

PGW Guidance Update

NZX Announcement

Operating EBITDA forecast for FY22 to be around \$53 million

PGG Wrightson Limited* (PGW) Chairman, Rodger Finlay, announced today that “Although we are only three months into the financial year, we have seen our strong trading performance continue into the first quarter. Spring is the busiest season for our retail network and we have seen positive signs as the business ramps up towards the seasonal peak trading months. Whilst the biggest trading months are still ahead of us it is nevertheless pleasing to see positive early signs manifested through the confidence we are seeing from our farmer and grower customers as they gear up for their production needs.”

“While our Livestock business has been impacted by COVID-19 related operating restrictions in recent months, confidence in the red meat sector continues with strong beef and sheep schedule pricing that is expected to remain positive for the balance of the season. The peak trading period for the Livestock business is in the second half of the financial year.”

“Pricing for crossbred wool remains subdued while our Real Estate business continues to perform well but with fewer Lifestyle and Residential listings.”

“The ongoing uncertainties presented by COVID-19 and related operating restrictions, supply chain disruption and consequential market impacts continue to be a reason to be cautious about earnings projections. However, aside from these external influences, we are optimistic and expect Operating EBITDA** to be broadly in line with last year’s impressive performance at around \$53 million.”

“The Board is confident that the company is well positioned to continue to perform well and deliver on our PGW Group Strategy to grow the business.”

“We would expect to be in a position to update our guidance after the spring trading months are behind us when we release our half-year results in February 2022.” Mr Finlay said.

Ends

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

***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*