

PGW Raises Guidance

NZX Announcement

Operating EBITDA* forecast to be up circa 50% (on a NZ IFRS 16 exclusive basis)

PGG Wrightson Limited** (PGW) Chairman, Rodger Finlay, noted that “the Board had determined to update guidance in relation to FY2021 earnings and dividend expectations.”

“Based on our current assessment, the Board considers that PGW is well placed to deliver an Operating EBITDA result of around \$57 million (or around \$35 million excluding the impact of the new lease accounting standard). Achievement of a result at this level would represent a very healthy circa 27% improvement on the prior year on a NZ IFRS 16 inclusive basis (or a circa 50% improvement excluding NZ IFRS 16).”

Chief Executive, Stephen Guerin said, “We have had a pleasing first five months of the financial year with the business trading well and exceeding expectations. We have seen strong demand in our Rural Supplies and Fruited Supplies retail businesses over the crucial spring period. Livestock trading volumes have been healthy with good saleyard throughput. There has also been renewed activity in the rural and lifestyle real estate sectors with robust buyer interest.”

“While there is a further seven months to run in the financial year, and a degree of unpredictability in global markets remains with the ongoing pandemic and other geopolitical factors at play, we are very pleased with how PGW is tracking year to date and optimistic about our prospects.”

Mr Finlay also noted that PGW anticipated providing a further update when announcing its half-year results in February 2021 and said, “While a decision on the interim dividend would not be made until the release of PGW’s half-year results, it is the expectation of the Board that an interim dividend of not less than 10 cents per share will be declared based on our strong trading performance.”

Ends

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**Operating EBITDA: Earnings before net interest and finance costs, income tax, depreciation, amortisation, the results from discontinued operations, fair value adjustments and non-operating items. PGW has used non-GAAP profit measures when discussing financial performance in this document. Please refer to our full accounts for details of how Operating EBITDA relates to GAAP. For a comprehensive discussion on the use of non-GAAP profit measures, please refer to the policy “Non-GAAP Accounting Information” available on our website www.pggwrightson.co.nz*

***All references to PGG Wrightson Limited or the Group refer to the Company, its subsidiaries and interests in associates and jointly controlled entities.*