EST 1947

DELEGAT

We are building a leading global super premium wine company.

DELEGAT GROUP LIMITED ANNUAL REPORT 2025

Oyster Bay captures the special character of New Zealand's cool climate viticulture.... elegant, assertive wines with glorious fruit flavours. These unique wine styles are amongst the most sought after in the world today.

THE DELEGAT STATE-OF-THE-ART MARLBOROUGH WINERY

C O N T E N T S

OPERATING NPAT[1] DOWN 14%

$51.1 MILLION

OPERATING EBITDA[1] DOWN 9%

$116.5 MILLION

GLOBAL CASE SALES DOWN 12%

3.2 MILLION

REPORTED NPAT UP 56%

$49.0 MILLION

CASH FROM OPERATIONS UP 86%

$105.7 MILLION

1. Operating Performance is a non-GAAP measure and as such does not have a standardised meaning prescribed by GAAP. It may therefore not be comparable to non-GAAP measures presented by other entities.

FINANCIAL SUMMARY 2025

YEAR ENDED 30 JUNE	2025	2024	2023	2022	2021
Case Sales (000s)	3,188	3,614	3,676	3,360	3,178
OPERATING PERFORMANCE [1]					
Operating Revenue [9] ($m)	349.6	375.7	375.8	325.4	302.7
Operating EBITDA [1, 2] ($m)	116.5	128.5	120.4	112.2	122.4
Operating EBIT [3, 4] ($m)	89.0	102.7	96.8	88.8	99.6
Operating EBIT % of Revenue	25%	27%	26%	27%	33%
Operating NPAT [5, 6] ($m)	51.1	59.7	59.3	58.1	65.2
Operating NPAT % of Revenue	15%	16%	16%	18%	22%
Operating Cashflow ($m)	105.7	56.9	59.7	65.6	74.7
Capital Expenditure [10] ($m)	59.9	69.1	101.7	39.5	61.7
REPORTED PERFORMANCE					
Revenue ($m)	349.6	378.3	381.4	325.6	305.4
EBITDA [1] ($m)	113.6	107.2	128.1	119.0	117.8
EBIT [3] ($m)	86.1	81.4	104.5	95.6	95.0
EBIT % of Revenue	25%	22%	27%	29%	31%
NPAT [5] ($m)	49.0	31.4	64.8	63.0	61.9
NPAT % of Revenue	14%	8%	17%	19%	20%
EPS [8]	48.5c	31.0c	64.1c	62.3c	61.2c
Net Assets [7] ($m)	586.1	556.0	544.8	499.5	453.9
Total Assets ($m)	1134.7	1115.9	1063.3	967.3	883.8

Notes:

1. EBITDA means earnings before interest, tax, depreciation and amortisation.
2. Operating EDITDA means EBITDA before NZ IFRS fair value adjustments and any other one-off non-operating items.
3. EBIT means earnings before interest and tax.
4. Operating EBIT means EBIT before NZ IFRS fair value adjustments and any other one-off non-operating items.
5. NPAT means net profit after tax attributable to ordinary Shareholders.
6. Operating NPAT means NPAT before NZ IFRS fair value adjustments and any other one-off non-operating items, after tax.
7. Net Assets means total assets less total liabilities.
8. EPS means earnings per share and is calculated on NPAT for the year divided by the weighted average number of ordinary shares on issue. The weighted average number of shares on issue are 101,130,000.
9. Operating Revenue is before fair value movements on derivative instruments (if gains).
10. Capital expenditure consists of additions to property, plant and equipment inclusive of capitalised interest.

This Annual Report is dated 29 August 2025 and is signed on behalf of the Board by:

JIM DELEGAT
CHAIR

GORDON MACLEOD
DIRECTOR

Delegat Group is well positioned to lead New Zealand wine category growth on our journey to build a leading global Super Premium wine company.

On behalf of the Board of Directors of Delegat Group Limited, I am pleased to present the Group's operating and financial results for the year ended 30 June 2025.

Together, our global team have delivered a creditable operating Net Profit After Tax of $51.1 million. This has been achieved against a backdrop of uncertainty, in what has been a challenging global market environment.

As a market led wine business the Group's focus remains on wine category premiumisation and value growth, aligning to the long-term trend of Super Premium wine consumption. The strengths of our category-leading Super Premium brands, in-market sales teams, distribution networks and strong consumer demand has provided the necessary resilience in these challenging times and a solid foundation which positions Delegat well for future sales growth on our journey to build a leading global Super Premium wine company.

JIM DELEGAT
CHAIR

PERFORMANCE SUMMARY

- **Global Case Sales of 3,188,000, down 12%.**
- **Operating NPAT of $51.1 million, down 14%.**
- **Operating EBITDA of $116.5 million, down 9%.**
- **Reported NPAT of $49.0 million, up 56%.**
- **Cash from Operations of $105.7 million, up 86%.**

The Group presents its financial statements in accordance with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

To provide further insight into the Group's underlying operational performance, the Group has also included in this report an Operating Performance Report. This Operating Performance Report excludes the impact of fair value adjustments required under NZ IFRS for grapes and derivative instruments and the tax effects of the removal of depreciation deductions on buildings in the prior year. As a fully integrated winemaking and sales operation, Operating Profit includes the fair value adjustment in respect of grapes when packaged wine is sold rather than on harvest of the grapes, and the fair value adjustment on derivative instruments when these foreign exchange contracts and interest rate swaps are realised.

The Group has included a reconciliation of Operating Profit to Reported Profit which eliminates from each line in the Statement of Financial Performance all fair value adjustments[1].

TABLE 1 **OPERATING PERFORMANCE**[1]

NZ$ millions	June 2025	June 2024	% change vs 2024
Operating Revenue[1]	349.6	375.7	-7%
Operating Gross Profit[2]	**158.3**	**171.2**	**-8%**
Operating Gross Margin	45%	46%	
Operating Expenses[3]	(69.3)	(68.5)	-1%
Operating EBIT[4]	**89.0**	**102.7**	**-13%**
Operating EBIT % of Revenue	25%	27%	
Interest and Tax	(37.9)	(43.0)	12%
Operating NPAT[4]	**51.1**	**59.7**	**-14%**
Operating NPAT % of Revenue	15%	16%	
Operating EBITDA[4]	**116.5**	**128.5**	**-9%**
Operating EBITDA % of Revenue	33%	34%	

Notes:
1. Operating Revenue is before fair value movements on derivative instruments (if gains).
2. Operating Gross Profit is before the net fair value movements on biological produce (harvest adjustment) and the NZ IFRS adjustments excluded in Note 1.
3. Operating Expenses are before fair value movements on derivative instruments (if losses) and any other one-off non-operating items.
4. Operating EBIT, EBITDA and NPAT are before any fair value adjustments and any other one-off non-operating items.

[1]Operating Performance is a non-GAAP measure and as such does not have a standardised meaning prescribed by GAAP. It may therefore not be comparable to non-GAAP measures presented by other entities. The Chair and Chief Executive Officer's Reports are read by the auditors as part of their responsibilities in respect of other information as disclosed in their audit report.

OPERATING PERFORMANCE

A creditable operating NPAT of $51.1 million was generated compared to $59.7 million in the previous 12 months. Operating EBIT of $89.0 million is $13.7 million lower than last year, reflecting the lower case sales volumes and resulting margin impact, higher impact on cost of sales from the lower 2024 vintage, partially offset by the favourable impacts of price increases and foreign exchange. Accordingly Operating EBITDA of $116.5 million is $12.0 million lower than last year. Operating Expenses (before NZ IFRS adjustments) at $69.3 million are $0.8 million higher than last year.

Delegat achieved Operating Revenue of $349.6 million on global case sales of 3,188,000 in the year.

The Group's case sales performance and foreign currency rates achieved are detailed in table 2.

TABLE 2 CASE SALES AND FOREIGN CURRENCY

Case Sales (000s)	June 2025	June 2024	% change vs 2024
UK, Ireland and Europe	1,008	1,183	-15%
North America (USA and Canada)	1,509	1,725	-13%
Australia, NZ and Asia Pacific	671	706	-5%
Total Cases	**3,188**	**3,614**	**-12%**
Foreign Currency Rates			
GB£	0.4659	0.4839	4%
AU$	0.9149	0.9172	0%
US$	0.5945	0.6133	3%
CA$	0.8190	0.8231	0%

NZ IFRS FAIR VALUE ADJUSTMENTS

In accordance with NZ IFRS the Group is required to account for certain assets at 'fair value' rather than at historic cost. All movements in these fair values are reflected in and impact the Statement of Financial Performance. The Group records adjustments in respect of three significant items at the year-end as described below and detailed in table 3.

- Harvest Provision Release (Grapes) – Inventory is valued at market value, rather than costs incurred, at harvest. Any fair value adjustment is excluded from Operating Performance for the year, by creating a Harvest Provision. This provision is then released through Cost of Sales when inventory is sold in subsequent years. This represents the reversal of prior periods' fair value adjustments in respect of biological produce as finished wine is sold in subsequent years. In 2025, the market value of the Company grapes was more than the costs incurred, resulting in a $9.4 million write-up (2024: write-down of $5.0 million). This write-up is due to the increased yields for the 2025 vintage (up 39% year on year). This write-up, less the impact of prior years' vintages being sold has resulted in a net write-up of $3.7 million for the year (2024: write-down of $24.0 million);
- Derivative Instruments are held to hedge the Group's foreign currency and interest rate exposure. The mark-to-market movement of these instruments at balance date resulted in a fair value write-down of $6.6 million (2024: write-up of $2.7 million); and
- The tax effect of removal of depreciation deductions on buildings resulted in a tax write-down of $13.0 million in the prior year.

The above adjustments, net of taxation, amount to a write-down of $2.1 million for the year (2024: write-down of $28.3 million).

TABLE 3 IMPACT OF FAIR VALUE ADJUSTMENTS

NZ$ millions	June 2025	June 2024	% change vs 2024
Operating NPAT	**51.1**	**59.7**	**-14%**
Operating NPAT % of Revenue	15%	16%	
NZ IFRS Fair Value Items			
Biological Produce (Grapes)[1]	3.7	(24.0)	n/m[2]
Derivative Financial Instruments	(6.6)	2.7	n/m[2]
Total Fair Value Items	(2.9)	(21.3)	n/m[2]
Taxation of NZ IFRS fair value items	0.8	6.0	n/m[2]
Removal of building tax depreciation	–	(13.0)	100%
Fair Value Items after Tax	**(2.1)**	**(28.3)**	**n/m[2]**
Reported NPAT	**49.0**	**31.4**	**56%**

Notes:
1. Biological Produce (Grapes) is the difference between market value paid for grapes and 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.

RECONCILIATION OF REPORTING TO OPERATING PERFORMANCE

Accounting for all fair value adjustments under NZ IFRS, the Group's reported audited financial performance for the year ended 30 June 2025 is reconciled to Operating Profit as detailed in table 4.

CASH FLOW

The Group generated Cash Flows from Operations of $105.7 million in the current year, which is an increase of $48.8 million or 86% on the previous year. This increase is principally due to lower working capital investment when compared to the prior year. A total of $44.2 million was paid for additional property, plant and equipment during the year. This includes vineyard developments in New Zealand, and development of the Hawke's Bay and Marlborough wineries, which will provide earnings growth into the years ahead. The Group distributed $20.2 million to Shareholders in dividends.

The Group has a $420 million syndicated Senior debt facility and is well positioned to fund its current operations as well as future capital investment in both New Zealand and Australia. The Group's net debt at 30 June 2025 amounted to $328.6 million, a decrease of 9% compared to last year due to the strong operating cash flows and remains well within the Group's long-term bank facilities. Future growth in cashflows will support our capital expenditure programme.

TABLE 4 RECONCILIATION OF REPORTING TO OPERATING PERFORMANCE

	June 2025			June 2024		
NZ$ millions	Operating	Fair Value Adjustment	Reported	Operating	Fair Value Adjustment	Reported
Revenue	349.6	–	349.6	375.7	2.7	378.3
Cost of Sales	(191.3)	3.7	(187.6)	(204.5)	(24.0)	(228.4)
Gross Profit	**158.3**	**3.7**	**162.0**	**171.2**	**(21.3)**	**149.9**
Operating Expenses	(69.3)	(6.6)	(75.9)	(68.5)	–	(68.5)
EBIT[1]	**89.0**	**(2.9)**	**86.1**	**102.7**	**(21.3)**	**81.4**
Interest and Tax	(37.9)	0.8	(37.1)	(43.0)	(7.0)	(50.0)
NPAT[2]	**51.1**	**(2.1)**	**49.0**	**59.7**	**(28.3)**	**31.4**
EBIT[1]	**89.0**	**(2.9)**	**86.1**	**102.7**	**(21.3)**	**81.4**
Depreciation and amortisation	27.5	–	27.5	25.8	–	25.8
EBITDA[3]	**116.5**	**(2.9)**	**113.6**	**128.5**	**(21.3)**	**107.2**

Notes:
1. EBIT means earnings before interest and tax.
2. NPAT means net profit after tax.
3. EBITDA means earnings before interest, tax, depreciation and amortisation.

DIVIDENDS

The Directors consider that the underlying operational performance and continued strong cash flows justify maintaining the dividend payout in line with last year. Accordingly, the Directors are pleased to advise they have approved a fully imputed dividend payout of 20.0 cents per share. The dividend will be paid on 10 October 2025 to Shareholders on record at 26 September 2025.

INVESTING FOR GROWTH

The Board is confident in the Group's ability to prosper and drive sustainable sales and earnings growth over the long term. Accordingly, the Group continues to invest in its assets, brands, and people in line with our strategic goal.

Over the past four years, the Group has invested more than $250 million in growth assets and is well positioned to support future growth. Looking ahead, we expect lower capital spending over the next three years, focusing mainly on replacing essential infrastructure and productivity initiatives. The Group plans to invest an additional $26.2 million in 2026.

The Board also fully realises the importance of driving high standards of responsibility on Environmental, Social and Governance (ESG) issues across the business. A range of initiatives are underway across the company focused on reducing the Delegat Group environmental impact, enhanced Health and Safety outcomes for our people, and increasing diversity and inclusion.

OUR DELEGAT GREAT WINE PEOPLE

The Board would like to take this opportunity to acknowledge our Delegat Great Wine People around the world. The depth of experience and dedication of our people remains one of our strengths, with our Delegat Great Wine People continuing to demonstrate resilience, adaptability and our values of Aim High, Winning Together and Mastery.


DELEGAT
Crownthorpe Terraces
CHARDONNAY | 2024

We executed decisive actions to align with evolving market conditions — ensuring we remain well-positioned to deliver sustainable, long-term growth and shareholder value.

The Group's focus has been to:

- Implement price increases in certain markets aligned with our premiumisation strategy, delivering an overall increase in revenue of 2% in FY25.
- Grow our global distribution footprint.
- Leverage its deep market knowledge and strong distributor relationships to navigate tariff impacts.
- Manage inventory.
- Reinforce Oyster Bay's brand affinity and value proposition as a trusted quality Super Premium wine brand.

Thanks to the tremendous efforts of our entire global team in 2025, we have delivered an Operating Net Profit after Tax of $51.1 million. The latter part of this year was impacted by the US tariffs and ongoing global supply-chain disruptions. It is especially evident in these challenging times that we see the hard work of our people and the resilience of our business model, as we drive the company towards ongoing success.

MURRAY ANNABELL
CHIEF EXECUTIVE OFFICER

GLOBAL WINE TRENDS

The alcoholic beverage category, including wine, continues to experience both cyclical and structural shifts, driven by a number of trends. Consumers are drinking less but seeking recognised quality brands when they do. Moderation continues, driven by economic and lifestyle factors, as well as health and generational attitudes. Consumers are choosing fewer or lighter drinks. Premiumisation has slowed as consumers continue to focus their budgets on necessities. Gen Z are now showing signs of engaging with the category.

Globally, white wine is forecast to perform better than other wine categories, aligning with long-term consumer trends, for lighter and refreshing beverage choices to enjoy at home. New Zealand wine is particularly well placed to benefit from these trends, through natural advantages, distinctive wine styles and continuing to build premium value with engaged wine consumers.

GLOBAL SALES PERFORMANCE

The Group achieved global sales of 3,188,000 cases, representing a 12% decline from the prior year. This result is creditable, in the context of a challenging global market environment, through the imposition of US tariffs, supply chain disruption, distributor and retailer inventory rebalancing.

The US tariffs in March 2025, resulted in market uncertainty, requiring the Group to revise its current year global case sales guidance. The year-end global sales result was in line with the revised guidance of 3,182,000 cases.

Global sales continue to be well diversified by market, with 47% in North America, 32% in the United Kingdom, Ireland and Europe, and 21% in the Australia, New Zealand, China and Asia Pacific region. Our in-market sales teams are a competitive advantage for our business as they engage productively with distributors and retailers throughout the year.

NORTH AMERICA

North America remains our largest market, with 2025 sales of 1,509,000 cases, down 13% on the prior year.

- United States: This market is the Group’s largest market and most significant opportunity for future growth. Oyster Bay remains a category-leading New Zealand wine brand, with Sauvignon Blanc ranked among the top five white wines by value. Our brand growth strategy is yielding strong results, with Pinot Grigio amongst the Top 10 within the premium global varietal category.

- Canada: Oyster Bay has maintained leading category positions, with all major varietals ranking within the top 2 of their respective categories. Our presence across provincial liquor boards and sustained investment in consumer communications continue to drive performance. Barossa Valley Estate Shiraz and Cabernet Sauvignon are top five selling Australian premium wines in Alberta and British Columbia.

UNITED KINGDOM, IRELAND AND EUROPE

Oyster Bay is a premium New Zealand category leading brand in these markets, with leading consumer awareness and affinity. Sales were down 15% to 1,008,000 cases. The reduction in sales was due to a combination of price increases implemented at the start of the year, and the impact of heavy competitor price discounting in the latter part of the year.

- United Kingdom: Oyster Bay is amongst the top 3 rankings within the respective premium New Zealand categories, supported by targeted promotional programming and strong national account relationships.
- Ireland: Oyster Bay varietals have strong positions in their respective categories, with Oyster Bay Sauvignon Blanc the leading premium Sauvignon Blanc over €11.

AUSTRALIA, NEW ZEALAND, CHINA AND ASIA PACIFIC

Oyster Bay is New Zealand's category premium leading wine brand in these markets. The Group delivered 671,000 cases, down 5% on the prior year, primarily due to the impact of competitor price discounting.

- Australia: Oyster Bay Sauvignon Blanc remains the top-selling wine by value, Merlot, Chardonnay, and Pinot Gris also hold strong positions among category leaders. Barossa Valley Estate grew sales value ahead of the premium Australian Red Wine category.
- New Zealand: Oyster Bay Sauvignon Blanc is the category leader, while other Oyster Bay varietals remain in the top five selling premium wines in their respective varietal categories.
- China: Sales grew 41%, with Oyster Bay the top-selling New Zealand wine brand by volume. This reflects evolving consumption patterns, expanding distribution channels, broadening the varietal offering and success of our digital engagement strategy.
- Asia Pacific continue to represent long-term growth markets, with emerging opportunities in Southeast Asia.

BRANDS AND COMMUNICATIONS

Our focus has been strengthening value, recruiting new consumers through activities that support retail distribution and brand awareness.

Through its in-market distribution model, the Group works closely with some of the world's largest retailers to create promotional programmes, specifically around high consumption occasions to drive rate of sale.

Winning the world over.

OYSTER BAY IS CELEBRATED AROUND THE GLOBE AS ONE OF THE WORLDS MOST LOVED PREMIUM NEW ZEALAND WINE BRANDS.

1

OYSTER BAY SAUVIGNON BLANC IS THE NUMBER 1 PREMIUM SAUVIGNON BLANC IN AUSTRALIA

Circana Australia, MAT to 18/05/2025, AUD $15+

1

OYSTER BAY MERLOT IS THE NUMBER 1 PREMIUM MERLOT IN THE UNITED KINGDOM

Nielsen UK, L52 weeks ending 17/05/2025, GBP 8+

2

OYSTER BAY SAUVIGNON BLANC IS THE NUMBER 2 PREMIUM SAUVIGNON BLANC IN THE USA

Circana USA, L52 weeks ending 18/05/2025, Total US MULO, 750m, Table Wine

3

OYSTER BAY PINOT GRIGIO IS THE NUMBER 3 PREMIUM PINOT GRIGIO IN CANADA

ACD Canada, Total Canada, MAT to APRIL 2025, The Group deploys a range of targeted media, both consumer and retail, to grow consumer awareness and affinity. Its media platform has global reach in excess of 92 million consumers with over 1.2 billion impressions, attracting category leading engagement.

In the United States, retail distribution and consumer population has grown. The Group focusses its energies on 'must-win' states where it has continued to see growth in brand awareness and affinity. Interest for the Oyster Bay brand has never been higher in online search, with Oyster Bay the number one most searched New Zealand wine brand on Google Search.

2025 HARVEST

The 2025 harvest yielded exceptional quality fruit across all three of our wine regions.

The Group harvest of 47,461 tonnes was up 39% from the 2024 harvest of 34,150 tonnes. The vintage outcome has delivered excellent quality wines for the Group's brands.

Our inventory levels are well positioned to support the 2026 sales forecast of 3,292,000 cases, ensuring continuity of supply and quality.

SUSTAINABILITY

Sustainability remains a priority for the Group, reflecting the strong leadership role the Group plays in the practice of sustainable winegrowing and wine production. As a leader in the New Zealand wine industry and as a founding member of Sustainable Winegrowing New Zealand (SWNZ) since 2002, the Group takes its responsibilities to respect and protect the environment very seriously. The Group's New Zealand vineyards and wineries are 100% accredited by the independently audited SWNZ Sustainability Programme, with the Barossa Valley winery and vineyards accredited by Sustainable Winegrowing Australia.

The Group utilises a sustainability framework that focuses on three key areas: (1) Building an enduring business (addressing climate risk and greenhouse gas emissions, Shareholder value, risk and governance, and water stewardship); (2) Ensuring our people and community thrive (encompassing health, safety and wellbeing, diversity and inclusion, and engagement, employment and collaboration); and (3) Crafting wine with care (covering biodiversity, packaging and waste, and sustainable viticulture and winemaking). This framework drives various initiatives aimed at promoting positive environmental, social and governance outcomes throughout the business.

The Group is Toitū Carbon Reduce certified and has established goals and initiatives to lower our carbon intensity. The Group has published its Climate-Related Disclosures Statement for FY25 alongside the annual report, providing further details on sustainability progress within this statement (www.delegat.com/investor-information).

GROUP STRATEGY

The Group's strategic goal is to establish Delegat as a leading global Super Premium wine company. The Group's focus remains on wine category premiumisation and value growth, aligning to the long-term trend of Super Premium wine consumption.

- Our goal is to establish Oyster Bay as New Zealand's leading global Super Premium wine brand.
- Invest in high-growth Super Premium varietals, Sauvignon Blanc, Pinot Gris, Chardonnay and Pinot Noir.
- Our North American market remains our key focus. The United States, with over 50 million premium wine consumers, is the Group's largest market and our most significant opportunity.
- Expand our leadership position in China, where Oyster Bay is now the #1 New Zealand wine brand, and continue our growth across Asia.
- Based on wine consumption patterns, the Group classifies markets as Established, Growth or Emerging. Marketing activities are then tailored to the specific needs of each market and phases of brand development.

GROUP OUTLOOK

Delegat plans to grow sales by 13% to 3.6 million cases over the next three years. The primary driver of planned growth is Oyster Bay sales in North America. Accordingly, the Group will continue to invest strongly in that market. We will also continue exploring opportunities to improve our price realisation across all markets, helping improve our profitability margins.

With respect to the 2026 year, Delegat plans for global sales of 3.3 million cases and forecasts Operating Net Profit after Tax to be in the range of $50 to $55 million.

TABLE 5 GROUP OUTLOOK CASE SALES

Case Sales (millions)	2025 Actual	2026 Forecast	2027 Projection	2028 Projection
Total Cases	3.2	3.3	3.4	3.6

OUR DELEGAT GREAT WINE PEOPLE

Our success is built on the dedication of our Delegat Great Wine People. Their resilience, innovation, and commitment to excellence continue to drive our performance. I thank each of them for their contribution to another year of progress toward our long-term goal. We live our values of Aim High, Winning Together and Mastery, building a culture that is recognised across the global wine industry.

Oyster Bay wines capture the special character of New Zealand ...elegant, assertive wines with glorious fruit flavours
MARLBOROUGH
Sauvignon Blanc
2025
Oyster Bay
NEW ZEALAND

Serious points for style.

THE DECANTER WORLD WINE AWARDS, LONDON, IS THE WORLD'S LARGEST WINE COMPETITION. WITH WINES TASTED AND EVALUATED BY AN ELITE PANEL OF 248 INTERNATIONAL WINE EXPERTS, INCLUDING 22 MASTER SOMMELIERS AND 72 MASTERS OF WINE. ON THEIR SEARCH FOR EXCELLENCE, THEY AWARDED OUR WINES REMARKABLE SCORES.

92 POINTS

2021 BAROSSA VALLEY ESTATE
E&E BLACK PEPPER SHIRAZ

90 POINTS

2023 BAROSSA VALLEY ESTATE
SHIRAZ

90 POINTS

2023 BAROSSA VALLEY ESTATE
GRENACHE SHIRAZ MOURVÈDRE

90 POINTS

2024 OYSTER BAY MARLBOROUGH
SAUVIGNON BLANC

90 POINTS

2023 OYSTER BAY MARLBOROUGH
CHARDONNAY

90 POINTS

2023 OYSTER BAY MARLBOROUGH
PINOT NOIR

90 POINTS

2023 OYSTER BAY HAWKES BAY
MERLOT


Oyster Bay wines capture the special character of New Zealand ...elegant, assertive wines with glorious fruit flavours
MARLBOROUGH
Pinot Noir
2024
Oyster Bay
NEW ZEALAND

The Board of Delegat Group Limited is responsible for the strategic direction of the Group and ensuring the Group is managed to protect and enhance Shareholders and other stakeholders' interests.

Some of the key responsibilities of the Board include:

- Adopting the strategic plans of the Group, set by the Chief Executive Officer (CEO) in conjunction with the Group's senior management team;
- Monitoring the Group's operational and financial performance;
- Oversight of the identification, management and reporting of climate-related risks and opportunities;
- Ensuring the Group develops effective policies and procedures concerning disclosure of important information to the market and Shareholders;
- Setting and monitoring high standards of ethical behaviour in the Group; and
- Oversight of the Group's people and culture policies and strategies, including: remuneration, health and safety, succession and development, diversity and inclusion.

The Board has adopted what it believes are appropriate corporate governance policies and procedures, which it periodically reviews to ensure that the Group's responsibilities and obligations are met. The principal corporate governance policies concern:

- The appointment and retirement of Directors;
- The composition and performance of the Board;
- The balance between Executive and Non-Executive Directors;
- Directors' access to independent professional advice; and
- The constitution and operation of Board Committees, which comprise Directors, and in some cases, by invitation, representatives of the Group's senior management team. The Board has formally constituted an Audit and Risk Committee and a People, Culture and Safety Committee.

The Board currently comprises six Non-Executive Directors (Jim Delegat, Rose Delegat, Alan Jackson, Phillipa Muir, Gordon MacLeod, and Doug McKay); two of whom are non-independent (Jim Delegat and Rose Delegat); and four of whom are independent (Alan Jackson, Phillipa Muir, Gordon MacLeod, and Doug McKay), as defined in the NZX Listing Rules.

The Board of Delegat Group Limited meets formally a minimum of six times during the financial year and holds additional meetings as required to deal with specific matters of the Group.

JIM DELEGAT Chair

TERM OF OFFICE: *Appointed April 2006 (upon listing on the NZX), last re-elected November 2023, appointed Chair August 2023.*

Jim Delegat is the Chair of Delegat Group Limited. He is responsible for providing strategic direction and monitoring performance to ensure successful delivery of Board-approved business plans. He has been involved in the New Zealand wine industry all his working life and is thoroughly experienced in every aspect of the business. Jim is one of only a handful of second generation family wine producers in the country. Active in industry affairs, Jim has been a Director of both the Wine Institute of New Zealand and New Zealand Winegrowers, having previously served on the Board of the Wine Institute of New Zealand for more than 13 years. Jim is a Member of the Institute of Directors.

ROSEMARI (ROSE) DELEGAT Non-Executive Director

TERM OF OFFICE: *Appointed April 2006 (upon listing on the NZX), last re-elected November 2024.*
Committee responsibilities: Member People, Culture and Safety Committee.

Rose Delegat is a Non-Executive Director of Delegat Group Limited. The Group continues to benefit from Rose's experience and the expertise that she has given to the company for more than 35 years. She was responsible for initiating the Group's drive into export markets in the 1980s and was the inaugural Chairperson (1987 – 1990) of the special United Kingdom Exporting Group, part of the Wine Institute of New Zealand. She is a Member of the Institute of Directors.

Dr ALAN JACKSON Non-Executive Independent Director

TERM OF OFFICE: *Appointed October 2012, last re-elected November 2024.*
Committee responsibilities: Member Audit and Risk Committee.

Dr Alan Jackson is a Non-Executive Independent Director of Delegat Group Limited. Alan was, until 2009, Chairman Australasia, Senior Vice President and Director of The Boston Consulting Group. He has been an international management consultant since 1987 with The Boston Consulting Group and has proven experience at the most senior levels of international and government business. In addition, Alan has over 10 years experience, including Chair of Housing New Zealand, New Zealand Thoroughbred Racing, ThoroughVision Network and as a Director of Fletcher Building. Alan is a Fellow of the Institute of Professional Engineers and Chartered Fellow of the New Zealand Institute of Directors.

PHILLIPA MUIR Non-Executive Independent Director

TERM OF OFFICE: *Appointed August 2020, last re-elected November 2023.*
Committee responsibilities: Chair, People, Culture and Safety Committee; Member Audit and Risk Committee.

Phillipa Muir is a Non-Executive Independent Director of Delegat Group Limited. Phillipa is currently also a senior partner and Chair of law firm Simpson Grierson, a Trustee of Sweet Louise Foundation and Chair of Auckland Grammar School's Headmaster's Council. Phillipa was awarded the Excellence in Governance Award at the NZ Women in Governance Awards 2018 and has held a number of previous governance roles. She is a Member of the Institute of Directors.

GORDON MACLEOD Non-Executive Independent Director

TERM OF OFFICE: *Appointed February 2022, last re-elected November 2022.*
Committee responsibilities: Chair, Audit and Risk Committee; Member People, Culture and Safety Committee.

Gordon is a Non-Executive Independent Director of Delegat Group Limited. Gordon is a professional Director and was until recently a Director of Spark New Zealand Limited, and a Trustee of Breast Cancer Foundation NZ. He is also Board Advisory Chair to two privately held family businessess. He previously worked for 15 years with Ryman Healthcare until October 2021, as Chief Executive Officer and before that as Deputy Chief Executive Officer and Chief Financial Officer. He has been a corporate finance Partner with PwC and was the Finance Director of a London-listed hi-tech engineering company. Gordon has a Bachelor of Commerce degree and is a Fellow of Chartered Accountants Australia and New Zealand (FCA). He is a Member of the Institute of Directors.

DOUG MCKAY Non-Executive Independent Director

TERM OF OFFICE: *Appointed August 2024, last re-elected November 2024.*
Committee responsibilities: Member Audit and Risk Committee and People, Culture and Safety Committee.

Doug McKay is a Non-Executive Independent Director of Delegat Group Limited. Doug is an exceptional business leader with over 30 years experience managing FMCG, export and international markets, including USA, UK, Australia and China. Doug's corporate governance experience includes present and past Chair and Director appointments with Vector, Bank of New Zealand, Fletcher Building, IAG New Zealand, National Australia Bank, Goodman Fielder, Genesis Energy, Ryman Healthcare and Chartered Accountants Australia and New Zealand. In 2015, Doug was made an Officer of the New Zealand Order of Merit for services to business and local government. Doug is a Chartered Fellow of the Institute of Directors.

The Directors are responsible for ensuring that the financial statements give a true and fair view of the financial position, financial performance and cash flows for the Group as at 30 June 2025.

The Directors consider that the financial statements of the Group have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position and financial performance of the Group and the compliance of the financial statements with the Financial Markets Conduct Act 2013 and Financial Reporting Act 2013.

The Directors consider they have taken adequate steps to safeguard assets of the Group.

The Directors have pleasure in presenting the following financial statements for the year ended 30 June 2025.

The Board of Directors of the Group authorised these financial statements for issue on 29 August 2025.

For, and on behalf of, the Board.

JIM DELEGAT
CHAIR

GORDON MACLEOD
DIRECTOR

29 August 2025

CROWNTHORPE TERRACES VINEYARD, HAWKE'S BAY.

BAROSSA VALLEY ESTATE CELLAR DOOR & GARDENS

STATEMENT OF FINANCIAL PERFORMANCE

	Notes	2025 $000	2024 $000
Revenue	3	349,556	378,346
Profit before finance costs	4	86,118	81,283
Finance costs	3	17,754	19,705
Profit before income tax		68,364	61,578
Income tax expense	18	19,326	30,201
Profit for the year attributable to Shareholders of the Parent Company		49,038	31,377
Earnings per share			
– Basic and fully diluted earnings per share (cents per share)	5	48.49	31.03

The accompanying notes form part of these financial statements

STATEMENT OF OTHER COMPREHENSIVE INCOME

	Notes	2025 $000	2024 $000
Profit after income tax		49,038	31,377
Other comprehensive income that may subsequently be classified to the profit and loss:			
– Translation of foreign subsidiaries	6b	980	183
– Net gain/(loss) on hedge of a net investment		462	(125)
– Income tax relating to components of other comprehensive income	18	(129)	35
Total comprehensive income for the year, net of tax		50,351	31,470
Comprehensive income attributable to Shareholders of the Parent Company		50,351	31,470

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Share Capital $000	Foreign Currency Translation Reserve $000	Retained Earnings $000	Total Equity $000
Balance at 30 June 2024		49,815	19	506,165	**555,999**
Changes in equity for the year ended 30 June 2025					
Other comprehensive income					
– Translation of foreign subsidiaries	6b	–	980	–	**980**
– Net gain on hedge of a net investment		–	462	–	**462**
– Income tax relating to components of other comprehensive income	18	–	(129)	–	**(129)**
Total other comprehensive income		–	1,313	–	**1,313**
– Net profit for the year		–	–	49,038	**49,038**
Total comprehensive income for the year		–	1,313	49,038	**50,351**
Equity transactions					
– Dividends paid to Shareholders	7	–	–	(20,235)	**(20,235)**
Balance at 30 June 2025		49,815	1,332	534,968	**586,115**

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Share Capital $000	Foreign Currency Translation Reserve $000	Retained Earnings $000	Total Equity $000
Balance at 30 June 2023		49,815	(74)	495,030	544,771
Changes in equity for the year ended 30 June 2024					
Other comprehensive income					
– Translation of foreign subsidiaries	6b	–	183	–	183
– Net loss on hedge of a net investment		–	(125)	–	(125)
– Income tax relating to components of other comprehensive income	18	–	35	–	35
Total other comprehensive income		–	93	–	93
– Net profit for the year		–	–	31,377	31,377
Total comprehensive income for the year		–	93	31,377	31,470
Equity transactions					
– Dividends paid to Shareholders	7	–	–	(20,242)	(20,242)
Balance at 30 June 2024		49,815	19	506,165	555,999

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

	Notes	2025 $000	2024 $000
Equity			
Share capital	6	49,815	49,815
Foreign currency translation reserve	6b	1,332	19
Retained earnings		534,968	506,165
Total Equity		586,115	555,999
Liabilities			
Current Liabilities			
Trade payables and accruals	8	37,712	37,760
Derivative financial instruments	9	4,545	46
Income tax payable		3,884	2,927
Lease liability	17	9,844	9,663
		55,985	50,396
Non-Current Liabilities			
Deferred tax liability	18	59,274	55,092
Derivative financial instruments	9	1,994	–
Interest-bearing loans and borrowings	10	337,179	369,478
Lease liability	17	94,104	84,950
		492,551	509,520
Total Liabilities		548,536	559,916
Total Equity and Liabilities		1,134,651	1,115,915

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION CONTINUED

	Notes	2025 $000	2024 $000
Assets			
Current Assets			
Cash and cash equivalents		8,625	9,384
Trade and other receivables	11	62,806	86,128
Derivative financial instruments	9	4,074	2,707
Inventories	12	187,771	181,924
Biological work in progress	13	16,604	15,565
Assets held for sale	15	–	7,240
		279,880	302,948
Non-Current Assets			
Property, plant and equipment	14	766,411	728,180
Right-of-use assets	17	81,873	76,769
Intangible assets	16	6,336	6,434
Derivative financial instruments	9	151	1,584
		854,771	812,967
Total Assets		1,134,651	1,115,915

For, and on behalf of, the Board, who authorised the issue of the financial statements on 29 August 2025.

J N Delegat, Chair

G N MacLeod, Director

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

	2025 $000	2024 $000
Operating Activities		
Cash was provided from		
Receipts from customers	368,942	352,239
Net GST received	265	1,889
	369,207	354,128
Cash was applied to		
Payments to suppliers and employees	228,965	262,922
Net interest paid	20,225	19,449
Net income tax paid	14,355	14,896
	263,545	297,267
Net Cash Inflows from Operating Activities	105,662	56,861
Investing Activities		
Cash was provided from		
Proceeds from sale of property, plant and equipment	7,733	99
Dividends received	20	18
	7,753	117
Cash was applied to		
Purchase of property, plant and equipment	46,389	65,978
Purchase of intangible assets	–	32
Capitalised interest paid	5,547	5,563
	51,936	71,573
Net Cash Outflows from Investing Activities	(44,183)	(71,456)

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS CONTINUED

	2025 $000	2024 $000
Financing Activities		
Cash was provided from		
Proceeds from borrowings	54,961	51,056
	54,961	51,056
Cash was applied to		
Dividends paid to shareholders	20,213	20,232
Borrowing facility fees	597	200
Repayment of borrowings	86,305	8,032
Repayment of lease liability	10,435	5,188
	117,550	33,652
Net Cash (Outflows)/Inflows from Financing Activities	(62,589)	17,404
Net (decrease)/increase in Cash Held	(1,110)	2,809
Cash and cash equivalents at beginning of the year	9,384	6,610
Effect of exchange rate changes on foreign currency balances	351	(35)
Cash and Cash Equivalents at End of the Year	8,625	9,384

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS CONTINUED

	2025 $000	2024 $000
Reconciliation of Profit for the Year with Cash Flows from Operating Activities		
Reported profit after tax	49,038	31,377
Add/(deduct) items not involving cash flows		
Depreciation and amortisation expense	27,548	25,835
Other non-cash items	585	(4,507)
Loss on disposal of assets	(21)	40
Movement in derivative financial instruments	6,559	(2,689)
Movement in deferred tax liability	4,182	14,307
	38,853	32,986
Movement in working capital balances are as follows		
Trade payables and accruals	(48)	(14,451)
Trade and other receivables	23,322	(23,650)
Inventories	(5,847)	27,831
Biological work in progress	(1,039)	(855)
Income tax	957	972
Add items classified as investing and financing activities		
Capital purchases included within trade payables and inventories	(171)	2,451
Borrowing facility fees	597	200
	17,771	(7,502)
Net Cash Inflows from Operating Activities	105,662	56,861
Reconciliation of movement in Net Debt:		
Opening balance at 1 July	360,094	319,398
Per statement of cash flows:		
– Net (repayment)/proceeds from borrowings	(31,344)	43,024
– Borrowing facility fees	(597)	(200)
– Net decrease/(increase) in cash held	1,110	(2,809)
Foreign exchange movement	(1,217)	283
Other non-cash movements	508	398
Closing balance at 30 June	328,554	360,094

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

REPORTING ENTITY

The financial statements presented are those of Delegat Group Limited and its subsidiaries (the Group). Delegat Group Limited is a company limited by shares, incorporated and domiciled in New Zealand and registered under the Companies Act 1993. The Parent shares are publicly traded on the New Zealand Stock Exchange.

The financial statements comprise the statement of financial performance, statement of other comprehensive income, statement of changes in equity, statement of financial position and statement of cash flows, as well as the notes to the financial statements. The financial statements for the Group for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Directors on 29 August 2025.

BASIS OF PREPARATION

The 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 entity is a for-profit entity. These financial statements are presented in New Zealand Dollars, rounded to the nearest thousand. They are prepared on a historical cost basis, except for derivative financial instruments and biological produce which have been measured at fair value.

The preparation of the financial statements requires the Group to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

STATEMENT OF COMPLIANCE

The financial statements comply with New Zealand equivalents to IFRS Accounting Standards and other applicable Financial Reporting Standards (NZ IFRS), as applicable to the Group as a profit-oriented entity. The financial statements comply with IFRS Accounting Standards (IFRS).

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group as at 30 June 2025 and comparatives as at 30 June 2024.

Subsidiaries are those entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its investment in the entity, and has the ability to affect those returns through its power over the entity. Specifically, the Group controls an entity if, and only if, the Group has:

– Power over the entity (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

– Exposure, or rights, to variable returns from its involvement with the entity; and

– The ability to use its power over the investee to affect its returns.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent, using consistent accounting policies. The effects of intercompany transactions are eliminated in preparing the consolidated financial statements.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group. The acquisition of subsidiaries is accounted for using the acquisition method of accounting as noted on the following pages.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

1. GENERAL INFORMATION (CONTINUED)

BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange. Where equity instruments are issued in a business combination, the fair value of the instruments is their published market price at the date of the exchange, unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly within equity.

Except for non-current assets or disposal groups classified as held for sale (which are measured at fair value less costs to sell), all identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values as at acquisition date, irrespective of the extent of any non-controlling interests. The excess of the cost of the business combination over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill. If the cost of the acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognised as a gain in the statement of financial performance, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of the consideration is deferred, the amounts payable in the future are discounted to the present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which similar borrowings could be obtained from an independent financier under comparable terms and conditions.

GOODS AND SERVICES TAX (GST)

The statement of financial performance, statement of other comprehensive income, statement of changes in equity and statement of cash flows have been prepared so that all components are stated net of GST. All items in the statement of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

FOREIGN CURRENCIES

a) Functional and Presentation Currency

The presentation currency of the Group is the New Zealand Dollar. Each subsidiary company in the Group determines its own functional currency and uses that functional currency for its individual financial statements. Subsidiary companies with a different functional currency than that of the Group are translated through converting all reported assets and liabilities at the closing rate at the date of the balance sheet, while income and expenses are translated at exchange rates at the dates of the transactions. Any resulting exchange differences are recognised as a separate component of equity.

b) Transactions and Balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand, and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

1. GENERAL INFORMATION (CONTINUED)

NET DEBT

Net debt is the sum of the Group's interest-bearing loans and borrowings less cash and cash equivalents.

OTHER ACCOUNTING POLICIES

Other accounting policies that are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting policies, management continually evaluates the judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact upon the Group. All judgements, estimates and assumptions made are believed to be reasonable based upon the most current set of circumstances available to management. The actual results may differ from the judgements, estimates and assumptions used. The significant judgements, estimates and assumptions made by management in the preparation of these financial statements are disclosed within the specific financial statement notes as shown below:

Area of Judgement, Estimate or Assumption	Note
Selling, marketing and promotional accruals	Note 3 Revenue and Segmental Reporting
Fair value of grapes at point of harvest	Note 12 Inventories
Estimation of useful lives of assets	Note 14 Property, Plant and Equipment
Impairment of property, plant and equipment	Note 14 Property, Plant and Equipment
Impairment of intangible assets	Note 16 Intangible Assets
Lease term and discount rates	Note 17 Leases

To allow the Accounting Policies and Significant Accounting Judgements, Estimates and Assumptions to be easily identified within the notes, Accounting Policies have been identified with an **A** symbol, and Significant Accounting Judgements, Estimates and Assumptions with an **E** symbol.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

In FY25, the Group has adopted amendments issued for NZ IAS 1 : Presentation of Financial Statements: Disclosures for Current and Non-current Liabilities, and Non-current Liabilities with Covenants which clarify the criteria for classifying liabilities and liabilities with covenants as current or non-current. The Group's classification of liabilities did not change as a result of these amendments.

The Group has also adopted the amendments to FRS 44 New Zealand Additional Disclosures: Disclosure of Fees for Audit Firms' Services which require an entity to describe the services provided by its audit or review firm and to disclose the fees incurred by the entity for those services using prescribed categories. These disclosures are included in note 4.

The accounting policies set out in these financial statements are consistent for all periods presented.

Accounting standards not yet effective

New or revised standards and interpretations that have been approved but are not yet effective have not been adopted by the group for the year ended 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

1. GENERAL INFORMATION (CONTINUED)

Accounting standards not yet effective (continued)

NZ IFRS 18 Presentation and Disclosure in Financial Statements, issued in May 2024, is effective for annual reporting periods beginning on or after 1 January 2027, and entities can early adopt this accounting standard. NZ IFRS 18 sets out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The group is yet to assess NZ IFRS 18's full impact. The group intends to apply the standard when it becomes mandatory from 1 January 2027.

There are no other new or amended standards that are issued but not yet effective, that are expected to have a material impact on the group.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise interest-bearing loans and borrowings, lease liabilities and trade payables and accruals. The main purpose of these financial liabilities is to raise funding for the Group's ongoing operations. The Group also has financial assets such as trade and other receivables, and cash and cash equivalents, which arise directly from its operations.

The Group is counterparty to derivative financial instruments, principally being foreign currency forward exchange contracts and options, and interest rate swaps. The purpose of entering into foreign currency forward exchange contracts and options is to manage currency risk primarily arising from foreign denominated trade receivables. Interest rate swaps are entered into with the aim of mitigating interest rate risk to movements on floating rate debt facilities.

The main risks arising from the Group's financial instruments are foreign currency risk, interest rate risk, credit risk and liquidity risk. Each of the main operational risks are reviewed by the Treasury Management Committee (TMC) and their recommendations are provided to the Board of Directors. The composition of the TMC includes the Chief Financial Officer, Group Financial Controller, Group Financial Planning Manager and Independent Treasury Advisors. The Board reviews and agrees policies for managing each of these risks as summarised below. Board approval is required for any movement outside policy.

FOREIGN CURRENCY RISK

The net assets employed through subsidiary companies based overseas exposes the Group to foreign currency risk as a result of changes in the GBP/NZD, AUD/NZD, USD/NZD, EUR/NZD, CAD/NZD, SGD/NZD, JPY/NZD, HKD/NZD and CNY/NZD exchange rates. The Group also has foreign currency risk resulting from sales of product in a currency which is other than that of the New Zealand Dollar. Profits from each export region are repatriated and reported in New Zealand Dollars and the Group is exposed to changes in foreign exchange rates.

To minimise foreign currency risk the Group enters into forward exchange contracts and options for foreign denominated sales at levels which are considered to be highly probable. The Group attempts to maintain foreign currency cover of between 75% to 100% of highly probable sales in one to three months, 50% to 75% for highly probable sales in four to six months, 25% to 50% for highly probable sales in seven to 12 months, 0% to 50% for sales between 13 to 18 months and 0% to 25% for sales thereafter. The Group has the option of increasing foreign exchange cover to 100% for any time period upon approval by the Board of Directors.

When the Group is exposed to foreign currency risk as a result of being contractually committed to purchase capital items from an overseas supplier and such expenditure is expected to exceed $200,000, the Group's policy is to ensure the foreign currency exposure is covered in full. Any capital expenditure below $200,000 is to be covered at the discretion of the TMC, based on such factors as timing for payment and expected volatility of currency markets. It is the Group's policy that in no instance is trading for speculative purposes permitted.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

At 30 June 2025, had the New Zealand Dollar (NZD) moved as illustrated in the following table with all other variables held constant, post-tax profit and equity would have been affected as follows:

	IMPACT ON 2025 REPORTED		IMPACT ON 2024 REPORTED	
Group	Post-Tax Profits $000 Increase/ (decrease)	Equity $000 Increase/ (decrease)	Post-Tax Profits $000 Increase/ (decrease)	Equity $000 Increase/ (decrease)
NZD/USD +5%	2,464	2,464	3,171	3,171
NZD/USD -5%	(2,806)	(2,806)	(3,806)	(3,806)
NZD/GBP +5%	2,045	2,045	2,070	2,070
NZD/GBP -5%	(2,614)	(2,614)	(2,508)	(2,508)
NZD/AUD +5%	472	(610)	693	(406)
NZD/AUD -5%	(513)	684	(785)	430
NZD/CAD +5%	226	226	336	336
NZD/CAD -5%	(250)	(250)	(384)	(384)
NZD/EUR +5%	107	107	40	40
NZD/EUR -5%	(118)	118	(44)	(44)

The above table calculates the impact of a change in foreign exchange rates on closing equity and post-tax profits of the Group, as a result of the Group being counterparty to transactions which are foreign currency denominated. Foreign currency denominated balances include trade and other receivables, trade payables and accruals, loans and borrowings, cash on hand, and unsettled foreign exchange contracts that exist at balance sheet date. The net foreign currency exposure is determined in aggregate and the impact on post-tax profits determined as a result of a +/- 5% movement in foreign exchange rates. A +5% movement reflects the strengthening of the NZD relative to the other currency, whereas a -5% movement reflects the weakening of the NZD relative to the other currency.

The impact upon the Group's equity balance is derived through determining the impact on post-tax profits as noted above.

HEDGE OF NET INVESTMENT IN FOREIGN OPERATION

A

For hedges of a net investment in a foreign operation, the effective portion of the gain or loss on the hedging instrument is recognised in the statement of other comprehensive income and accumulated in the foreign currency translation reserve, while any ineffective portion is recognised immediately in the statement of financial performance. On disposal of the foreign operation, the cumulative amount of any such gains or losses accumulated within equity is transferred to the statement of financial performance.

The net assets employed in Barossa Valley Estate Pty Limited (BVE) exposes the Group to foreign currency risk as a result of changes in the AUD/NZD exchange rate.

The foreign currency movement on translation of the net assets of BVE is included in the statement of other comprehensive income. Since the acquisition of BVE the Group has maintained a portion of their external borrowings in AUD to mitigate this risk. The foreign exchange movement on these external borrowings in the absence of hedge accounting is included in the statement of financial performance.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

External borrowings of A$29,350,000 (2024: A$29,350,000) have been designated as a hedge of the net investment in BVE. Gains or losses on the retranslation of this borrowing are transferred to the statement of other comprehensive income to offset any gains or losses on translation of the net assets of BVE. There is no hedge ineffectiveness in the year ended 30 June 2025.

INTEREST RATE RISK

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term debt obligations with interest payable based on floating rates of interest. Interest rate risk is monitored by the TMC on an ongoing basis. The recommendation by the TMC to enter into fixed or variable rate debt facilities and decisions to retire existing debt instruments is made after consideration of the economic indicators impacting upon the overnight cash rate, which influences the rates of interest charged by financial institutions. All funding facilities recommended by the TMC must be approved by the Board of Directors.

The Group manages interest rate risk through maintaining a mix of debt instruments having variable and fixed interest rates. The Group's policy is to maintain a level of fixed debt facilities between 40% to 100% of core debt for a period of one year, between 30% to 80% of projected core debt for periods of one to three years, and between 0% to 60% of projected core debt facilities for three to five years.

The Group also manages interest rate risk through being counterparty to a series of interest rate swaps. The Group agrees to settle or has the option to exchange, at specified dates, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon notional principal amount. These are discussed in Note 9: Derivative Financial Instruments.

The table below demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Group's post-tax profits and equity:

	IMPACT ON 2025 REPORTED		IMPACT ON 2024 REPORTED	
Group	Post-Tax Profits $000	Equity $000	Post-Tax Profits $000	Equity $000
2.00% Increase – 200 basis points (2024: 2.00% Increase – 200 basis points)	2,233	2,233	1,881	1,881
0.25% Decrease – 25 basis points (2024: 0.25% Decrease – 25 basis points)	(279)	(279)	(235)	(235)

The key assumptions which impact upon the values presented in the above table are the following:

- Cash and cash equivalents include deposits on call which are at floating interest rates. The estimated impact upon interest revenues from these sources is based upon amounts held on deposit remaining at consistent levels as reported at the balance sheet date. For foreign denominated deposits, the impact on foreign exchange is based on the conversion rate existing at balance sheet date.
- Account balances that are trade receivables or trade payables are generally on 30 to 90 day terms and are non-interest bearing and are not subject to interest rate risk.
- The impact upon the fair value of the interest rate swaps is based upon the differential in rates between the Group paying a fixed rate of interest and receiving the floating New Zealand Bank Bill Rate (BKBM) multiplied by the nominal amount under the swap agreement up until maturity.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- Interest payable on bank debt is based upon the BKBM/BBSY plus a margin. The margin is dependent upon the Group achieving certain financial covenants and the margin ranges from 0.93% to 2.25% (2024: 0.91% to 2.05%). The analysis assumes that the margin and principal is held constant at the same rate as at the balance sheet date with the sensitivity calculating the effect on interest expense of movements in the BKBM/BBSY rate. The analysis excludes any future interest that would be capitalised as part of long-term assets.
- Included in the above table is the change in fair value of interest rate swaps, which results from changes in the floating interest rate.

CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

To the extent the Group has a receivable from another party, there is a credit risk in the event of non-performance by that counterparty and arises principally from receivables from customers, derivative financial instruments and the investment of cash.

The Group trades with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis.

The Group places cash, short-term deposits, and derivative financial instruments with good credit quality counterparties.

The Group is not exposed to any significant concentrations of credit risk, within receivables, other assets, and derivatives.

The carrying amount of financial assets recorded in the financial statements represent the Group's maximum exposure to credit risk.

LIQUIDITY RISK

Liquidity risk is the risk that an unforeseen event or miscalculation in the required liquidity level may lead to the Group being unable to meet its day to day funding obligations. To minimise liquidity risk, the Group's policy is to maintain committed funding facilities at a minimum of 105% of the projected peak debt level over the next 12 months (excluding the cash requirements for any business combinations).

A General Security Agreement exists in favour of Westpac New Zealand Limited, Westpac Banking Corporation, Bank of New Zealand Limited, China Construction Bank (New Zealand) Limited and Hongkong and Shanghai Banking Corporation Limited to secure amounts loaned to the Group. The General Security Agreement covers the existing and future assets of Delegat Group Limited, Delegat Limited, Delegat Australia Pty Limited, and Barossa Valley Estate Pty Limited. The amount of the guarantee in respect of the banking facilities is not included in the table on page 42 and is the lower value of the net assets of the Group and the aggregate of the loans advanced at balance date. Loan facilities are disclosed in Note 10.

The table on page 42 presents all contractual payments which the Group is legally obliged to make and includes all future interest payments on interest-bearing facilities. The interest cost has been estimated by maintaining the current principal balance and interest rates that exist at balance sheet date. The table also includes the New Zealand Dollar equivalent for the foreign currency amounts, which are to be delivered to fulfil obligations under foreign currency contracts.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Facility Type 30 June 2025	Facility Limit $000	Drawn at Balance Sheet Date $000	< 1 year $000	1 to 2 years $000	> 2 years $000
Working Capital facility	48,000	8,215	380	380	8,439
Multicurrency facility A	100,000	100,000	4,450	4,450	102,621
Multicurrency facility B	100,000	80,000	3,608	3,608	85,733
Term facility	90,000	90,000	4,671	4,671	92,751
Headroom facility	20,000	–	–	–	–
AUD facility A	31,583	31,583	1,651	1,651	34,207
AUD facility B	29,592	27,978	1,454	1,454	28,835
Lease liability	N/A	103,948	14,749	12,912	132,200
Low value asset leases	N/A	N/A	5,850	4,659	6,616
Derivative financial instruments	N/A	N/A	204,397	605	(952)
Trade payables and accruals	N/A	31,149	31,149	–	–
Financial guarantee contracts	N/A	N/A	124	–	–
As at 30 June 2025	419,175	472,873	272,483	34,390	490,450

Included in the table above are financial guarantees which are presented at their highest possible amount that can be called at balance date. For each individual guarantee, if the obligation at balance date is lower than the maximum amount callable under the guarantee then the lower value has been included. The guarantees can be called in favour of the beneficiary if certain acts of non-performance occur. The Directors consider the likelihood of each financial guarantee being called remote.

Facility Type 30 June 2024	Facility Limit $000	Drawn at Balance Sheet Date $000	< 1 year $000	1 to 2 years $000	> 2 years $000
Working Capital facility	45,000	21,381	1,518	22,275	–
Multicurrency facility A	100,000	100,000	6,900	104,064	–
Multicurrency facility B	100,000	100,000	7,050	7,050	104,153
Term facility	39,900	39,897	3,032	41,683	–
Headroom facility	20,000	–	–	–	–
Revolving loan facility	45,000	45,000	3,069	46,808	–
AUD facility A	32,045	32,045	1,847	1,847	33,133
AUD facility B	38,214	31,663	1,796	32,721	–
Lease liability	N/A	94,613	11,752	11,988	166,732
Low value asset leases	N/A	N/A	5,160	3,885	5,331
Derivative financial instruments	N/A	N/A	184,711	17,715	(571)
Trade payables and accruals	N/A	30,456	30,456	–	–
Financial guarantee contracts	N/A	N/A	144	–	–
As at 30 June 2024	420,159	495,055	257,435	290,036	308,778

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

All of the above facilities have a floating rate of interest which is tied to the New Zealand BKBM for NZD facility/ Australian BBSY for AUD facility plus margin. At balance sheet date the Group has interest rate swaps that cover $157,978,000 (2024: $132,296,000) of the principal balance drawn at balance sheet date. Refer to Note 9.

The Group maintains credit facilities at a level sufficient to fund the Group's working capital during the period between cash expenditure and cash inflow.

SUMMARY OF FINANCIAL INSTRUMENTS HELD

At the balance sheet date the Group reports the following categories of financial instruments:

	2025 $000	2024 $000
Financial Assets		
Financial assets at amortised cost	65,135	85,829
Financial assets at fair value through profit and loss	4,225	4,291
	69,360	90,120
Financial Liabilities		
Financial liabilities at amortised cost	472,276	494,546
Financial liabilities at fair value through profit or loss	6,539	46
	478,815	494,592

The Group does not have any financial assets or liabilities that are classified as fair value through other comprehensive income (FVOCI).

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments is presented in the previous table. For financial instruments measured at fair value, further disclosure is required that allocates the fair values into a measurement hierarchy. The following principles have been applied in classifying these instruments:

Level 1 – the fair value is calculated using quoted prices in active markets;

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised below:

30 June 2025	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Financial Assets				
Foreign currency forward exchange option contracts	–	1,119	–	1,119
Foreign currency forward exchange contracts	–	3,106	–	3,106
	–	4,225	–	4,225
Financial Liabilities				
Foreign currency forward exchange option contracts	–	845	–	845
Foreign currency forward exchange contracts	–	2,723	–	2,723
Interest rate swap contracts	–	2,971	–	2,971
	–	6,539	–	6,539

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The fair value of financial instruments held at balance date that are not traded on an active market include foreign currency forward exchange contracts and options, and net settled interest rate swap contracts. The fair values are derived through valuation techniques that maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates, calculated using discounted cash flow models and observable market rates of interest and foreign exchange. If all significant inputs come from observable market data the instrument is included in Level 2 of the hierarchy.

30 June 2024	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Financial Assets				
Foreign currency forward exchange option contracts	–	386	–	386
Foreign currency forward exchange contracts	–	856	–	856
Interest rate swap contracts	–	3,049	–	3,049
	–	4,291	–	4,291
Financial Liabilities				
Foreign currency forward exchange contracts	–	46	–	46
	–	46	–	46

FINANCIAL RISK ASSOCIATED TO BEARER PLANTS

The Group is exposed to financial risks in respect of agricultural activities. The agricultural activities of the Group consist of the management of vineyards to produce grapes for use in the production of wine.

The primary risk borne by the Group is caused by the length of time between when cash is expended on the purchase or planting and maintenance of grape vines and on harvesting grapes and the ultimate realisation of proceeds from the sale of finished product (wine). The Group takes reasonable measures to ensure that the current year's harvest is not affected by disease, drought, frost, or other factors that may have a negative effect upon yield and quality. These measures include consultation with experts in viticulture, frost protection measures, and ensuring that each vineyard is managed according to a specifically developed Vineyard Management Calendar.

The Group is a climate reporting entity under the Financial Markets Conduct Act 2013 and is required to prepare a Climate-related Disclosure Statement which is released at the same time as the Annual Report. The Climate-related Disclosure Statement outlines climate-related risks relevant to bearer plants, the anticipated impacts and controls to mitigate these risks.

CAPITAL MANAGEMENT

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders of the business. The ultimate aim is to maintain a capital structure which provides flexibility to enable future growth of the Group while ensuring the lowest cost of capital is available to the Group.

Management review the capital structure of the Group as a result of changes in market conditions which impact upon interest and foreign exchange rates and may adjust the capital structure to take advantage of these changes. Management has no current plans to issue further shares on the market but is intent on growing the business which will require future funding.

The Group is subject to a series of bank covenants over its Senior Debt facilities. These are discussed in Note 10.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. REVENUE AND SEGMENTAL REPORTING

A An operating segment is a reportable segment if the segment engages in business activities in which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker and for which discrete financial information is available.

The Group reviews its operational performance based upon the management and the geographic areas in which their customers are based. Financial information which is available to management in order to assess segment performance and investment opportunities is presented on the same basis. In accordance with NZ IFRS 8: Operating Segments this forms the basis of presentation for Segment Reporting and is in the format adopted below:

- Delegat Limited (Delegat) is party to vineyard leases and has interests in freehold land and winery infrastructure which allows the company to grow, harvest and make finished wine to be marketed, distributed and sold into the Super Premium wine markets. Delegat sells and markets its product through a combination of subsidiary companies based overseas or to customers and distributors directly in the New Zealand, Canadian, Asian and Pacific Island markets.
- Delegat Australia Pty Limited, Delegat Europe Limited and Delegat USA, Inc. act as distributors and assist in the marketing of product in their respective geographic regions. Wines are sold all year round to all regions and the Group considers there is no significant variations in revenues throughout the year.

The Group implements appropriate transfer pricing regimes within the operating segments on an arm's length basis in a manner similar to transactions with third parties.

Management monitors the operating results of its business units separately for the purpose of making resource allocations and performance assessments. Segment performance is evaluated based on operating profit or loss, which may be measured differently from operating profit or loss in the consolidated financial statements as segment reporting is based upon internal management reports. The main differences are a result of some deferred tax balances being recognised upon consolidation not being allocated to individual subsidiaries. Also inter-company stock margin eliminations are managed on a group basis and are not allocated to operating segments.

A

REVENUE

Revenue is recognised when the Group satisfies its performance obligation to the customer. Satisfaction of a performance obligation occurs when the Group has transferred a promised good to the customer and when the customer obtains control of that good. The following specific recognition criteria have been applied to each individual classification of revenue:

i) Sale of Goods

The primary source of revenue earned by the Group is through providing wine to third party retailers and distributors. Revenue is recognised when control of the wine has passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Control is considered passed to the buyer at the time of delivery of goods to the customer. External sales revenue includes various payments to customers for volume discounts, rebates and other promotional support.

ii) Interest Revenue

Revenue is recognised as interest accrues using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. REVENUE AND SEGMENTAL REPORTING (CONTINUED)

E

REVENUE

Sales are often made with volume discounts, other rebates and various other payments to customers for promotional support. For volume discounts and other rebates not invoiced at the reporting date these are estimated based on agreements with customers and estimated depletions during the period. Other payments to customers for promotional support include listing fees, mailer fees and other incentives. For these expenses that have not been invoiced at the reporting date these are estimated based on agreements with customers and estimated achievement of various targets by the customer. At 30 June 2025 the Group has recognised accruals of $28.5 million (2024: $28.8 million). The majority of these amounts will be settled within the six months following balance date.

Year ended 30 June 2025	Delegat Limited $000	Delegat Australia Pty Ltd $000	Delegat Europe Limited $000	Delegat USA, Inc. $000	Other Segments[10] $000	Eliminations and Adjustments[11] $000	Year Ended 30 June 2025 $000
Operating income							
External sales[2,8]	71,676	54,593	103,783	172,170	12,785	(66,090)	**348,917**
Internal sales	288,302	–	–	–	9,188	(297,490)	**–**
Unrealised foreign exchange (loss)/gain	489	–	(31)	–	–	50	**508**
Dividend revenue	35	–	–	–	20,810	(20,797)	**48**
Interest revenue	56	10	3	1	13	–	**83**
Total segment revenues[1]	360,558	54,603	103,755	172,171	42,796	(384,327)	**349,556**
Operating expenses							
Interest expense[3]	15,480	83	5	161	2,025	–	**17,754**
Depreciation and amortisation[4]	24,735	449	167	499	1,698	–	**27,548**
Income tax expense[5]	17,497	336	918	654	437	(516)	**19,326**
Segment profit / (loss)	43,839	770	2,751	1,990	21,812	(22,124)	**49,038**
Assets							
Segment assets[6]	1,063,193	10,105	49,008	36,468	131,347	(155,470)	**1,134,651**
Capital expenditure[7]	59,093	–	–	103	667	–	**59,863**
Segment liabilities	574,603	4,285	27,524	7,717	37,277	(102,870)	**548,536**

Refer to footnotes on page 47

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. REVENUE AND SEGMENTAL REPORTING (CONTINUED)

Year ended 30 June 2024	Delegat Limited $000	Delegat Australia Pty Ltd $000	Delegat Europe Limited $000	Delegat USA, Inc. $000	Other Segments[10] $000	Eliminations and Adjustments[11] $000	Year Ended 30 June 2024 $000
Operating income							
External sales[2,9]	78,025	61,222	127,516	196,823	9,997	(98,049)	**375,534**
Internal sales	330,854	–	–	–	11,025	(341,879)	–
Unrealised foreign exchange (loss)/gain	(1,294)	–	45	–	2	1,294	**47**
Fair value gain on derivative financial instruments	2,689	–	–	–	–	–	**2,689**
Dividend revenue	18	–	–	–	797	(781)	**34**
Interest revenue	25	9	2	–	6	–	**42**
Total segment revenues[1]	410,317	61,231	127,563	196,823	21,827	(439,415)	378,346
Operating expenses							
Interest expense[3]	17,381	51	8	65	2,200	–	19,705
Depreciation and amortisation[4]	22,877	588	158	541	1,671	–	25,835
Income tax expense[5]	13,516	358	955	789	593	13,990	30,201
Segment profit/(loss)	34,456	813	2,848	2,366	2,244	(11,350)	31,377
Assets							
Segment assets[6]	1,038,624	9,684	49,262	46,818	110,479	(138,952)	1,115,915
Capital expenditure[7]	68,559	2	–	10	549	–	69,120
Segment liabilities	540,126	3,752	32,058	19,993	38,633	(74,646)	559,916

1. Intersegment revenues are eliminated on consolidation. Intercompany profit margins are also eliminated.
2. External sales revenue includes various payments to customers for volume discounts, rebates and other promotional support. For volume discounts, rebates and other promotional support not invoiced at 30 June 2024 the Group recognised accruals of $28,800,000 (30 June 2023: $25,719,000). During the year $601,000 of these accruals have been released (2024: $172,000).
3. Interest expense is net of any interest capitalised to long-term assets and inventory. During the year $5,546,000 (2024: $5,563,000) was capitalised to long-term assets and $5,200,000 (2024: $4,780,000) was capitalised to inventory.
4. Depreciation and amortisation expense presented above is gross of $23,334,000 (2024: $21,159,000), which has been included within inventory and $647,000 (2024: $637,000) which has been included within long-term assets.
5. Segment income tax expense does not include the deferred tax impacts of temporary differences arising from intercompany stock margin eliminations as this is managed on a group level.
6. Segment assets include the value of investments and loan balances for subsidiaries which reside in Delegat Limited however do not include the effects of stock margin eliminations for stock on hand in subsidiaries.
7. Capital expenditure consists of additions of property, plant and equipment inclusive of capitalised interest. Capital expenditure is included within each of the reported segment assets noted above.
8. During the 2025 financial year Delegat USA, Inc had a single customer which comprised 10% or more of group sales amounting to $81,091,000.
9. During the 2024 financial year Delegat USA, Inc had a single customer which comprised 10% or more of group sales amounting to $96,737,000.
10. Other segments' assets include non-current assets of Barossa Valley Estate Pty Limited of $43,866,000 (2024: $45,492,000) which are located in Australia.
11. The eliminations and adjustments of segment profit, assets and liabilities relate to intercompany transactions and balances which are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4. EXPENSES

Expenses by function have been categorised as follows:

	Notes	2025 $000	2024 $000
Cost of sales		187,557	228,488
Selling, marketing and promotion expenses		51,605	49,637
Corporate governance expenses		1,596	1,709
Administration expenses		16,122	17,229
Fair value loss on derivative financial instruments		6,558	–
		263,438	297,063
Specific components of the above expenses include:			
Directors' fees – Delegat Group Limited		721	660
Directors' fees – Overseas subsidiaries		54	54
Depreciation[1]	14, 17	27,534	25,492
Amortisation	16	14	343
Wages and salaries[2]		55,758	55,397
Defined contribution pension plans[2]		2,242	2,177
Termination benefits paid		258	186
Auditor Remuneration[3,4]			
Audit and review of the financial statements			
Audit and review of the financial statements		458	467
Other assurance services and other agreed-upon procedures engagement/s:			
Limited assurance over selected Greenhouse Gas (GHG) information included in the Climate-related Disclosures (Assurance enagement)		28	–
Taxation services			
Tax compliance		–	40
Total remuneration paid to auditor		486	507

1. The depreciation figure presented above represents the gross depreciation charge for the year. Depreciation is recorded in the business function to which the asset relates. Depreciation incurred on assets directly associated with winemaking and viticulture of $23,344,000 (2024: $21,159,000) is included within the cost of inventories and expensed as a cost of sales when product is sold, and $647,000 (2024: $637,000) is capitalised within long-term assets.

   Depreciation on vineyard development commences when the vineyard is considered to be in commercial production, which is generally when the vineyard has produced approximately 60% of the expected yield at full production.

2. The employee benefit figures above represent the gross employee benefits expense for the year. Included within inventory is remuneration paid to employees directly associated with winemaking, bottling and packaging. During the year $13,593,000 (2024: $13,813,000) of employee benefits were included within inventory. These costs are included within inventory until the stock to which the expenditure relates is sold.

3. The auditor of Delegat Group Limited is Deloitte. Amounts received, or due and receivable, by Deloitte are as disclosed above.

4. During the year the Group also paid $6,000 (2024: $6,000) to SBA Stone Forest CPA Co Ltd for the audit of the local financial statements of Delegat (Shanghai) Trading Co. Limited.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5. EARNINGS PER SHARE

A

Basic earnings per share is calculated as Group profit after income tax attributable to ordinary shareholders of the Parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares on issue.

Diluted earnings per share is calculated as Group profit after income tax attributable to ordinary shareholders of the Parent adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues and expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

The following reflects the earnings used in the calculation of the basic and fully diluted earnings per share:

	2025	2024
a) Earnings Used in Calculating Earnings per Share		
Profit for the year – basic and fully diluted ($000)	49,038	31,377
b) Weighted Average Number of Shares		
Weighted average number of shares – basic and fully diluted (000s)	101,130	101,130
c) Reported Earnings per Share on Statement of Financial Performance (expressed as cents per share)		
Basic and fully diluted earnings per share	48.49	31.03

6. SHARE CAPITAL

A Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

	2025 $000	2024 $000
Balance at beginning of the year	49,815	49,815
Balance at end of the year	49,815	49,815

a) Movement in the Number of Ordinary Shares on Issue	Shares Held	
	000s	000s
Balance at beginning of the year	101,130	101,130
Balance at end of the year	101,130	101,130

All ordinary shares have equal voting rights and share equally in dividends and surplus on winding up.

b) Nature and Purpose of Reserves

Foreign Currency Translation Reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. During the year equity increased by $980,000 upon the translation of foreign subsidiaries (2024: $183,000).

7. DIVIDENDS PAID AND PROPOSED

a) Recognised Amounts

Dividends that were declared and paid on ordinary shares during the year amounted to $20,235,000 (2024: $20,242,000) equating to 20.0 cents per share (2024: 20.0 cents per share).

b) Unrecognised Amounts

After the balance sheet date, dividends of 20.0 cents per share were approved by the Board of Directors. These amounts are not recognised in these financial statements as the declaration date was subsequent to year-end.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

8. TRADE PAYABLES AND ACCRUALS

A

Trade payables are initially recognised at fair value and then carried at amortised cost, and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

Provisions and accruals are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of economic resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions and accruals are measured as the present value of management's best estimate of the expenditure required to settle the present value of the obligation at the balance sheet date. If the effect of the time value of money is material, provisions and accruals are discounted using a pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision or accruals resulting from the passage of time is recognised as a finance cost.

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be settled within 12 months of the reporting date, are recognised in respect of the employee's services up to the reporting date. They are measured as the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and is measured at the rates paid or payable.

The Group makes regular contributions to various defined contribution pension plans. Included within the statement of financial performance are amounts paid and payable by the Group into these pension plans, net of any related tax rebates. The Group does not make available or make contributions to any defined benefit superannuation plans.

	2025 $000	2024 $000
Trade payables	19,769	15,008
Employee entitlements and leave benefits	5,781	6,614
Goods and services tax	782	691
Accrued expenses	11,380	15,447
	37,712	37,760

Trade payables are unsecured, non-interest bearing and are generally settled on 30 to 60 day terms. The carrying amount disclosed above is a reasonable approximation of fair value.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

9. DERIVATIVE FINANCIAL INSTRUMENTS

A

The Group uses derivative financial instruments such as forward currency contracts and options to economically hedge its risks associated with foreign currency fluctuations and interest rate swaps to manage interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into, and are subsequently remeasured to fair value at balance date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of financial performance. The fair value of forward exchange contracts and options is determined by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swaps is determined by reference to market inputs for similar instruments.

The Group has the following derivative financial instruments outstanding at the balance sheet date:

a) Foreign Currency Forward Exchange Contracts and Options
i) Forward Exchange Contracts

	AVERAGE CONTRACTED RATE		NOTIONAL VALUE	
Selling Currency/Buying NZD	2025	2024	2025 $000	2024 $000
Sell AUD, maturity 0-5 months	**0.9077**	0.9133	**8,538**	18,034
Sell USD, maturity 0-9 months	**0.5846**	0.6046	**62,025**	69,593
Sell GBP, maturity 0-11 months	**0.4632**	0.4798	**61,997**	42,219
Sell CAD, maturity 0-10 months	**0.8121**	0.8196	**20,435**	15,077
Sell SGD, maturity 0-10 months	**0.7778**	0.7981	**939**	533
Sell HKD, maturity 0-5 months	**4.5473**	4.6626	**1,535**	1,047
Sell EUR, maturity 0-9 months	**0.5398**	0.5597	**6,549**	6,255
Buying Currency/Selling NZD				
Buy EUR	**–**	0.5692	**–**	764
Buy AUD, maturity 0 months	**0.9274**	–	**253**	–
Buy USD	**–**	0.6096	**–**	1,132
Buy GBP, maturity 4-5 months	**0.4636**	–	**4,314**	–

The fair value of forward exchange contracts is determined by comparing the market rates for contracts with the same nominal amount, exercise price and length of time to maturity.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

9. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

a) Foreign Currency Forward Exchange Contracts and Options (continued)

ii) Forward Currency Options

	AVERAGE CONTRACTED RATE		NOTIONAL VALUE	
Selling Currency/Buying NZD	2025	2024	2025 $000	2024 $000
Sell USD, maturity 1–13 months	0.5864	0.5906	26,860	29,605
Sell GBP, maturity 1–12 months	0.4666	0.4807	16,073	20,794
Sell AUD, maturity 2–4 months	0.8982	0.9113	2,783	2,195
Sell CAD	–	0.8207	–	2,132

A

NZ IFRS 9: Financial Instruments requires that derivative financial instruments are classified as fair value through profit or loss for measurement purposes unless they are accounted for as hedges. Under NZ IAS 1: Presentation of Financial Statements, assets and liabilities under the fair value through profit or loss classification would generally be classified as current in the statement of financial position if held for trading. However, if the intent is not to actually trade the derivative financial instruments with maturities greater than one year but to hold them until maturity, then the derivative financial instruments are more appropriately classified as non-current. The amounts that are classified as non-current reflect the amounts that will not be settled in the next 12 months.

The classification of forward exchange contracts and forward currency options between current and non-current is based on whether the contracts will be settled in the next 12 months. The fair value of open contracts existing at balance sheet date are classified as follows:

	2025		2024	
	Assets $000	Liabilities $000	Assets $000	Liabilities $000
Current				
Forward Exchange Contracts	3,106	2,723	821	46
Foreign Currency Options	968	845	305	–
	4,074	3,568	1,126	46
Non-current				
Forward Exchange Contracts	–	–	36	–
Foreign Currency Options	151	–	80	–
	151	–	116	–

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

9. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

b) Interest Rate Swaps

In order to protect against risks relating to increases in interest rates, the Group has entered into interest rate swap contracts under which the Group receives interest at variable rates and has agreed to pay interest at fixed rates for varying terms of principal and time durations.

At balance sheet date interest rate contracts are in place that cover a total $130,000,000 (2024: $105,000,000) of current New Zealand dollar denominated Group debt through seven separate cap rate agreements, which range in maturity from six months to four years, with a weighted average interest rate cap of 3.73% plus bank margin (2024: 3.22% plus bank margin). In addition, interest rate contracts are in place that cover a total A$26,000,000 (2024: A$25,000,000) of current Australian Dollar denominated Group debt through six separate cap rate agreements, which range in maturity from six months to three years, with a weighted average interest rate cap of 3.19% plus bank margin (2024: 2.05% plus bank margin).

At balance sheet date the Group has three further seperate cap rate agreement that covers NZ$45,000,000 which applies at a future date to cover future Group indebtedness (2024: $45,000,000). Maturity ranges from three to four years, with a weighted average interest rate cap of 3.74% plus bank margin (2024: 4.25% plus bank margin). The Group has five additional Australian Dollar denominated cap rate agreement in place that covers a total A$26,000,000 (2024: A$27,000,000), which range in maturity from two to four years, with a weighted average interest rate cap of 3.75% plus bank margin (2024: 3.78% plus bank margin).

The total fair value of these contracts at balance sheet date is a liability of $2,971,000 (2024: asset of $3,049,000).

A The Group has elected not to apply hedge accounting to its derivative financial instruments and accordingly the instruments have been classified as fair value through profit and loss.

The classification between current and non-current is based on whether the contracts or portion of contracts will be settled within the next 12 months. The total fair value of these contracts at balance sheet date is classified as follows:

	2025		2024	
	Assets $000	Liabilities $000	Assets $000	Liabilities $000
Current				
Interest Rate Swaps	–	977	1,581	–
	–	977	1,581	–
Non–current				
Interest Rate Swaps	–	1,994	1,468	–
	–	1,994	1,468	–

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

10. INTEREST-BEARING LOANS AND BORROWINGS

a) Debt Facilities Existing at Balance Sheet Date

A

Interest-bearing loans and borrowings are initially recognised at the fair value of the consideration received, less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities are included as part of the carrying amount of the interest-bearing loans and borrowings. Interest-bearing loans and borrowings are classified as current liabilities, unless the Group has a right at the end of the reporting period to defer settlement of the liability for at least 12 months after balance sheet date.

Borrowing costs are expensed as incurred, except when they are directly attributable to the acquisition or construction of a qualifying asset. When this is the case, they are capitalised as part of that asset. Once the asset is put into productive use, capitalisation of the borrowing costs ceases.

At the balance sheet date the following debt facilities have been drawn upon by the Group:

	Maturity	Effective Interest Rate 2025	Effective Interest Rate 2024	2025 $000	2024 $000
Non-Current Debt Obligations					
Multicurrency facility A	31 January 2028	4.67%	6.90%	99,850	99,920
Multicurrency facility B	31 January 2029	4.73%	5.68%	79,790	99,799
AUD facility A	31 January 2029	4.70%	5.76%	31,583	31,983
AUD facility B	31 January 2028	5.20%	5.67%	27,978	31,619
Term facility	31 January 2028	5.19%	7.60%	89,865	39,865
Headroom facility	31 January 2028	N/A	N/A	(30)	(17)
Revolving loan facility	N/A	N/A	N/A	–	44,964
Working Capital facility	31 January 2028	4.63%	7.10%	8,143	21,345
				337,179	369,478

The carrying amount of the Group's non-current interest-bearing loans and borrowings are the fair values at balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

10. INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

b) Terms and Conditions of Debt Facilities

i) Senior Debt Facilities

In June 2025, the Group successfully completed the renegotiation of its syndicated Senior Debt facilities agreement with Westpac New Zealand Limited, Westpac Banking Corporation, Bank of New Zealand Limited (BNZ), China Construction Bank (New Zealand) Limited (CCB) and Hong Kong and Shanghai Banking Corporation Limited (HSBC). With the syndicated facility a General Security Agreement has been put in place in favour of the banks over the existing and future assets of Delegat Group Limited, Delegat Limited, Delegat Australia Pty Limited and Barossa Valley Estate Pty Limited.

At balance sheet date the Working Capital facility, Multicurrency facility A, Multicurrency facility B, AUD facility A, AUD facility B, Term facility and Headroom facility collectively make up the syndicated Senior Debt Facilities of Delegat, which provide funding for the assets of the Group. The maximum limit of the Working Capital facility is NZ$48,000,000 (2024: NZ$45,000,000), the Multicurrency facility A is NZ$100,000,000 (2024: NZ$100,000,000), the Multicurrency facility B is NZ$100,000,000 (2024: NZ$100,000,000), the AUD facility A is A$29,350,000 (2024: A$29,350,000), the AUD facility B is A$27,500,000 (2024: A$35,000,000), Term facility is NZ$90,000,000 (2024: NZ$39,900,000), Headroom facility is NZ$20,000,000 (2024: NZ$20,000,000) and Revolving loan facility is NZ$Nil (2024: NZ$45,000,000). At balance sheet date NZ$81,399,000 (2024: NZ$50,170,000) is available for further drawdown on these facilities.

The amount drawn down on the AUD facility A and AUD facility B at the balance sheet date was A$55,350,000 (2024: A$58,350,000).

Interest on these facilities is based on the BKBM/BBSY plus margin. The facility agreement requires that certain banking covenants be met and requires the Group to maintain or better specified EBITDA and fixed charges coverage ratios, and maintain or better a minimum adjusted equity balance. The Group must also maintain or better a specified total tangible asset backing. At year-end, and at measurement dates during the year, the covenants of the Senior Debt Facilities have been met.

ii) Other Facilities

Delegat also has available an overdraft limit of $1,000,000 (2024: $1,000,000). Interest charged on this facility is at the commercial lending rate (2024: commercial lending rate). At 30 June 2025 the commercial lending rate is 7.45% (2024: commercial lending rate 9.80%). No amount is drawn against this facility at balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

11. TRADE AND OTHER RECEIVABLES

A

On initial recognition, the Group's trade receivables are recognised at their transaction price as defined in NZ IFRS 15: Revenue from Contracts with Customers. The Group's trade receivable balances are generally short-term and do not contain a significant financing component. They are subsequently measured at amortised cost using the effective interest method, less an allowance for expected future credit losses.

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and sundry receivables if financial assets. Expected credit losses are measured by grouping trade receivables based on shared credit risk characteristics and the days past due. A provision matrix is then determined based on the historical credit loss rates for each group of customers, adjusted for any material expected changes to the future risk for that customer group.

Individual trade receivable balances which are known to be uncollectible are written off where the Group has no reasonable expectation of recovering the trade receivable balance.

	2025 $000	2024 $000
Trade receivables	**56,510**	76,445
Prepayments and sundry receivables	**4,618**	7,831
Goods and services tax	**1,678**	1,852
	62,806	86,128

As at 30 June 2025 the ageing of trade receivables is as follows:

Ageing of receivables As at 30 June 2025	New Zealand (including Asia Pacific) $000	Australia $000	United Kingdom $000	United States of America $000	Canada $000	Group $000
Current	3,785	7,517	24,093	13,049	5,156	**53,600**
1 to 30 days	274	2	1,284	1,011	10	**2,581**
31 to 60 days	–	–	301	–	–	**301**
61 to 90 days	–	–	28	–	–	**28**
Total trade receivables	4,059	7,519	25,706	14,060	5,166	56,510

All amounts recognised as trade receivables are unsecured and the maximum credit risk is equivalent to the carrying values noted directly above. Trade receivables are non-interest bearing and generally settled on 30 to 90 day terms. Due to their short-term nature trade receivables are not discounted.

In determining the historic loss rates to be applied to these customer groups and ageing buckets the Group has reviewed whether there were any bad debts written off over the last five years and has identified that these were $nil (2024: $nil). Accordingly the historic loss rates applied to each customer group at 30 June 2025 are 0% (2024: 0%).

Due to the short term nature of the Group's trade receivables, the nature of the Group's customer base, the Group's experience over the past five years and other forward looking information, the historic loss rates have not been adjusted for any material expected future changes in credit risk.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

12. INVENTORIES

A

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs of finished goods sold are assigned on a weighted average cost basis.

GRAPES

Included within the cost of inventory is the fair value of the grapes (agricultural produce) at the time the grapes are harvested. At the point of harvest, the harvest of grapes qualify as agricultural produce under NZ IAS 41: Agriculture and are recorded at fair value at that date. The fair value becomes the basis of cost when accounting for inventories.

Harvesting of the grape crop is ordinarily performed in late March or early April. Costs incurred in growing the grapes, including any applicable harvest costs, are initially allocated into the cost of inventory as part of the total costs to acquire and grow the agricultural produce. At the point of harvest, a fair value adjustment is made so that the cost per tonne is adjusted to fair value in accordance with NZ IAS 41: Agriculture and NZ IFRS 13: Fair Value Measurement. Any difference between cost and fair value is included within the statement of financial performance as cost of sales.

E

The fair value of grapes at the point of harvest is determined by reference to the market prices for each variety of grape grown in the local area and the market price paid to independent grape growers. Any difference between cost and fair value is included within the statement of financial performance as cost of sales.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

12. INVENTORIES (CONTINUED)

	2025 $000	2024 $000
Current vintage	106,878	105,198
Aged wine	72,885	67,823
Winery ingredients, packaging materials and other	8,008	8,903
	187,771	181,924

During the year the Group harvested a total of 47,461 tonnes of grapes (2024: 34,150 tonnes) in New Zealand and Australia. The 2025 harvest was 39% higher than the 2024 harvest. Of this amount a total of 12,280 tonnes (2024: 11,083 tonnes) were purchased from independent third party growers. The fair value of agricultural produce from the Group's owned and leased vineyards at the point of harvest was $67,680,000 (2024: $50,400,000). A fair value gain of $9,355,000 (2024: $4,977,000 loss) was recorded during the year and included within cost of sales. Included within cost of sales is a total of $196,912,000 (2024: $223,512,000) which represents costs expended in grape growing (inclusive of lease costs), procurement, delivery and materials.

13. BIOLOGICAL WORK IN PROGRESS

	2025 $000	2024 $000
Growing costs relating to next harvest	16,604	15,565
	16,604	15,565

A As allowed under NZ IAS 41: Agriculture the vineyard costs in the period to 30 June have been recognised as work in progress for the next harvest and the Group has determined that cost is equal to fair value at this point of the growth cycle.

14. PROPERTY, PLANT AND EQUIPMENT

A

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. The cost of purchased property, plant and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs that have been incurred in bringing the assets to the location and condition necessary for their intended service.

The cost of self-constructed assets includes the cost of all materials used in the construction, direct labour on the project, lease costs and financing costs that are directly attributable to the project and an appropriate proportion of directly attributable variable and fixed overheads. Costs cease to be capitalised when the asset is ready for productive use. In respect of vineyard improvements, capitalisation of costs continues until the vineyards are ready for productive use, which is when the vineyard has produced approximately 60% of expected yield at full production, ordinarily a period of three years after the planting of vines.

Land and Land Improvement assets are measured at cost and are not subject to depreciation.

IMPAIRMENT

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an impairment trigger exists, the recoverable amount of the asset is determined, being the higher of an asset's fair value less costs to sell, and value in use. An impairment charge is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, the recoverable amount is determined at the lowest level for which there are separately identifiable cash flows (cash-generating units).

E

DEPRECIATION

Depreciation of property, plant and equipment, other than land and land improvements, which has an indefinite economic life and hence not depreciated, is charged on a straight-line basis so as to write off the assets to their expected residual value over their estimated useful lives. The estimated useful lives are as follows:

Buildings	10–50 years
Plant and Equipment	3–50 years
Vineyard Improvements	3–50 years
Bearer Plants	50 years

The estimation of the useful lives of assets has been based on historical experience as well as lease terms. The condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Depreciation on vineyard improvements commences when the vineyard is considered to be in commercial production, which is when the vineyard has produced approximately 60% of the expected yield at full production, ordinarily a period of three years after the planting of vines. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each financial year.

Capitalised assets on leased vineyards or office premises are depreciated over the shorter of the estimated useful life of the asset and the remaining lease term.

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

E

IMPAIRMENT

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists the recoverable amount of the asset is determined.

Impairment testing of property, plant and equipment and intangible assets is an area where estimates and judgements have a significant risk of causing a material adjustment to the carrying amount of the Group's property, plant and equipment and indefinite life intangible assets.

The Group considers that the Group's assets comprise two cash-generating units (CGUs), New Zealand and Barossa Valley. In the current year the Group considers that there are indicators of impairment in respect of the Barossa Valley Estate (BVE) CGU due to current market conditions and have therefore determined the recoverable amount of the BVE CGUs assets.

The recoverable amount of the BVE CGU is determined on a value-in-use basis using a discounted cash flow model. The cash flow forecasts are primarily based on the business units' forecast seven-year plan prepared by management and approved by the Board. A seven-year forecast has been used given the time required for vineyard, winery and market development to meet customer demands and the Group has established processes to ensure forecasts are accurate for this seven-year period.

The key assumptions used in the value in use calculation are as follows:

- Sales growth - Projected case sales are based on the 7-year plan from FY26-FY32 supported by management's expectation of an improving case sales profile.
- Discount rate - The cash flow projections are discounted using a pre-tax rate of 11.0% (2024: 8.4%) which reflects the weighted average cost of capital for the Group. This rate reflects the risk profile of the business and the market which BVE operates.
- Terminal growth rate - The cash flow projections include a 2% terminal growth assumption (2024: 1%) from FY32.

The discounted cash flows from the cash generating unit confirmed that there was no impairment, and that the recoverable value from value in use exceeds the carrying value of the BVE CGUs assets by $6.8 million (2024: $36.6 million).

The BVE CGU is sensitive to changes in forecast sales growth, the discount rate and terminal growth rate. A reduction in forecast case sales by 5%, an increase in the discount rate by 0.5%, or a reduction in the terminal growth rate by 0.5%, would reduce the recoverable amount by $3.6 million, $5.5 million, and $4.1 million respectively (2024: $4.9 million, $9.3 million, $7.9 million respectively). An increase in the discount rate by 0.6% would result in the recoverable amount equalling the carrying value of the CGUs assets. This sensitivity analysis for each assumption assumes all other assumptions in the model are held constant.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

a) Reconciliation of Carrying Amounts at Beginning and End of the Year

Year ended 30 June 2025	Freehold Land and Land Improvements $000	Vineyard Improvements $000	Bearer Plants $000	Buildings $000	Plant and Equipment $000	Capital Work in Progress $000	Total $000
Net book value at 1 July 2024	182,686	100,068	47,022	103,003	172,895	122,506	**728,180**
Additions/Transfers	24,270	82,030	10,189	18,105	11,027	(85,758)	**59,863**
Disposals	–	–	–	(1)	(162)	–	**(163)**
Foreign currency translation	(104)	(200)	(38)	(131)	(56)	(18)	**(547)**
Depreciation charge	–	(4,238)	(1,469)	(3,298)	(11,917)	–	**(20,922)**
Net book value at 30 June 2025	206,852	177,660	55,704	117,678	171,787	36,730	**766,411**
At cost	206,859	239,514	76,808	153,351	302,397	36,730	**1,015,659**
Accumulated depreciation and impairment	(7)	(61,854)	(21,104)	(35,673)	(130,610)	–	**(249,248)**
Net book value at 30 June 2025	206,852	177,660	55,704	117,678	171,787	36,730	**766,411**

Year ended 30 June 2024	Freehold Land and Land Improvements $000	Vineyard Improvements $000	Bearer Plants $000	Buildings $000	Plant and Equipment $000	Capital Work in Progress $000	Total $000
Net book value at 1 July 2023	185,862	103,690	48,429	110,172	163,382	74,467	686,002
Additions/Transfers	–	87	1	61	20,903	48,032	69,084
Disposals	–	–	–	–	(136)	–	(136)
Transfer to assets held for sale	(3,204)	–	–	(4,036)	–	–	(7,240)
Foreign currency translation	28	54	10	36	11	7	146
Depreciation charge	–	(3,763)	(1,418)	(3,230)	(11,265)	–	(19,676)
Net book value at 30 June 2024	182,686	100,068	47,022	103,003	172,895	122,506	728,180
At cost	182,693	157,748	66,667	135,449	295,226	122,506	960,289
Accumulated depreciation and impairment	(7)	(57,680)	(19,645)	(32,446)	(122,331)	–	(232,109)
Net book value at 30 June 2024	182,686	100,068	47,022	103,003	172,895	122,506	728,180

b) Other Items

The weighted average interest rate on interest capitalised during the year was 6.38% (2024: 7.03%).

Bearer Plants consist of grape vines on our vineyards located in New Zealand and the Barossa Valley, Australia. At 30 June 2025 the Group has grape vines planted on 2,104 productive hectares of land (2024: 1,934 productive hectares) in New Zealand and 175 productive hectares (2024: 175 productive hectares) in Australia.

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

b) Other Items (continued)

The net book value of vines on leased land where the Group does not have the beneficial ownership in the vine asset, is not reported above, as the risks and rewards incidental to owning the vines do not transfer to the Group. The Group is however party to leases of land on which vine stock is owned by the Group, refer Note 17. The net book value of these assets are reported, as the risk and rewards incidental to ownership are retained by the Group.

15. ASSETS HELD FOR SALE

A

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell.

A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition. Non-current assets are not depreciated while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the Statement of Financial Position.

Assets held for sale in the prior year relate to land and buildings used for warehousing. On 4 June 2024, a conditional agreement to sell these assets was entered into between the Group and a purchaser. Subsequent to balance date the sale and purchase agreement became unconditional, with the sale completing on 31 July 2024. The carrying value of the land and buildings was $7,240,000 and was measured at the lower of its carrying value and fair value less cost to sell. This asset was previously reported under the 'Delegat' segment in accordance with NZ IFRS 8.

16. INTANGIBLE ASSETS

A

Intangible assets acquired separately are measured on initial recognition at cost. The cost of the intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable; if not, the change in useful life from indefinite to finite is made on a prospective basis.

E

Water rights currently owned by the Group have been assessed as having indefinite useful lives and are therefore tested annually for impairment at the CGU level. The recoverable amount of the CGU's assets are higher than the water rights' carrying value and therefore no impairment is required to be recognised. Refer to note 14 for the basis and key assumptions used in the determination of the recoverable amount.

Water rights currently owned by the Group consist of water rights in both New Zealand and Australia.

Barossa Valley Estate Pty Limited (BVE) owns water rights consisting of shares in Barossa Infrastructure Limited and associated infrastructure levies. These water rights grant BVE the right to a fixed number of units of water per

16. INTANGIBLE ASSETS (CONTINUED)

share and were purchased by BVE to support their vineyard activities. BVE continues to have the right to use the water over an indefinite period and therefore the water rights are considered to have an indefinite useful life. At balance date the carrying value of BVE's water rights are $5,717,000 (2024: $5,800,000).

Delegat Limited (Delegat) owns water rights consisting of shares in Lower Waihopai Dam Limited. These water rights grant Delegat the right to a fixed number of units of water per share and were purchased by Delegat to support their vineyard activities. Delegat continues to have the right to use the water over an indefinite period and therefore the water rights are considered to have an indefinite useful life. At balance date the carrying value of Delegat's water rights are $600,000 (2024: $600,000).

Costs incurred in developing systems, acquiring software and licences, are capitalised to software where the activities create an intangible asset that the Group controls and the intangible asset meets the recognition criteria. Amortisation of software assets is calculated on a straight-line basis over the useful life of the asset (typically 3 to 10 years). Costs related to Software-as-a-Service arrangements are expensed unless they meet the definition of an intangible asset.

The movement in the value of intangible assets is summarised as follows:

Year ended 30 June 2025	Water Rights $000	Software $000	Total $000
Carrying value at 1 July 2024	6,400	34	6,434
Foreign currency translation	(84)	–	(84)
Amortisation	–	(14)	(14)
Carrying value at 30 June 2025	6,316	20	6,336
At cost	6,316	5,030	11,346
Accumulated amortisation	–	(5,010)	(5,010)
Carrying value at 30 June 2025	6,316	20	6,336

Year ended 30 June 2024	Water Rights $000	Software $000	Total $000
Carrying value at 1 July 2023	6,377	344	6,721
Additions	–	36	36
Disposals	–	(3)	(3)
Foreign currency translation	23	–	23
Amortisation	–	(343)	(343)
Carrying value at 30 June 2024	6,400	34	6,434
At cost	6,400	5,030	11,430
Accumulated amortisation	–	(4,996)	(4,996)
Carrying value at 30 June 2024	6,400	34	6,434

17. LEASES

A

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for leases of low-value assets. The Group applies the low-value assets recognition exemption for its barrel leases. Payments on the Group's barrel leases are expensed on a straight line basis over the lease terms. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

RIGHT-OF-USE ASSETS

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

LEASE LIABILITY

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease when readily determinable; if the implicit interest rate is not readily determinable the Group uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments.

Right-of-use asset depreciation and lease liability interest that are directly attributable to bringing new vineyards to working condition for their intended use are capitalised up until the time the vineyards become commercially productive. The accumulated amount is then amortised over the remaining lease term.

E

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised. When the Group has the option to extend a lease, management uses its judgement to determine whether or not an option would be reasonably certain to be exercised. Management considers all facts and circumstances, including its past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help determine the lease term. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

To determine the value of the lease liability, the future lease payments are discounted using the interest rate implicit in the lease, otherwise the Group's incremental borrowing rate is used. Implicit interest rates are present in most of the Group's vineyard leases. The Group's incremental borrowing rate is the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The Group is required to revise the discount rate used if there is a change in the lease term, a change in the assessment of an option to purchase the underlying asset, a change in future lease payments resulting from a change in an index or a rate used to determine those payments, or where there is a lease modification that is not accounted for as a separate lease.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

17. LEASES (CONTINUED)

RIGHT-OF-USE ASSETS

Leases held by the Group include long-term land leases, vineyard improvements and bearer plants, which allow the Group to access prime viticultural land in the Marlborough and Hawke's Bay areas. The leases provide the Group the right of first refusal in the event that the land is put up for sale. Other leases include office building, car and equipment leases.

a) Reconciliation of Right-of-Use Assets at the Beginning and End of the Year

Year ended 30 June 2025	Freehold Land and Land Improvements $000	Vineyard Improvements $000	Bearer Plants $000	Buildings $000	Plant and Equipment $000	Total $000
Net book value at 1 July 2024	40,739	7,757	2,604	22,006	3,663	**76,769**
Additions	1,815	265	86	6,486	11,339	**19,991**
Disposals	(8,035)	–	–	(213)	(63)	**(8,311)**
Foreign currency translation	–	–	–	39	(3)	**36**
Depreciation charge	(1,955)	(564)	(188)	(2,898)	(1,007)	**(6,612)**
Net book value at 30 June 2025	32,564	7,458	2,502	25,420	13,929	**81,873**
At cost	55,531	18,279	5,845	41,414	17,290	**138,359**
Accumulated depreciation	(22,967)	(10,821)	(3,343)	(15,994)	(3,361)	**(56,486)**
Net book value at 30 June 2025	32,564	7,458	2,502	25,420	13,929	**81,873**

Year ended 30 June 2024	Freehold Land and Land Improvements $000	Vineyard Improvements $000	Bearer Plants $000	Buildings $000	Plant and Equipment $000	Total $000
Net book value at 1 July 2023	35,686	8,032	2,701	21,337	3,701	71,457
Additions	6,940	270	87	3,554	745	11,596
Disposals	–	–	–	(377)	(53)	(430)
Foreign currency translation	–	–	–	(41)	3	(38)
Depreciation charge	(1,887)	(545)	(184)	(2,467)	(733)	(5,816)
Net book value at 30 June 2024	40,739	7,757	2,604	22,006	3,663	76,769
At cost	64,337	18,014	5,759	35,920	6,471	130,501
Accumulated depreciation	(23,598)	(10,257)	(3,155)	(13,914)	(2,808)	(53,732)
Net book value at 30 June 2024	40,739	7,757	2,604	22,006	3,663	76,769

17. LEASES (CONTINUED)

LEASE LIABILITY

b) Reconciliation of Lease Liability at the Beginning and End of the Year

	2025 $000	2024 $000
Balance at beginning of the year	94,613	93,559
Per Statement of Cash Flows:		
– Interest Expense	5,833	5,352
– Repayments	(16,268)	(10,540)
Additions/Transfers	20,015	6,446
Disposals	(271)	(164)
Foreign currency translation	26	(40)
Balance at end of the year	103,948	94,613
Current	9,844	9,663
Non-current	94,104	84,950
	103,948	94,613

The maturity analysis of lease liabilities is disclosed in Note 2.

c) Other Items

The Group had total cash outflows for leases of $21,967,000 (2024: $15,675,000), this includes an amount of $5,699,000 (2024: $5,135,000) in relation to leases of low-value assets. Low value asset lease expenses are expensed on a straight line basis over the lease terms.

18. INCOME TAX EXPENSE

A

Current tax assets and liabilities for the current and prior periods are measured as the amount expected to be recovered from, or paid to, the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided for all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination or for transactions that give rise to equal taxable and deductible temporary differences) of other assets and liabilities in a transaction that affects neither the taxable profit, nor the accounting profit. In addition a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill. Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all, or part of, the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of financial performance.

Deferred tax assets and liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

18. INCOME TAX EXPENSE (CONTINUED)

	2025 $000	2024 $000
a) Numerical reconciliation between aggregate tax expense in the statement of financial performance and tax expense calculated per the statutory income tax rate		
Accounting profit before tax	68,364	61,578
At the Group's statutory income tax rate of 28% (2024: 28%)	19,142	17,242
Tax impact of the following items:		
Adjustments in respect of income tax of prior years	(107)	(79)
Entertainment	42	153
Legal fees	7	82
Non-assessable income	27	60
Removal of tax depreciation for buildings	–	13,032
Non-deductible items	425	23
Tax on foreign income due to different tax rates	(210)	(312)
Income tax expense for the year	19,326	30,201
b) The major components of income tax expense are:		
Income tax reported in the statement of financial performance		
Estimated current period tax assessment	15,317	15,973
Adjustments in respect of income tax of prior years	(107)	(79)
Movements in the deferred income tax liability	4,116	14,307
Income tax expense for the year	19,326	30,201
Income tax reported in the statement of other comprehensive income		
Net gain/(loss) on hedge of net investment	129	(35)
Income tax charged/(credited) to other comprehensive income	129	(35)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

18. INCOME TAX EXPENSE (CONTINUED)

	2025 $000	2024 $000
c) Deferred income tax at balance sheet date relates to the following:		
Capitalised interest	8,947	7,607
Capitalised leases	496	568
Accelerated depreciation of long-term assets	47,453	43,779
Leases	(6,135)	(6,390)
Fair value adjustments on biological produce	5,871	4,444
Excess of fair value on acquisition of bearer plants over tax values	8,673	8,673
Provisions	(1,052)	(962)
Stock profit eliminations	(4,331)	(3,815)
Derivative financial instruments	(648)	1,188
Net deferred tax liability	59,274	55,092
Balance at beginning of the year	55,092	40,785
On surplus for year	4,116	14,307
Adjustments in respect of income tax of prior years	75	(1)
Foreign currency translation	(9)	1
Balance at end of the year	59,274	55,092

There are no elements of deferred taxes which are reported within equity.

On 28 March 2024, the New Zealand Government enacted changes to the tax legislation to remove the ability to depreciate commercial buildings for tax depreciation purposes. For the Group the application of this taxation change under NZ IAS 12: Income Taxes, reduced the tax carrying value of New Zealand buildings to nil. The impact of this change resulted in an increase in deferred tax liability by $13,032,000 and a corresponding one-off, non-cash accounting adjustment to the tax expense for the year ended 30 June 2024.

19. IMPUTATION CREDIT ACCOUNT

	2025 $000	2024 $000
Balance at beginning of the year	122,314	117,121
Tax payments	12,453	12,671
Fully imputed dividend paid	(7,487)	(7,478)
Balance at end of the year	127,280	122,314

20. COMMITMENTS

The estimated capital expenditure contracted for at 30 June 2025 but not provided for is $4,857,000 (2024: $35,145,000).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

21. RELATED PARTIES

a) Investment in Subsidiaries

Investments in controlled entities are as follows:

Name of Entity	Principal Activity	Country of Incorporation	Ownership Interest % 2025	Ownership Interest % 2024
Delegat Limited	Winemaking, Sales and Distribution	New Zealand	100.00	100.00
Delegat Canada Limited	Brand Marketing	Canada	100.00	100.00
Delegat Australia Pty Limited	Sales and Distribution	Australia	100.00	100.00
Delegat USA, Inc.	Sales and Distribution	United States of America	100.00	100.00
Delegat Europe Limited	Sales and Distribution	United Kingdom	100.00	100.00
Delegat (Singapore) Pte. Limited	Investment Holding Company	Singapore	100.00	100.00
Barossa Valley Estate Pty Limited	Winemaking	Australia	100.00	100.00
Delegat (Shanghai) Trading Co. Limited	Sales and Distribution	China	100.00	100.00

The parent company of all subsidiaries is Delegat Group Limited, except for Delegat Europe Limited and Barossa Valley Estate Pty Limited whose immediate parent company is Delegat Limited, and Delegat (Shanghai) Trading Co. Limited whose immediate parent company is Delegat (Singapore) Pte. Limited.

All subsidiaries have a 30 June balance date, except for Delegat (Shanghai) Trading Co. Limited which has a 31 December balance date as required by law in China.

b) Key Management Personnel

Details relating to key management personnel, including remuneration paid, are included within Note 22.

c) Related Parties by Virtue of Share Ownership

The following Directors hold the following number of Shares in the Parent	2025	2024
Delegat Share Protection Trust (Jim Delegat, Rosamari Delegat and BPM Trustees (DSPT) Limited – Trustees)	66,857,142	66,857,142
Gordon Neil MacLeod	11,600	3,700
McKay Family Trust Partnership	3,100	N/A

The individuals above are considered related parties as a result of their shareholding or by virtue of being considered a member of key management.

During the year, a total of $103,000 (2024: $99,000) was paid to Rosamari Delegat in her capacity as a Non-Executive Director.

During the year, a total of $180,000 (2024: $146,000) was paid to Jim Delegat in his capacity as Chair.

During the prior year Delegat Limited paid a total of $23,000 to Gordon MacLeod in his capacity as an independent consultant and under normal terms and conditions. The agreement for these additional consulting services was cancelled in the prior year.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

21. RELATED PARTIES (CONTINUED)

d) Transactions with Related Parties who have Significant Influence over Subsidiary Companies

During the year Delegat Australia Pty Limited paid a total of $27,000 (2024: $27,000) to Yaroona Pty Limited. The payments made to Yaroona Pty Limited were made in Peter Taylor's capacity as Company Director. Peter Taylor was considered to be a related party by virtue of his ability to significantly influence the financial and operating policies of a subsidiary company.

During the year Barossa Valley Estate Pty Limited paid a total of $36,000 (2024: $46,000) to Range Road Estate Pty Limited, including directors fees of $22,000 (2024: $27,000). The remaining payments made to Range Road Estate Pty Limited were made in Alan Hoey's capacity as an independent consultant and under normal terms and conditions. Alan Hoey was considered to be a related party by virtue of his ability to significantly influence the financial and operating policies of a subsidiary company.

During the year Delegat Limited paid a total of $8,000 (2024: $5,000) to Camelot Trust Pte. Limited, a company in which a Director of Delegat (Singapore) Pte. Limited has an interest. The payments made to Camelot Trust Pte. Limited are made in Anita Chew Peck Hwa's capacity as Company Director and under normal terms and conditions.

22. KEY MANAGEMENT PERSONNEL

Compensation of Key Management Personnel

Included in the definition of related parties are Key Management Personnel having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly, including any Director. Management have assessed the composition of the Key Management and their compensation for the year ended 30 June is presented below:

	2025 $000	2024 $000
Short-term employee benefits (including Directors' fees)	9,284	9,358
Post-employment benefits (including defined contribution pension plan)	346	355
Termination benefits paid	–	6
	9,630	9,719

23. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

On 29 August 2025, the Directors of the Parent declared a fully imputed dividend of $20,226,000 (20.0 cents per Share) to be paid on 10 October 2025.

INDEPENDENT AUDITOR'S REPORT

Deloitte.

Independent Auditor's Report

To the Shareholders of Delegat Group Limited

Opinion

We have audited the consolidated financial statements of Delegat Group Limited and its subsidiaries (the 'Group'), which comprise the consolidated statement of financial position as at 30 June 2025, and the statement of financial performance, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements, on pages 27 to 72, present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2025, and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor and the provision of a limited assurance engagement over the Selected Greenhouse Gas (GHG) Disclosures included within the Group Climate Statements for Scope 1 and 2 GHG emissions, we have no relationship with or interests in the Company or any of its subsidiaries. These services have not impaired our independence as auditor of the Company and Group.

Audit materiality

We consider materiality primarily in terms of the magnitude of misstatement in the financial statements of the Group that in our judgement would make it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced (the 'quantitative' materiality). In addition, we also assess whether other matters that come to our attention during the audit would in our judgement change or influence the decisions of such a person (the 'qualitative' materiality). We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT CONTINUED

Deloitte.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition – Rebates & Promotional Allowances Accruals Revenue is recognised net of volume discounts, other rebates and various other payments to customers for promotional support. Volume discounts and rebates not invoiced at reporting date are estimated estimated based on agreements with customers and estimated depletions during the period. As disclosed in note 3, the value of the rebates and promotional allowance accruals as at 30 June 2025 was $28.5m (2024: $28.8m) The value of rebates and promotional allowances accruals as at 30 June 2025 is a key audit matter due to the high levels of judgement involved in the calculation of the accruals as management must estimate the level of achievement of future targets by customers in order to calculate the level of rebates and promotional allowances that will be incurred.	In order to respond to the significant judgment in estimating the rebates and promotional expenses accruals we: • held discussions with management to understand the process and models for estimating the rebates and promotional allowances accruals; • evaluated the design and tested the implementation of relevant controls over the rebates and promotional allowances accruals and associated revenue recognition; • performed a look-back analysis comparing previous rebates and promotional allowances accruals to the actual cost incurred; and • obtained the Group's calculation of the 30 June 2025 rebates and promotional allowances accruals, checked the calculation for mathematical accuracy and agreed to supporting evidence on a sample basis.

Other information

The directors are responsible on behalf of the Group for the other information. The other information comprises the information in the Financial Report that accompanies the consolidated financial statements and the audit report, and the Annual Report and Climate Related Disclosure Statement 2025, which are expected to made available to us after the date of the audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and consider whether it is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report and Climate Related Disclosure Statement 2025, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and consider further appropriate actions.

Directors' responsibilities for the consolidated financial statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT CONTINUED

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Andrew Dick
Partner
for Deloitte Limited
Auckland, New Zealand
29 August 2025

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE

Delegat Group Limited ("the Group") is committed to maintaining the highest standards of governance by adopting and implementing best practice structures and policies. This Corporate Governance Statement sets out the corporate governance policies, practices, and processes adopted and followed by the Group (including the guiding principles, authority, responsibilities, membership and operation of the Board of Directors) as at 29 August 2025 and has been approved by the Board.

The best practice principles (and underlying recommendations) which the Group has had regard to in determining its governance approach are the principles set out in the NZX Corporate Governance Code 2025 ('NZX Code'). The Board's view is that the Group's corporate governance policies, practices and processes generally follow the recommendations of the NZX Code. This Corporate Governance Statement includes disclosure of the extent to which the Group has followed each of the recommendations in the NZX Code (or where applicable, an explanation as to why a recommendation was not followed and any alternative practice followed in lieu of the recommendation).

The Group is a company incorporated in New Zealand and listed on the NZX Main Board. Further information about the Group's corporate governance framework (including the Board and Board Committee charters, and codes and selected policies referred to in this section) is available on the Group's website at www.delegat.com, under the Investor Relations section.

PRINCIPLE 1 – ETHICAL STANDARDS

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.

CODE OF ETHICS AND RELATED POLICIES

Recommendation 1.1: The board should document minimum standards of ethical behaviour to which the issuer's directors and employees are expected to adhere (a code of ethics).

The Group expects its Directors, senior management and employees to maintain the highest standards of honesty, integrity and ethical conduct in day to day behaviour and decision making. The Board has adopted a Code of Ethics which incorporates the requirements set out in Recommendation 1.1, forms part of the induction process for all new employees and is available on the Group's website. All Directors, senior management and employees must provide acknowledgement that they have read and understood the content.

Delegat Group operates a phone service which can be used by Delegat Group's personnel to report suspected unacceptable, unethical or illegal behaviour in the workplace.

In addition, the Group has a Modern Slavery Policy, which provides for a zero-tolerance approach to all forms of forced labour, including modern forms of slavery and any form of human trafficking within our supply chain.

FINANCIAL PRODUCTS TRADING POLICY

Recommendation 1.2: An issuer should have a financial product dealing policy which applies to employees and directors.

The Financial Products Trading Policy sets out the Group's requirements for all Directors and employees in relation to trading the Group's shares and is available on the Group's website. This policy incorporates all trading restraints. In general, Directors and employees are allowed to trade in the Group shares during two 'trading windows'. Trading windows commence on the day after the half-year and full-year results are announced to the market and close on the respective half-year and full-year balance date, which typically means an 'open period' of approximately 120 days. Trading outside these windows is generally prohibited.

FINANCIAL PRODUCTS TRADING POLICY (CONTINUED)

Proposed transactions by Directors and employees during the trading windows require approval from the Chairman of the Audit and Risk Committee. The policy also provides that no Directors or employees can trade shares if they are in possession of price sensitive information that is not publicly available. In addition, through our share registry, Computershare Investor Services Limited, we actively monitor trading in Delegat Group Limited shares by senior personnel.

PRINCIPLE 2 – BOARD COMPOSITION AND PERFORMANCE

To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives.

BOARD CHARTER

Recommendation 2.1: The board of an issuer should operate under a written charter which sets out the roles and responsibilities of the board. The board charter should clearly distinguish and disclose the respective roles and responsibilities of the board and management.

The Board has adopted a formal Board Charter which sets out the respective roles, responsibilities, composition and structure of the Board and senior management, and this is available on the Group's website. The Board is responsible for the direction and control of the Group's activities and acknowledges the need for the highest standard of corporate governance. The responsibility includes such areas of stewardship as the identification and control of the Group's business risks, the integrity of management systems and reporting to Shareholders. The primary objective of the Board is to build long-term Shareholder value, with due regard to other stakeholder interests. It does this by adopting the strategic plans, objectives and policies that have been set for the Group by the Chief Executive Officer, together with senior management. Responsibility for day-to-day management of the Group has been delegated to the Chief Executive Officer and other members of senior management, to deliver effective execution of the strategic plans and manage the daily affairs of the Group. The Chief Executive Officer reports regularly to the Board on Group performance, as well as the progress being made against the strategic plans. Management is responsible for implementing the objectives and strategies approved by the Board, within the ambit of risk set by the Board.

NOMINATION AND APPOINTMENT OF DIRECTORS

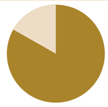
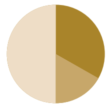
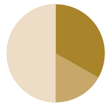
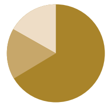
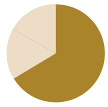
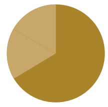
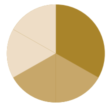
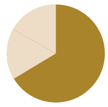
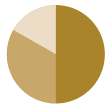
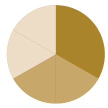
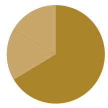
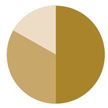
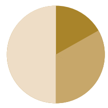
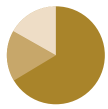
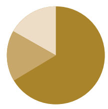
Recommendations 2.2 and 2.3: Every issuer should have a procedure for the nomination and appointment of directors to the board. An issuer should enter into written agreements with each newly appointed director establishing the terms of their appointment.

The Board collectively considers the nominations of Directors. In doing this, the Board's procedure involves careful consideration of the composition of the Board in relation to the Group's needs and operating environment to ensure relevant skills and experience. This also applies to the consideration of additional or replacement Directors, subject to the constitutional limitation on the number of Directors. In so doing, as noted, the priority must be on ensuring the skills, experience and diversity on the Board, and the skills that are necessary or desirable for the Board to fulfil its governance role and to contribute to the long-term strategic direction of the Group. The Board may engage consultants to assist in the identification, recruitment and appointment of suitable candidates.

The Board skills matrix (prepared under the aggregate methodology) below outlines the key skills and elements describing these skills determined as relevant by the Board, and the number of directors who have self-assessed their competency against these skills as high, direct or aware. "High" representing high level of competency and experience, "Direct" representing direct and practical experience, and "Aware" representing awareness. Compiled shows the collective assessment of the total Board against each of these skills:

CORPORATE GOVERNANCE STATEMENT CONTINUED

NOMINATION AND APPOINTMENT OF DIRECTORS (CONTINUED)

SKILLS	KEY ELEMENTS	LEVEL OF SKILL			COMPILED
		HIGH	DIRECT	AWARE	
Strategic oversight	Ability to identify strategic opportunities and threats with demonstrated success in developing and implementing strategic priorities and achievement of business objectives.	5	–	1	
Viticulture and Winemaking	Experience in the wine industry in viticulture or winemaking.	2	1	3	
Marketing and brand expertise	Marketing, omnichannel, brand development, customer relationships.	2	1	3	
Global markets	Experience operating in overseas markets.	4	1	1	
Major projects oversight	Managing or overseeing major projects of an organisation.	4	–	2	
Growth company oversight	Growth company CEO or director experience.	4	2	–	
Capital Markets experience with a Public Listed Entity	Capital markets, capital raisings, experience in a listed entity.	2	2	2	
Information management and technology	Implementing, managing or overseeing information and communication technology, cybersecurity, and data analytics.	–	4	2	
Risk management oversight	Implementing, managing or overseeing risk management and compliance frameworks including legal and regulatory compliance.	3	2	1	
Financial expertise	Accounting and financial reporting oversight, financial risk management.	2	2	2	
Corporate governance experience	Experience as a director, experience in governance structures.	4	2	–	
Government and regulatory engagement oversight	Engagement with government stakeholders, legal, policy and regulatory environments.	3	2	1	
Sustainability and environmental	Sustainability frameworks, ESG reporting, understanding potential risk and opportunities from an environmental perspective.	1	2	3	
People, culture and human rights (social) experience	Talent management, governing remuneration, and experience in relation social responsibility.	4	1	1	
Health, safety and wellbeing oversight	Implementing health, safety and wellbeing strategies, proactive identification and prevention of health and safety risks.	4	1	1	

Key: High Direct Aware

CORPORATE GOVERNANCE STATEMENT CONTINUED

NOMINATION AND APPOINTMENT OF DIRECTORS (CONTINUED)

When appointing new Directors, the Board ensures that the constitutional requirements in respect of Directors will continue to be satisfied. There must be at least three and no more than nine, at least two Directors must be resident in New Zealand and, while the Company is listed, at least two Directors must be determined by the Board to be independent. Each director receives a letter formalising his or her appointment. That letter outlines the key terms and conditions of his or her appointment, including Delegat Group's expectations of the role of Director, and is required to be countersigned confirming agreement.

The NZX Listing Rules and the Group's Constitution requires that all Directors stand for re-election at the Annual Meeting of Shareholders within three years of last being elected. Directors may be appointed by the Board to fill vacancies, but they are then subject to re-election at the next Annual Meeting of Shareholders. In addition to Directors retiring by rotation, and eligible for re-election, nominations may be made by Shareholders. All new Directors will enter into a written agreement with the Group setting out the terms of their appointment.

DIRECTORS

Recommendation 2.4: Every issuer should disclose information about each Director in its annual report or on its website, including a profile of experience, length of service, ownership interests, Director attendance at Board meetings, and the Board's assessment of the Director's independence, including a description as to why the Board has determined the Director to be independent if one of the factors listed in table 2.4 of the NZX Corporate Governance Code applies to the Director, along with a description of the interest, relationship or position that triggers the application of the relevant factor.

The Board currently comprises six Non-Executive Directors. The Board has considered which of its Directors are deemed to be independent for the purposes of the NZX Listing Rules and has determined that as at 29 August 2025, four Directors were independent Directors, including the Chair of the Audit and Risk Committee and the Chair of the People, Culture and Safety Committee.

In judging whether a Director is independent the Board has regard to all relevant factors, including whether the Director is a Substantial Product Holder (or is an associated person of a Substantial Product Holder) and is free of any interest, position or personal relationship that may materially interfere with the exercise of independent judgement. The Board also has regard to whether the Director has been employed by the company or any of its subsidiaries in an executive capacity in the last three years, or has, within the last 12 months derived a substantial portion of their annual revenue from the company, or within the past three years has been a material supplier or customer of the company, or has been engaged to provide material professional or external audit services to the company or any of its subsidiaries. The Board also takes Director tenure into account in considering independence. The NZX recommends that issuers consider the effect of tenure after 12 years of service.

The Board of Directors has carefully considered Dr Alan Jackson's tenure, which exceeds the recommended twelve-year threshold set by the NZX Corporate Governance Code. Despite his 12 years of service, the Board unanimously determined that Dr Alan Jackson continues to demonstrate a high level of independence in both thought and action.

CORPORATE GOVERNANCE STATEMENT CONTINUED

DIRECTORS (CONTINUED)

The key reasons for this conclusion are as follows:

1. Objective and critical thinking: Throughout his tenure, Dr Alan Jackson has consistently exhibited strong independence of judgement. He has a track record of robustly challenging management on strategic issues, risk oversight, and governance matters.
2. Lack of Conflicts of Interest: Dr Alan Jackson has no relationships with the Company, its executives, or major Shareholders that could impair his independence. He has no financial or personal ties to the Company outside of his Director's role and is not involved in any consultancy or advisory positions that could compromise his objectivity.
3. Institutional Knowledge and Expertise: Dr Alan Jackson's deep knowledge of the Company's operations and industry context, gained through his years of service, provides valuable insights that benefit the Board and the Company. His understanding of the business's historical context, coupled with his ability to remain independent of management's influence, makes him a critical contributor to the Board's deliberations.
4. Continuous Board Refreshment: The Board has implemented regular reviews of each Director's performance, including peer evaluations, to ensure that they continue to bring fresh perspectives and remain independent. Dr Alan Jackson's participation in these reviews, along with his willingness to engage with external consultants on board effectiveness, supports our belief in his continued independence.

After a thorough evaluation, the Board is confident that Dr Alan Jackson continues to bring independent oversight and challenge to the Board's discussion, and thus should remain classified as an Independent Director.

The Board has also considered where Directors receive a substantial portion of their total income for the year from Director fees from the Group and at this stage do not consider that this effects the classification of these Independent Directors.

As at 29 August 2025, the Directors are:

Jakov (Jim) Delegat	Non-Executive	Appointed in April 2006
Rosemari (Rose) Delegat	Non-Executive	Appointed in April 2006
Phillipa Muir	Independent	Appointed in August 2020
Dr Alan Jackson	Independent	Appointed in October 2012
Gordon MacLeod	Independent	Appointed in February 2022
Doug McKay	Independent	Appointed in August 2024

A profile of experience for each Director is available on the Group's website and included in the Annual Report on pages 23 through 24.

DIVERSITY

Recommendation 2.5: An issuer should have a written diversity policy which includes requirement for the Board or a relevant committee of the Board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it.

The Group values diversity and our workforce, including potential employees, come from all walks of life. Every individual is unique, having different skills and experiences. People come from many cultures and backgrounds, along with a wide range of other personal attributes including gender, age, culture, disability (mental, learning, physical), economic background, language(s) spoken, marital/partnered status, race, religious beliefs and sexual orientation. The Group has a commitment to attracting, selecting, developing and retaining the most suitable

CORPORATE GOVERNANCE STATEMENT CONTINUED

DIVERSITY (CONTINUED)

employees from this diverse range of attributes. The Group's Diversity Policy (including inclusiveness) is available on the Group's website.

A breakdown of the gender composition of the Group is:

2025	Global Sales	%	Viticulture	%	Winemaking, Bottling and Warehousing	%	Management and Admin	%	Total	%
Female	80	56%	25	25%	47	31%	50	61%	202	42%
Male	62	44%	77	75%	105	69%	32	39%	276	58%
	142		102		152		82		478	

2024	Global Sales	%	Viticulture	%	Winemaking, Bottling and Warehousing	%	Management and Admin	%	Total	%
Female	84	55%	23	23%	47	31%	50	60%	204	42%
Male	70	45%	79	77%	103	69%	33	40%	285	58%
	154		102		150		83		489	

A breakdown of the gender composition of Directors and senior management at the Group's balance date is:

% Female (Number) % Male (Number)

	% Female (Number)		% Male (Number)	
	2025	2024	2025	2024
Directors	33% (2)	33% (2)	67% (4)	67% (4)
Senior management	32% (6)	28% (5)	68% (13)	72% (13)

The Board and management recognise that diversity, equity and inclusion activities can enhance organizational culture. Enabling employees to feel they can be themselves at work, perform their best and fully participate in the workplace with a sense of belonging.

The Group has in place a formal diversity plan focused on three areas:

- **Commit** – to equity at all levels of the business and commit to increasing diversity in homogenous teams and management positions.
- **Cultivate** – an inclusive organisational culture where all leaders and managers feel a shared responsibility to cultivate inclusivity.
- **Measure** – diversity and inclusion impact and report on progress.

During the year under review, the Group has made progress against this plan, specifically:

- The gender balance for women in management roles in the Corporate Office and Sales teams has increased to 43% from 41% in 2024;
- Continued to deliver inclusive leadership training.

The Board has approved the 2026 work plan and are satisfied with the rate of progress to date on group wide initiatives.

CORPORATE GOVERNANCE STATEMENT CONTINUED

DIRECTOR TRAINING

Recommendation 2.6: Directors should undertake appropriate training to remain current on how to best perform their duties as directors of an issuer.

The Board expects all Directors to be members of the Institute of Directors and to undertake continuous education to remain current on how to best perform their responsibilities and keep abreast of changes and trends in economic, political, social, financial and legal climates and governance practices. The Board also ensures that new Directors are appropriately introduced to management and the business, that all Directors are updated on relevant industry and Group issues and receives copies of appropriate Group documents to enable them to perform their roles. The Board visits each of the Group's main operational areas by rotation annually, to observe first-hand the safety and other management practices and business responses to issues.

BOARD EVALUATION

Recommendation 2.7: The Board should have a procedure to regularly assess Director, Board and committee performance.

The Chairman of the Board every two years leads a performance review and evaluation of the performance of the Directors, the Board as a whole, and of the Board committees against the Board and committee charters, including seeking Directors' views relating to Board and committee process, efficiency and effectiveness. All Non-Executive Directors are expected to participate in performance reviews, particularly prior to the re-election of a Non-Executive Director to the Board. The findings of the performance review process are used to identify, assess and enhance Directors' competencies and to define characteristics or skills which should be sought in future Board candidates.

DIRECTOR INDEPENDENCE

Recommendations 2.8, 2.9, and 2.10: A majority of the Board should be independent Directors. An issuer should have an independent Chair of the Board. The Chair and the CEO should be different people.

The Board currently comprises six Directors, four of whom are deemed "independent" according to the NZX Code. With respect to Director composition and given the various operating environments of the Group and its needs, the Board considers that the profile offered by each Director, and all Directors collectively, provides appropriate experience, skill and diversity to meet its governance responsibilities. In looking to future Board appointments the Board is committed to achieving compliance with the Code and will, when appropriate, propose suitable or additional nominees.

The Board Charter is explicit in that the Chair and Chief Executive Officer roles are separate.

PRINCIPLE 3 – BOARD COMMITTEES

The Board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility.

AUDIT AND RISK COMMITTEE

Recommendation 3.1: An issuer's audit committee should operate under a written charter. An audit committee should only comprise Non-Executive Directors of the issuer. One member of the committee should be both independent and have an accounting or financial background. The Chair of the audit committee should be an independent Director and not the Chair of the Board.

The Audit and Risk Committee operates under a written Charter, and this is available on the Group's website. As at 30 June 2025 the Audit and Risk Committee comprised Gordon MacLeod (Chair), Dr Alan Jackson, Phillipa Muir and Doug McKay. Gordon MacLeod is an Independent Director with an accounting and finance background, and is not the Chair of the Board. The Committee meets at least four times during the year, and more frequently if required. The Audit and Risk Committee is responsible for the framework of internal control

AUDIT AND RISK COMMITTEE (CONTINUED)

mechanisms that ensure proper management of the Group's affairs. These controls include the safeguarding of assets, maintaining proper accounting records, complying with legislation, ensuring the reliability of financial information, and assessing and reviewing business operational risks. The committee is responsible for the identification, management and reporting of climate-related risks and opportunities. The committee advises and assists the Board in discharging its responsibility with respect to financial reporting, tax planning, compliance and risk management practices of the Group.

Recommendation 3.2: Employees should only attend audit committees at the invitation of the audit committee.

The Chief Executive Officer and Chief Financial Officer attend Audit and Risk Committee meetings at the invitation of the Audit and Risk Committee. The Audit and Risk Committee may invite any senior management member to present on their respective function or a particular subject matter that is relevant in the committee considering the Group's compliance or risk management practices. The Group's external auditor also attends meetings at the committee's invitation. The Audit and Risk Committee receives feedback from the external auditor (without management present), concerning any matters that arise in connection with the audit and performance of management's roles.

PEOPLE, CULTURE AND SAFETY (REMUNERATION) COMMITTEE

Recommendation 3.3: An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole Board). At least a majority of the remuneration committee should be independent Directors. Management should only attend remuneration committees at the invitation of the remuneration committee.

The People, Culture and Safety Committee operates under a written Charter, and this is available on the Group's website. As at 30 June 2025 the People, Culture and Safety Committee comprised Phillipa Muir (Chair), Gordon MacLeod, Rose Delegat and Doug McKay. The committee meets at least three times during the year, and more frequently if required. The People, Culture and Safety Committee assists the Board in discharging its responsibilities with respect to the remuneration and performance of the Chief Executive Officer and other senior management, remuneration of Directors, human resources policy and strategy, and succession planning. The committee also monitors and reports on general trends and proposals concerning employment conditions and remuneration. The Chief Executive Officer and Group People and Culture Manager attend People, Culture and Safety Committee meetings at the invitation of the People, Culture and Safety Committee.

NOMINATION COMMITTEE

Recommendation 3.4: An issuer should establish a nomination committee to recommend Director appointments to the Board (unless this is carried out by the whole Board), which should operate under a written charter. At least a majority of the nomination committee should be independent Directors.

The Board does not operate a separate Nomination Committee as Director appointments are considered by the Board as a whole. The Board's procedure for the nomination and appointment of Directors is summarised under Principle 2 above (under the heading "Nomination and Appointment of Directors").

OVERVIEW OF BOARD COMMITTEES

Recommendation 3.5: An issuer should consider whether it is appropriate to have any other Board committees as standing Board committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance.

The Board does not operate any other committees apart from the Audit and Risk Committee and the People, Culture and Safety Committee. The Group has considered whether any other standing Board committees

CORPORATE GOVERNANCE STATEMENT CONTINUED

OVERVIEW OF BOARD COMMITTEES (CONTINUED)

are appropriate and has determined the existing committee structure is appropriate for meeting governance obligations. Each committee operates under a charter which is available on the Group's website. Committee members are appointed from members of the Board and membership is reviewed on an annual basis. Any recommendation made by the committee is typically submitted to the Board for formal approval. The Chief Executive Officer and relevant key executives are invited to attend committee meetings as appropriate.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

For the year ended 30 June 2025

For the Year Ended 30 June 2025	Board	Audit and Risk	People, Culture and Safety
Number of meetings held	6 Attended	6 Attended	4 Attended
Jim Delegat	6	4	3
Rose Delegat	6	1	4
Phillipa Muir	6	5	4
Dr Alan Jackson	6	5	1
Gordon MacLeod	6	6	4
Doug McKay	6	6	4
Steven Carden (resigned January 2025)	3	2	2

TAKEOVER PROTOCOLS

Recommendation 3.6: The Board should establish appropriate protocols that set out the procedures to be followed if there is a 'control transaction' for the issuer including the procedure for any communication between the issuer's Board and management and the bidder. The Board should disclose the scope of independent advisory reports to Shareholders. These protocols should include the option of establishing an independent control transaction committee, and the likely composition and implementation of an independent control transaction committee.

Given the Group's shareholding structure, with the largest Shareholder being the Delegat Share Protection Trust (a related party), the Board considers the likelihood of an unanticipated control transaction to be low, and so the Board, in the event of a control transaction offer, has agreed that a Control Transaction Response Committee would be convened comprising Independent Directors. That committee would consider the Group's actions in relation to the control transaction offer, including seeking appropriate legal, financial, and strategic advice, complying with takeover regulation (including the appointment of an independent advisor under the Takeovers Code and the preparation of a Target Company Statement) and determining what additional information (if any) would be provided by the Group to the bidder.

PRINCIPLE 4 – REPORTING AND DISCLOSURE

The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.

The Board is committed to timely, accurate and meaningful reporting of financial and non-financial information.

CORPORATE GOVERNANCE STATEMENT CONTINUED

CONTINUOUS DISCLOSURE

Recommendation 4.1: An issuer's Board should have a written continuous disclosure policy.

As a listed company there is an imperative for the Group to ensure the market is appropriately informed and Delegat is committed to ensuring that all of our Shareholders have timely access to full and accurate material information about the Group. The Group has a Continuous Disclosure Policy, and this is available on the Group's website. The purpose of this policy is to ensure the Group complies with its continuous disclosure obligations by ensuring timely, accurate and complete information is provided to all Shareholders and market participants.

Directors formally consider at each Board meeting whether there is relevant material information which should be disclosed to the market.

CHARTERS AND POLICIES

Recommendation 4.2: An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX Code, together with other key governance documents, available on its website.

Information about the Group's corporate governance framework (including Code of Ethics, Board and Committee charters, and other selected key governance codes and policies) is available to view on the Group's website.

FINANCIAL AND NON-FINANCIAL REPORTING

Recommendation 4.3 and 4.4: Financial reporting should be balanced, clear and objective. An issuer should provide non-financial disclosure at least annually, including considering environmental, social sustainability and governance factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, including forward looking assessments, and align with key strategies and metrics monitored by the Board.

FINANCIAL REPORTING

The Audit and Risk Committee is accountable to the Board for the recommendations of the external auditors, Deloitte, directing and monitoring the audit function and reviewing the adequacy and quality of the annual audit process. This includes receiving reports on the Group's internal information system control environment. The committee oversees the quality and integrity of external financial reporting including the accuracy, completeness and timeliness of financial statements, and ensuring the financial reporting is balanced, clear and objective. It reviews annual and half year financial statements and makes recommendations to the Board concerning the application of accounting policies and practices, areas of judgement, compliance with accounting standards, stock exchange and legal requirements, and the results of the external audit.

Management's accountability for the Group's financial reporting is reinforced by the written confirmation from the Chief Executive Officer and Chief Financial Officer that, in their opinion, financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group. Such representations are given based on a sound system of risk management and internal control which is operating effectively in all material respects in relation to financial reporting risk.

NON-FINANCIAL REPORTING

The Group assesses its exposure to environmental, economic and social sustainability as part of the overall framework for managing risk (see Principle 6 – Risk Management). The Group is committed to improving standards of environmental performance to enable a more efficient and sustainable future. Accordingly, the Group follows long standing practices regarding management of environmental factors affecting the business, including strategies relating to water conservation, viticulture management, sustainable winegrowing practices and wetland preservation initiatives.

CORPORATE GOVERNANCE STATEMENT CONTINUED

NON-FINANCIAL REPORTING (CONTINUED)

The Group has remained focused on the development of measurable initiatives in respect to three key areas; inclusion, people and climate change. Each of these areas is key to supporting a value based organisation which focuses on harnessing the passion of people who are intent on personal achievement and growth.

Sustainability in all its forms remains a priority for the Group, reflecting the strong leadership role the Group plays in the practice of sustainable winegrowing and wine production. As a leader in the New Zealand wine industry and as a founding member since 2002 of Sustainable Winegrowing New Zealand (SWNZ), the Group takes its responsibilities to respect and protect the environment very seriously.

Utilising a sustainability framework that covers three main areas, building an enduring wine business (covering climate risk and greenhouse gas emissions); helping our people and community to thrive (covering health, safety and wellbeing, diversity and inclusion); and crafting wine with care (covering biodiversity, packaging and waste, and sustainable growing and production), the Group has a range of initiatives helping drive positive environmental and social outcomes across the business. For example, the Group has achieved Toitu Envirocare carbon reduce certification. The Group continues to work on its health, safety and wellbeing performance for all its people around the world and has specific programmes identifying opportunities for improvements in diversity and inclusion in the Group.

The Group applies many of these same sustainable growing practices in the Barossa Valley, again as a leader of sustainable winegrowing practices within the Australian wine industry.

The Group will issue its Climate Related Disclosure for the period ended 30 June 2025 alongside the Annual Report in September 2025. The disclosure is prepared in accordance with the Aotearoa New Zealand Climate Reporting Standards (CS) 1, 2 & 3, and sets out the Group's approach to climate-related risks and opportunities, using the key themes of governance, strategy, risk management and metrics and targets. The report will be available on the Group's website at www.delegat.com, under the Investor Relations section.

The company's Sustainability and Climate Change Steering Group reports progress to the Board on a regular basis against milestones established under the Group's Sustainability Strategy, approved by the Board in April 2022.

PRINCIPLE 5 – REMUNERATION

The remuneration of Directors and executives should be transparent, fair and reasonable.

DIRECTORS' REMUNERATION

Recommendation 5.1: An issuer should have a remuneration policy for the remuneration of Directors. An issuer should recommend Director remuneration to Shareholders for approval in a transparent manner. Actual Director remuneration should be clearly disclosed in the issuer's annual report.

REMUNERATION – CHIEF EXECUTIVE OFFICER

The criteria for reviewing the remuneration for Executive Directors includes, as appropriate, advice obtained from external independent consultants, specific market comparison of roles using independent surveys, consideration of role expectations and requirements, and level of achievement against business and personal objectives.

CORPORATE GOVERNANCE STATEMENT CONTINUED

REMUNERATION – NON-EXECUTIVE DIRECTORS

Remuneration levels are set at competitive levels to attract and retain appropriately qualified Directors. The Group's policy is to pay its Directors in cash. The fees of the Non-Executive Directors are set within the aggregate amount determined by Shareholders by a resolution. The criteria for reviewing Non-Executive Director remuneration includes obtaining advice from external consultants as appropriate, information on Board arrangements for other corporations of similar size and complexity, and the review of current and expected workloads (including as Chairman of the Board Committees). The NZX Listing Rules require that the Shareholders approve the total aggregate amount payable to all Directors as Directors' fees. Approval was last sought in 2022, when the pool limit was set at $730,000 per annum. Director remuneration is included in the Annual Report on page 94.

REMUNERATION POLICY

Recommendation 5.2: An issuer should have a remuneration policy for remuneration of Directors and officers, which outlines the relative weightings of remuneration components and relevant performance criteria.

The Group has adopted a Remuneration Policy which sets out the remuneration principles that apply to all Non-Executive Directors and all employees including senior management, to ensure that remuneration practices are fair and appropriate, and that there is a clear link between remuneration and performance. The Group is committed to applying fair and equitable remuneration and reward practices in the workplace, taking into account internal and external relativity, the commercial environment, the ability to achieve the Group's business objectives and the creation of Shareholder value. Under the Group's remuneration practices, job size relative to the relevant competitive market for talent, as well as individual performance against defined key performance objectives, are key considerations in all remuneration-based decisions.

EMPLOYEE REMUNERATION

The number of employees and former employees within the Group, receiving remuneration and benefits above $100,000, relating to the year ended 30 June 2025 is included in the Annual Report on page 97.

MANAGING DIRECTOR (CHIEF EXECUTIVE OFFICER) REMUNERATION

Recommendation 5.3: An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of the base salary, short-term incentives and the performance criteria used to determine performance based payments.

The remuneration of the Managing Director for the year ended 30 June 2025 is included in the Annual Report on page 94.

The remuneration of the Managing Director (Chief Executive Officer) comprises both a fixed and variable performance component. Fixed remuneration includes a base salary, contributions to superannuation, wine and phone allowances. The Managing Director (Chief Executive Officer) can receive a discretionary variable performance incentive linked to Group performance and achievement against strategic goals.

The remuneration disclosures below relate to Steven Carden who was Managing Director until 31 January 2025 (but was on leave from 20 December 2024) and Murray Annabell who was appointed Acting Chief Executive Officer from 21 December 2024.

CORPORATE GOVERNANCE STATEMENT CONTINUED

MANAGING DIRECTOR (CHIEF EXECUTIVE OFFICER) REMUNERATION (CONTINUED)

Managing Director (Acting Chief Executive Officer) Total Remuneration

		Fixed Remuneration		Variable Remuneration	
Managing Director / Acting Chief Executive Officer	Financial year	Salary $000[3]	Other Benefits[4] $000	Short-term Incentive Paid[5]	Total Remuneration $000
Steven Carden[1]	FY25	1,128	35	14	1,177
Murray Annabell[2]	FY25	450	25	–	475
Steven Carden[1]	FY24	769	31	212	1,012

1. Steven Carden resigned from his position as Managing Director on 31 January 2025.
2. Murray Annabell was appointed Acting Chief Executive Officer from 21 December 2024 and his remuneration disclosed in the table above is from this date. Murray Annabell was previously and remained Chief Financial Officer of the Group until 30 June 2025.
3. Salary includes base salary, contractual payment and annual leave entitlements.
4. Other benefits include contributions to superannuation, car, wine and phone allowances.
5. The short-term incentive (STI) paid in the current financial year relates to the STI earned in the prior year.

Managing Director Discretionary Variable Remuneration

Short-term Incentive Outcomes (Earned)[1]	STI Weighting	Weighted Outcome
FY24		
Operating EBIT and Group performance targets[2]	55%	9%
Strategic, Workplace Health and Safety, and Sustainability initiatives[2]	45%	–
FY23		
Operating EBIT and Group performance targets[2]	55%	69%
Strategic, Workplace Health and Safety, and Sustainability initiatives[2]	45%	78%

1. The short-term incentive (STI) paid in the current financial year relates to the STI earned in the prior year.
2. A performance hurdle of 95% of EBIT must be achieved to earn an STI outcome for both Operating EBIT and Group performance targets and Strategic, Workplace Health and Safety, and Sustainability initiatives.
3. The short-term incentive target for FY24 was $305,000 (FY23: $291,000). A maximum amount of $389,000 (FY23: $371,000) was payable for outstanding performance.
4. No STI is earned or payable in relation to FY25.

SENIOR MANAGEMENT

The Group's senior management is appointed by the Chief Executive Officer. Senior management's key performance objectives are comprised of specific Group financial objectives along with business related individual objectives. Establishing and monitoring these key performance objectives is undertaken annually by the Chief Executive Officer, recommending them to the People, Culture and Safety Committee, for approval. The performance of the senior managers against these key performance objectives is evaluated annually and serves as a key determinant of any short-term incentive scheme values and payments.

SHORT-TERM INCENTIVE PAYMENTS

Short-term incentive payments are at risk cash payments designed to motivate and reward for short-term (within each financial year) performance. The target value of a short-term incentive payment is set by the Chief Executive Officer with a specified dollar potential available to each participant in the scheme. The target areas for all employees who are entitled to participate in the discretionary short-term incentive scheme are set based on a combination of Group financial performance and specific sales targets relative to the employee's area of

SHORT-TERM INCENTIVE PAYMENTS (CONTINUED)

responsibility and individual goals. The weightings applied to each of the target areas will be generally consistent throughout the Group for roles entitled to a short-term incentive payment, but may vary depending on specific areas of focus as determined by the Chief Executive Officer. The People, Culture and Safety Committee approves senior management short-term incentive payments, and the Chief Executive Officer approves the short-term incentive payments to be made to sales employees at the end of the financial year and approves the sales employee's targets for the following year.

PRINCIPLE 6 – RISK MANAGEMENT

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

RISK MANAGEMENT

Recommendation 6.1: An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed.

Risk management is an acknowledged important factor in corporate governance. The Board is responsible for the Group's risk assessment, management and internal control and considers it has carried out a robust risk assessment process. The Board has identified a number of risks in the Group's operations that are commonly faced by other entities in the industry in which the Group operates. The Board and management of the Group considers they have taken all reasonable steps to manage and mitigate these risks.

In viticulture the issues of weather, disease and pest control are an ongoing management activity. Viticultural techniques are in place and in practice which the Board and management considers effectively mitigate this risk.

Brand reputation and brand security are identified risks that are the subject of ongoing surveillance, and techniques and practices are in place which the Board and management considers mitigate this risk effectively.

Supply chain risk is monitored, and the Group has identified a range of suppliers operating in different jurisdictions to mitigate the risk of the loss of a single supplier.

Technology risk, particularly in relation to hacking or illegal access to systems, is managed through a dedicated information technology department, along with external consultants which the Board and management consider mitigate this risk effectively. The Audit and Risk Committee regularly receives technology control finding updates. Information reporting includes updates about the status of previously raised items, fraud risk management, cyber risks and security monitoring, access governance and vendor management reviews, along with the latest assessment of evolving risk matters for consideration.

The Chief Executive Officer, together with senior management, meets regularly on risk assessment affecting the business and maintain a risk matrix which is used to monitor and mitigate these risks. A risk matrix measures the impact of the risk and likelihood of occurrence and is provided to the Audit and Risk Committee and Board annually. The Group maintains insurance policies that it considers adequate to meet insurable risks.

HEALTH AND SAFETY

Recommendation 6.2: An issuer should disclose how it manages its health and safety risks and should report on its health and safety risks, performance and management.

The health, safety and wellbeing of people is of the utmost importance to Delegat. A safe and healthy workplace is one in which people and suppliers are accountable and empowered to work together to protect and promote the health, safety and wellbeing of all.

CORPORATE GOVERNANCE STATEMENT CONTINUED

HEALTH AND SAFETY (CONTINUED)

The Board has responsibility for ensuring the Group maintains a health and safety management system that meets best practice standards to protect the health and safety of employees and contractors engaged by the Group. A Workplace Health and Safety Report, which covers Group performance across a range of measures of Health and Safety, is presented to and reviewed by the Board at each Board meeting. The Board and senior management are appraised of all notifiable incidents and injuries and the actions taken to ensure the health and wellbeing of injured persons. Actions taken to prevent incident reoccurrence are also advised. Each year Board members conduct a number of visits to the Group's vineyards and wineries to observe and review health and safety practices.

The Group People and Culture Manager and specialist team members in the People and Culture function assist the Board in meeting its responsibilities under the Health and Safety at Work Act 2015, as well as other regulations and policies.

Management operates and assesses the effectiveness of risk assessment and mitigation, safety processes and systems, capability of staff and the general culture of the business in relation to safety.

The Group has implemented a Health and Safety Risk Matrix to identify specific hazards and risks, assess their severity of impact and likelihood of occurrence, document mitigation strategies and determine the level of residual risk. This matrix is reviewed at least annually by the Board and annual Health and Safety objectives and key performance indicators are set for the business based on the significant risks identified.

The Group has introduced wellbeing initiatives to help create a healthy working environment with the goal for promoting and maintaining physical, mental, and social wellbeing for everyone at Delegat.

PRINCIPLE 7 – AUDITORS

The Board should ensure the quality and independence of the external audit process.

EXTERNAL AUDIT

Recommendations 7.1 and 7.2: The Board should establish a framework for the issuer's relationship with its external auditors. This should include procedures prescribed in the NZX Code. The external auditor should attend the issuer's annual Shareholders meeting to answer questions from Shareholders in relation to the audit.

The Board has adopted a policy in relation to the provision of the non-audit services by the Group's external auditor to ensure the independence of the external auditor. This is based on the principle that work that may detract from the external auditor's independence and impartiality (or that may be perceived as doing so) should not be carried out by the external auditors.

The Audit and Risk Committee is responsible for the oversight of the Group's external audit arrangements. These arrangements include procedures for the matters described in Recommendation 7.1 of the NZX Code.

The Audit and Risk Committee is committed to ensuring the Group's external auditor is able to carry out its work independently so that financial reporting is reliable and credible. The Audit and Risk Committee is responsible for the appointment of Delegat's external auditors, its terms of engagement and the level of fees incurred (subject to Shareholder approval). The Audit and Risk Committee monitors the nature and extent of other services provided by the external auditor, and the ratio of audit fees to non-audit fees, to ensure that those services are complementary to the external audit and compatible with maintaining external audit independence. Regular rotation of the external audit firm is not mandated, however rotation of the key audit partner of Delegat is required every five years. The Group's external auditor is Deloitte. Total fees paid to Deloitte in its capacity as auditor are included in the Annual Report on page 48.

EXTERNAL AUDIT (CONTINUED)

The Group invites representatives of Delegat's external auditors to attend the Annual Meeting of Shareholders and for the lead audit partner to be available to answer Shareholder questions about the conduct of their audit and the preparation and content of the auditor's report.

INTERNAL AUDIT

Recommendation 7.3: Internal audit functions should be disclosed.

The Group does not have an internal audit function. Procedures have been established at a Board and executive management levels that are designed to safeguard the assets and interests of the Group and ensure the integrity of reporting. These include accounting, financial reporting and internal control policies and procedures. The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost-effective internal control system will preclude all errors and irregularities. To assist in discharging this responsibility, the Board has instigated an internal control framework as follows:

Financial reporting – there is a comprehensive budgeting system with an annual budget approved by the Board. Monthly actual results are reported against budget and revised forecasts for the year are prepared regularly. The consolidated entity reports to Shareholders half-yearly. Procedures are also in place to ensure that price-sensitive information is reported to the NZX in accordance with continuous disclosure obligations;

Operating unit controls – financial controls and standard operating procedures, including information system controls, are in operation throughout the consolidated entity; and

Investment appraisal – the consolidated entity has clear guidelines for capital expenditure. These include annual budgets, as well as detailed appraisal and review procedures.

PRINCIPLE 8 – SHAREHOLDER RIGHTS AND RELATIONS

The Board should respect the rights of Shareholders and foster constructive relationships with Shareholders that encourage them to engage with the issuer.

INFORMATION FOR THE SHAREHOLDERS

Recommendation 8.1: An issuer should have a website where investors and interested stakeholders can assess financial and operational information and key corporate governance information about the issuer.

The Group is committed to an open and transparent relationship with Shareholders. The Board aims to ensure that all Shareholders are provided with all information necessary to assess the Group's direction and performance.

This is undertaken through a range of communication methods, including periodic and continuous disclosures to the NZX, half-year and annual reports and the Annual Shareholders' Meeting. The Chief Executive Officer and Chief Financial Officer present via an analysts' and investors' conference call after the release of the interim and final year results and answer questions raised by analysts and investors. The Group's website provides financial and operational information, details about its Directors and copies of its governance documents, for investors and interested stakeholders to access at any time.

CORPORATE GOVERNANCE STATEMENT CONTINUED

COMMUNICATING WITH SHAREHOLDERS

Recommendation 8.2: An issuer should allow investors the ability to easily communicate with the issuer, including by designing its Shareholder meeting arrangements to encourage Shareholder participation and by providing the option to receive communications from the issuer electronically.

Shareholders have the option of receiving their communications electronically, including by email or through the Group's website. Shareholders are actively encouraged to take up this option. The Board has always been committed to having an open dialogue with Shareholders and welcomes investor enquiries.

Delegat's annual meetings provide an opportunity for Shareholders to raise questions for their Board and to make comments about the Company's operations and performance.

SHAREHOLDER VOTING RIGHTS

Recommendations 8.3 and 8.4: Quoted equity security holders should have the right to vote on major decisions which may change the nature of the issuer in which they are invested. If seeking additional equity capital, issuers of quoted equity securities should offer further equity security holders of the same class on a pro rata basis, and on no less favourable terms, before further equity securities are offered to other investors.

In accordance with the Companies Act 1993, the Group's Constitution and the NZX Listing Rules, the Group refers any significant matters to Shareholders for approval at a Shareholders' Meeting. All Shareholders are entitled to attend the Group's Annual Shareholders' Meeting, either in person or by representative. Resolutions at Shareholders' meetings are by way of poll, where each Shareholder is entitled to one vote per share.

NOTICE OF ANNUAL SHAREHOLDERS MEETING

Recommendation 8.5: The Board should ensure that the notices of annual or special meetings of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting.

The Group posts any Notices of Shareholders' Meetings on its website as soon as these are available. The general practice is to make these available not less than four weeks prior to the Shareholders' Meeting.

OTHER DISCLOSURES

DISCLOSURE OF INTERESTS BY DIRECTORS

In accordance with section 140(2) of the Companies Act 1993, the Directors have made general disclosure of their relevant interests for entry into the Group's Interest Register.

Directors have declared interests in the following transactions with subsidiary companies during the financial year:

- Delegat Australia Pty Limited paid fees to Yaroona Pty Limited, a company in which a Director of Delegat Australia Pty Limited has an interest;
- Delegat Limited paid fees to Camelot Trust Pte. Limited, a company in which a Director of Delegat (Singapore) Pte. Limited has an interest; and
- Barossa Valley Estate Pty Limited paid fees to Range Road Estate Pty Limited, a company in which a Director of Barossa Valley Estate Pty Limited has an interest.

The details of these transactions are given in Note 21 to the financial statements, "Related Parties".

At 30 June 2025 and 29 August 2025 the following Directors, or entities related to them, had interests in the following company shares:

	ORDINARY SHARES	
Delegat Group Limited	Beneficial	Non-Beneficial
JN Delegat [1]	–	66,857,142
RS Delegat [1]	–	66,857,142
GN MacLeod	11,600	–
DA McKay[2]	3,100	–

[1] JN Delegat and RS Delegat jointly hold non-beneficially 66,857,142 shares in their capacity as trustees of the Delegat Share Protection Trust.
[2] DA McKay is the beneficial owner of 3,100 shares held by the McKay Family Trust Partnership.

DIRECTOR INTERESTS

In accordance with sections 140 and 211(e) of the Companies Act 1993, the table below lists the general disclosures of interest by directors of the Delegat Group during FY25:

Director	Entity	Relationship
Jakov Nikola Delegat	Selwyn Investments Limited	Director and Shareholder
	NJPD Trustee Limited	Director and Shareholder
	JAPD Trustee Limited	Director and Shareholder
Rosamari Suzan Delegat	None	None
Alan Trevor Jackson	Senior Living Developments Limited	Director and Shareholder
Phillipa Margaret Muir	Simpson Grierson	Chair & Senior Partner
	Portview North Forest GP Limited	Shareholder
Gordon Neil MacLeod	Spark New Zealand Limited	Director
	New Zealand Breast Cancer Foundation	Board member
	Spanbild NZ Limited	Board advisor
	Brannigans Consulting Limited	Board advisor
Doug Alexander McKay	Vector Limited	Chair
	IAG New Zealand Limited	Director
	IAG (NZ) Holdings Limited	Director
	Wymac Consulting Limited	Director and Shareholder
	Contact Energy Limited	Shareholder

OTHER DISCLOSURES CONTINUED

SHARE DEALINGS BY DIRECTORS

During the year GN Macleod purchased 7,900 shares in Delegat Group Limited. No other Director dealt in any shares of the Company, or in the shares of a subsidiary company during the year.

REMUNERATION OF DIRECTORS

Directors received the following fees and remuneration from Delegat Group Limited:

	2025 $000	2024 $000
Non-Executive Directors		
JN Delegat [1]	180	146
RS Delegat	103	99
GS Lord [2]	–	77
AT Jackson	102	103
PM Muir [3]	118	118
GN MacLeod [4]	118	118
DA McKay [7]	100	–
	721	661
Executive Directors [5]		
SD Carden [6]	1,177	1,012

[1] Jim Delegat was paid $180,000 (2024: $99,000) for his role as Chair. Jim Delegat was appointed as Chair on 23 November 2023. In the prior year Jim Delegat's remuneration included Non-Executive Director fees of $47,000.

[2] Graeme Lord retired from his position as Chair on 23 November 2023. In the prior year Graeme Lord was paid $77,000 for his role as Chair.

[3] Phillipa Muir was paid $15,000 (2024: $15,000) in addition to her Director fees for her role as Chair of the People, Culture and Safety Committee.

[4] Gordon MacLeod was paid $15,000 (2024: $15,000) in addition to his Director fees for his role as Chair of the Audit and Risk Committee.

[5] Executive Directors remuneration includes salary and benefits received in their capacity as employees. Executive Directors do not receive Directors fees.

[6] Steven Carden resigned from his position as Managing Director on 31 January 2025. Steven Carden's remuneration included remuneration of $1,128,000 (2024: $769,000), short-term incentive payments of $14,000 (2024: $212,000) and other benefits of $35,000 (2024: $31,000).

[7] Doug McKay was appointed as Independent Non-Executive Director on 1 August 2024.

DIRECTORS' AND OFFICERS' INSURANCE LIABILITY

As permitted by the New Zealand Companies Act 1993, the Company has arranged a policy of Directors' and Officers' liability insurance which insures those persons indemnified to certain liabilities and costs.

OTHER DISCLOSURES CONTINUED

STOCK EXCHANGE LISTINGS

The Company's shares are listed on the New Zealand Stock Exchange.

20 Largest Shareholders as at 30 June 2025

Holder	Shares Held	% of Shares
Jakov Nikola Delegat, Rosamari Suzan Delegat & BPM Trustees (DSPT) Limited	66,857,142	66.11
Forsyth Barr Custodians Limited	10,214,808	10.10
TEA Custodians Limited - NZCSD [1]	4,679,994	4.63
HSBC Nominees (New Zealand) Limited - NZCSD [1]	3,747,558	3.71
Accident Compensation Corporation - NZCSD [1]	3,181,917	3.15
Custodial Services Limited	2,587,038	2.56
Robert Lawrence Wilton	765,872	0.76
Forsyth Barr Custodians Limited	552,429	0.55
New Zealand Depository Nominee Limited	247,593	0.24
Rainer Huebner & Shanti Huebner	239,977	0.24
Warren Fraser Sanderson & Elizabeth Ann Sanderson	200,000	0.20
Citibank Nominees (New Zealand) Limited - NZCSD [1]	180,320	0.18
Weijun Zhang & Yuhua Yang	150,000	0.15
JP Morgan Chase Bank - NZCSD [1]	148,494	0.15
FNZ Custodians Limited	137,065	0.14
Jiahuan Fu	97,437	0.10
JB Were (NZ) Nominees Limited	83,297	0.08
David Herlihy Russell	80,000	0.08
Public Trust RIF Nominees Limited - NZCSD [1]	72,307	0.07
Forsyth Barr Custodians Limited	69,400	0.07
Total for Top 20	94,292,648	93.24

[1] Shareholdings held in New Zealand Central Securities Depository Limited (NZCSD). Total holding at 30 June 2025 in NZCSD were 12,010,590.

OTHER DISCLOSURES CONTINUED

DISTRIBUTION OF ORDINARY SHARES

Holder	Holders	Shares Held	% of Shares
1 – 5,000	1,462	2,792,877	2.76
5,001 – 10,000	195	1,516,470	1.50
10,001 – 100,000	132	2,930,638	2.90
100,001 plus[1]	15	93,890,207	92.84
Total	**1,804**	**101,130,192**	**100.00**

[1] NZCSD holdings are considered one holder for the purpose of the distribution of ordinary shares.

GEOGRAPHIC DISTRIBUTION

Holder	Holders	Shares Held	% of Shares
New Zealand	1,743	90,444,578	89.43
United States of America	6	10,223,527	10.10
Australia	30	402,790	0.40
Other Overseas	25	59,297	0.07
Total	**1,804**	**101,130,192**	**100.00**

SUBSTANTIAL SECURITY HOLDERS

According to notices given to the Company under the Financial Markets Conduct Act 2013, as at 30 June 2025, the substantial security holders in the Company are:

Substantial Security Holders	Relevant Interest	% of Shares	Date of Notice
Jakov Nikola Delegat, Rosamari Suzan Delegat and BPM Trustees (DSPT) Limited	66,857,142	66.11	21 Dec 2011
K&M Douglas Trust, Douglas Irrevocable Trust FBO Jake Douglas, Irrevocable Trust FBO Summer Douglas, Irrevocable Trust FBO Amanda Douglas, Irrevocable Trust FBO Alexander Douglas, Douglas FT FBO James Douglas, Douglas FT FBO Kevin Douglas	10,208,808	10.09	5 April 2017

OTHER DISCLOSURES CONTINUED

EMPLOYEE REMUNERATION

Section 211(1)(g) of the New Zealand Companies Act 1993 requires disclosure of remuneration and other benefits, including redundancy and other payments made on termination of employment, in excess of $100,000 per year, paid by the Company or any of its subsidiaries worldwide to any employees who are not Directors of the Company.

From $	*To* $	2025	2024
100,001	110,000	30	22
110,001	120,000	18	23
120,001	130,000	21	24
130,001	140,000	19	20
140,001	150,000	16	14
150,001	160,000	8	6
160,001	170,000	10	6
170,001	180,000	12	14
180,001	190,000	8	3
190,001	200,000	8	10
200,001	210,000	8	5
210,001	220,000	4	9
220,001	230,000	5	5
230,001	240,000	8	3
240,001	250,000	2	1
250,001	260,000	3	4
260,001	270,000	3	3
270,001	280,000	5	2
280,001	290,000	2	1
290,001	300,000	4	3
300,001	310,000	–	2
310,001	320,000	2	2
320,001	330,000	2	1
330,001	340,000	–	1
340,001	350,000	1	2
350,001	360,000	3	2
360,001	370,000	–	2
370,001	380,000	1	1
390,001	400,000	5	2
400,001	410,000	–	1
410,001	420,000	1	1
420,001	430,000	–	1
430,001	440,000	1	1
450,001	460,000	–	1
490,001	500,000	–	1
500,001	510,000	1	1
620,001	630,000	1	–
670,001	680,000	–	1
740,001	750,000	–	1
840,001	850,000	1	–
		213	202

OTHER DISCLOSURES CONTINUED

SUBSIDIARY COMPANY DIRECTORS

Section 211(1)(2) of the New Zealand Companies Act 1993 requires the Company to disclose, in relation to its subsidiaries, the total remuneration and value of other benefits received by Directors and former Directors and particulars of entries in the interest registers made during the year ended 30 June 2025.

Apart from Delegat Australia Pty Limited, Delegat (Singapore) Pte. Limited and Barossa Valley Estate Pty Limited, which are required to have a local resident as a Director of the Company, no wholly owned subsidiary has any employee appointed as a Director of Delegat Group Limited or its subsidiaries who receives, or retains any remuneration or other benefits, as a Director. No other Director of any subsidiary Company within the Group receives Director's fees or other benefits as a Director.

The following persons respectively held office as Directors of subsidiary companies at the end of the year or in the case of those persons with the letter (R) after their name ceased to hold office during the year. Alternate Directors are indicated by the letter (A) after their name.

Delegat Limited

JN Delegat, SD Carden (R), MR Annabell

Delegat Europe Limited

JN Delegat, SD Carden (R), MR Annabell

Delegat Australia Pty Limited

JN Delegat, PJ Taylor, SD Carden (R), MR Annabell

Delegat USA, Inc.

JN Delegat, SD Carden (R), MR Annabell

Delegat Canada Limited

JN Delegat, SD Carden (R), MR Annabell

Delegat (Singapore) Pte. Limited

JN Delegat, A Chew Peck Hwa, MR Annabell

Oyster Bay Wines New Zealand Limited

SD Carden (R), MR Annabell

Barossa Valley Estate Pty Limited

JN Delegat, AW Hoey, SD Carden (R), MR Annabell

DONATIONS

During the year the Parent and subsidiaries made donations of $nil (2024: $nil).

NEW ZEALAND EXCHANGE WAIVERS

Delegat Group Limited has not obtained any waivers from the NZX in the financial year ended 30 June 2025.

DIRECTORY

Directors

Jakov Nikola Delegat
Rosamari Suzan Delegat
Steven David Carden (resigned 31 January 2025)
Alan Trevor Jackson
Doug Alexander McKay
Gordon Neil MacLeod
Phillipa Margaret Muir

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Auckland 1142

Solicitors

Heimsath Alexander
Level 1, Shed 22, Prince's Wharf
147 Quay Street
PO Box 105884
Auckland 1143

Auditors

Deloitte
Deloitte Centre, 1 Queen Street
Auckland 1010
Private Bag 115033
Shortland Street
Auckland 1140

Share Registrar

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
Level 2, 159 Hurstmere Road
Takapuna
Auckland 0622

Managing your shareholding online:

To change your address, update your payment instructions and to view your registered details including transactions, please visit:

www.investorcentre.com/NZ

General enquiries can be directed to:

enquiry@computershare.co.nz

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Please assist our registry by quoting your CSN or Shareholder number.

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Thank you to our world of Delegat Great Wine People.