

26 March 2020

## PGG Wrightson Guidance Update & Dividend Confirmation

Following a pleasing first half result, the PGG Wrightson Limited (“PGW”)\* Board announced in February that it was forecasting Operating EBITDA\*\* guidance of around \$30 million for the financial year to 30 June 2020 (excluding changes due to the lease accounting standard), while noting the potential for volatility to earnings due to impacts of the COVID-19 virus on agricultural trade flows.

In view of the unprecedented events in recent weeks that have seen the COVID-19 virus designated as a global pandemic, the Board has determined that it is prudent to withdraw PGW’s current guidance and place this under review until such time that the impact on earnings can be more accurately assessed.

PGW Chairman, Rodger Finlay said “That with New Zealand going into Alert Level 4 ‘lockdown’, and with many of our international trading partners in the grips of responding to this pandemic, it is too soon to assess with certainty all the flow on effects to our trading performance. While we consider this is the prudent action to take to inform the market, the Board nevertheless considers that PGW is well placed to come through this challenging period positively. In terms of the high level fundamentals, PGW has a strong balance sheet and has recorded a solid first half result and we also consider that the company has an important role to play in continuing to serve our farming and grower customers through the lockdown as a provider of essential services to the agricultural sector. Based on this background and our confidence in the future, PGW will be paying the 9 cent per share interim dividend scheduled for 3 April 2020.”

“With the country and much of the world focussed on the task of dealing with the COVID-19 pandemic, I am enormously proud of our team at PGW and the role that they are playing in supporting the agricultural sector. I am heartened by the spirit and determination that our front line staff are demonstrating in looking for ways to assist our customers at this challenging time. Whether it is changing our ways of working so we can continue to safely serve customers at our Rural Supplies and Fruitfed stores or providing alternative solutions such as the use of the online bidr® trading platform for the trading of livestock, I have nothing but gratitude for the resourceful approach our people are taking. I don’t doubt that agriculture and horticulture will play a key role in how New Zealand comes through this challenging period and it will also be a critical part of the economic recovery on the other side and PGW will have an important role throughout that story.”

“We will continue to closely monitor the impacts that these developments will have on our trading performance and we will update the market when we are better placed to assess guidance for the full-year. In the meantime, I wish to record the thanks of the PGW Board to our staff and our valued customers for their continuing efforts as we confront these challenges together.”

### **For all media enquiries please contact**

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\* All references to PGG Wrightson Limited 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. 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](http://www.pggwrightson.co.nz)).