and included in the Pro Forma Historical Information.

The directors' responsibility includes establishing and maintaining such internal controls as the directors determine are necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

Conclusions

Review statement on the Pro Forma Historical Financial Information

Based on our procedures, which are not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as set out in the document called "Pro Forma Consolidated Statement of Financial Position – Maximum Capital Raise" comprising the unaudited pro forma consolidated statement of financial position of Winton as at 30 June 2021, is not prepared or presented fairly, in all material respects, on the basis of the pro forma transactions and/or adjustments described and in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, and Winton's accounting policies.

Independence

KPMG Transaction Services does not have any interest in the outcome of any proposed capital raising, other than in connection with the preparation of this report and participation in due diligence procedures for which normal professional fees will be received. KPMG New Zealand is the auditor of Winton and from time to time, KPMG New Zealand also provides Winton with certain other professional services for which normal professional fees are received.

Restriction on use and distribution

The purpose of preparing the Pro Forma Historical Financial Information, was to reflect the proposed maximum capital raising pro forma impact and is only for inclusion in Winton's submission for ASX foreign exempt listing. As a result, the Pro Forma Historical Financial Information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the Pro Forma Historical Financial Information to which it relates, for any purpose other than

that for which it was prepared. This report may not be disclosed in any other way, including any publication on any electronic media, to any other party, except as required by law or the rules of any relevant stock exchange or a government body or in connection with an actual or potential claim, investigation or inquiry against.

Yours faithfully

A handwritten signature in black ink, appearing to read 'MSA', with a stylized flourish at the end.

Matthew Saunders
Authorised Representative