

# Issuer Profile

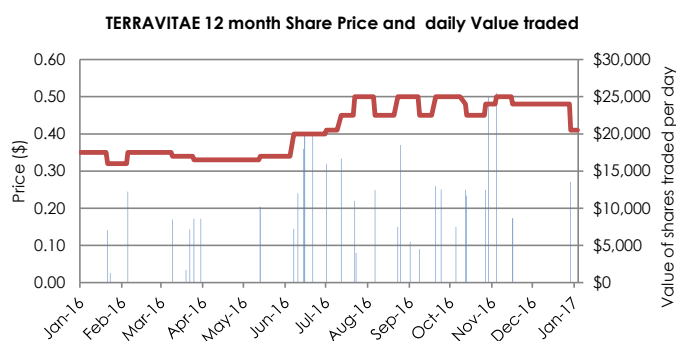


**Terra Vitae Vineyards Limited**



**Code** TERRAVITAE  
**Last Price** \$0.50  
**Issuer Profile Date** 17/01/2017  
**Market** Unlisted  
  
**Listed** Jul-06  
**Year End** 30-Jun  
**Shares issued** 40,000,000  
**Market Cap** \$20,000,000  
**Dividend yield (Gross)** 2.0%

**Website** [www.terravitae.co.nz](http://www.terravitae.co.nz)



## Company Overview

Terra Vitae Vineyards has established vineyards in Hawkes Bay and Marlborough, with long term supply arrangements in place with Villa Maria Estate Limited, New Zealand's largest and most successful locally owned wine company.

The company structure is the result of a successful amalgamation of Seddon Vineyards of Marlborough Limited and Terra Vitae Vineyards Limited, which took place on 30 June 2006.

## Financial Summary (NZ\$000's)

### Financial Performance

	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
Total Revenue	5,416	6,614	7,751	7,327	9,152
EBITDA	2,340	2,951	4,018	3,588	5,476
EBIT	1,721	2,350	3,392	2,978	4,878
EBIT Margin	31.8%	35.5%	43.8%	40.6%	53.3%
<b>Net Profit/Comprehensive Income</b>	<b>652</b>	<b>1,967</b>	<b>1,825</b>	<b>730</b>	<b>3,584</b>

### Financial Position

Current Assets (ex cash)	3,657	4,355	5,348	5,031	5,432
Current Liabilities (ex debt)	(190)	(312)	(331)	(438)	(304)
<b>Net Working Capital</b>	<b>3,467</b>	<b>4,043</b>	<b>5,017</b>	<b>4,593</b>	<b>5,127</b>
Non-Current Assets	53,830	55,541	55,408	55,788	60,151
Non-Current Liabilities (ex debt)	(4,954)	(5,665)	(5,072)	(5,348)	(6,823)
<b>Total Net Assets (ex cash/debt)</b>	<b>52,343</b>	<b>53,919</b>	<b>55,353</b>	<b>55,033</b>	<b>58,456</b>

(Cash)	(4)	0	0	(1)	(2)
Debt	25,682	25,286	24,719	23,843	22,247
<b>Net Debt</b>	<b>25,677</b>	<b>25,286</b>	<b>24,719</b>	<b>23,842</b>	<b>22,245</b>
Shareholder Funds	26,666	28,633	30,634	31,191	36,211
<b>Total Capital Employed</b>	<b>52,343</b>	<b>53,919</b>	<b>55,353</b>	<b>55,033</b>	<b>58,456</b>

<b>Total Assets (incl cash)</b>	<b>57,492</b>	<b>59,895</b>	<b>60,756</b>	<b>60,820</b>	<b>65,585</b>
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### Cash Flows

Operating Cash Flows	450	596	1,411	2,309	3,351
Investing Cash Flows	(178)	(204)	(282)	(1,031)	(187)
Financing Cash Flows	(272)	(396)	(1,129)	(1,276)	(3,163)
<b>Net Increase/(Decrease) in Cash</b>	<b>0</b>	<b>(4)</b>	<b>(0)</b>	<b>1</b>	<b>1</b>

### Disclaimer

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## Analysis

	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
<b>Investment Performance</b>					
Closing Share Price (\$)	0.20	0.33	0.35	0.41	0.40
Annual Total Return (including net dividends)	(31.0%)	65.0%	6.1%	20.0%	0.0%
<b>A Profitability (EBIT/Revenue)</b>	31.8%	35.5%	43.8%	40.6%	53.3%
<b>B Activity (Rev/Average Total Net Assets)</b>	0.10	0.12	0.14	0.13	0.16
<b>Return on Capital Employed (A x B)</b>	<b>3.3%</b>	<b>4.4%</b>	<b>6.2%</b>	<b>5.4%</b>	<b>8.6%</b>
<b>Return on Equity (NPAT/Average Shareholders Funds)</b>	<b>2.5%</b>	<b>7.1%</b>	<b>6.2%</b>	<b>2.4%</b>	<b>10.6%</b>
Shares on Issue (m)	40.0	40.0	40.0	40.0	40.0
Reported Net Profit / Comprehensive Income (\$m)	0.7	2.0	1.8	0.7	3.6
Payout Ratio	0.0%	0.0%	0.0%	54.8%	11.2%
Net Dividend Yield	-	-	-	2.4%	2.5%
Imputation Credits	-	-	-	-	100.0%
Gross Dividend Yield	-	-	-	2.4%	3.5%
<b>Per Share (cents)</b>					
EBITDA	5.8	7.4	10.0	9.0	13.7
EPS - Basic	1.6	4.9	4.6	1.8	9.0
EPS - Diluted	1.6	4.9	4.6	1.8	9.0
Net Dividend	-	-	-	1.0	1.0
Net Tangible Assets	66.7	71.6	76.6	78.0	90.5
Cash Flow from Operations	1.1	1.5	3.5	5.8	8.4
<b>Valuation (as at year end)</b>					
Trailing P/E (multiple)	12.3	6.7	7.7	22.5	4.5
Market Value (\$m)	8.0	13.2	14.0	16.4	16.0
Net (Cash)/Debt (\$m)	25.7	25.3	24.7	23.8	22.2
Enterprise Value 'EV' (\$m)	33.7	38.5	38.7	40.2	38.2
EV/EBITDA (multiple)	14.4	13.0	9.6	11.2	7.0
Price/Net Tangible Assets (multiple)	0.3	0.5	0.5	0.5	0.4
<b>Operating Ratios</b>					
EBIT Margin	31.8%	35.5%	43.8%	40.6%	53.3%
NPAT Margin	12.0%	29.7%	23.6%	10.0%	39.2%
Net Capex to Sales	1.8%	2.2%	3.6%	14.1%	11.3%
<b>Annual Growth Rates</b>					
Revenue	(5.3%)	22.1%	17.2%	(5.5%)	24.9%
EBITDA	(2.0%)	26.1%	36.1%	(10.7%)	52.6%
NPAT	113.6%	201.6%	(7.2%)	(60.0%)	391.2%
Net Assets	0.7%	3.0%	2.7%	(0.6%)	6.2%
Equity	2.5%	7.4%	7.0%	1.8%	16.1%
<b>Capital Structure</b>					
Equity to Total Assets	46.4%	47.8%	50.4%	51.3%	55.2%
Net Debt/(Net Debt+Equity)	49.1%	46.9%	44.7%	43.3%	38.1%
Net Debt to Equity	96.3%	88.3%	80.7%	76.4%	61.4%
Interest Cover (multiple)	0.9	1.3	2.1	1.8	3.1

Directors	Position	Appointed
David (Joe) Ferraby	Chairman	4-Sep-02
Andrew Pearson	Director	4-Sep-02
Milan Brajkovich	Director	1-Jul-06
Sir George Fistonich	Director	1-Jul-06

Top Ten Shareholders *	Shares	Ownership
Villa Maria Estate Limited	8,756,361	21.89%
National Nominees Limited	1,936,000	4.84%
Peter Ray Industries Limited	649,100	1.62%
Sir George Vjceslav Fistonich	503,240	1.26%
Custodial Services Limited	440,000	1.10%
Custodial Services Limited	336,421	0.84%
Sheather Family Account	288,000	0.72%
Hatch Mansfield Agencies Limited	275,760	0.69%
Goodwin Family Account	250,000	0.63%
Thomas Alan Matthews	200,000	0.50%
<b>Total</b>	<b>13,634,882</b>	<b>34.09%</b>

\* As at 17 January 2017