



Analyst Briefing Pack

Financial Results FY18

Highlights 2018

Financial

- \$7.4m profit after tax – up 27% on \$5.8m in pcp¹
- \$0.37 earnings per share – up 16% on \$0.32 in pcp
- \$26.2m EBITDA – up 13% on \$23.1m in pcp

Performing for our growers

- 31.4m trays of New Zealand kiwifruit harvested and packed – up 23% on pcp

Growth

- Acquired T&G Horticulture's post harvest business and kiwifruit orchards for \$42.1m²
- Developing Australian orchards – 83 hectares in development³
- Investing in New Zealand post harvest infrastructure

Recapitalised

- Fully-subscribed rights issue raised \$47.9m

1. Pcp is previous corresponding period to 31 December 2017

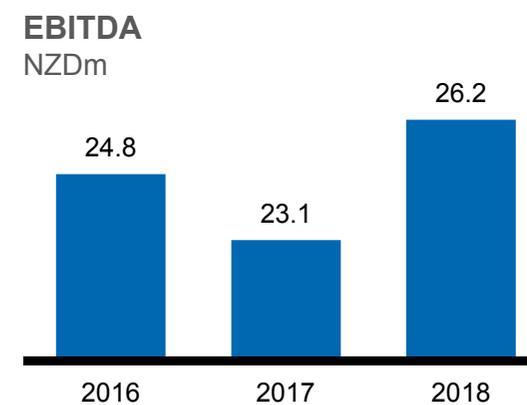
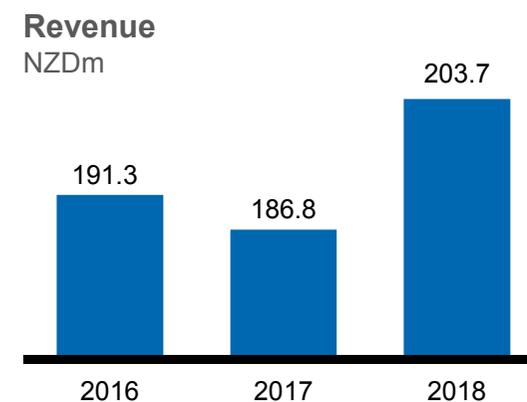
2. Yet to settle \$9.8m of the purchase

3. Kiwifruit and pears

Financial summary

Audited financial results FY18

NZDm	FY17	FY18	Change
Revenue	186.8	203.7	↑ 9%
EBITDA ¹	23.1	26.2	↑ 13%
Net profit after tax	5.8	7.4	↑ 27%



1. EBITDA is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.

Performance to guidance

Issued June 2017 and confirmed November 2017

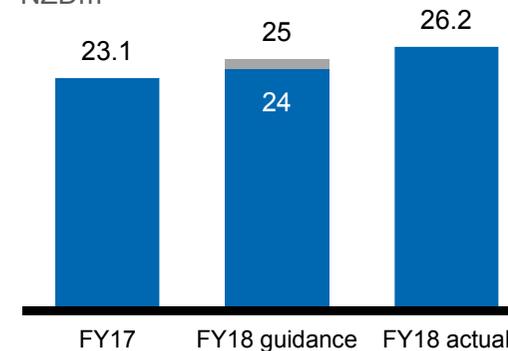
Results ahead of guidance

	NZDm	Change on pcp ¹
EBITDA ²		
FY18 lower guidance	24.0	↑ 4%
FY18 upper guidance	25.0	↑ 8%
FY18 actual	26.2	↑ 13%

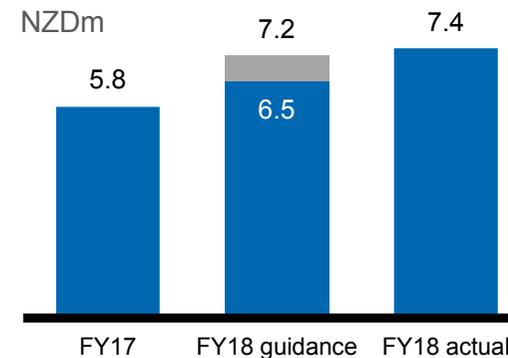
Net profit after tax

FY18 lower guidance	6.5	↑ 12%
FY18 upper guidance	7.2	↑ 24%
FY18 actual	7.4	↑ 27%

EBITDA NZDm



NPAT NZDm



1. Pcp is previous corresponding period to 31 December 2017

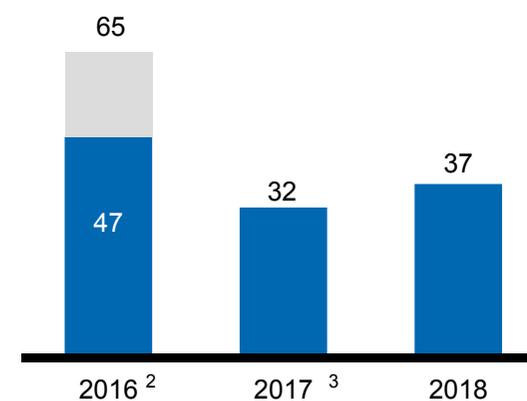
2. EBITDA is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.

Earnings, net debt and net asset backing

37c Earnings per share

NZD	FY17	FY18
Earnings per share ¹	32 c	37 c
Net debt (NZDm)	83.1	79.1
Total assets (NZDm)	222.0	269.8
Net tangible assets per share	\$ 5.18	\$ 4.96

Earnings per share
Cents



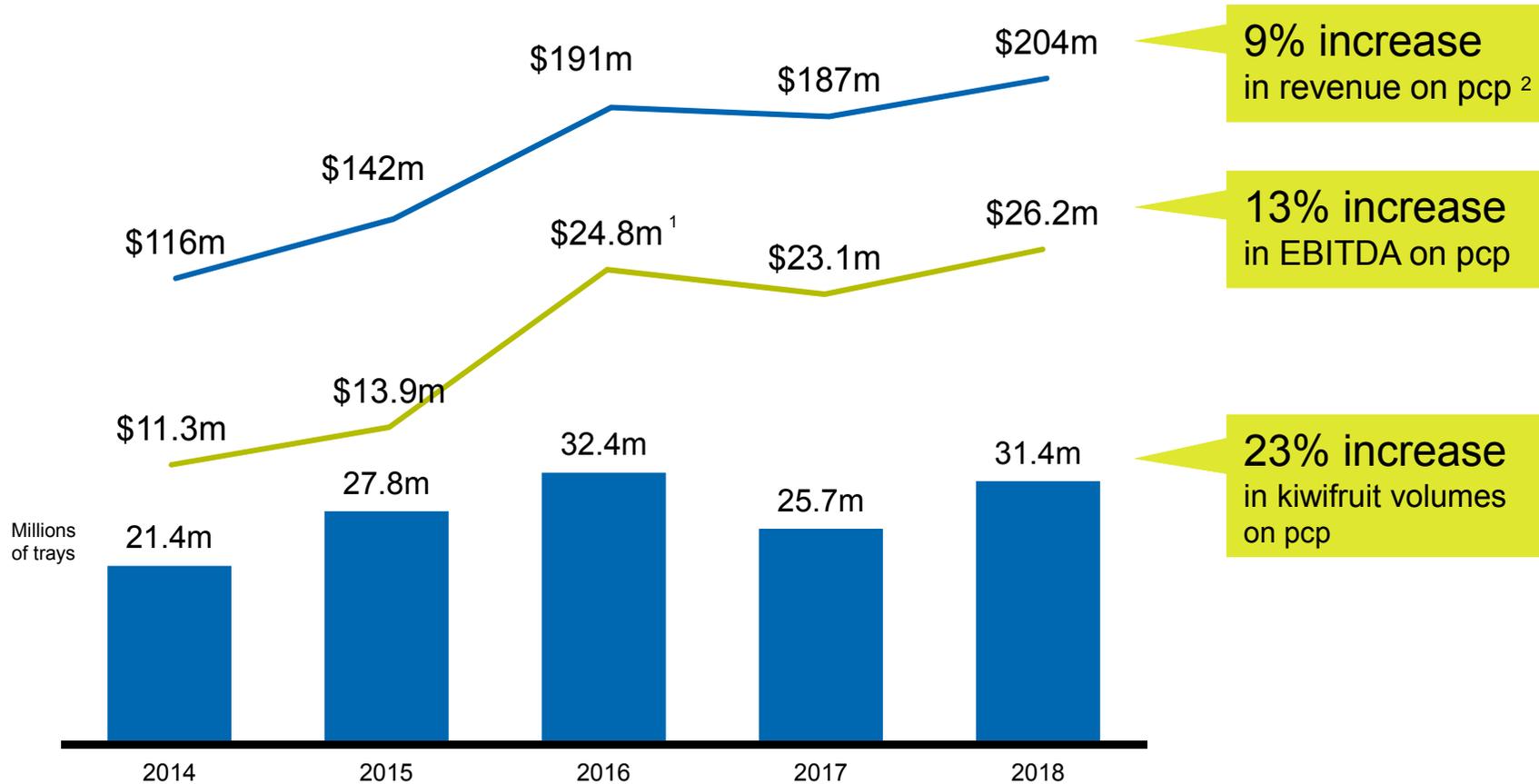
2. 2016 Normalised EPS excludes \$4.1m (\$3.1m after tax) of insurance proceeds which reduces EPS to \$0.47.

3. In 2017 a \$1m prior period deferred tax adjustment was expensed. Impairments less revaluation gains resulted in a further \$0.3m reduction.

1. In accordance with IAS, 2017 EPS was restated from the previously reported result due to December 2018 rights issue

Higher kiwifruit volumes

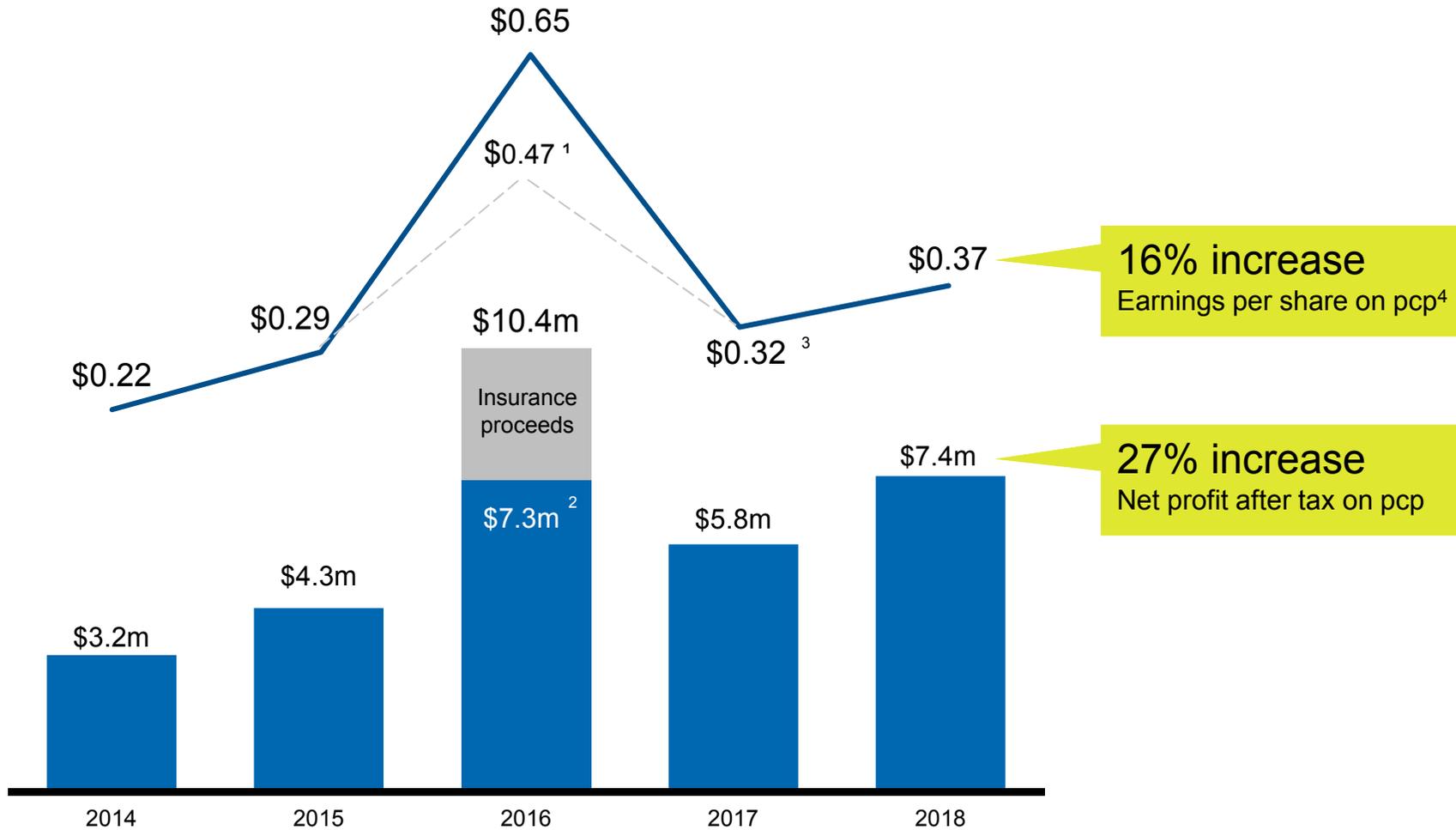
Hayward green up 23% SunGold up 24%



1. Includes insurance proceeds of \$3.6m

2. Pcp is previous corresponding period to 31 December 2017

Net profit after tax and earnings per share



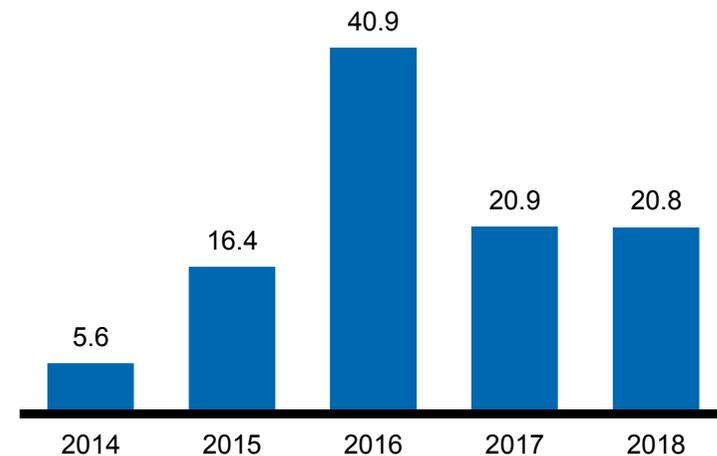
1. Normalised EPS excluding insurance settlement
 2. Excludes effect of insurance settlement.
 3. 2017 EPS was restated from the previously reported result due to December 2018 rights issue
 4. Pcp is previous corresponding period to 31 December 2017

Capital expenditure

Expanding infrastructure to support growth

- \$20.8m¹ capex FY18
- Expenditure commitments FY18-FY19
 - \$18.6m Oakeside expansion (Bay of Plenty)
 - \$11.2m Northland expansion ²
 - \$0.4m expansion of independent laboratory VLS

Capital expenditure
NZDm



1. Excludes purchase of T&G Northland post harvest assets
2. \$17.6m announced, with \$11.2m committed to at balance date.

Northland orchard portfolio

Securing supply to Northland operations

- Acquired T&G Horticulture's post harvest business and 6 kiwifruit orchards in Kerikeri April 2017
 - Five of six T&G orchards settled FY18, one to settle on title
- Seeka created a Northland sales portfolio of high value orchards
 - Six T&G orchards, plus two non T&G orchards purchased under option
 - 80.7 hectares of kiwifruit, 15 hectares of lemons, 38 hectares undeveloped land
 - \$25.9¹ invested at balance date with a further \$9.8m to be paid FY19
 - > Includes \$5.7m invested in 19.9 hectares of SunGold licence
- Orchards being sold with 15 year supply commitments
 - Secures long term supply to Northland post harvest operations
 - \$7.0m sold, with \$0.6m gain
 - \$15.1m under conditional contract
 - \$20.6m being marketed for sale²
- \$0.3m gain on sale of avocado orchard

1. \$24.2m assets classified as held for sale, \$1.7m in intangible assets

2. At cost: \$25.9m invested at balance date, plus \$9.8m yet to pay, less \$15.1m under contract

Capital strategy

In November 2018 Seeka commenced a three-stage plan to repay debt, strengthen the balance sheet and provide funds for future growth

1. Rights issue successfully completed

- \$47.9m raised (after costs) – 11.7m new shares issued
- 29.32m shares on issue
- Institutions and large individual investors now on share register
- Daily share market turnover and liquidity up
- Foreign ownership component of shareholders reduced from 24.9% to 15% (approx)

2. Grower loyalty share scheme approved by shareholders 14 February

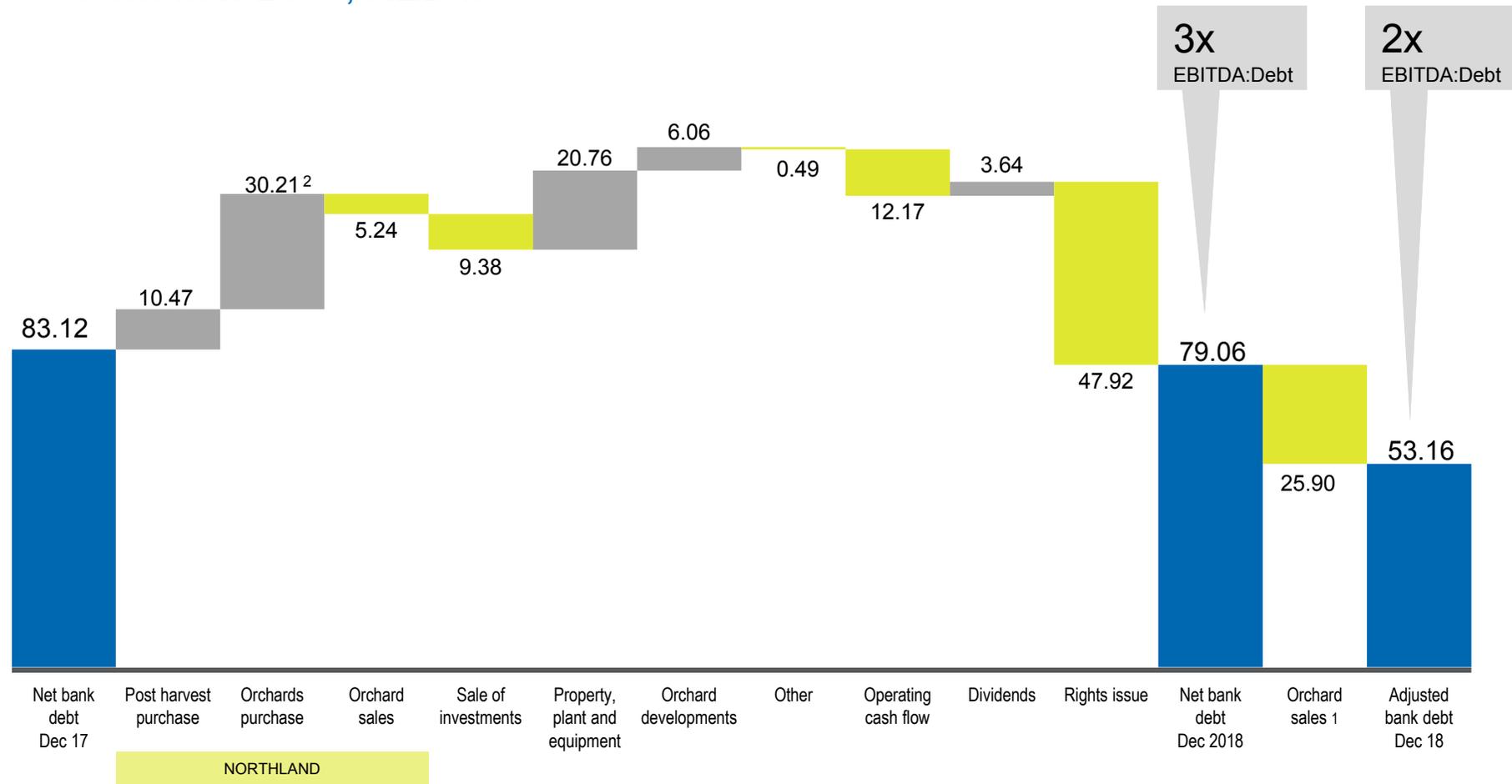
- Implementation March 2019
- 99% shareholder support

3. Employee share scheme

- Implementation March 2019

Net bank debt

Cash flow 2018, NZDm



1. The \$25.9m cash inflow from orchard sales includes the sale of \$24.2m for the carrying cost of orchards classified as assets held for sale along with \$1.7m of SunGold licences held as an intangible asset. Within FY19 Seeka is also expecting to pay \$9.8m to settle the purchase of the sixth T&G Horticulture orchard on receiving title, to be followed by its subsequent sale in the same period.

2. Orchard purchases is \$21.84m for the five T&G orchards, plus \$8.37 to purchase the two non-T&G orchards, SunGold licences and costs.

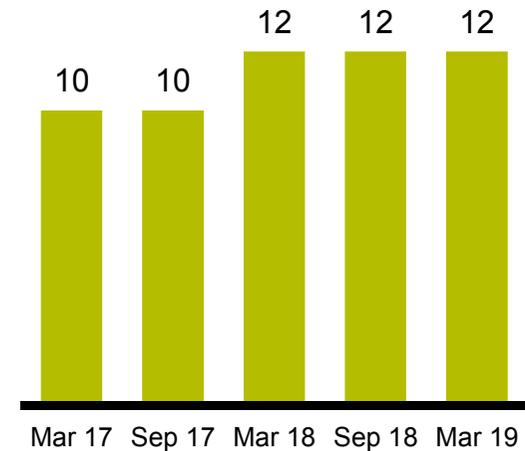


Dividend announcement

12 cents per share to be paid 22 March 2019

- Fully imputed
 - Payment date: 22 March 2019
 - Record date: 15 March 2019
- Dividend reinvestment plan applies
- 24 cents paid in the last 12 months
 - Fully imputed

Dividend
Cents per share



Operating Segments

Segment performance summary

Revenue (NZDm)	FY16A	FY17A	FY18A
Post harvest operations	110.8	96.7	123.8
Orchard operations	47.9	48.6	52.8
Retail services	16.8	24.3	11.5
Seeka Australia	15.2	16.5	14.9
Other	0.6	0.7	0.7
Total	191.3	186.8	203.7

EBIDTA (NZDm)	FY16A	FY17A	FY18A
Post harvest operations	26.8	22.0	32.1
Orchard operations	5.6	6.4	3.4
Retail services	1.9	2.9	1.6
Seeka Australia	1.0	2.3	(0.1)
Other	(10.6)	(10.4)	(10.8)
Total	24.8	23.1	26.2

New Zealand orchard supply arrangements

Producing hectares harvest 2018

	Kiwifruit	Avocado	Kiwiberry	Total
Contract supply	1,696	317	10	2,023
Managed	436	43	2	481
Orchard lease	393	7	4	404
Long term lease	46	25	-	71
Total	2,571	392	16	2,979

Seeka Australia owned orchards and land

Hectares, FY18 (all fruit)

Production	205
In development	83
Undeveloped land	278
Total	566



Orchard operations

Growing 36% of kiwifruit supplied to post harvest

➤ \$3.4m EBITDA

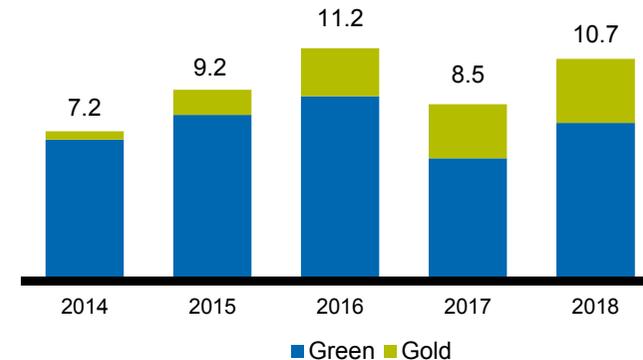
- Down 46% on pcp
- End of long term orchard leases reduced EBITDA
- Recovery in Hayward yields
- SunGold progressing to full production

➤ Grew 10.7m trays kiwifruit (37.9m kilograms)¹

➤ Grew 0.039m trays avocado (0.21m kilograms)

NZDm	2017	2018
Turnover / revenue	\$ 48.6	\$ 52.8
EBITDA	\$ 6.4	\$ 3.4
<i>Millions of trays¹</i>		
Hayward (green)	5.9	7.6
SunGold	2.6	3.1
Total	8.5	10.7

NZ kiwifruit grown¹
Millions of class 1 trays



Growing kiwifruit, avocado and kiwiberry

- Operate over 220 orchards via management, lease and long term lease contracts

1. Kiwifruit volumes exclude crop from T&G acquisition orchards, acquired crop off.



Post harvest operations

Generating 61% of Group revenue

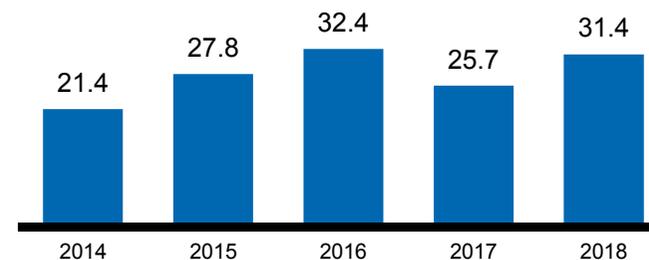
- **\$32.1m EBITDA**
 - Up 46% on FY17
- **31.4m kiwifruit trays processed**
 - Up 23%
- **Fruit loss**
 - SunGold - 0.78%
 - SunGold organic - 0.17%
 - Hayward - 3.73%
 - Hayward organic - 1.09%
- **T&G Kerikeri post harvest facility acquired and integrated April 2018**

Processing service to harvest, pack, coolstore and supply kiwifruit, avocado and kiwiberry

- Processes fruit from over 700 orchards including Seeka's managed orchards and independent growers

NZDm	2017	2018
Turnover / revenue	\$ 96.7	\$ 123.8
EBITDA	\$ 22.0	\$ 32.1
<i>Millions of trays</i>		
Hayward (green) class1	15.6	19.2
SunGold class 1	8.7	10.8
Class 2 and other	1.4	1.4
Total	25.7	31.4

NZ kiwifruit processed
Millions of class 1 and 2 trays



Retail services operations

Generating revenue from fruit processing and fruit retailing

- \$1.6m EBITDA
 - Down 44% on FY17
- Tropical business performed below prior year
- Avocado sales performed well in a challenging year
 - New phytosanitary protocols agreed with Australia
 - China market opened FY18
- Delicious Nutritious Food Company increased earnings to \$0.46m, up 58%

NZDm	2017	2018
Turnover	\$ 54.2	\$ 39.9
Revenue	\$ 24.3	\$ 11.5
EBITDA	\$ 2.9	\$ 1.6

Markets produce from Group operations plus imports and processes tropical fruits

- Sell avocados under Seeka brand
- Market New Zealand kiwifruit in Australasia and work under collaborative marketing agreement with Zespri to market kiwifruit in Asia
- Import and ripen bananas and other tropical fruits
- Operate a wholesale fruit and vegetable market
- Delicious Nutritious Food Company manufacture and market Kiwi Crush products, avocado oil and packing and distributing kiwiberry



Australian operations

Integrated orchard to market

➤ \$(0.1)m EBITDA

- Down 103% on FY17
- Challenging growing season and Australian management restructured

➤ Psa-V detected October 2018 on 4.5 hectares of developing orchards

- Containment strategy including buffer zone
- \$500k impact
- Revised variety development plan
- Delays full production by 12+ months

The largest grower and supplier of Australian kiwifruit and nashi pears

- Nine large orchards, packs, markets and grow kiwifruit and nashi, as well as European pears, apricots, plums and cherries

NZDm	2017	2018
Turnover / revenue	\$ 16.5	\$ 14.9
EBITDA	\$ 2.3	\$(0.1)

Australian-grown fruit

Tonnes

