

— EST 1947 —

# DELEGAT

## HALF-YEAR RESULTS

*25 February 2019*



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# AGENDA

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Introduction to meeting.

**Business Performance – Half Year  
review.**

Outlook.



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## PERFORMANCE HIGHLIGHTS

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Record global case sales of 1,576,000.  
14% higher than last year.

13% sales growth in the key North  
America region.

New distribution listing with a major UK  
independent co-operative has contributed  
to 31% growth in UK, Ireland and Europe  
region.

Record Operating NPAT of \$31.4 million.  
17% higher than last year.

Strong cash flows from operations.



## CASE SALES AND FX

<b>Case Sales (000's)</b>	<b>Dec 2018 Actual</b>	<b>Dec 2017 Actual</b>	<b>% Change vs 2017</b>
UK, Ireland and Europe	469	358	31%
North America (USA and Canada)	640	568	13%
Australia, NZ and Asia Pacific	467	451	4%
<b>Total Cases</b>	<b>1,576</b>	<b>1,377</b>	<b>14%</b>

<b>Foreign Currency Rates</b>	<b>Dec 2018 Actual</b>	<b>Dec 2017 Actual</b>	<b>% Change vs 2017</b>
GB£	0.5138	0.5358	4%
AU\$	0.9301	0.9124	-2%
US\$	0.6787	0.7151	5%
CA\$	0.8789	0.8967	2%

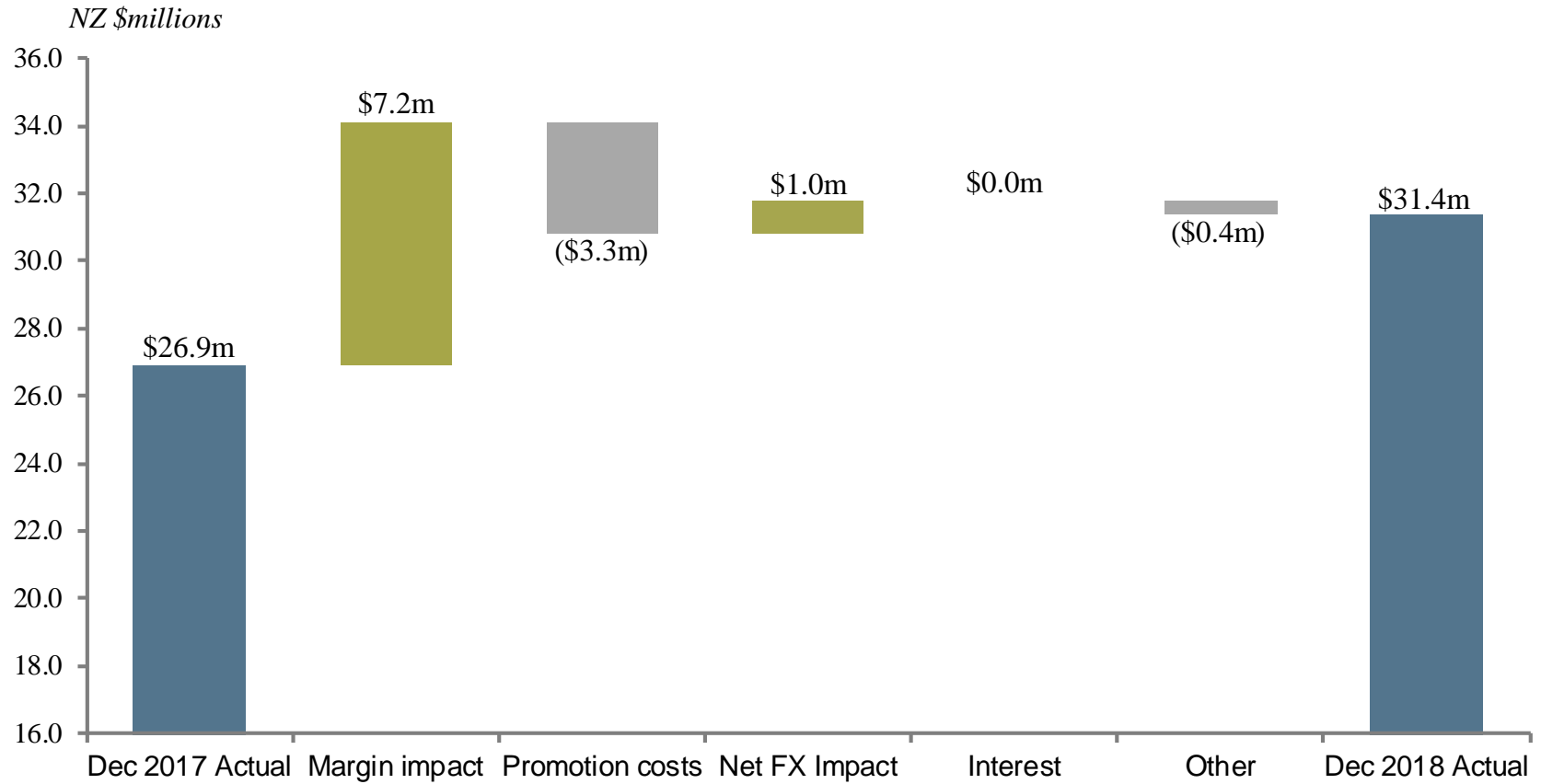
## REVENUE GROWTH ANALYSIS

NZ\$ millions	Dec 2018 Actual	Dec 2017 Actual	% Change vs 2017
<b>Operating Revenue</b>	<b>141.4</b>	<b>125.1</b>	<b>13%</b>
<b><u>Revenue movements breakdown:</u></b>			
Volume			14%
Value			-1%
Foreign Exchange		2%	
Country/Product Mix		-3%	

## OPERATING PERFORMANCE

NZ\$ millions	Dec 2018 Actual	Dec 2017 Actual	% Change vs 2017
<b>Sales Revenue</b>	<b>141.4</b>	<b>125.1</b>	<b>13%</b>
Operating Revenue	143.0	127.6	12%
<b>Operating Gross Profit</b>	<b>78.3</b>	<b>70.7</b>	<b>11%</b>
Operating Gross Margin	55%	55%	
Operating Expenses	(28.5)	(27.3)	-4%
<b>Operating EBIT</b>	<b>49.8</b>	<b>43.4</b>	<b>15%</b>
Operating EBIT % of Revenue	35%	34%	
Interest and Tax	(18.4)	(16.5)	-12%
<b>Operating NPAT</b>	<b>31.4</b>	<b>26.9</b>	<b>17%</b>
Operating NPAT % of Revenue	22%	21%	
<b>Operating EBITDA</b>	<b>57.5</b>	<b>50.9</b>	<b>13%</b>
Operating EBITDA % of Revenue	40%	40%	

## OPERATING PROFIT MOVEMENT – LAST YEAR



## IMPACT OF 'FAIR VALUE' ADJUSTMENTS

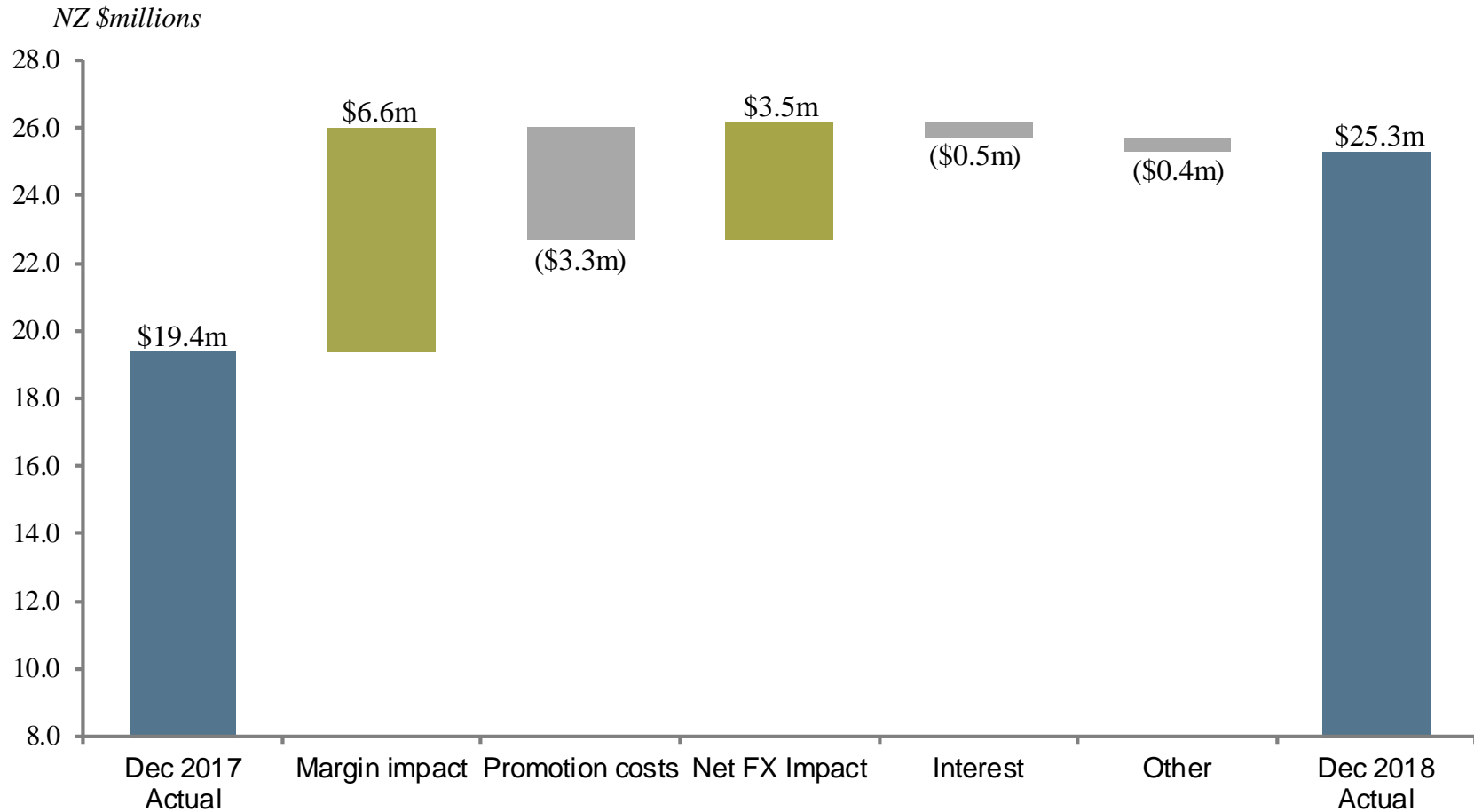
NZ\$ millions	Dec 2018 Actual	Dec 2017 Actual	% Change vs 2017
<b>Operating NPAT</b>	<b>31.4</b>	<b>26.9</b>	<b>17%</b>
Operating NPAT % of Revenue	22%	21%	
Biological Produce (Grapes) <sup>1</sup>	(9.8)	(8.9)	-10%
Derivative Instruments	1.3	(1.4)	n/m <sup>2</sup>
<b>Total Fair Value Items</b>	<b>(8.5)</b>	<b>(10.3)</b>	<b>19%</b>
Less: Tax	2.4	2.8	-19%
<b>Fair Value Items after Tax</b>	<b>(6.1)</b>	<b>(7.5)</b>	<b>19%</b>
<b>Reported NPAT</b>	<b>25.3</b>	<b>19.4</b>	<b>30%</b>

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.



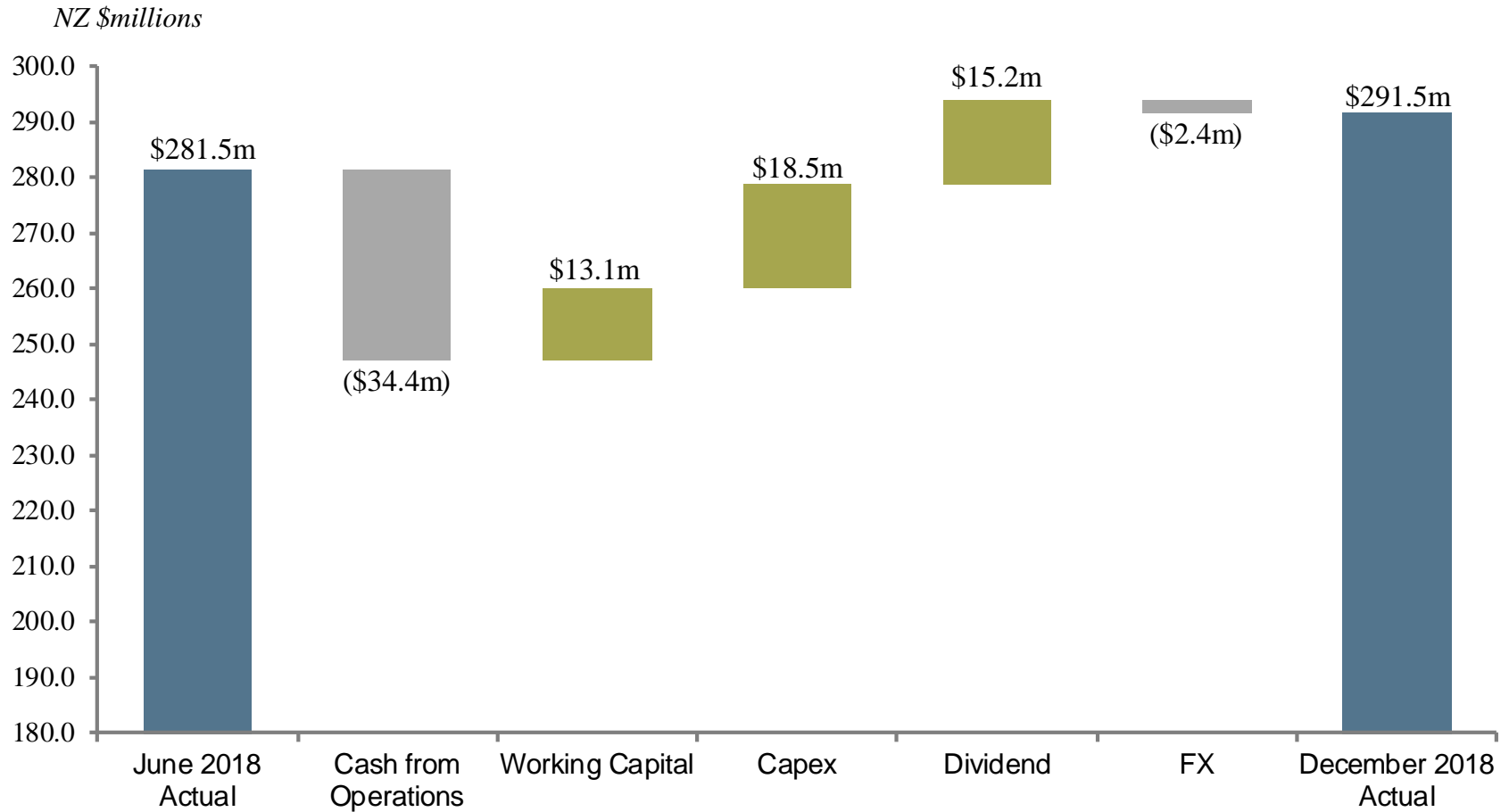
## REPORTED PROFIT MOVEMENT – LAST YEAR



## BALANCE SHEET SUMMARY

NZ\$ millions	Dec 2018 Actual	Dec 2017 Actual	% Change vs 2017
<b><u>Assets</u></b>			
Current Assets	192.8	169.4	14%
Fixed Assets	523.5	498.0	5%
<b>Total Assets</b>	<b>716.3</b>	<b>667.4</b>	<b>7%</b>
<b><u>Liabilities</u></b>			
Current Liabilities	30.3	23.2	31%
Deferred Tax Liabilities	37.8	33.7	12%
Net Debt	291.5	291.3	0%
Other Non-current Liabilities	4.3	3.8	14%
<b>Total Liabilities</b>	<b>363.9</b>	<b>352.0</b>	<b>3%</b>
<b><u>Equity</u></b>			
Shareholders' Equity	352.4	315.4	12%
<b>Total Equity</b>	<b>352.4</b>	<b>315.4</b>	<b>12%</b>
<b>Total Liabilities and Equity</b>	<b>716.3</b>	<b>667.4</b>	<b>7%</b>

## NET DEBT MOVEMENT – JUNE 18 TO DEC 18



## NET DEBT OVERVIEW

NZ\$ millions	Dec 2018 Actual	Dec 2017 Actual	% Change vs 2017
<b><u>Funding</u></b>			
Operating Cash Flow	21.3	24.2	-12%
Net Debt	291.5	291.3	0%
<b><u>Key Ratios</u></b>			
Operating Interest Cover	8.16	7.19	13%
Equity / (Equity + Net Debt) %	54.7%	52.0%	5%
Senior Debt Ratio	3.05	3.48	12%

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## FULL YEAR OUTLOOK

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The Group forecasts to achieve record global case sales of 3,040,000 cases, up 11% on last year.

The Group forecasts a record 2019 operating profit result of at least \$50.3 million, up on last year's record performance by 12%.



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*Thank you*

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