



Primary WOOL CO-OPERATIVE LTD

PRIMARY WOOL CO-OPERATIVE LIMITED 48TH ANNUAL GENERAL MEETING

**Held via zoom conference call online
Thursday 10 August 2023, 2.30pm**

Richard welcomed everyone to the meeting, including WNZLP Directors. Noting the amount of work done by the finance team to get us to this AGM following a prolonged audit process.

Prior to the AGM starting, Alan White outlined the process to be followed to achieve an efficient online meeting.

PRESENT (Directors and Staff)

R Young (Chair), H de Lautour, W Oliver, A White, John McWhirter (WNZ CEO), Ian Marshall (Chair Audit and Risk Committee WNZLP), Rob Campbell (WNZ CFO) and Danicia Nixon (Minute Secretary)

REGSITERED AND IN ATTENDANCE (Shareholders)

John Love
Stuart Brown
Nigel Hales (for Brian)
Andy Ramsden
Bruce Worsnop
Andrew Coleman
Larissa Brown
Howie Gardner
Stuart Brown
Mark & Sally Copeland
Janette Osbourne (joined the meeting at 3pm)

QUORUM

Clause 4.2 of Schedule 1 of the Co-operative's constitution sets the quorum at not less than 7 members present or not less than 3 members present who hold or represent by proxy not less than 10% of shares. This was achieved therefore the quorum requirements were met.

PROXIES

Proxies were received from:

Richard Burdon - Richard Young (to act on behalf of)
Tangihau Ltd - Hamish de Lautour (to act on behalf of)
The Bayly Partnership & Trust - Hamish de Lautour (to act on behalf of)

APOLOGIES

Apologies were received from:

Hamish Bielski
Edwyn Kight
Paul Robottom
Will de Lautour

Apologies accepted

MINUTES OF THE PREVIOUS AGM – 29 November 2021

Alan White walked the meeting through the minutes of the previous AGM and asked for questions or comments of which there were none.

Motion - To adopt the minutes of the Annual General Meeting held on 29 November 2021 as being a true and correct record.

Moved: R Young/W Oliver

Voting occurred. Passed unanimously.

MATTERS ARISING

RY addressed the following to note:

- Debtness to de Lautours and Gardiner, the board agreed that initially we thought about bringing the two shareholder entities together. However, the board felt that it was more important to preserve tax losses.
- Appointment of Auditor, PKF Goldsmith were unable to continue due to change in reporting requirements post formation of WNZLP..

FINANCIAL ACCOUNTS

Alan White presented the Annual accounts, for the fourteen-month period ending 31 August 2021. Balance date change (legally only few able to audit entities such as WNZ, timing was not good June for this so moved date to align with availability).

- Alan talked to the discontinued operations, moving PWC (CP Wool) to WNZLP and recovery of some merger expenses.
- Larger expenses were accounting fees, directors fees.
- Fair value valuation exercise when entering the LP, the difference is the value of opinions of investment and the worth determined.
- CP Wool lease assigned, but for accounting reasons, if the LP was unable to pay them the liability sits with PWC.
- Alan explained the disclaimer of opinion, not able to get sufficient audit information to confirm the valuation of CP Wool, NZNF prior to the dissolution with JV with Carrfields and no stocktake was visually attended at the time of their appointment.

Motion To affirm the motion to adopt the Statement of Accounts for the 14 months ended 31 August 2022.

Moved: W Oliver, seconded H de Lautour.

All attendees were in favour.

CHAIR'S REPORT

Richard Young tabled his Chair's Report on behalf of the Directors, that had previously been circulated to all members and is as printed in the Annual Report.

Richard spoke to the key points as follows:

- The audit opinion fails to recognize the commercial agreement PWC had with Carrfields.
- Acknowledge the contribution of Bay, who passed last year. If it wasn't for Bay's vision PWC wouldn't be here. Pass our condolences to the family to Bay's family and also more recently with Shona (their mother's) passing.
- Have not replaced Bay as a Director at this point on the board, aware of the need to continue to refresh the board. Anyone interested in Governance to please reach out for succession.
- Year of consolidation of two businesses. Acknowledge the efforts of John and WNZ team and very few staff left during this period. Tough 14 month period for disruptions and supply.
- Moving forward, carpet and flooring markets. Not yet delivered the sales targets we had been hoping for, as we know on farm inflationary pressures and WNZ has similar inflationary pressures. We cannot continue to pass those on to farmers given the value of wool on farm. The business we operate today, may need to change to have a sustainable business going forward.
- Preparation of wool in shed. Firmly believe those that present their clip in the best way will see good prices first. Well prepared clean, coloured wool is oustripping the average wool price.
- Finally acknowledge James, Craig and Rebecca in the LP, as well as our fellow Directors. Rebecca stood down today at the WNZH AGM today, thank Rebecca for her efforts for the period we have been involved.

Motion - To adopt the Chair's Report for the 14 months ended 31 August 2022.

Moved: R Young/seconded W Oliver.

Passed unanimously.

DIVIDEND

The Directors recommend that no dividend be declared for the year to 31 August 2022 and asked for questions of which there were none.

Motion - That no dividend be declared for the 12 months ended 30 June 2021.

Moved: W Oliver, seconded by R Young.

Voting occurred. Passed unanimously.

NOMINATION OF DIRECTORS

William Oliver retires by rotation and is eligible for re-election. There were no other Director nominations, and no questions were raised.

Motion - To re-elect William Oliver as a Director.

Moved: H de Lautour, seconded by R Young

Voting occurred. Passed unanimously.

DIRECTORS REMUNERATION

The current directors' fees being \$35,000 for the Chair and \$25,000 for other Directors be approved for the year to 31 August 2023, payable as cashflow allows. Questions were invited but none were raised.

Motion - The level of directors' remuneration remains at \$35,000 (Chair) and \$25,000 (other directors) for the year to 30 June 2022, payable as cashflow allows.

Moved: W Oliver/H de Lautour

Voting occurred. Passed unanimously.

AUDITOR

Directors have requested the approval of the shareholders to appoint auditing services for the 2023 financial year.

Motion – To affirm that directors be given approval to appoint auditors for the 2023 financial year

Moved: R Young, W Oliver

Voting occurred. Passed unanimously.

GENERAL BUSINESS

There was no General business.

There being no further business, the meeting closed at 3.07pm and was followed by a general discussion.

CONFIRMED:



Chair

Post the Meeting John McWhirter provided an update on the Operational WNZ business.