

Interim financial statements
for the period ended 30 September 2023

SAVOR

LIMITED



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Director's Report

The Board of Directors has pleasure in presenting the interim financial statements for Savor Limited for the period ended 30 September 2023.

The interim financial statements presented are signed for and on behalf of the Board of Directors and were authorised for issue on 28 November 2023.

Paul Robinson
Executive Chair

Bhupen Master
Director

Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2023

	Notes	Six months Sept 2023 \$000's Unaudited	Six months Sept 2022 \$000's Unaudited	Year ended March 2023 \$000's Audited
Revenue		29,075	20,703	52,378
Expenses:				
Direct costs		(8,612)	(6,241)	(16,067)
Employee costs		(13,732)	(10,287)	(24,553)
Marketing costs		(247)	(95)	(294)
Utilities and operational expenses		(2,236)	(1,548)	(3,736)
Other expenses		(1,106)	(1,182)	(2,508)
Other income		-	-	-
		3,142	1,350	5,220
Depreciation and amortisation		(2,547)	(2,270)	(4,617)
Restructuring costs	3	(309)	(475)	(1,395)
Interest expense		(707)	(737)	(1,542)
Loss before income tax		(421)	(2,132)	(2,334)
Taxation expense		-	-	-
Loss attributable to the shareholders		(421)	(2,132)	(2,334)
Other comprehensive income and expenses		-	-	-
Total comprehensive loss		(421)	(2,132)	(2,334)
Basic and diluted losses per share (cents)		(0.6)	(3.3)	(3.5)
Weighted average number of shares outstanding (thousands of shares)				
Basic and diluted		74,638	65,017	66,602

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

Consolidated Statement of Movements in Equity

For the six months ended 30 September 2023

	Notes	Share capital \$000's	Accumulated losses \$000's	Share-based payments reserve \$000's	Total equity \$000's
Total equity at 1 April 2022		53,905	(39,706)	151	14,350
Total comprehensive loss for the period		-	(2,132)	-	(2,126)
Issue of new shares		2,099	-	-	2,099
Total equity at 30 September 2022 (unaudited)		56,004	(41,848)	151	14,323
Total equity at 1 April 2022		53,905	(39,706)	151	14,350
Total comprehensive loss for the period		-	(2,334)	-	(2,334)
Issue of new shares		5,309	-	-	5,309
Total equity at 31 March 2023 (audited)		59,214	(42,040)	151	17,325
Total equity at 1 April 2023		59,214	(42,040)	151	17,325
Total comprehensive loss for the period		-	(421)	-	(421)
Issue of new shares		-	-	-	-
Total equity at 30 September 2023 (unaudited)		59,214	(42,461)	151	16,904

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

Consolidated Balance Sheet

As at 30 September 2023

Notes	Sept 2023 \$000's Unaudited	Sept 2022 \$000's Unaudited	March 2023 \$000's Audited
<i>Assets</i>			
Current assets:			
Trade and other financial receivables	991	851	751
Inventories	891	669	1,025
Total current assets	1,882	1,426	1,776
Non-current assets:			
Property, plant and equipment	12,645	13,335	13,313
Intangible assets	5	25,389	25,416
Right of use asset	16,781	14,868	15,900
Total non-current assets	54,815	53,427	54,629
Total assets	56,697	54,853	56,405
<i>Liabilities</i>			
Current liabilities:			
Bank overdraft	1,835	94	514
Trade and other payables	8,333	7,371	8,317
Lease liability	2,969	2,445	2,964
Borrowings	6,648	3,671	3,004
Deferred consideration payable	-	1,400	-
Related party payables	-	-	-
Total current liabilities	19,785	14,887	14,799
Non-current liabilities:			
Trade and other payables	953	1,197	1,217
Lease liability	15,715	14,092	14,719
Borrowings	3,340	10,010	8,346
Deferred consideration payable	-	350	-
Total non-current liabilities	20,008	25,649	24,282
Total liabilities	39,793	40,536	39,081
<i>Equity</i>			
Share capital	59,214	56,004	59,214
Reserves	(42,310)	(41,687)	(41,890)
Total equity	16,904	14,317	17,324
Total liabilities and equity	56,697	54,853	56,405

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

Consolidated Statement of Cash Flows

For the six months ended 30 September 2023

	Six months Sept 2023 \$000's Unaudited	Six months Sept 2022 \$000's Unaudited	Year ended March 2023 \$000's Audited
<i>Cash flow from operating activities</i>			
Receipts from customers	28,839	20,438	52,209
Payments to suppliers, employees and other	(26,303)	(18,796)	(46,142)
Net cash from operating activities	2,536	1,642	6,067
<i>Cash flow from investing activities</i>			
Purchase of property, plant and equipment and intangible assets	(308)	(2,367)	(4,271)
Payments for venue development costs	(69)	(212)	(569)
Repayment of related party payable	-	(112)	(112)
Repayment of deferred consideration	-	(1,100)	(2,850)
Net cash used in investing activities	(377)	(3,791)	(7,802)
<i>Cash flow from financing activities</i>			
Interest paid	(704)	(737)	(1,542)
Borrowings drawn down	-	1,575	1,575
Repayment of borrowings	(1,362)	(1,320)	(3,651)
Lease liability principal repayment	(1,424)	(1,462)	(2,450)
Supplier loan funds received	10	730	1,010
Transaction costs from issue of shares	-	(21)	(133)
Issue of shares	-	1,940	5,062
Net cash from financing activities	(3,480)	705	(129)
Net movement in cash held	(1,321)	(1,444)	(1,864)
Add: opening cash	(514)	1,350	1,350
Closing cash	(1,835)	(94)	(514)

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

Notes to the Interim Financial Statements

1. Basis of presentation

Savor Limited ('the Parent' or 'Company') and its subsidiaries (together 'the Group') operate in the hospitality sector, operating a number of premium restaurants and bars. The address of its registered office is Level 4, Seafarers Building, 114 Quay Street, Auckland, 1142.

The condensed consolidated interim financial statements presented are those of Savor Limited and its subsidiaries (the "Group"). Savor Limited is a company domiciled in New Zealand, registered under the Companies Act 1993 and is a Financial Markets Conduct Act 2013 reporting entity. These interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP) and the requirements of the Financial Markets Conduct Act 2013. For the purposes of complying with NZ GAAP the Group is a for-profit entity. The condensed consolidated financial statements of the Group comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS). They also comply with International Financial Reporting Standards (IFRS). The interim financial statements are presented in New Zealand dollars. They comply with NZ IAS 34 Interim Financial Reporting and should be read in conjunction with the 31 March 2023 annual report available on the Group website at www.savor.co.nz.

The accounting policies used to prepare these interim financial statements are consistent with the preparation of the Group's latest annual report.

2. Key estimates and judgements

The Group has undertaken a number of key estimates and judgements when preparing these financial statements, the details of which are outlined in this note. These judgements have been formed using historical information and comparatives where available, and management's best judgement where there is no appropriate comparison. The Group continues to review all significant estimates along with the assumptions used and recognises any adjustments to these in the period in which a change occurs. The key estimates and judgements are disclosed in the Group's most recent annual report.

3. Restructuring and other costs

Restructuring and other costs occur outside the normal course of operating the venues on a day to day basis, and are unrelated to the Group's trading operations. These have been separated out on the face of the Statement of Comprehensive Income to allow the reader of these financial statements to understand the day to day operations for the year without the impact of these items. These items typically include the impairment or disposal of assets, costs related to restructuring or M&A activity, venue development or other costs that are unrelated to the Group's day to day trading operations.

	Six months Sept 2023 \$000's	Six months Sept 2022 \$000's	Year ended March 2023 \$000's
Acquisition costs	(73)	(20)	7
Restructuring costs	(167)	(242)	(100)
Loss on disposal of fixed assets	-	-	(10)
Venue development expenses	(69)	(212)	(583)
Recruitment costs	-	-	(454)
Other costs	-	-	(255)
	(309)	(474)	(1,395)

4. Intangible asset impairment

The Group performed its annual impairment testing of goodwill at 31 March 2023. Management has reconsidered the assumptions of the impairment tests in light of the results for the six months and are satisfied that there is no indication of an impairment that would require a more comprehensive impairment assessment at this time.

5. Segmental information

Segmental information is presented in respect of the Group's industry segments as all of the Group's operations are in New Zealand.

	Six months Sept 2023 \$000's	Six months Sept 2022 \$000's	Year ended March 2023 \$000's
Revenue			
Hospitality	29,075	20,703	52,378
Corporate	-	-	-
Total	29,075	20,703	52,378
EBITDA*			
Hospitality	4,372	2,556	7,868
Corporate	(1,230)	(1,206)	(2,648)
Total	3,142	1,350	5,220
* EBITDA means earnings before interest, tax, depreciation, amortisation, and restructuring and other costs as disclosed in the Statement of Comprehensive Income.			
Depreciation and amortisation			
Hospitality	(2,547)	(2,270)	(4,617)
Corporate	-	-	-
Total	(2,547)	(2,270)	(4,617)
Capital expenditure			
Hospitality	(308)	(2,579)	(4,271)
Corporate	-	-	-
Total	(308)	(2,579)	(4,271)
Non-current assets			
Hospitality	54,815	53,286	54,629
Corporate	-	-	-
Total	54,815	53,286	54,629

6. Reconciliation of net earnings to net cash from operating activities

	Six months Sept 2023 \$000's	Six months Sept 2022 \$000's	Year ended March 2023 \$000's
Net loss after tax	(421)	(2,132)	(2,334)
Add back:			
Interest paid	707	737	1,542
Venue development costs expensed	69	212	582
Add/(Less) non-cash items:			
Depreciation and amortisation	2,547	2,270	4,617
Supplier loan income recognised	(277)	(159)	(485)
Loss on disposal of fixed assets	-	-	10
Restructuring costs	-	-	155
Movements in working capital:			
Trade and other receivables	(236)	(264)	(165)
Inventories	134	(49)	(404)
Trade and other payables	13	1,027	2,549
Net cash from operating activities	2,536	1,642	6,067

7. Subsequent events

On 12 October 2023 and 16 October 2023 the Group issued further shares of 1.9m and 1m respectively at a weighted average share price of \$0.2722. The cash proceeds totalled \$770,000 with a further \$30,000 issued for Ryan Davis' directors fees during the year.



Corporate Directory

Directors

Paul Robinson

Executive Chair

Lucien Law

Executive Director & CEO

Louise Alexander

Independent Director

Bhupen Master

Independent Director
(appointed 1 September 2023)

Ryan Davis

Independent Director
(resigned 20 September 2023)

Financial Calendar

Interim results announced: November

End of financial year: 31 March

Annual Report published: May

Registered Office and address for service

Level 4, Seafarers Building, 114 Quay
Street, Auckland, 1010, New Zealand
contact@savor.co.nz

Auditor

EY

Banker

Kiwibank

Lawyers

Chapman Tripp

Company Publications

The Company informs investors of the Group's business and operations by publishing an Annual Report and regular trading updates.

Share register and shareholder enquiries

Shareholders with enquiries about transactions or changes of address should contact the share register.

Link Market Services Limited

Level 30, PwC Tower, 15 Customs
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Auckland 1142

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Fax: +64 9 375 5990

Other questions should be directed to the Company at the registered address.

NZX Quotation

The Company's shares trade on the NZX Main Board financial products market operated by NZX Limited under the code **SVR**.

SAVOR

GROUP

New Zealand's premier hospitality group