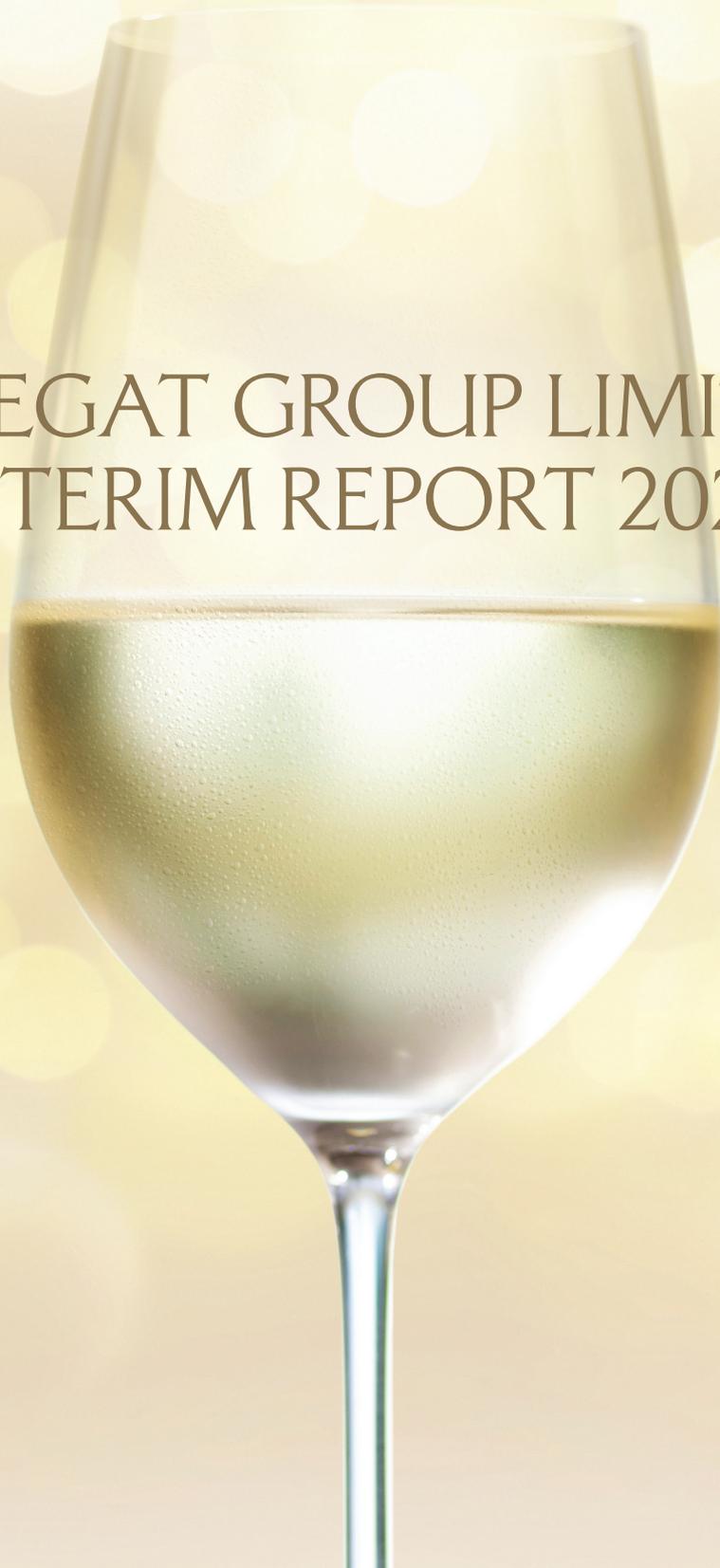


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DELEGAT

DELEGAT GROUP LIMITED  
INTERIM REPORT 2026



# C O N T E N T S

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## CHAIR'S REPORT 2026

On behalf of the Board of Directors of Delegat Group Limited, I am pleased to present its operating and financial results for the six months ended 31 December 2025.

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 financial instruments. 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 financial 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 the impact of these fair value adjustments.<sup>1</sup>

### OPERATING PERFORMANCE

An Operating NPAT of \$29.7 million was generated compared to \$28.3 million for the same period in the previous year. Operating EBIT of \$50.7 million is \$2.3 million higher than the same period last year (refer to table 1).

TABLE 1 OPERATING PERFORMANCE<sup>1</sup>

NZ\$ millions	Dec 2025	Dec 2024	% change vs 2024
Operating Revenue <sup>1</sup>	179.6	178.6	1%
<b>Operating Gross Profit<sup>2</sup></b>	<b>88.8</b>	<b>86.3</b>	<b>3%</b>
Operating Gross Margin	49%	48%	
Operating Expenses <sup>3</sup>	(38.1)	(37.9)	-1%
<b>Operating EBIT<sup>4</sup></b>	<b>50.7</b>	<b>48.4</b>	<b>5%</b>
Operating EBIT % of Revenue	28%	27%	
Interest and Tax	(21.0)	(20.1)	-4%
<b>Operating NPAT<sup>4</sup></b>	<b>29.7</b>	<b>28.3</b>	<b>5%</b>
Operating NPAT % of Revenue	17%	16%	
<b>Operating EBITDA<sup>4</sup></b>	<b>65.6</b>	<b>61.6</b>	<b>6%</b>
Operating EBITDA % of Revenue	37%	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.

## OPERATING PERFORMANCE CONTINUED

Delegat achieved Operating Revenue of \$179.6 million on global case sales of 1,688,000 in the six month period. As a result, revenue is up \$1.0 million on the same period last year. This is primarily due to the impact of a 3% increase in global case sales and favourable foreign exchange movements. Gross Profit is up 3% on the same period last year due to lower cost of goods associated with the 2025 vintage.

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

Operating expenses (before NZ IFRS adjustments) at \$38.1 million are \$0.2 million higher compared to the same period in the previous year.

Operating Net Profit After Tax of \$29.7 million is \$1.4 million higher compared to the same period in the previous year. This is due to higher case sales, lower cost of goods associated with the 2025 vintage and favourable foreign exchange movements.

TABLE 2 **CASE SALES AND FOREIGN CURRENCY**

	Dec 2025	Dec 2024	% change vs 2024
<b>Case Sales (000s)</b>			
UK, Ireland and Europe	553	492	12%
North America (USA and Canada)	721	785	-8%
Australia, NZ and Asia Pacific	414	357	16%
<b>Total Cases</b>	<b>1,688</b>	<b>1,634</b>	<b>3%</b>
<b>Foreign Currency Rates</b>			
GB£	0.4613	0.4702	2%
AU\$	0.8880	0.9100	2%
US\$	0.5946	0.5975	0%
CA\$	0.8142	0.8170	0%

## NZ IFRS FAIR VALUE ADJUSTMENTS

In accordance with NZ IFRS, the Group is required to account for certain of their 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 two significant items at the half-year reporting date, as 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 Harvest 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. This has resulted in an adjustment of \$3.4 million for the period (31 December 2024: adjustment of \$4.1 million);
- Derivative financial instruments 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 \$6.2 million (31 December 2024: write-down of \$17.8 million).

TABLE 3 IMPACT OF FAIR VALUE ADJUSTMENTS

NZ\$ millions	Dec 2025	Dec 2024	% change vs 2024
<b>Operating NPAT</b>	<b>29.7</b>	<b>28.3</b>	<b>5%</b>
Operating NPAT % of Revenue	17%	16%	
<b>NZ IFRS Fair Value Items</b>			
Biological Produce (Grapes) <sup>1</sup>	(3.4)	(4.1)	n/m <sup>2</sup>
Derivative financial Instruments	(6.2)	(17.8)	n/m <sup>2</sup>
<b>Total Fair Value Items</b>	<b>(9.6)</b>	<b>(21.9)</b>	<b>n/m<sup>2</sup></b>
Taxation of NZ IFRS fair value items	2.7	6.1	n/m <sup>2</sup>
<b>Fair Value Items after Tax</b>	<b>(6.9)</b>	<b>(15.8)</b>	<b>n/m<sup>2</sup></b>
<b>Reported NPAT</b>	<b>22.8</b>	<b>12.5</b>	<b>82%</b>

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 unaudited financial performance for the six months ended 31 December 2025 is reconciled to Operating Profit as detailed in table 4.

### CASH FLOW

The Group generated Cash Flows from Operations of \$62.3 million in the current half-year, which is a decrease of \$13.2 million on the same period last year. The decrease is due to higher collections from customers in the same period last year due to the timing of case sales and higher payments to suppliers. A total of \$11.4 million was paid for additional property, plant and equipment during the period, including 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. Net repayment from borrowings of \$18.2 million were made during the six month period.

The Group 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 31 December 2025 amounted to \$307.0 million, a decrease of \$38.6 million compared with the last half-year and well within the Group's long-term bank debt facilities of \$420 million.

TABLE 4 RECONCILIATION OF REPORTING TO OPERATING PERFORMANCE

NZ\$ millions	December 2025			December 2024		
	Operating	Fair Value Adjustment	Reported	Operating	Fair Value Adjustment	Reported
Revenue	179.6	-	179.6	178.6	-	178.6
Cost of Sales	(90.8)	(3.4)	(94.2)	(92.3)	(4.1)	(96.4)
<b>Gross Profit</b>	<b>88.8</b>	<b>(3.4)</b>	<b>85.4</b>	86.3	(4.1)	82.2
Operating Expenses	(38.1)	(6.2)	(44.3)	(37.9)	(17.8)	(55.7)
<b>EBIT<sup>1</sup></b>	<b>50.7</b>	<b>(9.6)</b>	<b>41.1</b>	48.4	(21.9)	26.5
Interest and Tax	(21.0)	2.7	(18.3)	(20.1)	6.1	(14.0)
<b>NPAT<sup>2</sup></b>	<b>29.7</b>	<b>(6.9)</b>	<b>22.8</b>	28.3	(15.8)	12.5
EBIT <sup>1</sup>	50.7	(9.6)	41.1	48.4	(21.9)	26.5
Depreciation and amortisation	14.9	-	14.9	13.2	-	13.2
<b>EBITDA<sup>3</sup></b>	<b>65.6</b>	<b>(9.6)</b>	<b>56.0</b>	61.6	(21.9)	39.7

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.

**LOOKING FORWARD**

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The Group expects its 2026 Operating Net Profit After Tax to be in the range of \$50.0 to \$55.0 million.



JIM DELEGAT  
CHAIR

**STATEMENT OF FINANCIAL PERFORMANCE**

	Unaudited Dec 2025 6 Months \$000	Audited June 2025 12 Months \$000	Unaudited Dec 2024 6 Months \$000
Revenue	179,575	349,556	178,644
Profit before finance costs	41,166	86,118	26,404
Finance costs	8,942	17,754	9,042
Profit before income tax	32,224	68,364	17,362
Income tax expense	9,417	19,326	4,895
Profit for the Period attributable to Shareholders of the Parent Company	22,807	49,038	12,467
Earnings Per Share			
- Basic and fully diluted earnings per share (cents per share)	22.55	48.49	12.33

**STATEMENT OF OTHER COMPREHENSIVE INCOME**

	Unaudited Dec 2025 6 Months \$000	Audited June 2025 12 Months \$000	Unaudited Dec 2024 6 Months \$000
Profit after income tax	22,807	49,038	12,467
<i>Other comprehensive income that may subsequently be classified to the profit and loss:</i>			
- Translation of foreign subsidiaries	5,163	980	3,949
- Net (loss)/gain on hedge of a net investment	(2,348)	462	(304)
- Income tax relating to components of other comprehensive income	657	(129)	85
<b>Total comprehensive income for the period, net of tax</b>	<b>26,279</b>	<b>50,351</b>	<b>16,197</b>
Comprehensive income attributable to Shareholders of the Parent Company	26,279	50,351	16,197

**STATEMENT OF CHANGES IN EQUITY**

## FOR THE PERIOD ENDED 31 DECEMBER 2025 (UNAUDITED)

	Share Capital	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
	\$000	\$000	\$000	\$000
Audited balance at 30 June 2025	49,815	1,332	534,968	586,115
<b>Changes in equity for the period ended 31 December 2025</b>				
<i>Other comprehensive income</i>				
- Translation of foreign subsidiaries	-	5,163	-	5,163
- Net loss on hedge of a net investment	-	(2,348)	-	(2,348)
- Income tax relating to components of other comprehensive income	-	657	-	657
Total other comprehensive income	-	3,472	-	3,472
- Net profit for the period	-	-	22,807	22,807
Total comprehensive income for the period	-	3,472	22,807	26,279
<i>Equity Transactions</i>				
- Dividends paid to shareholders	-	-	(20,233)	(20,233)
<b>Unaudited balance at 31 December 2025</b>	<b>49,815</b>	<b>4,804</b>	<b>537,542</b>	<b>592,161</b>

## FOR THE YEAR ENDED 30 JUNE 2025 (AUDITED)

	Share Capital	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
	\$000	\$000	\$000	\$000
Audited balance at 30 June 2024	49,815	19	506,165	555,999
<b>Changes in equity for the year ended 30 June 2025</b>				
<i>Other comprehensive income</i>				
- Translation of foreign subsidiaries	-	980	-	980
- Net gain on hedge of a net investment	-	462	-	462
- Income tax relating to components of other comprehensive income	-	(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
<i>Equity Transactions</i>				
- Dividends paid to shareholders	-	-	(20,235)	(20,235)
<b>Audited balance at 30 June 2025</b>	<b>49,815</b>	<b>1,332</b>	<b>534,968</b>	<b>586,115</b>

**STATEMENT OF CHANGES IN EQUITY CONTINUED**

FOR THE PERIOD ENDED 31 DECEMBER 2024 (UNAUDITED)

	Share Capital	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
	\$000	\$000	\$000	\$000
Audited balance at 30 June 2024	49,815	19	506,165	555,999
Changes in equity for the period ended 31 December 2024				
<i>Other comprehensive income</i>				
– Translation of foreign subsidiaries	–	3,949	–	3,949
– Net loss on hedge of a net investment	–	(304)	–	(304)
– Income tax relating to components of other comprehensive income	–	85	–	85
Total other comprehensive income	–	3,730	–	3,730
– Net profit for the period	–	–	12,467	12,467
Total comprehensive income for the period	–	3,730	12,467	16,197
<i>Equity Transactions</i>				
– Dividends paid to shareholders	–	–	(20,233)	(20,233)
Unaudited balance at 31 December 2024	49,815	3,749	498,399	551,963

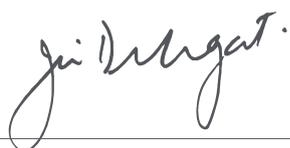
**STATEMENT OF FINANCIAL POSITION**

	Unaudited Dec 2025 \$000	Audited June 2025 \$000	Unaudited Dec 2024 \$000
<b>Equity</b>			
Share capital	49,815	49,815	49,815
Foreign currency translation reserve	4,804	1,332	3,749
Retained earnings	537,542	534,968	498,399
<b>Total Equity</b>	<b>592,161</b>	<b>586,115</b>	<b>551,963</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade payables and accruals	43,860	37,712	41,405
Derivative financial instruments	6,834	4,545	11,466
Income tax payable	1,185	3,884	4,163
Lease liability	8,370	9,844	7,626
	60,249	55,985	64,660
<b>Non-Current Liabilities</b>			
Deferred tax liability	65,971	59,274	56,755
Derivative financial instruments	1,692	1,994	2,160
Interest-bearing loans and borrowings (secured)	323,426	337,179	353,794
Lease liability	92,783	94,104	96,041
	483,872	492,551	508,750
<b>Total Liabilities</b>	<b>544,121</b>	<b>548,536</b>	<b>573,410</b>
<b>Total Equity and Liabilities</b>	<b>1,136,282</b>	<b>1,134,651</b>	<b>1,125,373</b>

**STATEMENT OF FINANCIAL POSITION CONTINUED**

	Unaudited Dec 2025 \$000	Audited June 2025 \$000	Unaudited Dec 2024 \$000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	16,397	8,625	8,161
Trade and other receivables	60,157	62,806	69,144
Derivative financial instruments	16	4,074	29
Inventories	143,059	187,771	137,668
Biological work in progress	61,194	16,604	54,902
	280,823	279,880	269,904
<b>Non-Current Assets</b>			
Property, plant and equipment	768,660	766,411	766,951
Right-of-use assets	80,044	81,873	82,036
Intangible assets	6,755	6,336	6,482
Derivative financial instruments	-	151	-
	855,459	854,771	855,469
<b>Total Assets</b>	<b>1,136,282</b>	<b>1,134,651</b>	<b>1,125,373</b>

For, and on behalf of, the Board who authorised the issue of the financial statements on 26 February 2026.



J N Delekat, Chair



G N MacLeod, Director

**STATEMENT OF CASH FLOWS**

	Unaudited Dec 2025 6 Months \$000	Audited June 2025 12 Months \$000	Unaudited Dec 2024 6 Months \$000
<b>Operating Activities</b>			
Cash was provided from			
Receipts from customers	186,101	368,942	193,667
Net GST received	1,147	265	143
	187,248	369,207	193,810
Cash was applied to			
Payments to suppliers and employees	111,212	228,965	107,060
Net interest paid	8,835	20,225	9,229
Net income tax paid	4,863	14,355	1,967
	124,910	263,545	118,256
<b>Net Cash Inflows from Operating Activities</b>	<b>62,338</b>	<b>105,662</b>	<b>75,554</b>
<b>Investing Activities</b>			
Cash was provided from			
Proceeds from sale of property, plant and equipment	72	7,733	7,596
Dividends received	1	20	16
	73	7,753	7,612
Cash was applied to			
Purchase of property, plant and equipment	10,519	46,389	37,395
Capitalised interest paid	892	5,547	3,374
	11,411	51,936	40,769
<b>Net Cash Outflows from Investing Activities</b>	<b>(11,338)</b>	<b>(44,183)</b>	<b>(33,157)</b>

**STATEMENT OF CASH FLOWS CONTINUED**

	Unaudited Dec 2025 6 Months \$000	Audited June 2025 12 Months \$000	Unaudited Dec 2024 6 Months \$000
<b>Financing Activities</b>			
Cash was provided from			
Proceeds from borrowings	22,690	54,961	4,858
	22,690	54,961	4,858
Cash was applied to			
Dividends paid to shareholders	20,227	20,213	20,213
Borrowing facility fees	114	597	-
Repayment of borrowings	40,905	86,305	21,312
Repayment of lease liability	5,252	10,435	7,491
	66,498	117,550	49,016
<b>Net Cash Outflows from Financing Activities</b>	<b>(43,808)</b>	<b>(62,589)</b>	<b>(44,158)</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>7,192</b>	<b>(1,110)</b>	<b>(1,761)</b>
Cash and cash equivalents at beginning of the year	8,625	9,384	9,384
Effect of exchange rate changes on foreign currency balances	580	351	538
<b>Cash and Cash Equivalents at End of the Period</b>	<b>16,397</b>	<b>8,625</b>	<b>8,161</b>

**STATEMENT OF CASH FLOWS CONTINUED**

	Unaudited Dec 2025 6 Months \$000	Audited June 2025 12 Months \$000	Unaudited Dec 2024 6 Months \$000
<b>Reconciliation of Profit for the Period with Cash Flows from Operating Activities:</b>			
Reported profit after tax	22,807	49,038	12,467
<b>Add/(deduct) items not involving cash flows</b>			
Depreciation and amortisation expense	14,895	27,548	13,326
Other non-cash items	4,095	585	3,471
Net (gain)/loss on disposal of assets	(28)	(21)	40
Movement in derivative financial instruments	6,196	6,559	17,842
Movement in deferred tax liability	6,697	4,182	1,663
	<b>31,855</b>	<b>38,853</b>	<b>36,342</b>
<b>Movement in working capital balances are as follows:</b>			
Trade payables and accruals	6,148	(48)	3,645
Trade and other receivables	2,649	23,322	16,984
Inventories	44,712	(5,847)	44,256
Biological work in progress	(44,590)	(1,039)	(39,337)
Income tax	(2,699)	957	1,236
<b>Add items classified as investing and financing activities</b>			
Capital purchases included within trade payables and inventories	1,342	(171)	(39)
Borrowing facility fees	114	597	-
	<b>7,676</b>	<b>17,771</b>	<b>26,745</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>62,338</b>	<b>105,662</b>	<b>75,554</b>
<b>Reconciliation of movement in Net Debt:</b>			
Opening balance at beginning of the year	328,554	360,094	360,094
<b>Per statement of cash flows:</b>			
- Net repayment of borrowings	(18,215)	(31,344)	(16,454)
- Borrowing facility fees	(114)	(597)	-
- Net (increase)/decrease in cash held	(7,192)	1,110	1,761
Foreign exchange movement	3,848	(1,217)	66
Other non-cash movements	148	508	166
<b>Closing balance at end of the Period</b>	<b>307,029</b>	<b>328,554</b>	<b>345,633</b>

## NOTES TO THE FINANCIAL STATEMENTS

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### 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 for the Group for the six months ended 31 December 2025 were authorised for issue in accordance with a resolution of the Directors on 26 February 2026.

#### BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), the requirements of the Financial Markets Conduct Act 2013, and NZ IAS 34: Interim Financial Reporting. Accounting policies applied in these interim financial statements comply with New Zealand equivalents to International Financial Reporting Standards, and other applicable Financial Reporting Standards (NZ IFRS) as applicable to the Group as a profit-oriented entity.

The interim 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 interim financial statements in conformity with NZ IAS 34 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.

#### DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments such as forward currency contracts and options to economically hedge its risk associated with foreign currency and interest rate swaps to manage interest rate risk. Such 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. In estimating the fair value of the derivative financial instruments the Group uses level 2 inputs of the fair value measurement hierarchy. The Group's derivative financial instruments fall into level 2 of the fair value measurement hierarchy because their fair value is determined 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). 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.

#### CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year. Refer to the published financial statements for the year ended 30 June 2025 for a complete listing of the Group accounting policies.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

### 2. SEGMENTAL REPORTING

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 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 variation 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 intercompany stock margin eliminations are managed on a group basis and are not allocated to operating segments.

For the 6 months ended 31 December 2025	Delegat Limited	Delegat Australia Pty Ltd	Delegat Europe Limited	Delegat USA, Inc.	Other Segments <sup>10</sup>	Eliminations and Adjustments <sup>11</sup>	6 months ended 31 December 2025
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Operating income</b>							
External sales <sup>2,8</sup>	41,294	32,717	62,477	79,768	8,698	(45,407)	179,547
Internal sales	149,979	–	–	–	3,711	(153,690)	–
Dividend revenue	1	–	–	–	839	(828)	12
Interest revenue	6	3	–	–	7	–	16
<b>Total segment revenues<sup>1</sup></b>	<b>191,280</b>	<b>32,720</b>	<b>62,477</b>	<b>79,768</b>	<b>13,255</b>	<b>(199,925)</b>	<b>179,575</b>
<b>Operating expenses</b>							
Interest expense <sup>3</sup>	7,996	11	2	76	857	–	8,942
Depreciation and amortisation <sup>4</sup>	13,475	182	88	265	885	–	14,895
Income tax expense <sup>5</sup>	8,511	212	527	417	(26)	(224)	9,417
<b>Segment profit / (loss)</b>	<b>20,747</b>	<b>483</b>	<b>1,576</b>	<b>684</b>	<b>722</b>	<b>(1,405)</b>	<b>22,807</b>
<b>Assets</b>							
Segment assets <sup>6</sup>	1,065,865	15,567	48,022	42,081	120,115	(155,368)	1,136,282
Capital expenditure <sup>7</sup>	10,543	–	6	–	335	–	10,884
<b>Segment liabilities</b>	<b>559,186</b>	<b>9,659</b>	<b>24,332</b>	<b>11,249</b>	<b>41,886</b>	<b>(102,191)</b>	<b>544,121</b>

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED****2. SEGMENTAL REPORTING (CONTINUED)**

For the 6 months ended 31 December 2024	Delegat Limited	Delegat Australia Pty Ltd	Delegat Europe Limited	Delegat USA, Inc.	Other Segments <sup>10</sup>	Eliminations and Adjustments <sup>11</sup>	6 months ended 31 December 2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Operating income</b>							
External sales <sup>2,9</sup>	36,980	30,217	48,777	90,064	5,783	(33,230)	178,591
Internal sales	154,233	-	-	-	4,040	(158,273)	-
Dividend revenue	16	-	-	-	810	(797)	29
Interest revenue	12	4	3	1	4	-	24
<b>Total segment revenues<sup>1</sup></b>	<b>191,241</b>	<b>30,221</b>	<b>48,780</b>	<b>90,065</b>	<b>10,637</b>	<b>(192,300)</b>	<b>178,644</b>
<b>Operating expenses</b>							
Interest expense <sup>3</sup>	7,832	52	3	79	1,076	-	9,042
Depreciation and amortisation <sup>4</sup>	11,879	251	82	245	869	-	13,326
Income tax expense <sup>5</sup>	5,025	184	431	377	363	(1,485)	4,895
<b>Segment profit</b>	<b>12,637</b>	<b>421</b>	<b>1,291</b>	<b>1,006</b>	<b>1,726</b>	<b>(4,614)</b>	<b>12,467</b>
<b>Assets</b>							
Segment assets <sup>6</sup>	1,027,787	16,260	50,016	37,248	119,452	(125,390)	1,125,373
Capital expenditure <sup>7</sup>	40,274	-	-	-	238	-	40,512
<b>Segment liabilities</b>	<b>550,948</b>	<b>10,652</b>	<b>30,331</b>	<b>7,369</b>	<b>44,408</b>	<b>(70,298)</b>	<b>573,410</b>

- Intersegment revenues are eliminated on consolidation. Intercompany profit margins are also eliminated.
- 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 2025 the Group recognised accruals of \$28,501,000 (30 June 2024: \$28,780,000). During the six months ended 31 December 2025 \$1,330,000 of additional expense has been incurred (31 December 2024: release of \$206,000).
- Interest expense is net of any interest capitalised to long-term assets and inventory. During the period \$892,000 (31 December 2024: \$3,374,000) was capitalised to long-term assets. During the period \$2,595,000 (31 December 2024: \$2,494,000) was capitalised to inventory.
- Depreciation expense presented above is gross of \$13,171,000 (31 December 2024: \$11,459,000), which has been included within inventory.
- Segment income tax expense does not include the deferred tax impacts of temporary differences arising from intercompany stock margin eliminations or fair value adjustments resulting from the purchase of subsidiary companies as these are managed on a group level.
- 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.
- 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.
- For the six months ended 31 December 2025 Delegat USA, Inc. had a single customer which comprised 10% or more of Group sales amounting to \$37,468,000.
- For the six months ended 31 December 2024 Delegat USA, Inc. had a single customer which comprised 10% or more of Group sales amounting to \$44,979,000.
- Other segments' assets include non-current assets of Barossa Valley Estate Pty Limited of \$46,580,000 (31 December 2024: \$45,387,000) which are located in Australia.
- 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

### 3. EXPENSES

Expenses by function have been categorised as follows:

	Unaudited Dec 2025 6 Months \$000	Audited June 2025 12 Months \$000	Unaudited Dec 2024 6 Months \$000
Cost of sales	94,177	187,557	96,413
Selling, marketing and promotion expenses	29,259	51,605	28,135
Corporate governance expenses	831	1,596	783
Administration expenses	7,502	16,122	8,260
Unrealised foreign exchange losses	444	–	807
Fair value loss on financial derivative instruments	6,196	6,558	17,842

### 4. ACQUISITION AND DISPOSAL OF ASSETS

During the six months ended 31 December 2025 the Group incurred total capital expenditure of \$10,884,000 (31 December 2024: \$40,512,000). During the six months ended 31 December 2025 the Group disposed of property, plant and equipment with a net book value of \$46,000 (31 December 2024: \$7,342,000).

### 5. CAPITAL COMMITMENTS

The estimated capital expenditure contracted for at 31 December 2025 but not provided for is \$7,628,000 (31 December 2024: \$11,856,000).

### 6. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

On 20 February 2026 the United States Supreme Court announced the US tariffs imposed by the US administration under the International Emergency Economic Powers Act (IEEPA) on imported goods into the US from New Zealand during the period April 2025 to 20 February 2026 were unlawful. The Group continues to work through these uncertainties.

## DIRECTORY

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Doug Alexander McKay  
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Phillipa Margaret Muir

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