

— EST 1947 —
DELEGAT

CELEBRATING YET ANOTHER
YEAR OF RECORD GROWTH.



FY19 RESULTS

23 August 2019

AGENDA

Introduction to meeting.

**Business Performance – 2019 Year
under review.**

Investing for the Future.

Delegat Outlook.



PERFORMANCE HIGHLIGHTS

Record global case sales of 3,008,000.
10% higher than last year.

Record Operating NPAT of \$51.4 million.
14% higher than last year.

Strong cash flows from operations of \$55.4 million.

Dividend increased on strong operational performance and cash flows – 17.0 cents.



CASE SALES AND FX

Case Sales (000's)	Jun 2019 Actual	Jun 2018 Actual	% Change vs 2018
UK, Ireland and Europe	896	687	30%
North America (USA and Canada)	1,332	1,250	7%
Australia, NZ and Asia Pacific	780	799	-2%
Total Cases	3,008	2,736	10%

Foreign Currency Rates	Jun 2019 Actual	Jun 2018 Actual Restated*	% Change vs 2018
GB£	0.5146	0.5349	4%
AU\$	0.9320	0.9181	-2%
US\$	0.6774	0.7037	4%
CA\$	0.8888	0.9041	2%

REVENUE GROWTH ANALYSIS

NZ\$ millions	Jun 2019 Actual	Jun 2018 Actual Restated*	% Change vs 2018
Operating Revenue	269.4	246.5	9%
<u>Revenue movements breakdown:</u>			
Volume			10%
Value			-1%
Foreign Exchange		2%	
Country/Product Mix		-3%	

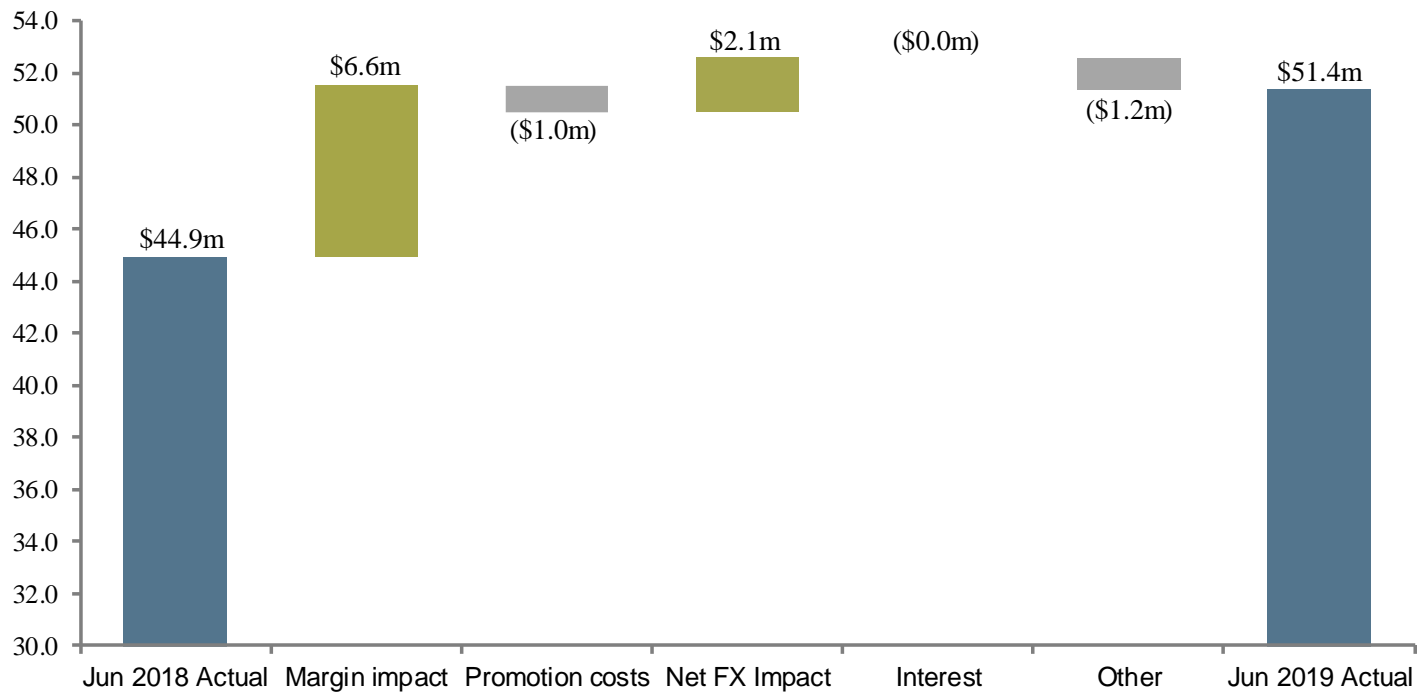
OPERATING PERFORMANCE

NZ\$ millions	Jun 2019 Actual	Jun 2018 Actual Restated*	% Change vs 2018
Sales Revenue	269.4	246.5	9%
Operating Revenue	278.0	255.8	9%
Operating Gross Profit	139.1	130.3	7%
Operating Gross Margin	50%	51%	
Operating Expenses	(55.4)	(55.8)	1%
Operating EBIT	83.7	74.5	12%
Operating EBIT % of Revenue	30%	29%	
Interest and Tax	(32.3)	(29.6)	-9%
Operating NPAT	51.4	44.9	14%
Operating NPAT % of Revenue	18%	18%	
Operating EBITDA	99.3	89.6	11%
Operating EBITDA % of Revenue	36%	35%	

*The financial statements for the year ended 30 June 2018 have been restated following the adoption of NZ IFRS 15: Revenue from Contracts with Customers on 1 July 2018. Refer to Note 1 of the financial statements.

OPERATING PROFIT MOVEMENT – LAST YEAR

NZ \$millions



IMPACT OF 'FAIR VALUE' ADJUSTMENTS

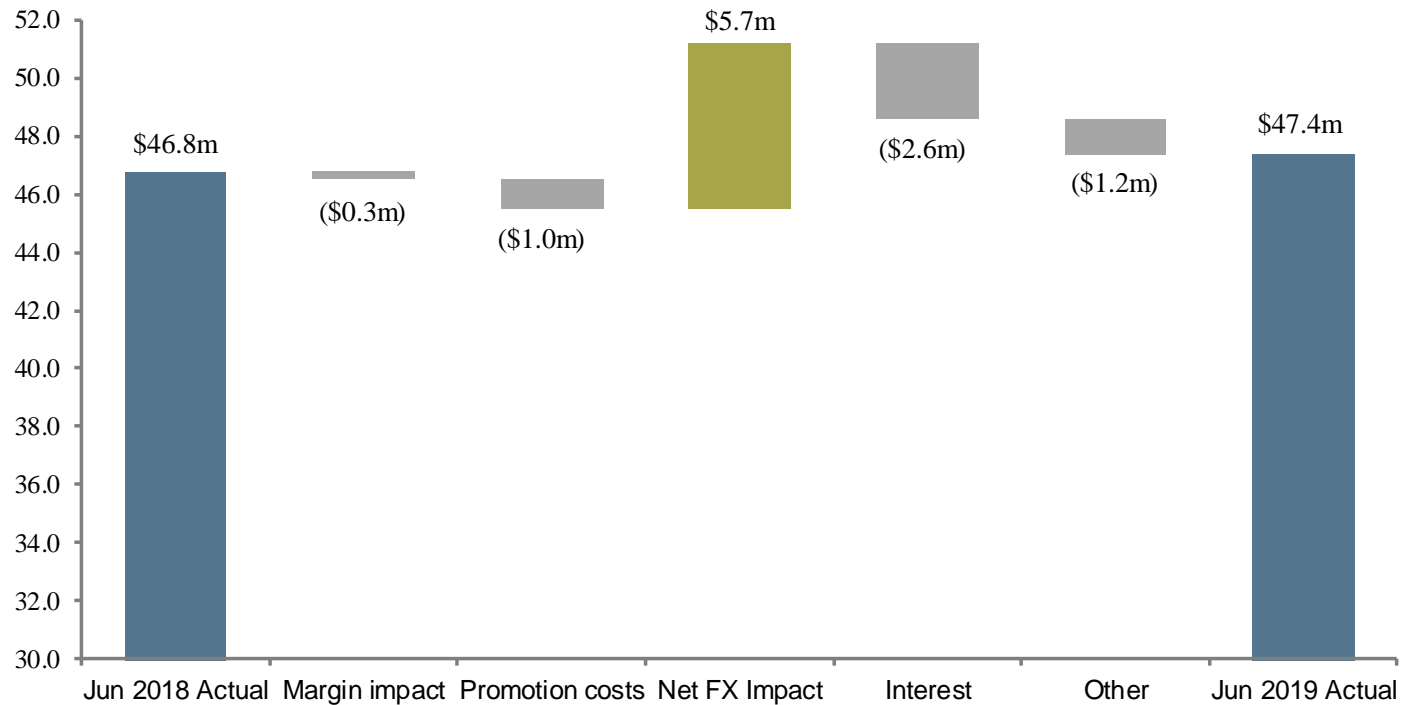
NZ\$ millions	Jun 2019 Actual	Jun 2018 Actual	% Change vs 2018
Operating NPAT	51.4	44.9	14%
Operating NPAT % of Revenue	18%	18%	
Biological Produce (Grapes) ¹	(4.2)	5.5	n/m ²
Derivative Instruments	(1.5)	(2.9)	48%
Total Fair Value Items	(5.7)	2.6	n/m²
Less: Tax	1.7	(0.7)	n/m ²
Fair Value Items after Tax	(4.0)	1.9	n/m²
Reported NPAT	47.4	46.8	1%

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

NZ \$millions

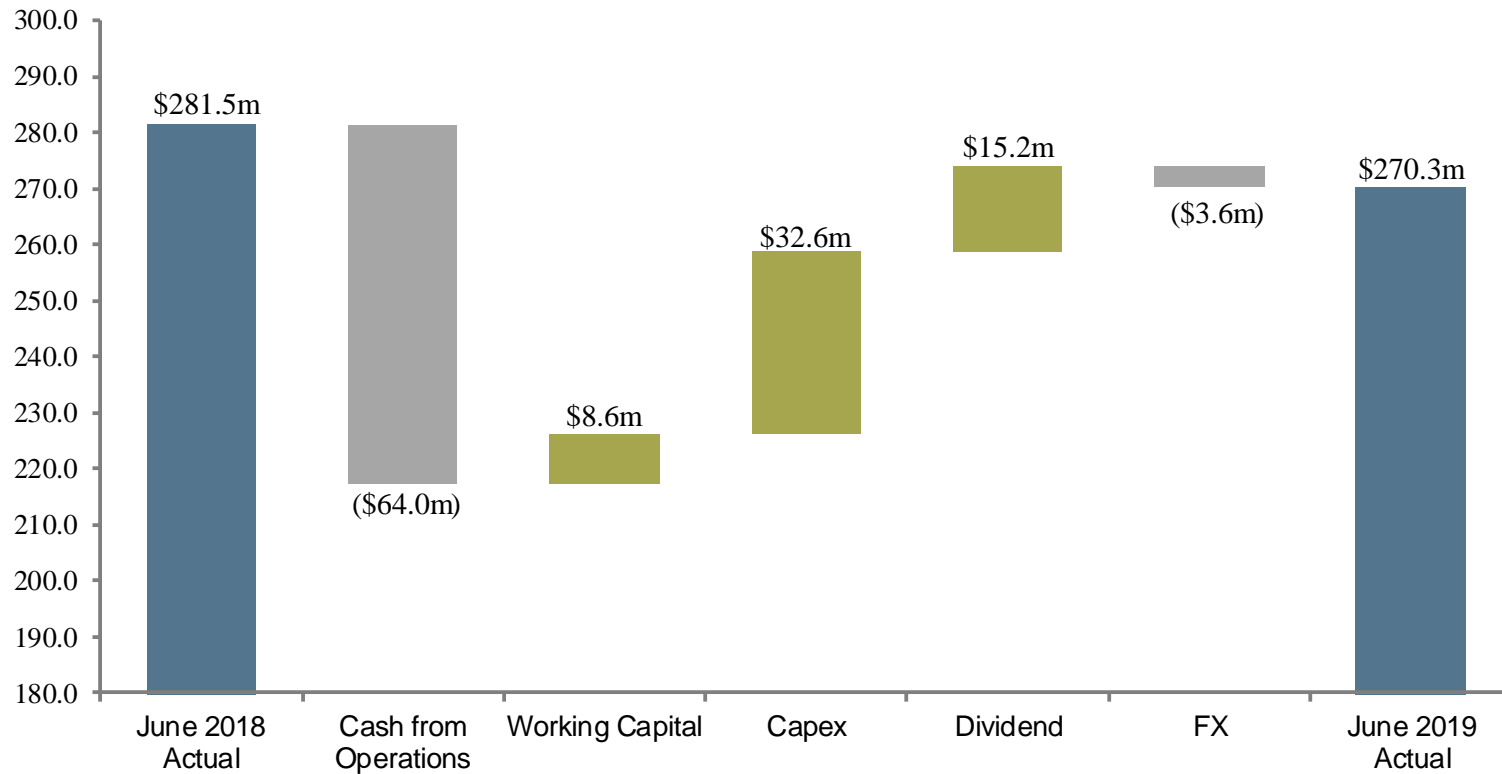


BALANCE SHEET SUMMARY

NZ\$ millions	Jun 2019 Actual	Jun 2018 Actual	% Change vs 2018
<u>Assets</u>			
Current Assets	199.0	190.1	5%
Fixed Assets	529.5	514.5	3%
Total Assets	728.5	704.6	3%
<u>Liabilities</u>			
Current Liabilities	41.7	42.5	-2%
Deferred Tax Liabilities	35.6	33.7	6%
Net Debt	270.3	281.5	-4%
Other Non-current Liabilities	6.3	3.7	71%
Total Liabilities	354.0	361.4	-2%
<u>Equity</u>			
Shareholders' Equity	374.5	343.2	9%
Total Equity	374.5	343.2	9%
Total Liabilities and Equity	728.5	704.6	3%

NET DEBT MOVEMENT

NZ \$millions



NET DEBT OVERVIEW

NZ\$ millions	Jun 2019 Actual	Jun 2018 Actual	% Change vs 2018
<u>Funding</u>			
Operating Cash Flow	55.4	57.8	-4%
Net Debt	270.3	281.5	4%
<u>Key Ratios</u>			
<u>Operating Profit Measures</u>			
Interest Cover	6.98	6.23	12%
Return on Equity ¹	16.0%	15.7%	2%
Return on Capital Employed ²	14.0%	13.2%	6%
<u>Reported Profit Measures</u>			
Interest Cover	6.50	6.45	1%
Equity / (Equity + Net Debt) %	58.1%	54.9%	6%
Return on Equity	13.2%	14.4%	-8%
Return on Capital Employed	12.3%	12.7%	-4%

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.

2019 HARVEST

Group Harvest:

- exceptional quality across all three of our wine regions
- 35,500 tonnes, down 11% on 2018



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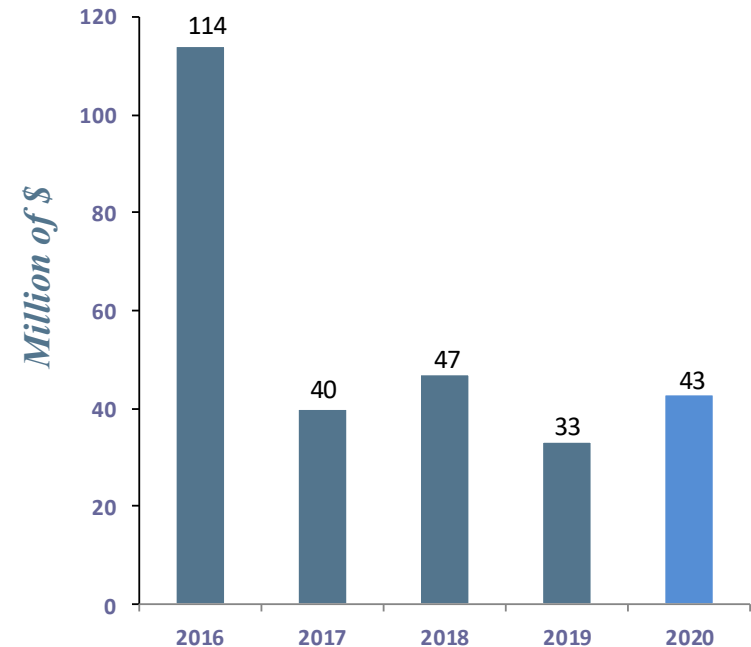
INVESTING IN GROWTH - CAPITAL EXPENDITURE UPDATE

2017: Includes vineyard and winery developments in Hawke's Bay, Marlborough and Barossa Valley.

2018: Includes vineyard and winery developments in Hawke's Bay, Marlborough and Barossa Valley, and land acquisition in New Zealand.

2019: Includes vineyard and winery developments in Hawke's Bay, Marlborough and Barossa Valley.

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



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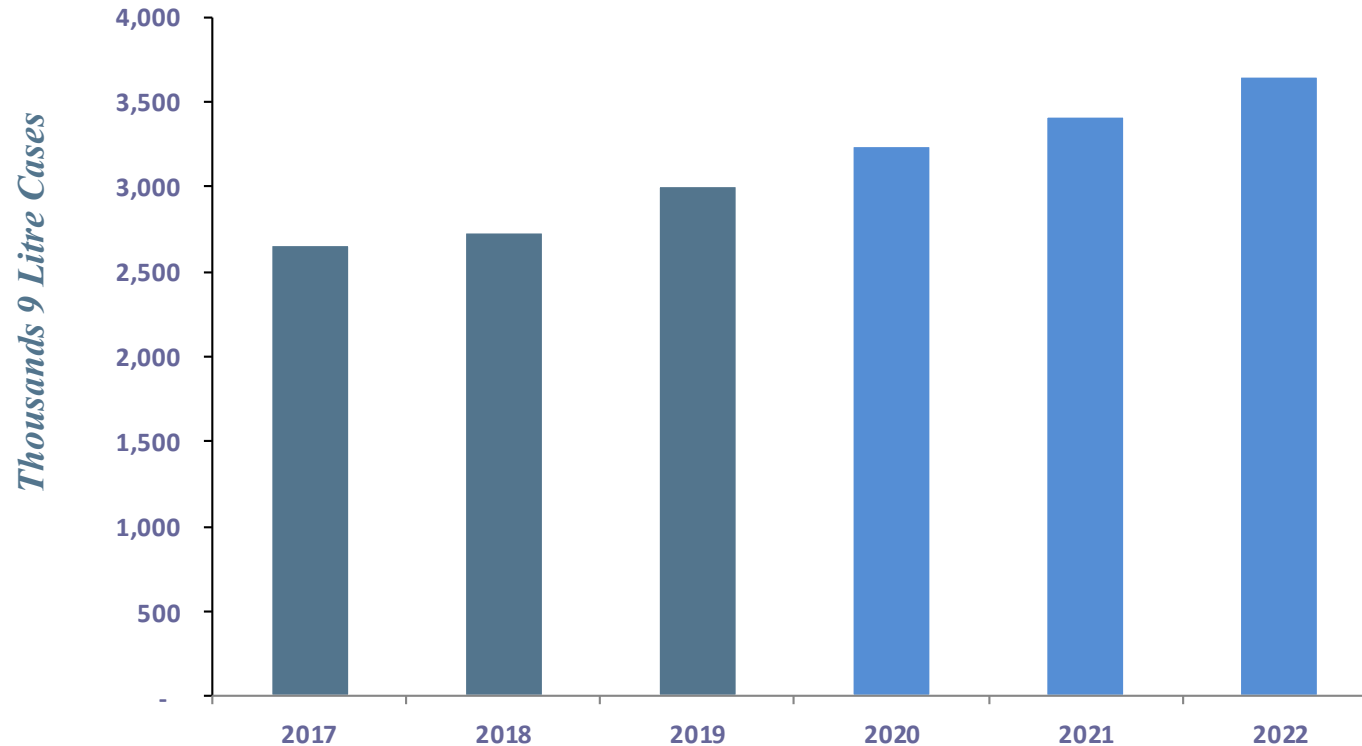
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DELEGAT SALES GROWTH 2017 - 2022



	2019	2020	2021	2022
Case Sales (000s)	Actual	Forecast	Projection	Projection
Total Cases	3,008	3,240	3,419	3,651
% Increase		8%	6%	7%

FY20 Operating Profit Guidance

Based on prevailing exchange rates, the Group forecasts to achieve a FY20 operating profit that is in line with the FY19 record performance.



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Thank you
