

SAVOR

NZX Release

Savor Announces Half Year Result

28 November 2023

Savor Limited (NZX: SVR) (“Savor”, “the Company”, or with its subsidiaries “the Group”), New Zealand’s premier hospitality group, provides its results for the financial half year ended 30 September 2023.

Highlights:

- Savor’s revenue was \$29.1m for the period, an increase of over 40% compared to the prior period.
- EBITDA* was \$3.1m, increasing over 132% compared to the prior year.
- Operating cash flow exceeded \$2.5m, compared to \$1.6m in the prior year.
- Net profit after tax was (\$0.1m) compared to (\$1.7m) in the prior year, after adjusting for one-off restructuring and interest costs during the year. Including those charges net profit after tax was (\$0.4m).
- The Group continued to strengthen its Balance Sheet with the repayment of over \$1.3m in debt principal throughout the period.

These results continue to demonstrate the strong progress Savor is making to optimize business performance through sustained cost control. As mentioned at the Company’s recent Annual Shareholders Meeting (ASM), labour and cost of goods sold are the Group’s most significant costs. Labour costs have continued to track down by approximately 2% of sales compared to the prior year, as the efficiencies of rostering and headcount reductions have outperformed expectations during the winter trading period.

Cost of goods sold for the period was a pleasing result, down 0.5% over the same period as a percentage of sales and ahead of the Group’s long run target. Again, this is a significant result given the high cost pressures throughout the New Zealand economy. Savor continues to streamline its supplier base, seeking efficiencies through process as well as volume driven pricing and own brand products.

Group revenue for the period has increased significantly again compared to the prior period, however has been impacted by fluctuating weather, macro-economic headwinds, and cost of living pressures.

Lucien Law, Group CEO, says “We are pleased to have achieved \$3.1m of EBITDA and in excess of \$2.5m of operating cash flows for the six months, despite relatively difficult market conditions and with adverse weather negatively impacting trading, as tight cost control measures take effect.”

*EBITDA means reported earnings before interest, tax, depreciation, amortisation and restructuring costs, as reported in the Group’s Statement of Comprehensive Income.

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SAVOR

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About Savor

Savor, established in 2011, is one of New Zealand's largest hospitality businesses with 20 iconic venues in Auckland, including Amano, Azabu Ponsonby, Azabu Mission Bay, Ebisu and Non Solo Pizza, each with its own unique concept, culture and offering. In 2022, Savor opened Bivacco in Auckland's Viaduct Harbour and brought iconic Melbourne concept MoVida to Britomart's Seafarers Building. Savor has a reputation for originality, the quality of its products and the high standard of service that is consistent across the company portfolio.