

Stakeholder Update

October 2017

Agenda

- Chairman's introduction
- Chief Executive's business performance update
- Future direction – new ventures
- Questions

Introduction

Chairman – Fred Hutchings

Our commitment: Orchard to market excellence



- We grow and supply tasty and nutritious produce to the world
- An international business based in Te Puke
- We deliver premium returns to our growers and stakeholders

To do this, we think of new ways to deliver on our brand promise

Safety First

Inspirational people

Growing futures

Founded on relationships

Quality obsession

Independently ingenious

Our business

NEW ZEALAND ORCHARD DIVISION

- Kiwifruit, kiwiberry and avocados
- Orchard leasing – short and long term
- Orchard management
- Pollen
- Equipment for harvest and operational support
- On orchard technical advice

NEW ZEALAND POST HARVEST

- Harvest coordination
- Quality management
- Packing
- Cool storage
- Inventory management
- Logistics
- Laboratory maturity testing
- Delicious Nutritious Food Company – downstream value add

NEW ZEALAND RETAIL

- Bananas, tropical fruit
- Wholesale
- Retail service provision
- Delivery to customer

SEEKA AUSTRALIA

- High value premium produce, kiwifruit, nashis, pears and other fruit
- Integrated fruit supply to key Australian and export customers
- Growth focus
- New variety development

The BIG produce numbers in 2017

Grow	Pack, store, send to export	Pack, store, send to export	Produce, handle and sell	Produce, handle and sell
31m	92.4m	2.7m	3m	2.5m
kilos of kiwifruit in New Zealand	kilos of kiwifruit in New Zealand	kilos of avocados in New Zealand	kilos of kiwifruit in Australia	kilos of pears in Australia
8.5m trays	25.5m trays	0.5m trays	0.8m trays	

Financial performance

Six months to 30 June 2017, unaudited

▲	EBITDA \$21.9m	increase by 38% on pcp
▲	EPS 69 cents	increase by 53% on pcp
▲	NPAT \$11.1m	increase by 56% on pcp
▼	Full year NPAT from operations	down by up to 15%

Drivers of higher net profit

- Improvements from Seeka Australia's earnings
 - EBITDA \$3.4m vs. \$1.52m pcp
 - Successful acquisition and business is in profit
- Successful completion of 2016/17 New Zealand avocado season

Forecast unchanged

➤ Drivers

- Lower Hayward volumes harvested and in store at 30 June (Week 27)
 - > 6.6m trays in 2017 vs. 10.8m trays in 2016
 - Lower anticipated avocado volumes in 2017/18 harvest
- Down by up to 15% on 2017 operational earnings of \$7.8m [as signalled in December 2016].

Capital expenditure

\$13.2m invested in infrastructure for future growth – in the six months

\$5.8m coolstores

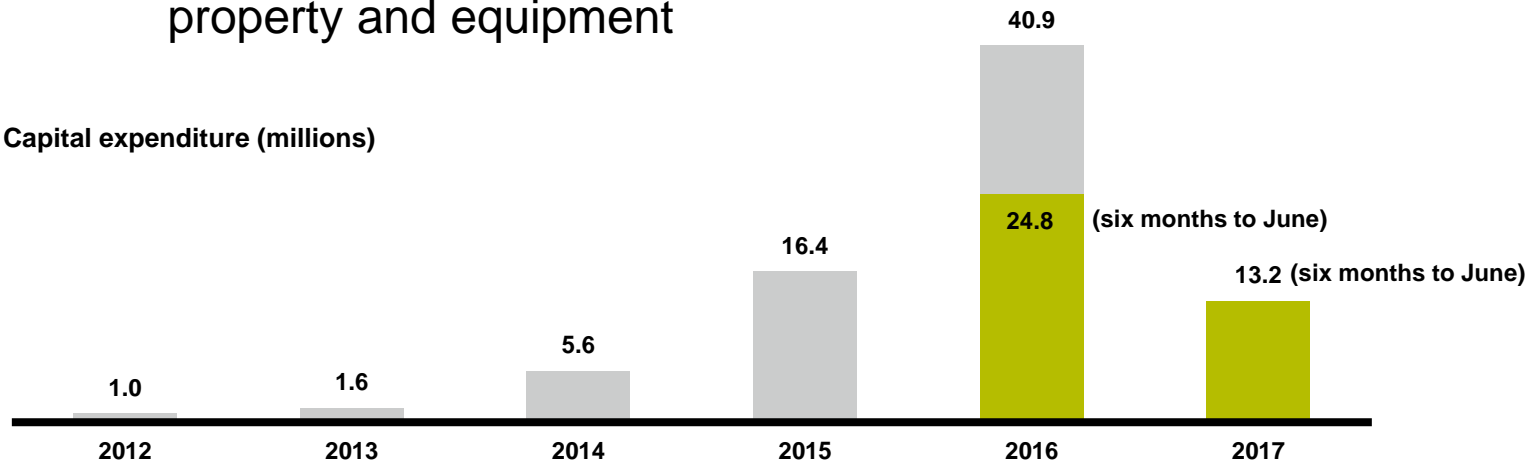
\$0.8m plastic bins

\$3.3m Seeka360 complex

\$1.5m Seeka Australia

\$1.8m New Zealand plant,
property and equipment

Capital expenditure (millions)



Major investment to manage increased crop

Infrastructure not fully utilised in 2017, ready for 2018

Net bank debt and net asset backing

	6 MONTHS UNAUDITED		YEAR END
	JUNE 2017	JUNE 2016	DEC 2016
Net debt	\$94.5m	\$76.9m	\$72.8m
Net asset backing per share	\$5.49	\$4.71	\$4.88

- 69 cents basic earnings per share, up 53% on pcp
- \$94.5m net debt, up \$21.7m

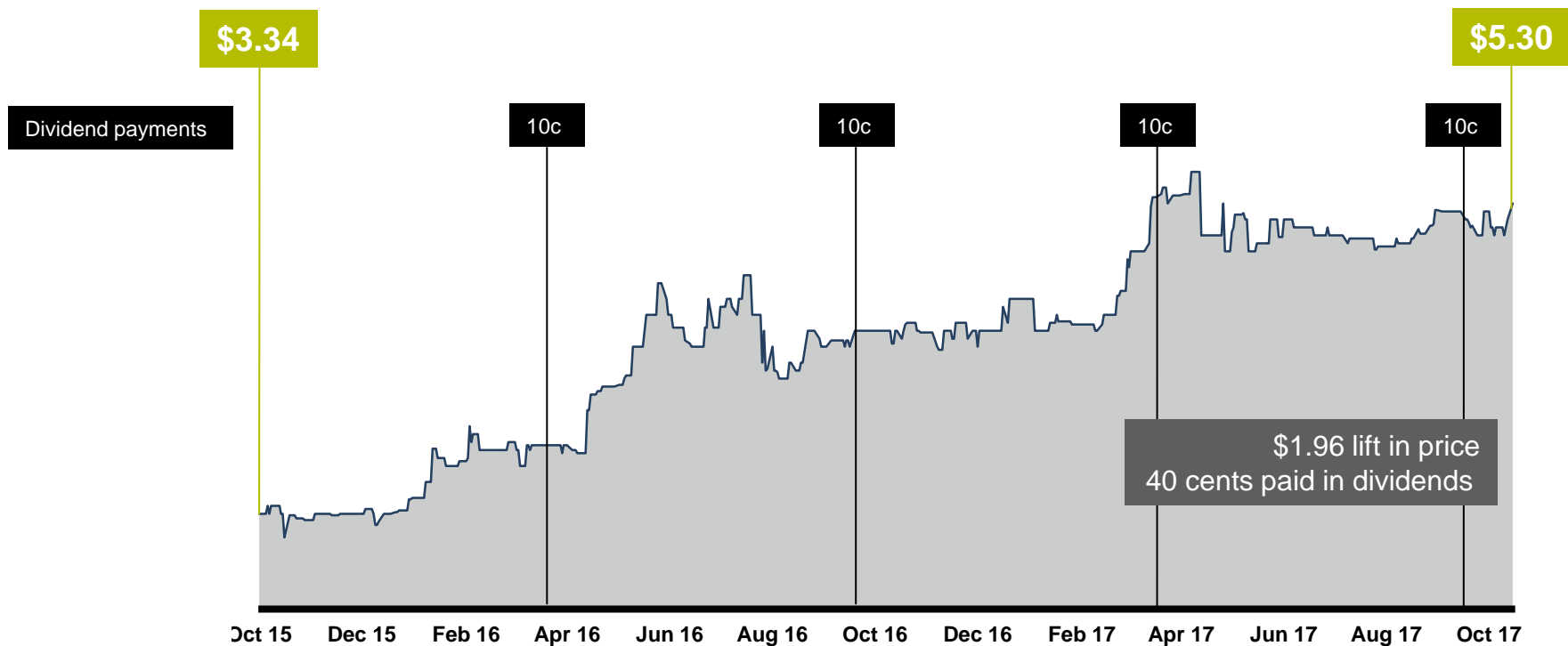
Our growth strategy continues

- Kiwifruit is our foundation, targeting integrated fruit supply opportunities that deliver accretive value
- Kiwifruit, Avocado, Nashi, European pears are the current core categories
- Geographically spread
- Delivering to the brand values; safety always, inspirational people, growing futures, quality obsession, independently ingenious, and founded on relationships
- Delivering superior returns to stakeholders



Planned path to growth

71% shareholder return over two years



Business performance update

Chief Executive – Michael Franks

Safety first

➤ No notifiable injuries, improvement on last year

	2017	2016
	YTD (to 30 Sep)	(to 31 Dec)
Notifiable injuries	0	1
Notifiable incident or event	1	0
Lost time injuries	19	33
Medical treatment	48	58
First Aid treatment	39	40
Total recordable injury frequency (Lost time and medical treatment injuries per 100,000 hours worked)	3.06	3.6

New Health and Safety systems



- Permit to work procedure reviewed
- System upgrades
- Contractor compliance is leading the industry in safety, contractor and worker compliance



New Zealand orchard operations

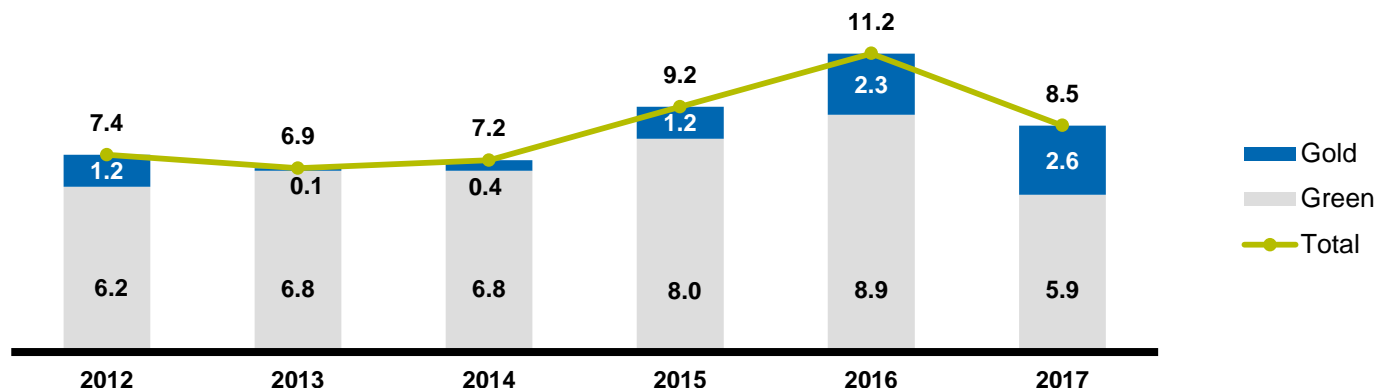
\$5.8m EBITDA, up 5% on pcp

	6 MONTHS UNAUDITED	
	JUNE 2017	JUNE 2016
Turnover/ revenue	\$36.8m	\$37.7
EBITDA	\$5.8m	\$5.5m

New Zealand kiwifruit orchard operations

Less Green, Gold returns remain high

Class 1 kiwifruit trays (millions)



- Lower Hayward volumes by 33%
 - Forecast \$6.06 per tray / \$53,250 per hectare (pcp: \$4.26/ \$54,100)
- Gold returns remain high, improving volumes on long term lease orchards
 - Forecast \$9.21 per tray/ \$120k per hectare



New Zealand post harvest operations

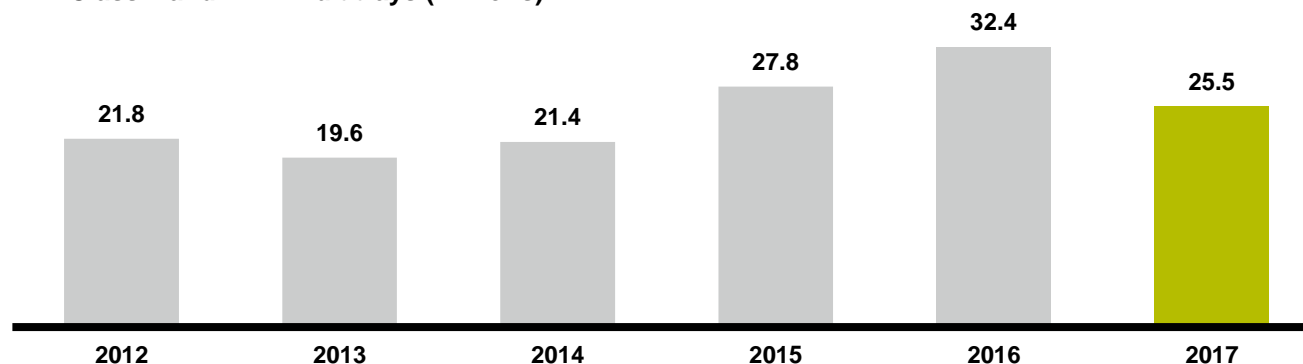
\$17.1m EBITDA up 24% on pcp

	6 MONTHS UNAUDITED	
	JUNE 2017	JUNE 2016
Turnover/ revenue	\$74.4m	\$78m
EBITDA	\$17.1m	\$13.8m

New Zealand post harvest operations

Lower volumes will impact earnings

Class 1 and 2 kiwifruit trays (millions)



6 MONTHS UNAUDITED

	JUNE 2017	JUNE 2016
Green trays packed	16.2m	23.7m
Gold trays packed	9m	7.6m
Green UFI storage	0.3m	0.1m
Percent loaded to 30 June	64%	50%



New Zealand retail services

\$1.3m EBITDA up 160% on pcp

Avocado market

- High volumes in the first half of the year

Competitive banana market

	6 MONTHS UNAUDITED	
	JUNE 2017	JUNE 2016
Turnover	\$25.8m	\$22.1m
Revenue	\$10.9m	\$5.1m
EBITDA	\$1.3m	\$0.5m



Seeka Australia

\$3.4m EBITDA, up 127%

Significant increase in earnings

	6 MONTHS UNAUDITED	
	JUNE 2017	JUNE 2016
Turnover/ revenue	\$11.8m	\$13.3m
EBITDA	\$3.4m	\$1.5m

Seeka Australia

Increase in kiwifruit volumes, lower nashi volumes as trees recover from hail and mites

	30 JUNE 2017		31 DECEMBER 2016	
	KILOGRAMS	TRAYS	KILOGRAMS	TRAYS
Kiwifruit	2,990,826	826,195	2,374,720	656,000
Nashi	1,172,163		1,523,000	
Corella	423,788		623,784	
Packham	854,000		996,300	
Other pears	83,421		169,454	
Plums	25,605		31,500	
Apricots (harvest second half of year)	-		43,682	
Cherries (harvest second half of year)	-		16,074	

Our exciting new venture

Getting more from our existing resources





Delicious Nutritious Food Company

\$0.2m EBITDA (six months)

New earnings stream to Seeka

	6 MONTHS UNAUDITED JUNE 2017
Turnover/ revenue	\$0.6m
EBITDA	\$0.2m

EBITDA included in Retail Service Operations segment

Healthy and nutritious products that taste great

- Kiwi Crush and Kiwi Crushies
 - From waste to functional food
- Avocado oil
 - From waste to export markets
- Kiwiberry processing
 - High speed processing machine to deliver to premium markets



Surplus fruit in, high value products out

KCG building on Te Matai Road, Te Puke

- Bespoke manufacturing plant
- Quality and compliance systems for food safety best practice
- Eight staff employed in local community



Seeka Australia



Australia's largest Kiwifruit and Nashi grower

Orchards in Shepparton, Victoria



- Kiwifruit, Nashi, European pears, plums, apricots and cherries
- Nine orchards on 506 hectares
 - 225 hectares in production
 - 67 hectares in development
 - > 52 hectares greenfields and bare land
 - > 15 hectares being cutover
- Post harvest and coolstore facilities
- 2650 mega litres of high-priority and temporary water shares

Orchard development programme

\$8m investment from 2016 to 2020

➤ New kiwifruit orchards and new varieties



Kiwifruit

➤ Greenfield development, planting orchards on bare land

- Mirrabooka – 13 hectares
- Tarwin – 22 hectares



Pears

- Re-grafting European root stock over to brown nashi
- Infilling bare sidelands within NPO orchard with new nashi plantings



Infrastructure and equipment

\$5.3m investment from 2016 to 2020

New packing machine, packhouse extension, coolstores and orchard equipment



Questions

