



YEARS OF VISIONARY
WINEMAKING

— EST 1947 —

DELEGAT

FY22 Results

26 August 2022

Agenda

Introduction to meeting.

Business Performance – 2022 Year under review.

Investing for the Future.

Delegat Outlook.



Performance Highlights

Record Global Case Sales of 3,360,000

- Up 182,000 cases on last year (6%)

Operating NPAT of \$58.1 million

- Down \$7.1 million on last year (-11%)

Operating EBITDA of \$112.2 million

- Down \$10.2 million on last year (-8%)

Reported NPAT of \$63.0 million

- Up \$1.1 million on last year (2%)

Strong cash from operations of \$65.6 million

Australian Drinks Awards 2022:

Oyster Bay voted fan favourite for white wine

Case Sales and FX

	June 2022	June 2021	% Change vs 2021
Case Sales (000's)			
UK, Ireland and Europe	1,060	1,074	-1%
North America (USA and Canada)	1,608	1,487	8%
Australia, NZ and Asia Pacific	692	617	12%
Total Cases	3,360	3,178	6%

Foreign Currency Rates

GB£	0.5066	0.4988	-2%
AU\$	0.9263	0.9301	0%
US\$	0.6765	0.6737	0%
CA\$	0.8650	0.8838	2%

Revenue Growth Analysis

NZ\$ millions	June 2022 Actual	June 2021 Actual	% Change vs 2021
Sales Revenue	319.3	295.1	8%
<u>Sales movements breakdown:</u>			
Volume			6%
Value			2%
Foreign Exchange		-1%	
Price		2%	
Country/Product Mix		1%	

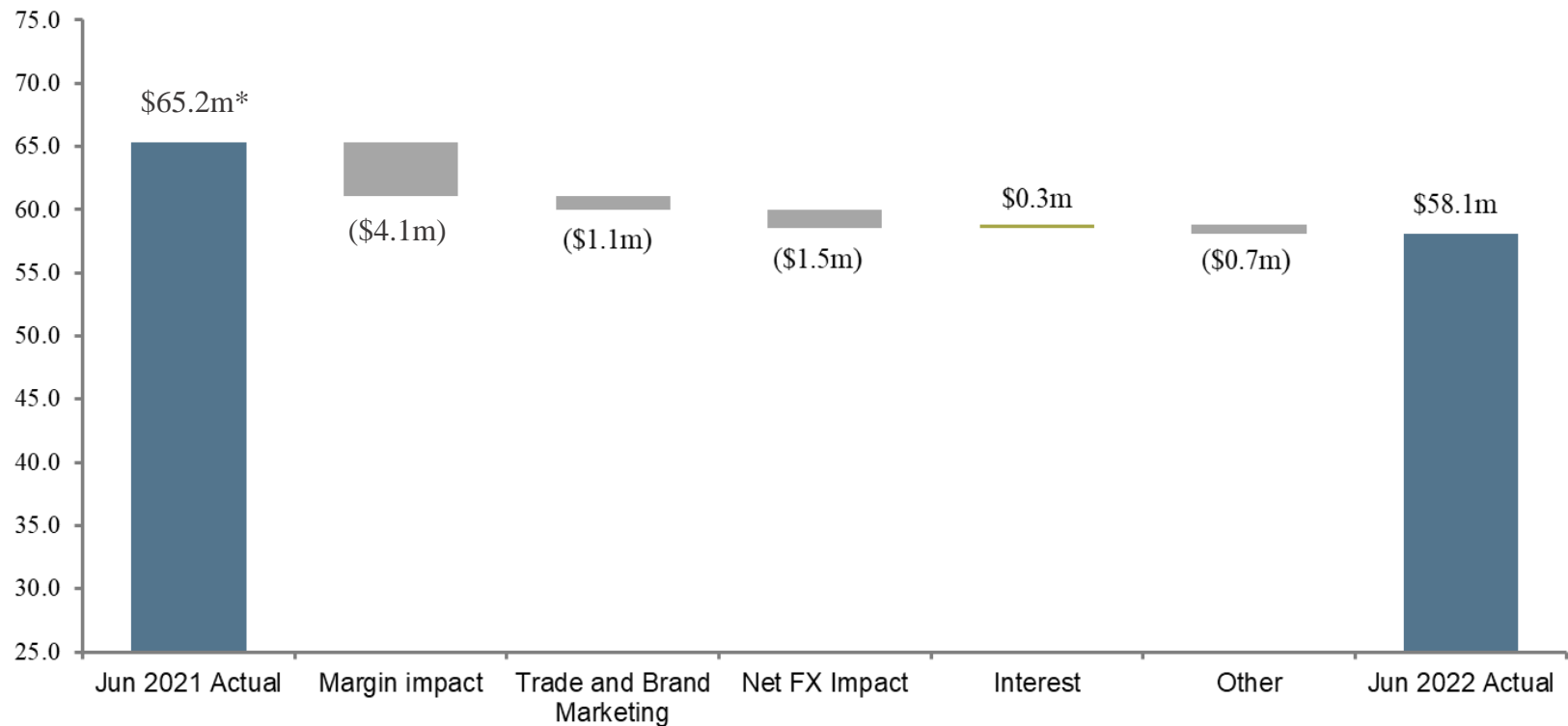
Operating Performance

NZ\$ millions	Jun 2022	Jun 2021 Restated*	% Change vs 2021
Sales Revenue	319.3	295.1	8%
Operating Revenue	325.4	302.7	7%
Operating Gross Profit	144.2	150.9	-4%
Operating Gross Margin	44%	50%	
Expenses (excl Promotion and Marketing)	(45.7)	(43.4)	-5%
Promotion and Marketing	(9.7)	(7.9)	-23%
Operating EBIT	88.8	99.6	-11%
Operating EBIT % of Revenue	27%	33%	
Interest and Tax	(30.7)	(34.4)	11%
Operating NPAT	58.1	65.2	-11%
Operating NPAT % of Revenue	18%	22%	
Operating EBITDA	112.2	122.4	-8%
Operating EBITDA % of Revenue	34%	40%	

*The financial statements for the year ended 30 June 2021 have been restated for Software-as-a-Service arrangements under NZ IAS 38: Intangible Assets. Refer to Note 1 of the financial statements.

Operating Profit Movement – Last Year

NZ \$millions



*The financial statements for the year ended 30 June 2021 have been restated for Software-as-a-Service arrangements under NZ IAS 38: Intangible Assets. Refer to Note 1 of the financial statements.

Impact of 'Fair Value' Adjustments

NZ\$ millions	Jun 2022	Jun 2021 Restated*	% Change vs 2021
Operating NPAT	58.1	65.2	-11%
Operating NPAT % of Revenue	18%	22%	
Biological Produce (Grapes) ¹	6.6	(7.3)	n/m ²
Derivative financial Instruments	0.2	2.7	-93%
Total Fair Value Items	6.8	(4.6)	n/m ²
Taxation of NZ IFRS fair value items	(1.9)	1.3	n/m ²
Fair Value Items after Tax	4.9	(3.3)	n/m ²
Reported NPAT	63.0	61.9	2%

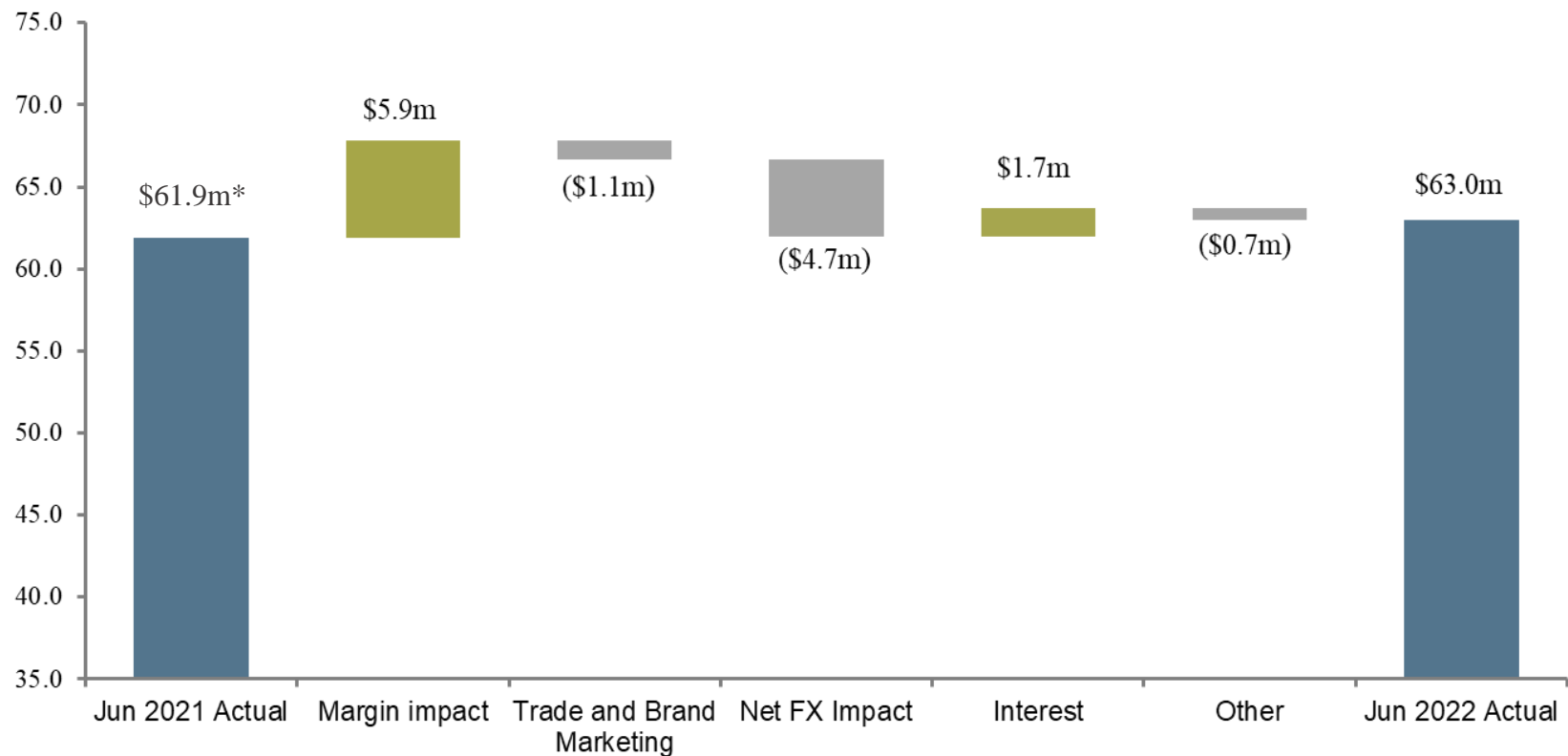
1. Biological Produce (Grapes) is the difference between market value paid for grapes versus the cost to grow grapes. The harvest provision is reversed and only recognised when the finished wine is sold.

2. n/m means not meaningful.

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Reported Profit Movement – Last Year

NZ \$millions



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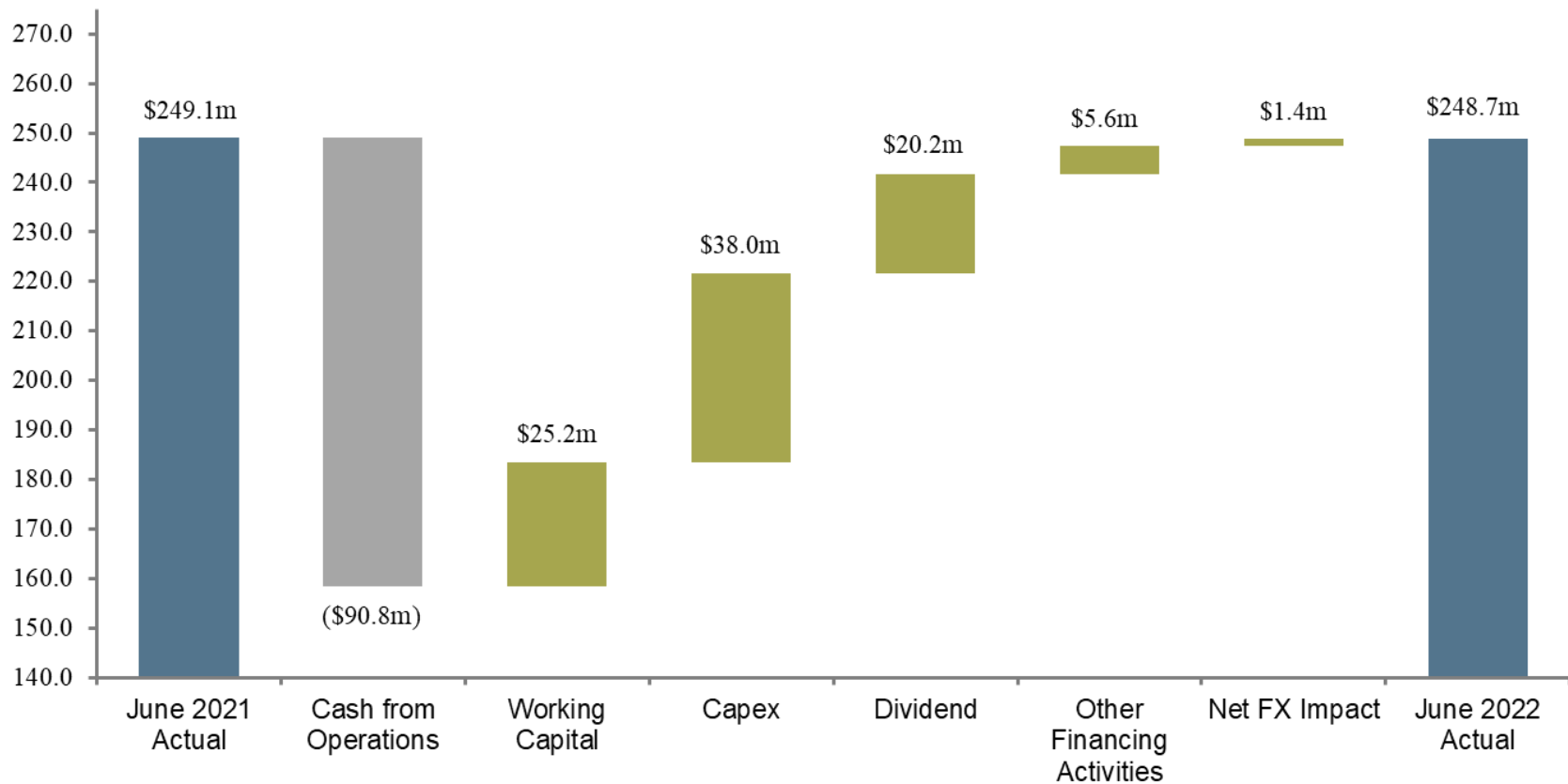
Balance Sheet Summary

NZ\$ millions	Jun 2022	Jun 2021 Restated*	% Change vs 2021
<u>Assets</u>			
Current Assets	257.9	225.3	14%
Fixed Assets	706.7	658.5	7%
Other Non-current Assets	2.8	-	100%
Total Assets	967.4	883.8	9%
<u>Liabilities</u>			
Current Liabilities	100.9	44.8	125%
Lease Liability	79.5	93.9	-15%
Deferred Tax Liabilities	33.0	31.7	4%
Senior Debt Facilities	253.8	258.0	-2%
Other Non-current Liabilities	0.7	1.6	-55%
Total Liabilities	467.9	430.0	9%
<u>Equity</u>			
Shareholders' Equity	499.5	453.8	10%
Total Equity	499.5	453.8	10%
Total Liabilities and Equity	967.4	883.8	9%
 Net Debt	 248.7	 249.1	 0%

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Net Debt Movement

NZ \$millions



Net Debt Overview

NZ\$ millions	Jun 2022	Jun 2021 Restated*	% Change vs 2021
<u>Funding</u>			
Operating Cash Flow	65.6	74.3	-12%
Net Debt	248.7	249.1	0%
<u>Key Ratios</u>			
<u>Operating Profit Measures</u>			
Interest Cover	9.45	10.15	-7%
Return on Equity ¹	13.2%	16.5%	-20%
Return on Capital Employed ²	11.4%	13.8%	-17%
<u>Reported Profit Measures</u>			
Interest Cover	10.17	9.69	5%
Equity / (Equity + Net Debt) %	66.8%	64.6%	3%
Return on Equity	13.2%	14.4%	-8%
Return on Capital Employed	11.8%	12.5%	-6%

1. Return on Equity (Operating) excludes all fair value items from both NPAT and Assets/Liabilities.
2. Return on Capital Employed (Operating) excludes all fair value items from both EBIT and Assets/Liabilities.

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2022 Harvest

Group Harvest:

- Delivered excellent quality in all regions
- 44,816 tonnes, up 20% on 2021



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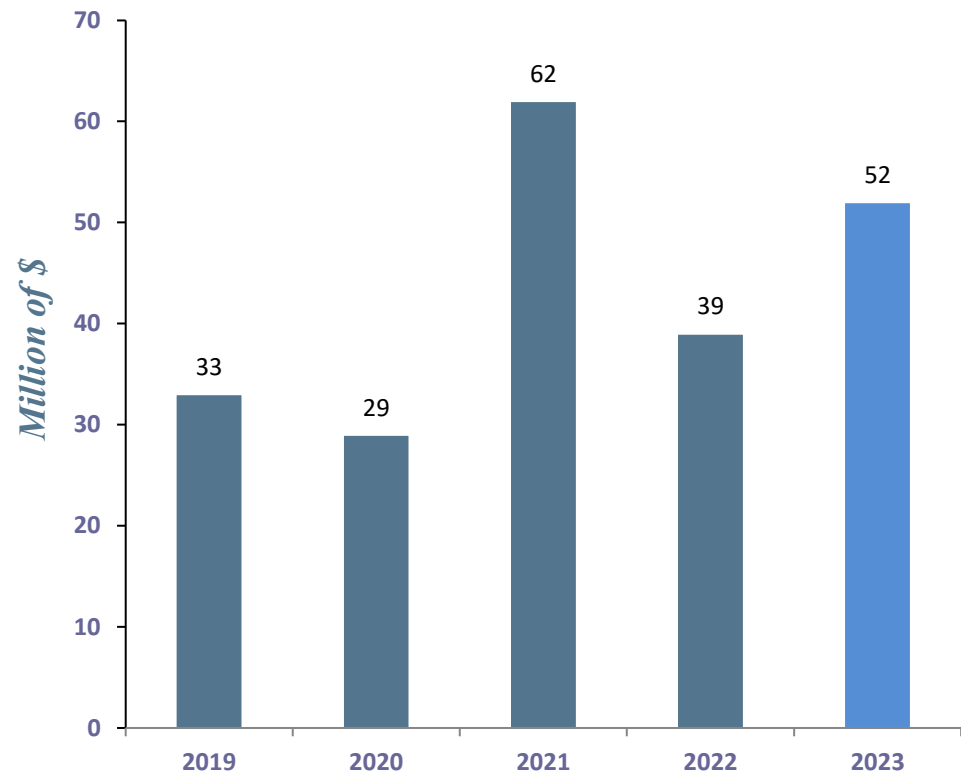
Investing in Growth – Capital Expenditure Update

2020: Includes vineyard and winery developments in Hawke's Bay, Marlborough and Barossa Valley, and land acquisition in New Zealand.

2021: Includes vineyard and winery developments in Hawke's Bay, Marlborough and Barossa Valley, and land acquisition in New Zealand.

2022: Includes vineyard and winery developments in Hawke's Bay, Marlborough and Barossa Valley.

2023: Includes vineyard and winery developments in Hawke's Bay, Marlborough and Barossa Valley.



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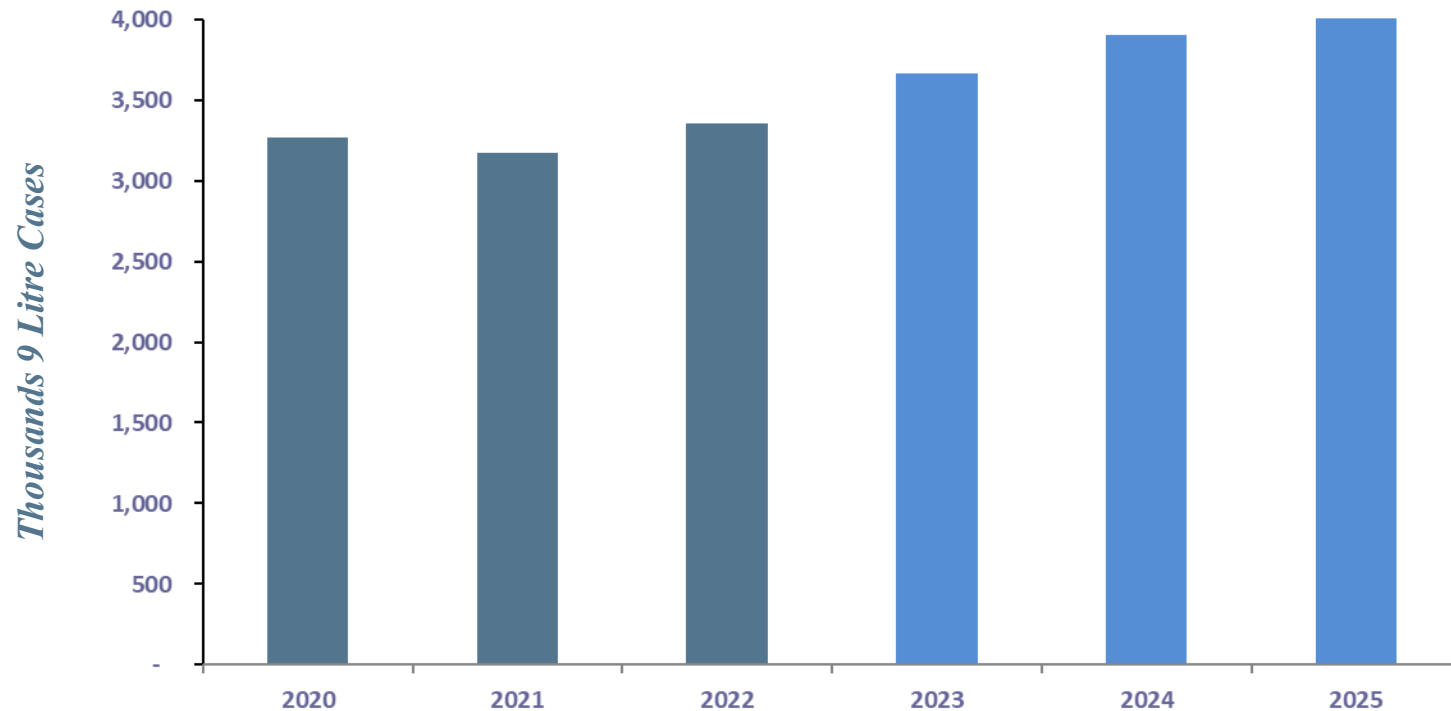
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Delegat Sales Growth 2020 - 2025



	2022	2023	2024	2025
Case Sales (000s)	Actual	Forecast	Projection	Projection
Total Cases	3,360	3,672	3,910	4,080
% Increase		9%	6%	4%

FY23 Operating Profit Guidance

Based on prevailing exchange rates, the Group forecasts to achieve a FY23 operating profit that is in the range of \$60 to \$64 million.

Ongoing supply chain disruption will be continued to be monitored closely.

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Thank you
