

Information incorporated by
reference in
Product Disclosure Statement
dated 31 October 2019
for an offer of A Shares in

DMS Progrowers Limited

27 May 2021

6. DMS Progrowers' Financial Information

The table on the following pages provides key financial information about DMS Progrowers. This information includes the selected financial information required by clause 35 of Schedule 3 of the Financial Markets Conduct Regulations 2014 (as modified in accordance with clauses 39 and 40 of Schedule 3 of such Regulations). If you do not understand this financial information, you can seek advice from a financial adviser or accountant.

Full financial statements are available on the offer register at www.companiesoffice.govt.nz/disclose, offer number **OFR11778**.

DMS Pro growers Limited - Selected Financial Information										
	31-Jan		31-Jan		31-Jan		31-Jan		31-Jan	
	2015		2016		2017		2018		2019	
	NZ IFRS		NZ IFRS		NZ IFRS		NZ IFRS		NZ IFRS	
Financial Performance: (Note 1)										
Revenue	28,625,385		38,570,987		53,448,173		49,988,505		71,355,398	
Operating and Administration Costs	24,603,111		30,180,795		41,521,073		37,943,517		51,790,950	
Surplus before Grower Rebates, Management Bonus and Revaluations (Non - GAAP measure) (Note 2)	4,022,274		8,390,192		11,927,100		12,044,988		19,564,448	
Management Bonus (Note 3)	697,678		2,422,354		4,054,840		3,166,864		2,306,794	
Rebates (Note 4)	673,131		1,465,049		3,097,868		2,625,036		3,746,374	
Revaluations (Note 5)	(2,193,173)		-		2,882,031		-		(765,260)	
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	4,844,638		4,502,789		1,892,361		6,253,088		14,276,540	
Depreciation and Amortisation	932,181		1,337,789		1,673,072		2,271,898		3,377,362	
Earnings Before Interest and Tax (EBIT)	3,912,457		3,165,000		219,289		3,981,190		10,899,178	
Interest Expense	586,859		638,304		601,582		1,513,579		1,987,782	
Net Profit before Taxation	3,325,598		2,526,696		(382,293)		2,467,611		8,911,396	
Provision for Taxation	290,679		754,909		479,142		263,714		2,947,881	
Net Profit after Taxation	3,034,919		1,771,787		(861,435)		2,203,897		5,963,515	
Rebates Paid per Tray (pre Tax) (Non - GAAP measure. As declared by Board of Directors) (Note 4)	\$	0.20	\$	0.30	\$	0.30	\$	0.30	\$	0.30
Dividend per Share (Net)	\$	0.06	\$	0.06	\$	0.06	\$	0.06	\$	0.07
Dividend per Share (incl. Imputation Credits)	\$	0.08	\$	0.08	\$	0.08	\$	0.08	\$	0.10
Category of Shares	A & B Shares		A & B Shares		A & B Shares					
Dividends paid during the period (Net):										
A Shares	391,076		390,784		467,059		467,142		574,284	
B Shares (Note 6)	389,506		389,216		468,942		469,025		3,271,316	
Total	780,582		780,000		936,001		936,167		3,845,600	
Other Key Figures										
Equity Ratio to Total Assets (excl Cash)	51%		49%		38%		33%		39%	
Total Assets	32,523,859		39,663,146		49,163,096		60,036,468		74,143,312	
Cash and Cash Equivalents	5,975		3,391,497		1,614,151		1,017,481		3,033,754	
Bank Overdraft	906,205		-		-		-		-	
Total Liabilities	15,853,255		21,956,363		31,123,523		40,324,961		46,749,139	
Total Debt (Interest Bearing Liabilities)	8,074,484		9,638,705		16,692,160		20,645,616		19,599,073	
Net Cashflows from Operating Activities	1,255,306		6,808,089		6,229,881		9,173,440		12,684,441	
Shares on Issue	13,514,667		13,514,667		16,217,598		16,217,610		17,685,936	
Net Tangible Asset Backing per Share	\$	1.23	\$	1.31	\$	1.11	\$	1.22	\$	1.55
Notes on Non- GAAP measures										
Note 1: Financial Performance										
An adjustment has been made to the manner in which DMS Pro grower Ltd's 2017/2018 financial statements have been prepared to ensure that all revenue is captured in the 'Revenue' line item. In previous years certain revenue/expenses had been included on a net basis. Only the 'Revenue' and 'Operating and Administration Costs' line items are affected. By way of comparison the table below sets out the 2017 revenue and operating costs calculated on a consistent basis with the 2018 financial statements. 'Operating and Administration Costs' include all operating and administration costs that are not seperately identified in the above table.										
Revenue					54,405,312					
Operating Costs					42,478,212					
Surplus before grower rebate, management bonus and impairments (Non - GAAP measure) (Note 2)	\$	-	\$	-	\$	11,927,100	\$	-	\$	-
Note 2: Surplus before Grower Rebates, Management Bonus and Revaluations										
This is a non-GAAP measure. See reconciliation back to EBITDA (a GAAP measure) in the above table.										
Note 3: Special Management Fee & Bonus										
DMS Pro growers has a management contract with DMS Group to supply general management, marketing, accounting and administration services to DMS Pro growers Ltd. The amount payable for these services is related to the volume of kiwifruit packed and coolstored by DMS Pro growers. DMS Group Ltd also receives a Management Bonus which is calculated based on the DMS Pro growers profit before grower rebates and taxation but after allowing for return on capital of 15%.										
Prior to the year ended 31 January 2019, DMS Pro growers Ltd received both a standard management fee of up to 11c per tray and a special management fee of up to 24c per tray. These together with the management bonus form part of the 'operating expenses' included in the financial statements for the relevant period (e.g. for the year ended 31 January 2018 see note 4 to the 2018 financial statements).										
From the year ended 31 January 2019 the special management fee has been replaced by a special dividend equivalent to the rebate paid to DMS Pro growers Ltd grower shareholders.										
This is a non-GAAP measure. See table below for split between Special Management Fee and Bonus, and for details of the amount of the Special Dividend.										
Special Management Fee										