

Delegat Group Limited – 2021 Annual Meeting Addresses

Annual Meeting of Shareholders

2 pm, Wednesday, 7 December 2021

Slide 1 – Title Slide

1. Welcome and Introductions

Good afternoon everyone. On behalf of the Board, I am pleased to welcome you here today to the 16th Annual Meeting of Delegat Group Limited since listing in April 2006. My name is Jim Delegat and I have the privilege of chairing your Board of Directors. I can confirm that we do have a quorum present and given the time is now 2 p.m. – I declare the meeting open for business. Today's meeting is being held online via the Computershare Online Meetings platform. This allows Shareholders, Proxies and Guests to attend this meeting virtually. All attendees can watch a live webcast of the meeting and read the company documents associated with the meeting. In addition, Shareholders and Proxies have the ability to ask questions and submit votes.

Slide 2 – Online Platform – Q&A

If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen anytime. Type your question into the field and press send. Your question will be immediately submitted. Should you require any assistance, you can type your query and one of the Computershare team will assist with the chat function and reply to your query. Alternatively, you can call Computershare on 0800-650-034.

Please note that while you can submit questions from now on, I will not address them until the relevant time in the meeting. Please also note that your questions may be moderated or if we

receive multiple questions on one topic, amalgamated together. Finally, due to time constraints we may run out of time to answer all your questions. If this happens, we will answer them in due course via email.

Voting today will be conducted by way of a poll on all items of business. In order to provide you with enough time to vote, I will shortly open the voting for all resolutions.

Slide 3 – Online Platform – Voting

At that time, if you are eligible to vote at this meeting, you will be able to cast your vote under the Vote tab. Once the voting has opened, the resolutions will allow votes to be submitted. To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution. Your vote has been cast when the tick appears. To change your vote, simply select 'Change Your Vote'. You have the ability to change your vote, up until the time I declare voting closed.

I now declare voting open on all items of business. The resolutions will now be open in the vote tab, please submit your votes at any time. I will give you a warning before I move to close voting.

Slide 4 – Welcome and Introductions

Let me now introduce you virtually to my fellow Board Members. Today we have on the call, Graeme Lord (Acting Managing Director), Rose Delekat, Dr. Alan Jackson (Chair of Audit & Risk Committee) and Phillipa Muir (Chair of Remuneration Committee). Also, in attendance is Murray Annabell, the Group's Chief Financial Officer, who will act as our minute secretary and moderator. I also would like to welcome our auditor partner, Andrew Dick from Deloitte's to the meeting.

2. Apologies

To open, I am not aware of any apologies anyone would like to advise the meeting of? If there are, please type in the apology and Murray Annabell will ensure these are appropriately recorded in the minutes.

3. Notice of Meeting

The notice of meeting has been sent to all shareholders together with the Annual Report, and I propose that, together with the agenda they be taken as read.

4. Minutes of Previous Meeting

The minutes of the 15th Annual Meeting held on 25th November 2020 have been approved by the Directors, and Murray Annabell is holding a copy should any shareholder wish to receive one to view.

Slide 5 - Agenda

5. Procedure

Firstly, I will address the Annual Report incorporating the Directors Report, Financial Statements and unqualified Audit Report covering the year to 30 June 2021. I will then provide a brief overview of our investment in future growth and Board succession planning before handing the meeting to the Acting Managing Director who will cover the 2021 performance in more detail and the Group's future sales growth plans.

Following Mr. Lord's remarks, I will ask if there is any discussion on the Annual Report and Executive Chairman's and Acting Managing Director's presentation before moving on to the formal business of the resolutions.

Executive Chairman's Address

Slide 6 – Executive Chairman's Address

As Executive Chairman my focus is on the strategic direction and monitoring performance to ensure successful delivery of Board approved business plans. I invest a significant amount of my time on capital investments and growth initiatives.

Slide 7 – A Challenging but Successful Year

The year ended 30 June 2021 was a challenging but successful year for the Group. Delegat achieved global case sales of 3,178,000 in the 2021 year, 3% lower than the prior year.

The Group generated record Operating Net Profit After Tax of \$65.5 million, up 8% on the prior year, and achieved an Operating Return on Capital Employed of 13.8%.

Strong cash flows from operation of \$74.7 million were delivered.

Accordingly, your Board, considered it appropriate to declare a fully imputed dividend of 20 cents per share, up 18% on the prior year. Your Board remains cognisant of both dividends to reward shareholders and the need for reinvestment for long-term growth.

The results achieved in 2021 a testament to the strength of Delegat Group's business model and are a credit to our Great Wine People around the world.

Slide 8 – Investing for Growth

Delegat continues to invest in assets to support our growth strategy. During the year under review the Group generated cash flows from operations of \$74.7 million as mentioned, which more than funded the \$62.2 million invested in growth assets including development of the Group's wineries, land acquisition and vineyard development.

Delegat will invest an additional \$29.7 million in FY2022 to provide earnings growth in the years ahead. This capital investment supports the Group's plan to grow sales by 25% to 3,976,000 cases by FY2024 and will provide for further growth beyond that period.

Slide 9 –Vineyard Development

The Group planted 192 hectares of new vineyards in FY2021 and is developing another 245 hectares in the current year. The Group has a further 639 hectares of viticultural land which will be planted progressively from FY2023 onwards. The Group now has 4,469 net hectares of vineyards and viticultural land, 4,129 hectares in New Zealand and 340 hectares in Australia. Of this area 81% is owned or managed by the Company and 19% is from our grower partners.

Slide 10 – Funding Growth

The Group has a strong balance sheet with shareholders' equity of \$454.4 million, net bank debt of \$249.1 million and undrawn syndicated bank debt facilities of \$80.9 million as at 30 June 2021. The Group's retained earnings and syndicated bank debt facilities provide appropriate funding for our capital investment programme and growth plans.

I can also announce that the Group today signed a new bank debt facilities ranging between three to five years with the incumbent syndicate bankers, consisting of Westpac, Bank of New Zealand, China Construction Bank and Hongkong Shanghai Banking Group for \$333 million, reinforcing our well-established and enduring relationship.

Slide 11 – Managing Director and Board Succession

As previously announced Delegat is delighted that Steven Carden will be joining the Group as Managing Director from 1 February 2022. Steven's career to date includes working for McKinsey in New York, General Manager of PGG Wrightson Australia, and his current role as Chief

Executive Officer of Pāmu (Landcorp Farming Ltd). Steven's strategic thinking capability, expertise in growing international businesses and focus on creating an environment where people can achieve their potential is an ideal match for Delegat Group as we embark on the next stage of our journey to build a leading global Super Premium wine company.

Last month the Group announced governance succession planning changes.

Alan Jackson will become Independent Chair of your company in February. Alan is currently an Independent Director of Delegat Group and has contributed to our success in this capacity since 2012. Prior to his governance career Alan was Chairman Australasia of the Boston Consulting Group, and he headed the firm's Consumer Goods and Retail practice in Australasia and Asia Pacific. Alan's 9 years of experience with Delegat Group as an Independent Director, combined with his expertise in strategy and consumer goods, makes him an ideal Independent Chair of Delegat Group.

I will continue to be actively involved with our business as Executive Director, providing input into strategic direction and contributing to key projects, in addition to undertaking my Board governance responsibilities. I remain very passionate about our business and our great wine people around the world.

Rose Delegat and Phillipa Muir will continue to serve in their respective Non-Executive Director and Independent Director roles. Graeme Lord will revert to his previous Non Executive Director role when he completes his as Acting Managing Director assignment in February. The Group plans to appoint a third Independent Director who will succeed Alan as Chair of the Audit and Risk Committee

With these changes, your company is well placed with a Managing Director and Board with the expertise and experience to build on our success to date, grow sustainable earnings and deliver for all of our stakeholders. As per the meeting agenda, both Alan Jackson and Rose Delegat are seeking re-election at today's Annual Shareholder meeting with the full support of the Board.

Slide 12 – Executive Chairman Concluding Remarks

As noted earlier, the results achieved in the year under review are testament to the strength of the Group's business model. Against a backdrop of uncertainty caused by the disruption of Covid-19, Delegat has continued to build category leading Super Premium brands, excel on quality, develop supply to underpin growth, and establish a strong global distribution footprint.

Your Board would like to take this opportunity to acknowledge our Delegat Great Wine People around the world. Our global team has once again shown great resolve and resilience to deliver success in a challenging year. The workload and operating environment endured this year have asked a great deal of our teams around the world and they have responded magnificently. Our people have built a unique culture founded on our values of aim high, mastery and winning together. The commitment and talent of our global team underpins our success and positions the Group well to deliver on its growth plans.

I continue to be excited about your company's performance and strategy, all of which supports substantial future sales and earnings growth.

Graeme Lord, the Group's Acting Managing Director, will now provide a more fulsome report on the 2021 year and the Group's future sales growth plans.

Acting Managing Director's Address

Slide 13 – Acting Managing Director's Address

Good afternoon everyone. It is great to connect with you, albeit virtually.

As noted by the Executive Chairman, in 2021 the Group achieved global case sales of 3,178,000 cases and record Operating Net Profit After Tax of \$65.5 million in a year impacted by the Covid-19 pandemic and associated supply chain disruption.

Slide 15 – Global Sales Performance

The 3% decline in sales volume was primarily due to the impact of global port congestion compounded by constrained shipping line capacity on all major trade lanes.

The ongoing Covid-19 pandemic, related lockdowns and social distancing requirements have limited field sales activities and reduced sales in on premise channels. Despite this our in-market sales teams engaged productively with customers and distributors throughout the year. In this environment, consumers have gravitated to established brands that they know and trust, and Oyster Bay has continued to flourish as a leading Super Premium wine brand.

The Group's sales continue to be well diversified by market with 47% in North America, 34% in United Kingdom, Ireland and Europe, and 19% in the Australia, New Zealand and Asia Pacific region.

Slide 16 – Sales Performance: North America

Sales in North America grew by 3% to a record 1,487,000 cases, albeit sales volumes were constrained by port congestion and reduced shipping line capacity.

The United States remains one of the world's most attractive wine markets, demonstrating

sustained premium category growth and strong demand for imported wines including Marlborough Sauvignon Blanc. This makes it a major growth market opportunity for the Group. The Oyster Bay brand continued to achieve strong distribution and rate of sale per point of distribution across the country. Oyster Bay Sauvignon Blanc is a top 5 white wine over US\$10 by value. The Group is well positioned to continue building momentum through its strong relationships with its distributor partners, a key factor in driving success of Oyster Bay and Barossa Valley Estate.

In Canada, a strong base of distribution has been established in each of the major provinces. Oyster Bay has grown to become one of the leading Super Premium wine brands in the market, with success being achieved across the range, including number two Chardonnay and top ten Pinot Noir in Canada above C\$14.

Slide 17 – Sales Performance: United Kingdom, Ireland and Europe

Sales in the United Kingdom, Ireland and Europe region were 1,074,000 cases, 2% lower than the prior year, largely due to supply chain constraints.

Oyster Bay has maintained its Super Premium category leadership position in the United Kingdom, with Sauvignon Blanc, Chardonnay and Merlot continuing to be the top selling wines above £8 in their individual varietal categories irrespective of origin. Barossa Valley Estate sales were adversely affected by the impact of lockdowns and social distancing requirements on customers in the hospitality sector.

In Ireland, Oyster Bay continues to achieve success as a leading Super Premium wine brand. Oyster Bay Chardonnay, Merlot and Pinot Noir remain the top-selling wines in their respective varietal categories above €9.

Slide 18 – Sales Performance: Australia, New Zealand and Asia Pacific

In the established New Zealand and Australia markets Oyster Bay is a category-leading Super Premium wine brand. The Australia, New Zealand and Asia Pacific region achieved sales of 618,000 cases, 16% lower than in the previous year as the Group focused on optimising long-term value growth in preference to short-term volume growth, whilst sales in Australia were also impacted by port congestion and reduced shipping line capacity.

In Australia, Oyster Bay Sauvignon Blanc continues to lead the category as the top-selling Sauvignon Blanc and bottled white wine by value, Oyster Bay Chardonnay remains the top-selling Chardonnay above A\$13 and Oyster Bay Pinot Gris has become a top three product in its varietal category above A\$13.

During the year, the Group again experienced strong growth in China. While China is currently a relatively small emerging market for the Group, it continues to represent a valuable long-term growth opportunity.

Slide 19 – Brands and Communications

The Group's goal is to establish Oyster Bay and Barossa Valley Estate as leading brands in the Super Premium wine category globally.

Based on wine consumption patterns, the Group classifies markets as Established, Growth or Emerging. Understanding the level of maturity of our markets is essential for setting business strategy. Marketing activities are then tailored to the specific needs of each market and phases of brand development. The Group is investing in marketing programmes designed to grow consumer awareness and affinity, supporting distribution and rate of sale growth per point of distribution. In 2022 the Group is investing in consumer communications campaigns targeting more than 500 million consumer impressions

amongst premium wine consumers globally, with half of these in the key United States market.

The Group uses a mix of media channels, both online and offline to attract and engage the premium wine consumers and build its brands. The Group also works closely with its retail partners to develop highly effective in-store activations that support rate of sale growth and nurture long-term brand affinity.

In recognition of its market performance and reputation, Oyster Bay continues to be recognised as a Blue Chip Brand by New York's IMPACT Magazine, a status reserved only for brands of substantial size and sustained growth over many years. Oyster Bay was also recognised by IMPACT Magazine as a 'Hot Brand' for the eleventh consecutive year.

Slide 20 – 2021 Vintage

The 2021 harvest delivered exceptional quality fruit across all three of our wine regions. The Group harvest of 37,470 tonnes was 2% lower than the prior vintage and lower than forecast due to unseasonal cool spring weather during flowering in both Marlborough and Hawke's Bay. The 2% decline relative to the prior year was favourable to the wider New Zealand industry harvest which was down by 19%.

The vintage outcome has delivered excellent quality wines and the Group has appropriate inventories to achieve 2022 forecast sales of 3,419,000 cases as noted in the Annual Report.

Slide 21 – Sales Growth FY2022 to FY2024

The Group continues operate in an environment of elevated uncertainty arising from the ongoing global pandemic and global supply chain disruption. Performance over the last year is testament to the strength and resilience of the Group's business model in this environment.

Delegat plans to grow sales by 25% to 3,976,000 cases over the next three years. The primary driver of planned growth is Oyster Bay sales in North America.

Slide 22 – Forecast FY2022

With respect to the current year to June 2022, the Group is on track to achieve our plans to grow sales by 8% to 3,419,000 cases.

The Group continues to forecast the 2022 operating profit result to be in the range of \$57 million - \$61 million. The forecast Operating Net Profit After Tax is lower than this year's result due to the impact of the lower yielding 2021 vintage and higher grape prices resulting in an increased cost of goods per case, unfavourable exchange rate movements, higher freight costs, and the recurrence of operating expenses suspended due to Covid-19 restrictions. The Group will continue to closely monitor and manage the potential impact of ongoing supply chain disruption and cost inflation, noting that these factors present some risk to the achievement of forecast sales and profit in 2022.

Acting Managing Director Concluding Remarks

We are very proud and appreciative of the way our people brought to life our core value of Winning Together in a challenging year. Our people are the key to realising the Group's future goals and have collectively built a high performance team culture that is unique in the global wine business. I would like to take this opportunity to thank each and every one of our people around the world.

Your company is well positioned to grow sales and achieve sustainable earnings growth in the years ahead on our journey to build a leading global Super Premium wine company.

Lastly, I would like to thank you, our shareholders, for your ongoing commitment and support.

END

CHAIRMAN RESUMES

Shareholders' Questions and Discussion

Thank you Graeme for your presentation. At this stage of the meeting we would ask if there are any questions in respect of the Annual Report, my Executive Chairman's presentation or the Acting Managing Director's presentation.

If you would like to ask a question, please select the Q&A tab on the right half of your screen. Type your question into the field and press send. We will take a few moments to see if there are any questions sent before moving on to the next item on the agenda. Please note that if there are questions raised of a similar nature, we may cover these off together. Please go ahead and send us any questions.

[PAUSE SCRIPT WHILST WE ANSWER QUESTIONS]

Thank you – I will record that the 2021 Annual Report has been received and considered.

Now we will proceed to the Ordinary Business on the Agenda

Slide 23 – Online Platform – Voting

As I mentioned earlier the resolutions are open in the Vote tab for all items of business. These resolutions were outlined in the voting papers that were mailed to you with the notice of meeting and Annual Report, and we have four resolutions to discuss and vote on today.

To vote, simply select your voting direction from the options shown on screen. Please select by clicking on the radio button for either 'For', 'Against' or 'Abstain'. You can vote for all resolutions at once or by each resolution. Your vote has been cast when the tick appears. To change your vote, simply select 'Change Your Vote'. You have the ability to change your vote, up until the

time I declare voting closed.

Once all four resolutions have been voted, ComputerShare (our registrar) will collate all the votes cast by Shareholders along with the proxy votes and the Company will post the final results onto the NZX platform when available.

Agenda item D

I can confirm that Resolution Item 1 – 4 are all ordinary resolutions.

Election of Directors

Agenda item 1- Re-election of Rose Delegat as Director.

In accordance with the rotation provision of the constitution Rose Delegat retires from office and being eligible offers herself for re-election.

Rose will now briefly address the meeting.

[Rose to address meeting]

I move Rose Delegat be re-elected as a director.

I have a seconder. Thank you Phillipa.

Is there any discussion? Please submit any question you may have in relation to the appointment of Rose Delegat as Director. We will pause for a few moments to see if the Moderator receives any questions.

[PAUSE SCRIPT WHILST WE ANSWER QUESTIONS]

If there are no further questions, I put the motion that Rose Deleat be re-elected as a director.

Please cast your vote in regard to Resolution 1 using your computer or device now. Thank you

Agenda item 2 – Re-election of Dr Alan Jackson as Director

In accordance with the rotation provision of the constitution Alan Jackson retires from office and being eligible offers himself for election.

Alan will now briefly address the meeting.

[Alan to address meeting]

I move Alan Jackson be elected as a director.

I have a seconder. Thank you Phillipa.

Is there any discussion? Please submit any question you may have in relation to the appointment of Alan Jackson as Director. We will pause for a few moments to see if the Moderator receives any questions.

[PAUSE SCRIPT WHILST WE ANSWER QUESTIONS]

If there are no further questions, I put the motion that Alan Jackson be elected as a director.

Please cast your vote in regard to Resolution 2 using your computer or device now. Thank you

Agenda item 3 - Increase in Directors' Fee Pool

This Resolution is numbered Agenda Items 3 and is an ordinary resolution. Directors seek approval to increase the Directors' fee Pool from \$400,000 to \$495,000 to ensure a remuneration level which reflects both the growth of the Company, its associated increasing governance responsibilities and to bring the Pool into line with similar listed Companies as benchmarked in the Institute of Directors

August 2021 published Directors Fee Report. No increase in the Pool has been made since 2016 and as outlined in the explanatory notes to the notice of annual meeting, amongst other reasons the increase in the fee pool accommodates the appointment and remuneration of the Independent Chair from February 2022.

Neither the directors nor their associates who hold shares will be exercising any votes in respect of this Resolution as required by NZX Listing Rules.

I move that the Director's fee Pool be increased from \$400,000 to \$495,000.

I have a seconder. Thank you Alan.

Is there any discussion? Please submit any question you may have in relation to the increase in director fee pool.

[PAUSE SCRIPT WHILST WE ANSWER QUESTIONS]

If there are no further questions, I put the motion that the Director Fee Pool be increased from \$400,000 to \$495,000.

Please cast your vote in regard to Resolution 3 using your computer or device now. Thank you

Agenda item 4 - Fix auditor's fees and expenses

In regard to this matter you will recall from last year's annual meeting the Company advised that Deloitte had been appointed as auditor for Deleat Group and subsidiaries with Andrew Dick being the lead partner.

In accordance with the Company's Act 1993, the Company's auditor Deloitte is automatically re-appointed at the annual meeting. Section 207(s) of the Companies Act 1993 provides that the

auditor's remuneration being fixed, in such a manner as the Company determines at the Annual meeting. The Board proposes, consistent with commercial practice, that Shareholders approve that the Directors be authorized to fix the auditor's remuneration.

I move that the Director's be authorised to fix the auditor's remuneration.

I have a seconder. Thank you Alan.

Is there any discussion? Please submit any question you may have in relation to the appointment of Deloitte as auditor and their remuneration. We will pause for a few moments to see if the Moderator receives any question.

[PAUSE SCRIPT WHILST WE ANSWER QUESTIONS]

If there are no further questions, I put the motion that Directors' be authorised to fix the auditor's remuneration.

Please cast your vote in regards to Resolution 4 using your computer or device now. Thank you.

Agenda item E: General Business

I now look to the final item on the agenda: General Business. Are there any items of General Business? Is there any discussion? Please submit any question you may have in relation to any other business. We will pause for a few moments to see if the Moderator receives any items or questions.

Ladies and gentlemen that concludes our discussion on the items of business.

In a minute, I will close the voting system. Please ensure that you have cast your vote on all

resolutions. I will now pause to allow you time to finalise those votes.

[Wait for 60 seconds]

Voting is now closed.

The results of these votes will be released to the stock exchange later today.

With there being no further items of business, I will declare the meeting closed and thank you for joining us and for the continuing interest you have in the company.