



NEW ZEALAND'S EXCHANGE
TE PAEHOKO O AOTEAROA

Results announcement

Results for announcement to the market		
Name of issuer	Delegat Group Limited	
Reporting Period	12 months to 30 June 2026	
Previous Reporting Period	12 months to 30 June 2025	
Currency	NZD	
	Amount (000s)	Percentage change
Revenue from continuing operations	\$364,117	+4%
Total Revenue	\$364,117	+4%
Total Operating Revenue ¹	\$364,117	+4%
Operating Profit from ordinary activities after tax (Operating NPAT) ¹	\$61,497	+20%
Operating Profit from ordinary activities before interest, tax and depreciation (Operating EBITDA) ¹	\$134,511	+15%
Reported Profit from continuing operations	\$39,473	-19%
Total Net Profit	\$39,473	-19%
Interim/Final Dividend		
Amount per Quoted Equity Security	\$0.22000000	
Imputed amount per Quoted Equity Security	\$0.08555556	
Record Date	25/09/2026	
Dividend Payment Date	9/10/2026	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$5.97	\$5.73
A brief explanation of any of the figures above necessary to enable the figures to be understood	Refer to Chair and CEO's Report, and financial statements attached to this announcement.	
Authority for this announcement		
Name of person authorised to make this announcement	Murray Annabell	
Contact person for this announcement	Murray Annabell	
Contact phone number	+64 9 359 7310	
Contact email address	murray.annabell@delegat.com	
Date of release through MAP	28/08/2026	

Audited financial statements accompany this announcement.

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

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*"Driving our
future from four
great strengths."*

— EST 1947 —

DELEGAT

OPERATING NPAT¹ UP 20%

\$61.5 MILLION

RECORD OPERATING EBITDA¹ UP 15%

\$134.5 MILLION

GLOBAL CASE SALES UP 4%

3.3 MILLION

REPORTED NPAT DOWN 19%

\$39.5 MILLION

RECORD CASH FROM OPERATIONS UP 5%

\$110.5 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 2026

YEAR ENDED 30 JUNE	2026	2025	2024	2023	2022
Case Sales (000s)	3,320	3,188	3,614	3,676	3,360
OPERATING PERFORMANCE ¹					
Operating Revenue ⁹ (\$m)	364.1	349.6	375.7	375.8	325.4
Operating EBITDA ^{1, 2} (\$m)	134.5	116.5	128.5	120.4	112.2
Operating EBIT ^{3, 4} (\$m)	104.1	89.0	102.7	96.8	88.8
Operating EBIT % of Revenue	29%	25%	27%	26%	27%
Operating NPAT ^{5, 6} (\$m)	61.5	51.1	59.7	59.3	58.1
Operating NPAT % of Revenue	17%	15%	16%	16%	18%
Operating Cashflow (\$m)	110.5	105.7	56.9	59.7	65.6
Capital Expenditure ¹⁰ (\$m)	20.9	59.9	69.1	101.7	39.5
REPORTED PERFORMANCE					
Revenue (\$m)	364.1	349.6	378.3	381.4	325.6
EBITDA ¹ (\$m)	112.3	113.6	107.2	128.1	119.0
EBIT ³ (\$m)	73.2	86.1	81.4	104.5	95.6
EBIT % of Revenue	20%	25%	22%	27%	29%
NPAT ⁵ (\$m)	39.5	49.0	31.4	64.8	63.0
NPAT % of Revenue	11%	14%	8%	17%	19%
EPS ⁸	39.0c	48.5c	31.0c	64.1c	62.3c
Net Assets ⁷ (\$m)	610.7	586.1	556.0	544.8	499.5
Total Assets (\$m)	1,105.6	1,134.7	1,115.9	1,063.3	967.3

Notes:

- EBITDA means earnings before interest, tax, depreciation, amortisation and impairment.
- Operating EBITDA means EBITDA before NZ IFRS fair value adjustments and any other one-off non-operating items.
- EBIT means earnings before interest and tax.
- Operating EBIT means EBIT before NZ IFRS fair value adjustments and any other one-off non-operating items.
- NPAT means net profit after tax attributable to ordinary Shareholders.
- Operating NPAT means NPAT before NZ IFRS fair value adjustments and any other one-off non-operating items, after tax.
- Net Assets means total assets less total liabilities.
- 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.
- Operating Revenue is before fair value movements on derivative instruments (if gains).
- Capital expenditure consists of additions to property, plant and equipment inclusive of capitalised interest.

This Annual Report is dated 28 August 2026 and is signed on behalf of the Board by:



JIM DELEGAT
CHAIR



ALAN JACKSON
DIRECTOR

The Board's priority is to grow long-term shareholder value.

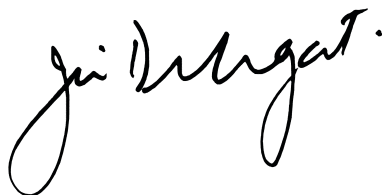
We will continue to pursue opportunities that strengthen the Group's position, enhance returns, and support the sustainable growth of the business.

On behalf of the Board of Directors, I am pleased to present the financial results of Delegat Group Limited for the year ended 30 June 2026. The Group delivered an Operating Net Profit After Tax of \$61.5 million, an increase of 20% on the previous year, reflecting the continued strength of our premium brand portfolio and the execution of our strategy.

Our focus remains on premiumisation and sustainable value growth. While consumer preferences continue to evolve, demand for trusted premium wine brands remains resilient. New Zealand's reputation as a world-class wine origin, together with Oyster Bay's leadership position in key markets, provides a strong platform for future growth.

The investments we have made in our brands, in-market sales capability, world-class vineyards and state-of-the-art wineries continue to strengthen the business and position the Group well for the future.

The Board remains confident in the Group's strategy, the quality of its assets and people, and its ability to deliver sustainable long-term returns for shareholders.



JIM DELEGAT
CHAIR

PERFORMANCE SUMMARY

- Global Case Sales of 3,320,000, up 4%.
- Operating NPAT of \$61.5 million, up 20%.
- Record Operating EBITDA of \$134.5 million, up 15%.
- Reported NPAT of \$39.5 million, down 19%.
- Record Cash from Operations of \$110.5 million, up 5%.

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, derivative instruments and impairment of property, plant and equipment. 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 impairment of property, plant and equipment of the assets of Barossa Valley Estate is excluded as a one-off non-operating item.

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 adjustments¹.

TABLE 1 **OPERATING PERFORMANCE**¹

NZ\$ millions	June 2026	June 2025	% change vs 2025
Operating Revenue ¹	364.1	349.6	4%
Operating Gross Profit²	177.2	158.3	12%
Operating Gross Margin	49%	45%	
Operating Expenses ³	(73.1)	(69.3)	-5%
Operating EBIT⁴	104.1	89.0	17%
Operating EBIT % of Revenue	29%	25%	
Interest and Tax	(42.6)	(37.9)	-12%
Operating NPAT⁴	61.5	51.1	20%
Operating NPAT % of Revenue	17%	15%	
Operating EBITDA⁴	134.5	116.5	15%
Operating EBITDA % of Revenue	37%	33%	
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.			

¹Operating 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

The Board was pleased with the Group's improved operating performance in FY26. Global case sales increased 4% to 3.32 million cases, driving Operating EBITDA to a record \$134.5 million and Operating NPAT to \$61.5 million, an increase of 20% on the previous year. The result reflects the strength of the Delegat business model, the scalability of the Group's operations, and the benefits of the initiatives undertaken in recent years to enhance profitability, cash generation and balance sheet strength.

Delegat achieved Operating Revenue of \$364.1 million on global case sales of 3,320,000 in the year. The Group's case sales performance and foreign currency rates achieved are detailed in table 2.

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.

TABLE 2 **CASE SALES AND FOREIGN CURRENCY**

	June 2026	June 2025	% change vs 2025
Case Sales (000s)			
UK, Ireland and Europe	1,027	1,008	2%
North America (USA and Canada)	1,552	1,509	3%
Australia, NZ and Asia Pacific	741	671	10%
Total Cases	3,320	3,188	4%
Foreign Currency Rates			
GB£	0.4562	0.4659	2%
AU\$	0.8819	0.9149	4%
US\$	0.5884	0.5945	1%
CA\$	0.8118	0.8190	1%

In 2026, the market value of the Company grapes was less than the costs incurred, resulting in a \$9.0 million write-down (2025: write-up of \$9.4 million). This write-down is due to the managed reduction in yields for the 2026 harvest (down 19% year-on-year). This write-down, less the impact of prior years' vintages being sold has resulted in a net write-down of \$15.0 million for the year (2025: write-up of \$3.7 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 \$7.2 million (2025: write-down of \$6.6 million).
- Impairment of property, plant and equipment – the Group has recognised a non-cash impairment of the assets of Barossa Valley Estate of \$8.7 million (A\$7.2 million). Refer to page 9 which outlines the circumstances which have led to the impairment.

The above adjustments, net of taxation, amount to a write-down of \$22.0 million for the year (2025: write-down of \$2.1 million).

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 2026 is reconciled to Operating Profit as detailed in table 4.

TABLE 3 **IMPACT OF FAIR VALUE ADJUSTMENTS**

NZ\$ millions	June 2026	June 2025	% change vs 2025
Operating NPAT	61.5	51.1	20%
Operating NPAT % of Revenue	17%	15%	
NZ IFRS Fair Value Items			
Biological Produce (Grapes) ¹	(15.0)	3.7	n/m ²
Derivative Financial Instruments	(7.2)	(6.6)	n/m ²
Impairment of property, plant and equipment ³	(8.7)	-	n/m ²
Total Fair Value Items	(30.9)	(2.9)	n/m²
Taxation of NZ IFRS fair value items	8.9	0.8	n/m ²
Fair Value Items after Tax	(22.0)	(2.1)	n/m²
Reported NPAT	39.5	49.0	-19%

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.

3. Impairment of property, plant and equipment of the assets of Barossa Valley Estate.

CASH FLOW

Cash generation remained a key highlight of FY26, with the Group delivering a record \$110.5 million of operating cash flow, an increase of 5% on the previous year. The result reflects the quality of the Group's earnings and continued growth in global case sales.

The Board has maintained a strong focus on capital allocation, balance sheet strength and cash generation over recent years. The progress achieved during FY26 further strengthened the Group's financial position and provides greater flexibility to support future growth initiatives.

During the year, the Group invested \$21.9 million in strategic capital projects, including vineyard development in New Zealand and continued expansion of the Hawke's Bay and Marlborough wineries. These investments are expected to support future growth and enhance the Group's long-term production capability. The Group also returned \$20.2 million to Shareholders through dividends.

Net debt reduced by \$51.8 million to \$276.8 million, reflecting the strength of cash generation and disciplined financial management. With access to a \$427 million syndicated senior debt facility and substantial headroom within banking covenants, the Group remains well positioned to fund its ongoing operations and future capital investment opportunities.

The Board is pleased with the continued strengthening of the Group's balance sheet. Together with the Group's cash-generating capability and available funding facilities, this provides a solid platform to support future investment, growth and long-term shareholder value creation.

TABLE 4 **RECONCILIATION OF REPORTING TO OPERATING PERFORMANCE**

NZ\$ millions	June 2026			June 2025		
	Operating	Fair Value Adjustment	Reported	Operating	Fair Value Adjustment	Reported
Revenue	364.1	-	364.1	349.6	-	349.6
Cost of Sales	(186.9)	(15.0)	(201.9)	(191.3)	3.7	(187.6)
Gross Profit	177.2	(15.0)	162.2	158.3	3.7	162.0
Operating Expense	(73.1)	(7.2)	(80.3)	(69.3)	(6.6)	(75.9)
Impairment ⁴	-	(8.7)	(8.7)	-	-	-
EBIT¹	104.1	(30.9)	73.2	89.0	(2.9)	86.1
Interest and Tax	(42.6)	8.9	(33.7)	(37.9)	0.8	(37.1)
NPAT²	61.5	(22.0)	39.5	51.1	(2.1)	49.0
EBIT¹	104.1	(30.9)	73.2	89.0	(2.9)	86.1
Depreciation, amortisation and impairment ⁴	30.4	8.7	39.1	27.5	-	27.5
EBITDA³	134.5	(22.2)	112.3	116.5	(2.9)	113.6

Notes:
1. EBIT means earnings before interest and tax.
2. NPAT means net profit after tax.
3. EBITDA means earnings before interest, tax, depreciation, amortisation and impairment.
4. Impairment of property, plant and equipment of the assets of Barossa Valley Estate.

DIVIDENDS

Consistent with the Group's improved performance and strong cash-generating capability, the Board has approved a fully imputed dividend of 22.0 cents per share, an increase of 10% on the dividend paid for the last 5 years. The dividend reflects the Board's confidence in the Group's financial strength and future prospects, and will be paid on 9 October 2026 to Shareholders on record at 25 September 2026.

INVESTING FOR GROWTH

The Board remains confident in the Group's long-term growth prospects and its ability to create sustainable value for Shareholders. Consistent with this confidence, Delegat continues to invest in its brands, vineyards, production capability and people to support future growth.

We believe the strongest wine businesses will be those that remain focused, agile and closely aligned to the needs of consumers and customers. Over more than seven decades, Delegat has built a portfolio of premium brands, enduring customer relationships and world-class winegrowing and winemaking capabilities. These foundations position the Group well for the opportunities ahead.

Over the past five years, the Group has invested more than \$240 million in strategic growth assets to support future sales and earnings growth. The Board has approved a further \$33.7 million of investment in FY27, reflecting its confidence in the Group's long-term growth strategy.

The Board also recognises the importance of maintaining high standards of environmental stewardship, workplace safety and corporate governance. Across the Group, initiatives continue to focus on reducing environmental impact, improving health and safety outcomes, and ensuring Delegat operates responsibly and sustainably for the benefit of future generations.

PORTFOLIO REVIEW

The global wine industry is undergoing a period of adjustment as producers respond to changing market conditions. Across many wine-producing regions, businesses are focusing on inventory management, capital discipline and strengthening long-term returns. Despite these conditions, premium New Zealand wine remains well regarded globally and Oyster Bay continues to hold leading positions across its major markets.

The Board regularly reviews the carrying value of the Group's assets to ensure they remain appropriate in light of prevailing market conditions and long-term earnings expectations.

As part of this process, the Group recognised a non-cash impairment of \$8.7 million (A\$7.2 million) relating to certain Barossa Valley Estate assets. The adjustment reflects a prudent reassessment of future cash flows associated with premium Australian red wine assets.

The impairment has no impact on the Group's cash flow, liquidity, banking facilities or future investment plans. The Board remains confident in the strength of the Group's core business, the quality of its brands and assets, and its long-term growth prospects.

OUR DELEGAT GREAT WINE PEOPLE

On behalf of the Board, I would like to thank our Great Wine People around the world for their contribution during the past year. The Group's achievements this year reflect the dedication, capability and commitment of our people, who continue to work together with a clear sense of purpose and a passion for excellence.

Our people remain one of Delegat's greatest strengths. Their efforts every day underpin the long-term success of the Group. The Board sincerely thanks them for their contribution.

Winning the world over. Our Delegat Great Wine People.



ANDREW KOERNER
HEAD OF WINEMAKING
BAPPSC(WINE SCIENCE)

GREG ROWDON
SENIOR WINEMAKER, MARLBOROUGH
BSC, MSC (HONS) (WINE SCIENCE)

MICHAEL IVCEVICH
GROUP OPERATIONS MANAGER,
VITICULTURE AND WINEMAKING
BAPPSC(WINE SCIENCE)

The Group's strategy of identifying 'Growth Markets' and 'Emerging Markets' has again proven successful, delivering improved operating performance, increased operating cash flows and sustained case price realisation despite ongoing global industry supply imbalance.

FY26 was a year of strong execution. Our focus on growing premium brand demand, strengthening distribution and disciplined management of the business delivered significantly improved sales, profitability, cash flow and balance sheet strength in what remains a challenging trading environment. We also responded effectively to changes in US tariffs while continuing to invest in our brands, consumer engagement and route to market capabilities.

The Group achieved Operating NPAT of \$61.5 million, an increase of 20%, and record Operating EBITDA of \$134.5 million. Record operating cash flow of \$110.5 million enabled net debt to be reduced by \$51.8 million to \$276.8 million, further strengthening the Group's financial position.

This was a Winning Together result. Every part of the Group contributed, and I am proud of the focus, adaptability and commitment shown by our Great Wine People around the world.



MURRAY ANNABELL
CHIEF EXECUTIVE OFFICER

GLOBAL WINE TRENDS

The global wine category continues to evolve. Consumers are drinking more selectively, prioritising quality, authenticity and trusted brands over volume consumption.

The long-term premiumisation trend remains intact, supported by consumers seeking higher-quality experiences and wines that enhance everyday and social occasions. Millennials now represent an increasingly important consumer segment, while legal-age Generation Z consumers are engaging with wine in greater numbers. These consumers value quality, experience and connection, supporting demand for premium wine brands.

These trends favour lighter, refreshing wine styles and premium brands with strong quality credentials. New Zealand wine is well aligned with these consumer preferences, and Oyster Bay's trusted quality, premium positioning and broad market presence provide confidence in its long-term growth potential.

GLOBAL SALES PERFORMANCE

Global case sales increased 4% to 3.32 million cases, with growth achieved across all three geographic regions.

Our in-market sales teams remain a key strength of the business, providing direct customer relationships, local market insight and the agility to respond quickly to changing market conditions. Combined with our extensive distribution network, these capabilities continue to support brand growth, market share performance and premium positioning.

This contributed to another year of global sales growth and leaves the Group well positioned for FY27.

NORTH AMERICA

North America remained the Group's largest market, accounting for 47% of global case sales. Sales increased 3% to 1,552,000 cases, supported by a record result in Canada and the successful completion of the planned inventory reset in the United States.

The performance reflects the strength of our market-led model and the ability of our teams to respond effectively to evolving retail conditions and changes in US tariffs.

UNITED KINGDOM, IRELAND AND EUROPE

Sales across the United Kingdom, Ireland and Europe increased 2% to 1,027,000 cases, representing 31% of Group sales.

Growth was supported by Oyster Bay's category-leading position, targeted promotional investment and continued consumer preference for premium New Zealand wine. The region remains an important contributor to the Group's diversified global growth strategy.

AUSTRALIA, NEW ZEALAND, CHINA AND ASIA PACIFIC

Sales across Australia, New Zealand, China and Asia Pacific increased 10% to 741,000 cases, representing 22% of Group sales.

Our brands continue to hold category-leading positions, supported by strong consumer awareness, trusted quality and enduring customer relationships. Combined with the strength of Barossa Valley Estate, this provides a solid platform for future growth.

China remains one of the Group's most attractive long-term opportunities and will continue to be an important area of investment and focus.

Across Asia Pacific, we remain focused on strengthening distribution, building customer confidence and expanding the reach of our brands in selected markets.

BRANDS AND COMMUNICATIONS

Our focus remains on strengthening brand value, recruiting new consumers and supporting retail distribution through targeted consumer and customer activity.

Through our unique in-market distribution model, we work closely with many of the world's leading retailers to develop promotional programmes aligned to key consumption occasions, supporting both rate of sale and category growth.

We continue to invest in targeted consumer and trade communications to build brand awareness, consumer engagement and purchase intent. These programmes provide global reach, strengthen consumer affinity and support Oyster Bay's premium positioning across our key markets.

Oyster Bay remains the Group's primary growth engine and one of the world's leading premium New Zealand wine brands. Its trusted quality, broad international presence and strong consumer relevance continue to differentiate the brand in an increasingly competitive global market.

In the United States, we remain focused on our "must-win" states where consumer awareness, affinity and retail distribution continue to strengthen. Consumer interest in Oyster Bay remains exceptionally strong, with Oyster Bay continuing to be the most searched New Zealand wine brand on Google.

Our strategy remains unchanged. We will continue to invest behind Oyster Bay, strengthen consumer engagement and support conversion from awareness to purchase, building long-term brand equity and sustainable growth.

2026 HARVEST

The 2026 harvest delivered exceptional quality fruit across Marlborough, Hawke's Bay and the Barossa Valley.

The Group harvested 38,255 tonnes, 19% below the 2025 harvest, consistent with the inventory management strategy communicated last year.

Inventory levels are aligned to support FY27 case sales.

SUSTAINABILITY

Delegat has been a founding member of Sustainable Winegrowing New Zealand since 2002. Sustainability is integral to the long-term success of our business. The quality of our wines depends on healthy vineyards, secure water resources, capable people and operating assets that will perform for generations. Our New Zealand vineyards and wineries are accredited under Sustainable Winegrowing New Zealand, and Barossa Valley Estate is accredited under Sustainable Winegrowing Australia.

Our sustainability framework focuses on building an enduring business, enabling our people and communities to thrive, and crafting wine with care. During FY26, we continued targeted initiatives across emissions, water, health and safety, biodiversity, packaging, waste and sustainable viticulture, prioritising areas where we can achieve meaningful and measurable outcomes.

The Group remains Toitū Carbon Reduce certified and committed to reducing carbon intensity across its operations. Further information on our progress, targets and climate-related risks is provided in the Group's Climate-Related Disclosures.

GROUP STRATEGY

Our strategic goal is to establish Delegat as a leading global Super Premium wine company.

Our key success factors:

Leading Brands:

At any given moment a glass of Oyster Bay is being enjoyed as an everyday reward or as part of a premium dining experience somewhere in the world. So sought-after is Oyster Bay that it has transcended the New Zealand wine category and is now part of aspirational culture in many parts of the world.

Global Distribution:

We are a global business that never sleeps. With our own dedicated sales force in the UK, USA, Canada, Australia, China and New Zealand, we directly manage thousands of retail accounts while continuing to build and future-proof a powerful distribution network.

Super Premium Quality:

We own and manage a group of world-class wineries, widely regarded as some of the most sophisticated Super-Premium winemaking operations in the Southern Hemisphere.

Exclusive Supply:

Meticulous management of our own extensive vineyards in Marlborough, Hawke's Bay and Barossa Valley coupled with the contribution of our exclusive grower partners, underpins the supply and consistency of our renowned Super-Premium quality wines. These vineyards are regarded as amongst New Zealand and Australia's best.

GROUP OUTLOOK

The strength and resilience of the Group positions us well to look ahead to the next phase of growth.

Delegat plans to grow global case sales by 5% to 3.6 million cases over the next three years. The primary driver of planned growth is Oyster Bay sales in North America. We will also continue exploring opportunities to improve case price realisation across all markets to improve profit margins.

With respect to the 2027 year, Delegat plans for global sales of 3.4 million cases and forecasts Operating Net Profit after Tax be in the range of \$62 – \$66 million.

TABLE 5 GROUP OUTLOOK CASE SALES

Case Sales (millions)	2026 Actual	2027 Forecast	2028 Projection	2029 Projection
Total Cases	3.3	3.4	3.5	3.6

OUR DELEGAT GREAT WINE PEOPLE

Winning Together. I thank our Delegat Great Wine People around the world for their commitment and contribution throughout the year. Our values of Aim High, Winning Together and Mastery continue to guide how we work, support one another and pursue excellence. They remain fundamental to the strong culture that sits at the heart of our business.

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 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 December 2025.*

Committee responsibilities: Chair, Audit and Risk Committee; Member People, Culture and Safety Committee.

Gordon Macleod is a Non-Executive Director of Delegat Group Limited. Gordon is a professional Director and is a Trustee of Breast Cancer Foundation NZ, and previously a Director of Spark New Zealand Limited. He is also Board Advisory Chair to two privately held family businesses. 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 year's 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.

DIRECTORS' RESPONSIBILITY STATEMENT 2026

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 2026.

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 2026.

The Board of Directors of the Group authorised these financial statements for issue on 28 August 2026.

For, and on behalf of, the Board.



JIM DELEGAT
CHAIR



ALAN JACKSON
DIRECTOR

28 August 2026



CROWNTHORPE TERRACES VINEYARD, HAWKE'S BAY.

STATEMENT OF FINANCIAL PERFORMANCE

	Notes	2026 \$000	2025 \$000
Revenue	3	364,117	349,556
Profit before finance costs and impairment	4	81,834	86,118
Finance costs	3	17,776	17,754
Impairment of property, plant and equipment	14	8,727	–
Profit before income tax		55,331	68,364
Income tax expense	17	15,858	19,326
Profit for the year attributable to Shareholders of the Parent Company		39,473	49,038
Earnings per share			
– Basic and fully diluted earnings per share (cents per share)	5	39.03	48.49

The accompanying notes form part of these financial statements

STATEMENT OF OTHER COMPREHENSIVE INCOME

	Notes	2026 \$000	2025 \$000
Profit after income tax		39,473	49,038
<i>Other comprehensive income that may subsequently be classified to the profit and loss:</i>			
– Translation of foreign subsidiaries	6b	8,323	980
– Net (loss)/gain on hedge of a net investment		(4,079)	462
– Income tax relating to components of other comprehensive income	17	1,142	(129)
Total comprehensive income for the year, net of tax		44,859	50,351
Comprehensive income attributable to Shareholders of the Parent Company		44,859	50,351

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY**FOR THE YEAR ENDED 30 JUNE 2026**

	Notes	Share Capital	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
		\$000	\$000	\$000	\$000
Balance at 30 June 2025		49,815	1,332	534,968	586,115
Changes in equity for the year ended 30 June 2026					
<i>Other comprehensive income</i>					
– Translation of foreign subsidiaries	6b	–	8,323	–	8,323
– Net loss on hedge of a net investment		–	(4,079)	–	(4,079)
– Income tax relating to components of other comprehensive income	17	–	1,142	–	1,142
Total other comprehensive income		–	5,386	–	5,386
– Net profit for the year		–	–	39,473	39,473
Total comprehensive income for the year		–	5,386	39,473	44,859
<i>Equity transactions</i>					
– Dividends paid to Shareholders	7	–	–	(20,234)	(20,234)
Balance at 30 June 2026		49,815	6,718	554,207	610,740

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Share Capital	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
		\$000	\$000	\$000	\$000
Balance at 30 June 2024		49,815	19	506,165	555,999
Changes in equity for the year ended 30 June 2025					
<i>Other comprehensive income</i>					
– 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	17	–	(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	7	–	–	(20,235)	(20,235)
Balance at 30 June 2025		49,815	1,332	534,968	586,115

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

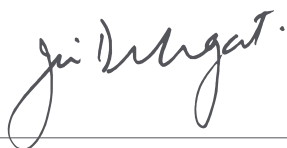
	Notes	2026 \$'000	2025 \$'000
Equity			
Share capital	6	49,815	49,815
Foreign currency translation reserve	6b	6,718	1,332
Retained earnings		554,207	534,968
Total Equity		610,740	586,115
Liabilities			
Current Liabilities			
Trade payables and accruals	8	36,384	37,712
Derivative financial instruments	9	8,805	4,545
Income tax payable		9,179	3,884
Lease liability	16	8,315	9,844
		62,683	55,985
Non-Current Liabilities			
Deferred tax liability	17	53,970	59,274
Derivative financial instruments	9	728	1,994
Interest-bearing loans and borrowings	10	286,856	337,179
Lease liability	16	90,660	94,104
		432,214	492,551
Total Liabilities		494,897	548,536
Total Equity and Liabilities		1,105,637	1,134,651

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION CONTINUED

	Notes	2026 \$000	2025 \$000
Assets			
Current Assets			
Cash and cash equivalents		10,062	8,625
Trade and other receivables	11	59,160	62,806
Derivative financial instruments	9	44	4,074
Inventories	12	174,231	187,771
Biological work in progress	13	16,543	16,604
		260,040	279,880
Non-Current Assets			
Property, plant and equipment	14	759,747	766,411
Right-of-use assets	16	78,786	81,873
Intangible assets	15	7,064	6,336
Derivative financial instruments	9	–	151
		845,597	854,771
Total Assets		1,105,637	1,134,651

For, and on behalf of, the Board, who authorised the issue of the financial statements on 28 August 2026.



J N Delegat, Chair



A T Jackson, Director

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

	2026 \$000	2025 \$000
Operating Activities		
Cash was provided from		
Receipts from customers	372,348	368,942
Net GST received	116	265
	372,464	369,207
Cash was applied to		
Payments to suppliers and employees	231,051	228,965
Net interest paid	16,031	20,225
Net income tax paid	14,932	14,355
	262,014	263,545
Net Cash Inflows from Operating Activities	110,450	105,662
Investing Activities		
Cash was provided from		
Proceeds from sale of property, plant and equipment	154	7,733
Dividends received	19	20
	173	7,753
Cash was applied to		
Purchase of property, plant and equipment	20,709	46,389
Capitalised interest paid	1,361	5,547
	22,070	51,936
Net Cash Outflows from Investing Activities	(21,897)	(44,183)

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS CONTINUED

	2026 \$000	2025 \$000
Financing Activities		
Cash was provided from		
Proceeds from borrowings	23,350	54,961
	23,350	54,961
Cash was applied to		
Dividends paid to shareholders	20,228	20,213
Borrowing facility fees	113	597
Repayment of borrowings	81,563	86,305
Repayment of lease liability	9,559	10,435
	111,463	117,550
Net Cash Outflows from Financing Activities	(88,113)	(62,589)
Net increase /(decrease) in Cash Held	440	(1,110)
Cash and cash equivalents at beginning of the year	8,625	9,384
Effect of exchange rate changes on foreign currency balances	997	351
Cash and Cash Equivalents at End of the Year	10,062	8,625

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS CONTINUED

	2026 \$000	2025 \$000
Reconciliation of Profit for the Year with Cash Flows from Operating Activities		
Reported profit after tax	39,473	49,038
Add/(deduct) items not involving cash flows		
Depreciation and amortisation expense	30,421	27,548
Other non-cash items	7,308	585
Gain on disposal of assets	(81)	(21)
Impairment of property, plant and equipment	8,727	–
Movement in derivative financial instruments	7,175	6,559
Movement in deferred tax liability	(5,304)	4,182
	48,246	38,853
Movement in working capital balances are as follows		
Trade payables and accruals	(1,328)	(48)
Trade and other receivables	3,646	23,322
Inventories	13,540	(5,847)
Biological work in progress	61	(1,039)
Income tax	5,295	957
Add items classified as investing and financing activities		
Capital purchases included within trade payables and inventories	1,404	(171)
Borrowing facility fees	113	597
	22,731	17,771
Net Cash Inflows from Operating Activities	110,450	105,662
Reconciliation of movement in Net Debt:		
Opening balance at 1 July	328,554	360,094
Per statement of cash flows:		
– Net repayment from borrowings	(58,213)	(31,344)
– Borrowing facility fees	(113)	(597)
– Net (increase)/decrease in cash held	(440)	1,110
Foreign exchange movement	6,695	(1,217)
Other non-cash movements	311	508
Closing balance at 30 June	276,794	328,554

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 2026 were authorised for issue in accordance with a resolution of the Directors on 28 August 2026.

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 2026 and comparatives as at 30 June 2025.

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 (NZD), which is also the functional currency of the parent. 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 15 Intangible Assets
Lease term and discount rates	Note 16 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

The accounting policies adopted are consistent with those of the previous year.

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 2026.

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 does not currently expect NZ IFRS 18 to have a material impact on recognition or measurement, although presentation and disclosure changes are expected. 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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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 Finance Manager, 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 2026, 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:

Group	IMPACT ON 2026 REPORTED		IMPACT ON 2025 REPORTED	
	Post-Tax Profits \$000 Increase/ (decrease)	Equity \$000 Increase/ (decrease)	Post-Tax Profits \$000 Increase/ (decrease)	Equity \$000 Increase/ (decrease)
NZD/USD +5%	3,548	3,548	2,464	2,464
NZD/USD -5%	(4,133)	(4,133)	(2,806)	(2,806)
NZD/GBP +5%	2,856	2,856	2,045	2,045
NZD/GBP -5%	(3,193)	(3,193)	(2,614)	(2,614)
NZD/AUD +5%	1,246	22	472	(610)
NZD/AUD -5%	(1,365)	(14)	(513)	684
NZD/CAD +5%	955	955	226	226
NZD/CAD -5%	(1,076)	(1,076)	(250)	(250)
NZD/EUR +5%	161	161	107	107
NZD/EUR -5%	(178)	(178)	(118)	(118)
NZD/CNY +5%	214	214	–	–
NZD/CNY -5%	(236)	(236)	–	–

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



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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

External borrowings of A\$29,350,000 (2025: 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 2026.

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 2026 REPORTED		IMPACT ON 2025 REPORTED	
	Post-Tax Profits \$000	Equity \$000	Post-Tax Profits \$000	Equity \$000
<i>Group</i>				
2.00% Increase – 200 basis points (2025: 2.00% Increase – 200 basis points)	980	980	2,233	2,233
0.25% Decrease – 25 basis points (2025: 0.25% Decrease – 25 basis points)	(123)	(123)	(279)	(279)

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% (2025: 0.93% to 2.25%). 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 35 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 35 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)

<i>Facility Type</i> 30 June 2026	Facility Limit	Drawn at Balance Sheet Date	< 1 year	1 to 2 years	> 2 years
	\$000	\$000	\$000	\$000	\$000
Working Capital facility	48,000	–	–	–	–
Multicurrency facility A	100,000	100,000	3,685	102,171	–
Multicurrency facility B	100,000	30,000	1,124	1,124	30,662
Term facility	90,000	90,000	3,983	92,346	–
Headroom facility	20,000	–	–	–	–
AUD facility A	35,662	35,662	1,843	1,843	36,748
AUD facility B	33,414	31,592	1,642	32,559	–
Lease liability	N/A	98,975	13,726	12,919	123,886
Low value asset leases	N/A	N/A	4,923	3,767	3,310
Derivative financial instruments	N/A	N/A	263,807	(570)	(158)
Trade payables and accruals	N/A	27,105	27,105	–	–
Financial guarantee contracts	N/A	N/A	130	–	–
As at 30 June 2026	427,076	413,334	321,968	246,159	194,448

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.

<i>Facility Type</i> 30 June 2025	Facility Limit	Drawn at Balance Sheet Date	< 1 year	1 to 2 years	> 2 years
	\$000	\$000	\$000	\$000	\$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

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 \$175,844,000 (2025: \$157,978,000) 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:

	2026 \$000	2025 \$000
Financial Assets		
Financial assets at amortised cost	59,110	65,135
Financial assets at fair value through profit and loss	44	4,225
	59,154	69,360
Financial Liabilities		
Financial liabilities at amortised cost	412,936	472,276
Financial liabilities at fair value through profit or loss	9,533	6,539
	422,469	478,815

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 2026	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
Financial Assets				
Foreign currency forward exchange option contracts	–	8	–	8
Foreign currency forward exchange contracts	–	36	–	36
	–	44	–	44
Financial Liabilities				
Foreign currency forward exchange option contracts	–	1,072	–	1,072
Foreign currency forward exchange contracts	–	7,024	–	7,024
Interest rate swap contracts	–	1,437	–	1,437
	–	9,533	–	9,533

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 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

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 prepares a Climate-related Disclosure Statement which is released at the same time as the Annual Report.

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



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



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 to have passed to the buyer at the point specified under the terms of sale agreed with the customer, which may occur upon shipment or delivery of the goods. 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)



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 2026 the Group has recognised accruals of \$34.7 million (2025: \$28.5 million). The majority of these amounts will be settled within the six months following balance date.

Year ended 30 June 2026	Delegat Limited	Delegat Australia Pty Ltd	Delegat Europe Limited	Delegat USA, Inc.	Other Segments ¹⁰	Eliminations and Adjustments ¹¹	Year Ended 30 June 2026
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating income							
External sales ^{2,8}	78,640	59,383	115,176	174,738	21,410	(85,331)	364,016
Internal sales	315,206	–	–	–	14,307	(329,513)	–
Dividend revenue	19	–	–	–	839	(828)	30
Interest revenue	11	9	3	39	9	–	71
Total segment revenues¹	393,876	59,392	115,179	174,777	36,565	(415,672)	364,117
Operating expenses							
Interest expense ³	15,774	47	2	143	1,810	–	17,776
Depreciation and amortisation ⁴	27,533	413	174	522	1,779	–	30,421
Impairment of property, plant and equipment	–	–	–	–	8,727	–	8,727
Income tax expense ⁵	18,038	377	983	801	(2,327)	(2,014)	15,858
Segment profit / (loss)	44,207	861	2,942	1,734	(4,268)	(6,003)	39,473
Assets							
Segment assets ⁶	1,044,311	12,797	55,410	40,796	114,673	(162,350)	1,105,637
Capital expenditure ⁷	20,418	51	6	–	410	–	20,885
Segment liabilities	515,418	6,204	30,151	8,127	39,571	(104,574)	494,897

Refer to footnotes on page 40

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. REVENUE AND SEGMENTAL REPORTING (CONTINUED)

Year ended 30 June 2025	Delegat Limited	Delegat Australia Pty Ltd	Delegat Europe Limited	Delegat USA, Inc.	Other Segments ¹⁰	Eliminations and Adjustments ¹¹	Year Ended 30 June 2025
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating income							
External sales ^{2,9}	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 revenues¹	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

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 2025 the Group recognised accruals of \$28,501,000 (30 June 2024: \$28,800,000). During the year \$525,000 of these accruals have been released (2025: \$601,000).

³ Interest expense is net of any interest capitalised to long-term assets and inventory. During the year \$1,362,000 (2025: \$5,546,000) was capitalised to long-term assets and \$5,099,000 (2025: \$5,200,000) was capitalised to inventory.

⁴ Depreciation and amortisation expense presented above is gross of \$25,814,000 (2025: \$23,334,000), which has been included within inventory and \$1,058,000 (2025: \$647,000) 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 2026 financial year Delegat USA, Inc had a single customer which comprised 10% or more of group sales amounting to \$87,750,000.

⁹ 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.

¹⁰ Other segments' assets include non-current assets of Barossa Valley Estate Pty Limited of \$39,155,000 (2025: \$43,866,000) 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

Included in profit before finance costs and impairment are the following expenses categorised by function:

	Notes	2026 \$000	2025 \$000
Cost of sales		201,990	187,557
Selling, marketing and promotion expenses		54,555	51,605
Corporate governance expenses		1,678	1,596
Administration expenses		16,886	16,122
Fair value loss on derivative financial instruments		7,174	6,558
		282,283	263,438
Specific components of the above expenses include:			
Directors' fees – Delegat Group Limited		730	721
Directors' fees – Overseas subsidiaries		61	54
Depreciation ¹	14, 16	30,410	27,534
Amortisation	15	11	14
Wages and salaries ²		59,592	55,758
Defined contribution pension plans ²		2,465	2,242
Termination benefits paid		427	258
Auditor Remuneration^{3,4}			
<i>Audit and review of the financial statements</i>			
Audit and review of the financial statements		472	458
<i>Other assurance services and other agreed-upon procedures engagement/s:</i>			
Limited assurance over selected Greenhouse Gas (GHG) information included in the Climate-related Disclosures (Assurance engagement)		–	28
Total remuneration paid to auditor		472	486

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 \$25,814,000 (2025: \$23,334,000) is included within the cost of inventories and expensed as a cost of sales when product is sold, and \$1,058,000 (2025: \$647,000) 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 \$13,851,000 (2025: \$13,593,000) 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 \$7,000 (2025: \$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



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:

	2026	2025
a) Earnings Used in Calculating Earnings per Share		
Profit for the year – basic and fully diluted (\$000)	39,473	49,038
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	39.03	48.49

NOTES TO THE FINANCIAL STATEMENTS CONTINUED**6. SHARE CAPITAL**

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.

	2026 \$000	2025 \$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, adjusted for the effect of the net investment hedge described in note 2. During the year equity increased by \$8,323,000 upon the translation of foreign subsidiaries (2025: \$980,000).

7. DIVIDENDS PAID AND PROPOSED**a) Recognised Amounts**

Dividends that were declared and paid on ordinary shares during the year amounted to \$20,234,000 (2025: \$20,235,000) equating to 20.0 cents per share (2025: 20.0 cents per share).

b) Unrecognised Amounts

After the balance sheet date, dividends of 22.0 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



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.

	2026 \$000	2025 \$000
Trade payables	14,923	19,769
Employee entitlements and leave benefits	8,249	5,781
Goods and services tax	1,030	782
Accrued expenses	12,182	11,380
	36,384	37,712

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



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	
	2026	2025	2026 \$000	2025 \$000
<i>Selling Currency/Buying NZD</i>				
Sell AUD, maturity 0-11 months	0.8738	0.9077	26,580	8,538
Sell USD, maturity 0-12 months	0.5857	0.5846	89,639	62,025
Sell GBP, maturity 0-11 months	0.4424	0.4632	77,670	61,997
Sell CAD, maturity 0-12 months	0.8010	0.8121	29,963	20,435
Sell SGD, maturity 0-6 months	0.7467	0.7778	690	939
Sell HKD, maturity 0-4 months	4.4883	4.5473	1,883	1,535
Sell EUR, maturity 0-12 months	0.4997	0.5398	7,504	6,549
Sell CNY, maturity 0-11 months	3.9175	–	6,075	–
<i>Buying Currency/Selling NZD</i>				
Buy EUR, maturity 0 months	0.4953	–	121	–
Buy AUD	–	0.9274	–	253
Buy GBP	–	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	
	2026	2025	2026 \$000	2025 \$000
<i>Selling Currency/Buying NZD</i>				
Sell USD, maturity 1-12 months	0.5840	0.5864	23,972	26,860
Sell GBP, maturity 1-5 months	0.4494	0.4666	2,225	16,073
Sell AUD, maturity 1-2 months	0.8831	0.8982	1,132	2,783
Sell CAD, maturity 7 months	0.7975	–	627	–



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:

	2026		2025	
	Assets \$000	Liabilities \$000	Assets \$000	Liabilities \$000
<i>Current</i>				
Forward Exchange Contracts	36	7,024	3,106	2,723
Foreign Currency Options	8	1,072	968	845
	44	8,096	4,074	3,568
<i>Non-current</i>				
Foreign Currency Options	–	–	151	–
	–	–	151	–

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 \$140,000,000 (2025: \$130,000,000) of current New Zealand dollar denominated Group debt through eight separate cap rate agreements, which range in maturity from one month to two and a half years, with a weighted average interest rate cap of 4.23% plus bank margin (2025: 3.73% plus bank margin). In addition, interest rate contracts are in place that cover a total A\$29,500,000 (2025: A\$26,000,000) of current Australian Dollar denominated Group debt through six separate cap rate agreements, which range in maturity from three months to two and a half years, with a weighted average interest rate cap of 3.50% plus bank margin (2025: 3.19% plus bank margin).

At balance sheet date the Group has one further separate cap rate agreement that covers NZ\$10,000,000 which applies at a future date to cover future Group indebtedness (2025: \$45,000,000). The maturity is two years, with an interest rate cap of 3.65% plus bank margin (2025: 3.74% plus bank margin). The Group has four additional Australian Dollar denominated cap rate agreements in place that covers a total A\$21,000,000 (2025: A\$26,000,000), which range in maturity from two to four years, with a weighted average interest rate cap of 4.25% plus bank margin (2025: 3.75% plus bank margin).

The total fair value of these contracts at balance sheet date is a liability of \$1,437,000 (2025: liability of \$2,971,000).



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:

	2026		2025	
	Assets \$000	Liabilities \$000	Assets \$000	Liabilities \$000
<i>Current</i>				
Interest Rate Swaps	–	709	–	977
	–	709	–	977
<i>Non-current</i>				
Interest Rate Swaps	–	728	–	1,994
	–	728	–	1,994

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

10. INTEREST-BEARING LOANS AND BORROWINGS

a) Debt Facilities Existing at Balance Sheet Date



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		2026	2025
		2026	2025	\$000	\$000
Non-Current Debt Obligations					
Multicurrency facility A	31 January 2028	5.83%	4.67%	99,892	99,850
Multicurrency facility B	31 January 2029	6.31%	4.73%	29,892	79,790
AUD facility A	31 January 2029	5.69%	4.70%	35,629	31,583
AUD facility B	31 January 2028	5.69%	5.20%	31,561	27,978
Term facility	31 January 2028	4.74%	5.19%	89,933	89,865
Headroom facility	31 January 2028	N/A	N/A	(15)	(30)
Working Capital facility	31 January 2028	N/A	4.63%	(36)	8,143
				286,856	337,179

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 (2025: NZ\$48,000,000), the Multicurrency facility A is NZ\$100,000,000 (2025: NZ\$100,000,000), the Multicurrency facility B is NZ\$100,000,000 (2025: NZ\$100,000,000), the AUD facility A is A\$29,350,000 (2025: A\$29,350,000), the AUD facility B is A\$27,500,000 (2025: A\$27,500,000), Term facility is NZ\$90,000,000 (2025: NZ\$90,000,000) and Headroom facility is NZ\$20,000,000 (2025: NZ\$20,000,000). At balance sheet date NZ\$139,823,000 (2025: NZ\$81,399,000) 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 (2025: A\$55,350,000).

Interest on these facilities is based on the BKBM/BBSY plus margin. The syndicated Senior Debt facilities 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 quarterly 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 (2025: \$1,000,000). Interest charged on this facility is at the commercial lending rate (2025: commercial lending rate). At 30 June 2026 the commercial lending rate is 6.50% (2025: commercial lending rate 7.45%). No amount is drawn against this facility at balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

11. TRADE AND OTHER RECEIVABLES



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.

	2026 \$000	2025 \$000
Trade receivables	49,048	56,510
Prepayments and sundry receivables	8,303	4,618
Goods and services tax	1,809	1,678
	59,160	62,806

As at 30 June 2026 the ageing of trade receivables is as follows:

Ageing of receivables As at 30 June 2026	New Zealand (including Asia Pacific) \$000	Australia \$000	United Kingdom \$000	United States of America \$000	Canada \$000	Group \$000
Current	2,317	9,701	23,934	6,666	3,652	46,270
1 to 30 days	83	–	1,100	1,395	18	2,596
31 to 60 days	2	–	134	39	1	176
61 to 90 days	–	–	–	6	–	6
Total trade receivables	2,402	9,701	25,168	8,106	3,671	49,048

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 (2025: \$nil). Accordingly the historic loss rates applied to each customer group at 30 June 2026 are 0% (2025: 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



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.



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)**

	2026 \$000	2025 \$000
Current vintage	81,988	106,878
Aged wine	87,053	72,885
Winery ingredients, packaging materials and other	5,190	8,008
	174,231	187,771

During the year the Group harvested a total of 38,255 tonnes of grapes (2025: 47,461 tonnes) in New Zealand and Australia. The 2026 harvest reflects a managed reduction of 19% compared to the 2025 harvest. Of this amount a total of 7,785 tonnes (2025: 12,280 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 \$48,890,000 (2025: \$67,680,000). A fair value loss of \$8,952,000 (2025: \$9,355,000 gain) was recorded during the year and included within cost of sales. Included within cost of sales is a total of \$193,038,000 (2025: \$196,912,000) which represents costs expended in grape growing (inclusive of lease costs), procurement, delivery and materials.

13. BIOLOGICAL WORK IN PROGRESS

	2026 \$000	2025 \$000
Growing costs relating to next harvest	16,543	16,604
	16,543	16,604



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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)



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.

For impairment testing purposes, the Group has identified the New Zealand operations and Barossa Valley Estate operations as the relevant cash generating units (CGUs). 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 FY27-FY33 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 11.3% (2025: 11.0%) 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 (2025: 2%) from FY33.

The discounted cash flows of the BVE CGU have determined a recoverable amount of \$47.9 million (2025: \$60.4 million). This is lower than the carrying value of the BVE CGU's assets by \$8.7 million (2025: higher by \$6.8 million) resulting in an impairment being required to be recognised in the current year. The impairment reflects a more conservative assessment of future cash flows in light of current market conditions affecting premium Australian red wine, including elevated global inventory levels and increasing competition across key export markets.

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 \$3.2 million, \$4.4 million, and \$3.3 million respectively (2025: \$3.6 million, \$5.5 million, \$4.1 million respectively). 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 2026	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 2025	206,852	177,660	55,704	117,678	171,787	36,730	766,411
Additions/Transfers	–	18,608	1,362	13,831	12,005	(24,921)	20,885
Disposals	–	–	–	–	(104)	–	(104)
Foreign currency translation	918	1,794	331	1,151	549	115	4,858
Depreciation charge	–	(5,864)	(1,629)	(3,872)	(12,211)	–	(23,576)
Impairment charge	(1,705)	(3,365)	(625)	(2,098)	(934)	–	(8,727)
Net book value at 30 June 2026	206,065	188,833	55,143	126,690	171,092	11,924	759,747
At cost	207,777	260,505	78,590	168,684	315,724	11,924	1,043,204
Accumulated depreciation and impairment	(1,712)	(71,672)	(23,447)	(41,994)	(144,632)	–	(283,457)
Net book value at 30 June 2026	206,065	188,833	55,143	126,690	171,092	11,924	759,747

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

b) Other Items

The weighted average interest rate on interest capitalised during the year was 5.80% (2025: 6.38%).

Bearer Plants consist of grape vines on our vineyards located in New Zealand and the Barossa Valley, Australia. At 30 June 2026 the Group has grape vines planted on 2,697 productive hectares of land (2025: 2,104 productive hectares) in New Zealand and 179 productive hectares (2025: 175 productive hectares) in Australia.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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 16. The net book value of these assets are reported, as the risk and rewards incidental to ownership are retained by the Group.

15. INTANGIBLE ASSETS



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.



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 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 \$6,455,000 (2025: \$5,717,000).

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 (2025: \$600,000).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

15. INTANGIBLE ASSETS (CONTINUED)

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:

<i>Year ended 30 June 2026</i>	Water Rights \$000	Software \$000	Total \$000
Carrying value at 1 July 2025	6,316	20	6,336
Foreign currency translation	739	–	739
Amortisation	–	(11)	(11)
Carrying value at 30 June 2026	7,055	9	7,064
At cost	7,055	5,030	12,085
Accumulated amortisation	–	(5,021)	(5,021)
Carrying value at 30 June 2026	7,055	9	7,064
<i>Year ended 30 June 2025</i>	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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

16. LEASES



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.



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

16. 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

<i>Year ended 30 June 2026</i>	Freehold Land and Land Improvements	Vineyard Improvements	Bearer Plants	Buildings	Plant and Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Net book value at 1 July 2025	32,564	7,458	2,502	25,420	13,929	81,873
Additions	816	458	153	2,182	972	4,581
Disposals	–	–	–	(263)	(871)	(1,134)
Foreign currency translation	–	–	–	249	51	300
Depreciation charge	(1,996)	(593)	(199)	(2,994)	(1,052)	(6,834)
Net book value at 30 June 2026	31,384	7,323	2,456	24,594	13,029	78,786
At cost	56,347	18,737	5,998	43,795	16,698	141,575
Accumulated depreciation	(24,963)	(11,414)	(3,542)	(19,201)	(3,669)	(62,789)
Net book value at 30 June 2026	31,384	7,323	2,456	24,594	13,029	78,786
<i>Year ended 30 June 2025</i>	Freehold Land and Land Improvements	Vineyard Improvements	Bearer Plants	Buildings	Plant and Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED**16. LEASES (CONTINUED)****LEASE LIABILITY****b) Reconciliation of Lease Liability at the Beginning and End of the Year**

	2026 \$000	2025 \$000
Balance at beginning of the year	103,948	94,613
Per Statement of Cash Flows:		
– Interest Expense	5,739	5,833
– Repayments	(15,298)	(16,268)
Additions/Transfers	4,581	20,015
Disposals	(339)	(271)
Foreign currency translation	344	26
Balance at end of the year	98,975	103,948
Current	8,315	9,844
Non-current	90,660	94,104
	98,975	103,948

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

c) Other Items

The Group had total cash outflows for leases of \$21,339,000 (2025: \$21,967,000), this includes an amount of \$6,041,000 (2025: \$5,699,000) in relation to leases of low-value assets. Low value asset lease expenses are expensed on a straight line basis over the lease terms.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

17. INCOME TAX EXPENSE



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

17. INCOME TAX EXPENSE (CONTINUED)

	2026 \$000	2025 \$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	55,331	68,364
At the Group's statutory income tax rate of 28% (2025: 28%)	15,493	19,142
Tax impact of the following items:		
Adjustments in respect of income tax of prior years	103	(107)
Entertainment	157	42
Legal fees	73	7
Non-assessable income	(103)	27
Non-deductible items	514	425
Tax on foreign income due to different tax rates	(379)	(210)
Income tax expense for the year	15,858	19,326
b) The major components of income tax expense are:		
Income tax reported in the statement of financial performance		
Estimated current period tax assessment	21,369	15,317
Adjustments in respect of income tax of prior years	103	(107)
Movements in the deferred income tax liability	(5,614)	4,116
Income tax expense for the year	15,858	19,326
Income tax reported in the statement of other comprehensive income		
Net (loss)/gain on hedge of net investment	(1,142)	129
Income tax (credited)/charged to other comprehensive income	(1,142)	129

NOTES TO THE FINANCIAL STATEMENTS CONTINUED**17. INCOME TAX EXPENSE (CONTINUED)**

	2026 \$000	2025 \$000
c) Deferred income tax at balance sheet date relates to the following:		
Capitalised interest	9,087	8,947
Capitalised leases	425	496
Accelerated depreciation of long-term assets	52,000	47,453
Impairment of long-term assets	(2,729)	–
Leases	(5,620)	(6,135)
Fair value adjustments on biological produce	2,175	5,871
Excess of fair value on acquisition of bearer plants over tax values	8,673	8,673
Provisions	(1,041)	(1,052)
Stock profit eliminations	(6,343)	(4,331)
Derivative financial instruments	(2,657)	(648)
Net deferred tax liability	53,970	59,274
Balance at beginning of the year	59,274	55,092
On surplus for year	(5,614)	4,116
Adjustments in respect of income tax of prior years	138	75
Foreign currency translation	172	(9)
Balance at end of the year	53,970	59,274

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

18. IMPUTATION CREDIT ACCOUNT

	2026 \$000	2025 \$000
Balance at beginning of the year	127,280	122,314
Tax payments	17,320	12,453
Fully imputed dividend paid	(7,490)	(7,487)
Balance at end of the year	137,110	127,280

19. COMMITMENTS

The estimated capital expenditure contracted for at 30 June 2026 but not provided for is \$10,446,000 (2025: \$4,857,000).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

20. RELATED PARTIES

a) Investment in Subsidiaries

Investments in controlled entities are as follows:

Name of Entity	Principal Activity	Country of Incorporation	Ownership Interest % 2026	2025
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., Ltd	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., Ltd whose immediate parent company is Delegat (Singapore) Pte. Limited.

All subsidiaries have a 30 June balance date, except for Delegat (Shanghai) Trading Co., Ltd 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 21.

c) Related Parties by Virtue of Share Ownership

	2026	2025
The following Directors hold the following number of Shares in the Parent		
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	11,600
McKay Family Trust Partnership	3,100	3,100

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 (2025: \$103,000) was paid to Rosamari Delegat in her capacity as a Non-Executive Director.

During the year, a total of \$180,000 (2025: \$180,000) was paid to Jim Delegat in his capacity as Chair.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

20. 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 \$29,000 (2025: \$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 \$49,000 (2025: \$36,000) to Range Road Estate Pty Limited, including directors fees of \$23,000 (2025: \$22,000). 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 \$7,000 (2025: \$8,000) 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.

21. 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:

	2026 \$000	2025 \$000
Short-term employee benefits (including Directors' fees)	9,076	9,284
Post-employment benefits (including defined contribution pension plan)	380	346
Termination benefits paid	312	–
	9,768	9,630

22. CONTINGENT ASSET

On 23 February 2026, the tariffs imposed by the US Administration under the International Emergency Economic Powers Act (IEEPA) on imports of the Group's wine into the United States during the period April 2025 to February 2026 were declared unlawful by the United States Supreme Court. US Customs and Border Protection subsequently established a process for importers to claim refunds of tariffs paid during this period. Refund amounts potentially receivable by the Group via its US distributors where they were the importer of record are estimated to be US\$9.1 million (NZ\$16.1 million). Collection of these amounts is dependent on the relevant US distributors first receiving the refunds from US Customs and Border Protection and then agreeing and remitting the amounts payable to the Group. There is uncertainty regarding the timing and amount of refunds that the Group will ultimately receive. Accordingly, no asset has been recognised in respect of these amounts at 30 June 2026.

23. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

On 28 August 2026, the Directors of the Parent declared a fully imputed dividend of \$22,249,000 (22.0 cents per share) to be paid on 9 October 2026.

INDEPENDENT AUDITOR'S REPORT



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 2026, 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 20 to 65, present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2026, 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)* ('PES 1') 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)* ('IESBA Code') as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with PES 1 and the IESBA Code.

Other than in our capacity as auditor, we have no relationship with or interests in the Company or any of its subsidiaries, except that partners and employees of our firm deal with the Company and its subsidiaries on normal terms within the ordinary course of trading activities of the business of the Company and its subsidiaries.

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.

We determined materiality for the Group financial statements as a whole to be \$4.75million.

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



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 based on rates agreed 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 2026 was \$34.7m (2025: \$28.5m). The value of rebates and promotional allowances accruals as at 30 June 2026 is a key audit matter due to the high levels of judgement involved in determining whether customers will achieve future targets entitling them to rebates and promotional allowance on goods sold to date.	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 2026 rebates and promotional allowances accruals, evaluated the key assumptions used in the calculation, checked the calculation for mathematical accuracy and agreed inputs to supporting evidence on a sample basis.
Impairment of Property, Plant & Equipment and Intangible Assets As disclosed in notes 14 and 15, the Group holds property, plant and equipment and indefinite-life intangible assets within the Barossa Valley Estate cash-generating unit. In the current year the Group identified impairment indicators for the Barossa Valley Estate cash-generating unit as a result of current market conditions affecting premium Australian red wine, including elevated global inventory levels and increased competition across key export markets. This resulted in the recognition of an impairment charge of NZ\$8.7 million. The recoverable amount was determined using a value-in-use ("VIU") model, which requires estimates of forecast growth, future operating performance, the discount rate and terminal growth rate. Changes in these assumptions could materially affect the impairment charge recognised and the carrying value of the related assets. The impairment assessment of the Barossa Valley Estate cash-generating unit is a key audit matter due to the significant judgement involved in determining the recoverable amount and the sensitivity of the valuation to changes in key assumptions.	In responding to this key audit matter, we: - obtained an understanding of the Group's value-in-use model, including the process for preparing cash flow forecasts and developing key assumptions. - tested the mathematical accuracy and integrity of the Group's value-in-use model supporting the impairment charge recognised in the current year; - assessed the valuation methodology and the reasonableness of the discount rate and terminal growth rate applied in the model with the assistance of our valuation specialists; - challenged the key assumptions used in the forecast cash flows, including revenue growth, operating performance and the achievability of forecast improvements, and assessed the accuracy of prior forecasts and the impact on the reliability of forecast cash flows; - assessed the allocation of the impairment charge across the non-financial assets; and - evaluated the adequacy of the related financial statement disclosures, including disclosures of key assumptions and sensitivity information.

Other information

The directors are responsible on behalf of the Group for the other information. The other information comprises the information in the Annual Report that accompanies the consolidated financial statements and 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.

INDEPENDENT AUDITOR'S REPORT CONTINUED



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.

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

Jason Stachurski
Partner
for Deloitte Limited
Auckland, New Zealand
28 August 2026