

Full Year Results To 30 June 2015 Investor presentation

1st September 2015



Kiwi Pacific Foods



GROUP RESULT

For the twelve months to 30 June 2015

	2015 \$000s	2014 \$000s	PY	
Revenue	45,690	10,858	320.79%	↑
EBITDA	8,070	6,294	28.22%	↑
NPAT	3,336	4,353	(23.37)%	↓
Underlying NPAT ₂	4,298	4,489	(4.25)%	↓
DPS	3.76	8.16	(53.92)%	↓
EPS	8.17	11.72	(30.29)%	↓

2015 results include

- Full twelve months of MBL, VIL and KPF
- Ten months trading for Nosh
- Seven months trading for BBC

2014 results include twelve months for MBL and VIL, seven months of KPF

Underlying NPAT₂

Total comprehensive income from continued operations, after tax and excluding non recurring items

RESULT BY SEGMENT

Segment information	12 months to 30 June 2015		12 months to 30 June 2014		Growth/Decline on PY	
	REVENUE	EBITDA	REVENUE	EBITDA	REVENUE	EBITDA
Mad Butcher	12,123,549	6,358,682	10,850,902	6,325,337	12%	0.53%
Nosh Food Market	18,429,270	(1,193,186)	-	-	-	-
Better Bar Company	15,124,547	2,954,174	-	-	-	-
Kiwi Pacific Foods	-	725,888	-	414,711	-	75.03%
Other	12,500	(775,082)	7,291	(445,672)	-	(73.91)%
Group	45,689,866	8,070,476	10,858,193	6,294,376	321%	28%

2015 results include

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- Ten months trading for Nosh
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2014 results include twelve months for MBL and VIL, seven months of KPF

NOSH GROUP LIMITED

- Purchased in September 2014 for \$1.3 million net
 - Final fair values yielded gain on acquisition of \$445k
- Rod de Vries appointed as General Manager, started mid January 2015
 - Newly formed leadership team in place with key appointments in operations, marketing and finance
- Rationalisation of Warehouse and Supply Chain completed in Q4 2015
 - All NZ suppliers now direct to store
 - New trading terms with key suppliers have been negotiated
- Invigorated Branding and VIP Customer offering well underway
 - VIP Customer database increasing and loyalty program in place
 - Rebranding of stores underway, others to be completed in 2016
 - 8th Nosh Store opened on 31st August as scheduled
- Sales improving on track to reach EBITDA profitability in Q4 2015 calendar year



For ten months:
Revenue: \$18.4 m
EBITDA: \$(1.2)m

BETTER BAR COMPANY

For seven months:
Revenue: \$15.1 m
EBITDA: \$2.95m

- Final purchase price adjustments completed:
 - \$822k cash adjustment
 - Share buy back agreed of 1,000,000 shares for \$1₂
 - Fair value of assets acquired finalised
- Continued challenging times in the bar industry
 - Development of new menus and focusing on “Restaurant food at pub prices” is growing revenue
 - TAB location opened in Lynfield site, results are promising
 - Hamilton sites are underperforming and actions are being taken to address this
 - Industry making headway with new mid-strength offerings
- Looking at supply chain opportunities across the Veritas Group



DANNY DOOLANS
Dónal ó Dubhlainn
SINCE 1906 CAPPADORE CO. LIMERICK

Share buy back₂

Share buy back is subject to normal shareholder approval at the next Annual General Meeting

MAD BUTCHER

- Provision of meat supply now complete to all Nosh Stores
- Reviewing other key Group suppliers for opportunities in MBL stores
- Nelson store opened in November 2014
- A new site has been identified and secured to replace Massey store
- Active sales programme underway for held for sale stores
 - Onehunga
 - Henderson
 - Kapiti
 - Glenfield
- Carcass revenue now shown net as rebate revenue



For the 12 months
Revenue: \$12.1 m **+12%**
EBITDA: \$6.4 m **+0.5%**
*incl Invercargill store



- Red meat protein pricing pressures increase
- Very competitive market, continuing to look for other customers to increase plant capacity, including offshore opportunities
- KPF plant continually achieve very high standards of quality across the industry



CAPITAL MANAGEMENT

VIL GROUP BALANCE SHEET	As at 30 June 2015	As at 30 June 2014
Cash	3,452,822	3,995,014
Other current assets	7,901,760	2,641,447
Total current assets	11,354,582	6,636,461
Total non-current assets	45,058,707	3,935,442
TOTAL ASSETS	56,413,289	10,571,903
Total current liabilities	12,192,700	1,819,704
Borrowings	31,045,893	2,800,000
TOTAL LIABILITIES	43,238,593	4,619,704
NET ASSETS	13,174,696	5,952,199

- VIL Group has grown substantially along with its balance sheet
- The Board will continue to actively manage capital and debt requirements
 - Efficiency of Lion debt being reviewed (\$3.2m at 30 June 2015)

SUMMARY

- Board have been active with two acquisitions in the financial year
- Focus for FY15 was on integrating new businesses
- FY16 will be driving performance and achieving growth and synergies across the Group to enhance profitability
- Commitment to quarterly business updates for FY16
 - Initial update plan for delivery late October 2015

Thanks for your time

Questions?

Veritas

Investments Limited

