

WINTON

MARKET ANNOUNCEMENT

NZX: WIN / ASX: WTN

22 August 2023

WINTON MEETS GUIDANCE AND DELIVERS RECORD YEAR OF SETTLEMENTS

Winton (NZX: WIN / ASX: WTN) is pleased to release its full-year results for the period ending 30 June 2023 (FY23) and confirms it met guidance, delivering post tax earnings of \$73.8 million¹. It was a record year for delivery and settlements, with 565 units² settling resulting in \$211.4 million of revenue, 32.5% higher than FY22.

As a result of top-line growth, Winton delivered a gross profit of \$108.7 million and a gross profit margin of 51.4% compared to \$72.4 million and 45.4%, respectively, in FY22. Cost of Sales is recognised in alignment with revenue and therefore was up 17.9% to \$102.7 million, from \$87.1 million in FY22, reflecting the increase of both a 25.8% increase in the volume of units settled and a 6.0% improvement in Gross Profit Margin. Earnings before interest, tax, depreciation and amortisation (EBITDA) increased 88.1% to \$95.6 million compared to \$50.8 million³ pro forma EBITDA in FY22. Net profit after tax (NPAT) was \$64.6 million, 78.6% higher than FY22 pro forma NPAT of \$36.2 million.

Chris Meehan, Chair and CEO of Winton said: “This is a significant effort by the team, settling 116 units more than FY22, and is the outcome of years of preparation and development supported by a pre-sale book that has provided certainty of sales through the current cycle.”

“Despite market challenges over the last 18 months, Winton has continued to operate with confidence and is in a compelling and enviable position. We have zero debt, cash holdings of \$76.3 million, and an existing landbank with a potential yield of 6,407 units, including 902 retirement units. Our gross pre-sales book was \$419.3 million as at 30 June 2023.”

“It has been a big year at Winton. We adapted to and completed our first full year as a listed company, delivered our largest number of units in a year, navigated an extremely wet construction season, launched sales for Northbrook Wynyard Quarter and received resource consent for three Northbrook locations, and grew the team to begin resourcing of our Northbrook and Ayrburn business units. The team has taken it in its stride and risen to the challenges; we look forward to continuing the momentum through FY24.”

“There are strong indicators that the housing market is near to, or at, the bottom. While we expect some homeowners will continue to struggle in the near term with higher interest rates and high inflation, we believe increasing immigration to New Zealand, constrained land supply, and

¹ Post tax earnings of \$73.8 million were at the lower end of guidance (between \$72.4 million and \$82.4 million) being NPAT excluding H2 FY23 fair value revaluation of investment properties. A reconciliation can be found on page 16 of the investor presentation.

² Units comprise residential land lots, dwellings, townhouses, apartments, retirement living units and commercial units.

³ EBITDA and Pro forma EBITDA are non GAAP measures. EBITDA has been calculated on a consistent basis to the EBITDA measures presented in the FY23 & FY22 PFI. A reconciliation from EBITDA to Pro forma EBITDA and NPAT to Pro forma NPAT can be found on page 32 of the investor presentation.

upward sentiment of rental prices will put compounding pressure on the already short housing supply.”

“We continue to operate with financial discipline on land acquisition and sales to enable us to thrive through the cycle and use it to our advantage as we build prominence in the New Zealand property industry. In the current economic turbulence, Winton is a financially stable, experienced, and trusted developer, delivering reliable, high-quality product. For all those reasons, builders want to work for us and will price accordingly.”

Looking ahead to FY24, the timing of completed units and the type means revenue will be lower than in FY23. Going forward we will naturally keep the market informed of our plans and progress with the business but do not expect to provide formal guidance to enable us to better focus on operating the business for maximum long-term shareholder value.

The Winton Board declared a 2.16 cent dividend per share for the six months ending 30 June 2023. This is in addition to the 2.06 cents per share dividend that was declared and paid for the first half of FY23, bringing the total dividend for the year to 4.22 cents per share, reflecting 20% of distributable earnings and in line with our dividend policy to exclude any unrealised valuation movements in investment properties.

Winton extends its thanks to our shareholders, employees, customers, contractors, and regulatory bodies for their continued support as we deliver our growth plans.

Winton’s Annual Report is also released today with the Company’s FY23 results, which contain important information related to the company’s governance, operational updates, financial commentary, Northbrook, and Winton’s ESG commitments.

Winton’s Annual Report and all future financial reports will be publicly available on our website [Investor Centre - Winton Land Limited](#). Investors may at any time, request a hard copy (or an electronic copy) of the most recent and future Annual Reports free of charge. You can do so through our share registry, Link Market Services, including by updating your communication preferences online through the Investor Centre.

Ends.

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About Winton

Winton is a residential land developer that specialises in developing integrated and fully masterplanned neighbourhoods. Across its 14 masterplanned communities, Winton has a portfolio of 26 projects expected to yield a combined total of circa 6,500 residential lots, dwellings, apartment units, retirement village units and commercial lots. Winton listed on the NZX and ASX in 2021. www.winton.nz