

SAVOR

NZX Release

Savor Posts Record Annual Result

25 May 2023

Savor Limited (NZX: SVR) (“Savor”, “the Company”, or with its subsidiaries “the Group”), New Zealand’s premier hospitality group, provides its results for the financial year ended 31 March 2023.

Highlights:

- Savor’s revenue was \$52.4m for the year, an increase of over 70% compared to 2022.
- EBITDA* was \$5.2m, well within the guidance range announced in January 2023, also increasing over 70% compared to 2022.
- Operating cash flow exceeded \$6m, compared to \$2.9m in the prior year.
- Net profit after tax was (\$0.6m) compared to (\$2.3m) in the prior year, after adjusting for one-off restructuring and interest costs during the year. Including those charges net profit after tax was (\$2.3m).
- The Group continued to strengthen its Balance Sheet with the repayment of over \$3.6m in debt principal over the year and the repayment of \$2.85m of deferred consideration for the Amano acquisition.

The three key performance indicators by which the Company measures success have delivered record results: (i) Revenue has grown from \$16m (in 2021), through \$30m (in 2022) to \$52m now a three fold increase, (ii) EBITDA* has improved from \$1.8m (in 2021), \$3m (in 2022) to \$5.2m this year and (iii) Operating cash flow is now in excess of \$6m compared to \$3m (in 2022) and zero (in 2021).

These results were impacted by the early months of 2023 by the weather events throughout January and February. The Group considers the impact of the weather events on revenue for the year to be approximately \$2m - \$3m, which but for these, would have allowed the Group to exceed the top end of the earnings guidance range of \$6m EBITDA*.

Trading Update

Savor is pleased to announce that with Bivacco outperforming all expectations the landlord has agreed to extend the lease making it a 10 year term.

Despite the difficult macroeconomic environment, average transaction size and spend per head continues to be strong as does the level of forward bookings. Nevertheless, in a defensive move the Group raised additional capital in March 2023 to pay down all floating rate short term liabilities and strengthened its balance sheet with the repayment of \$6.45m of Bank debt and third party obligations. With the business delivering healthy free cash flow and the Executive team focusing on cost controls, Savor is well positioned for the winter season.

SAVOR

Savors 5 Year Performance

The Executive team is immensely proud of the Group's transformation over the last 5 years. Divesting Moa and navigating the uniquely difficult business environment that was COVID in Auckland, Savor has increased revenue by 229% since 2019, turned around operating cash flow by \$10m and delivered an increase of 362% to EBITDA all the while substantially reducing debt levels (please refer to the attached tables illustrating this).

Consequently, Savor's Board restate their belief that the Group will soon be in a position to deliver dividends in the coming years based on the continued growth of free cash flow.

*EBITDA means reported earnings before interest, tax, depreciation, amortisation and restructuring costs, as reported in the Group's Statement of Comprehensive Income.

-ENDS-

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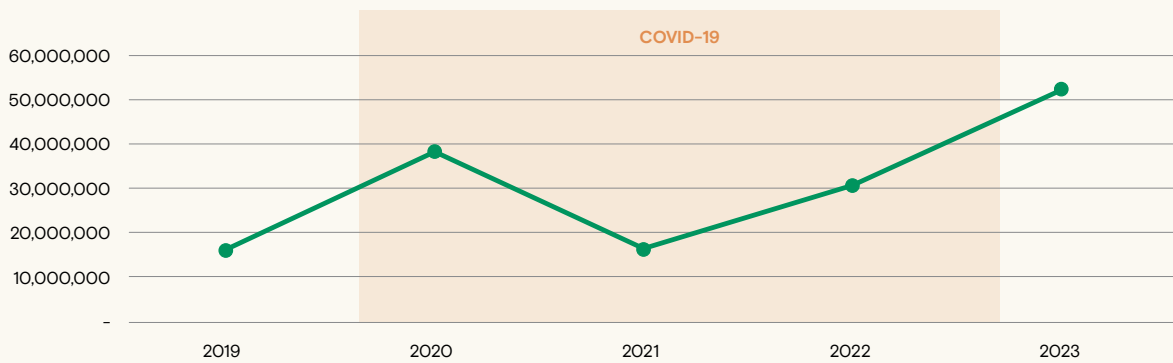
About Savor

Savor, established in 2011, is one of New Zealand's largest hospitality businesses with 20 iconic venues in Auckland, including Amano, Azabu Ponsonby, Azabu Mission Bay, Ebisu and Non Solo Pizza, each with its own unique concept, culture and offering. In 2022, Savor opened Bivacco in Auckland's Viaduct Harbour and brought iconic Melbourne concept MoVida to Britomart's Seafarers Building. Savor has a reputation for originality, the quality of its products and the high standard of service that is consistent across the company portfolio.

Savor's Five Year Performance Transformation

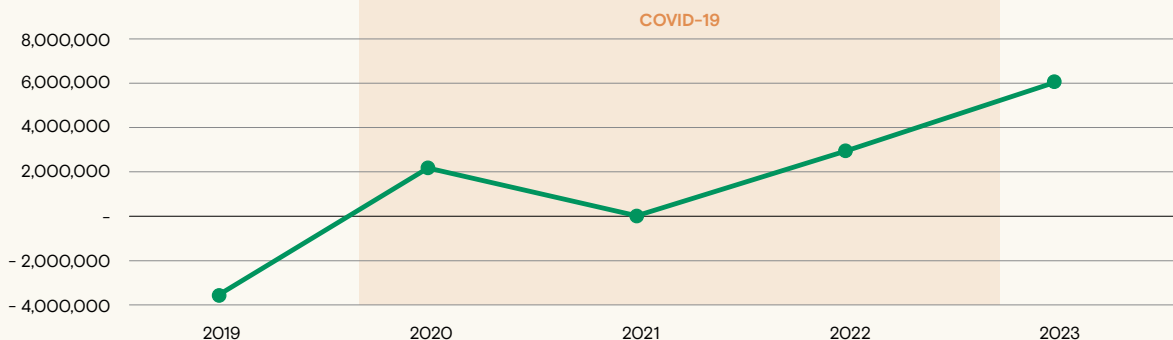
Revenue

Continued focus on growth and quality of execution has allowed the group to leverage off its core business to increase revenue by 229% in the five years since 2019.



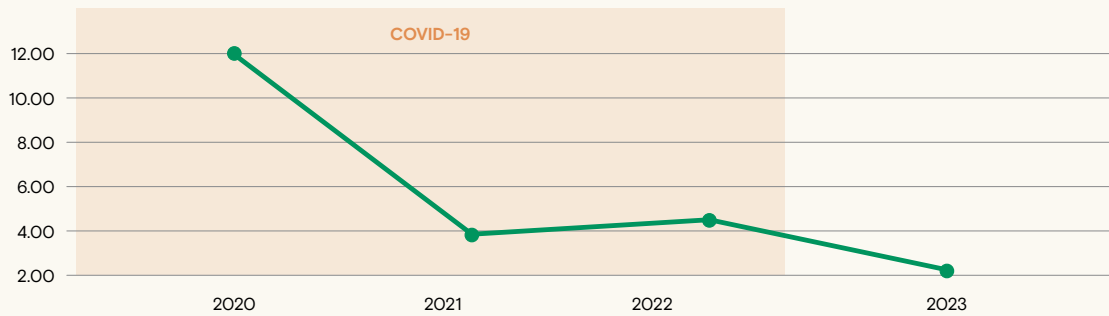
Operating Cash Flows

Managements determined approach to cost control has yielded a \$10m turnaround in cashflows, representing a 270% increase over the last 5 years.



Ratio of Debt to EBITDA

A controlled approach to balancing growth and prudent debt management, as well as continued support from our shareholders, has significantly altered the debt levels of the business and greatly reduced the cost of capital as the market has moved.



EBITDA

From a EBITDA loss of \$2m to a profit in excess of \$5m, Savor has delivered a 362% increase in group earnings over the last five years.

