

# SEEKA LIMITED

## RETAIL INVESTORS

**26 June 2019**

Stuart McKinstry – Chief Financial Officer

# DELIVERING ORCHARD-TO-MARKET EXCELLENCE

## INTERNATIONAL FRESH PRODUCE BUSINESS



### **New Zealand**

Grow, process and market<sup>1</sup>

- Kiwifruit<sup>2</sup>
- Avocado
- Kiwiberry

Develop, lease and manage orchards

Manufacture

- Kiwi Crush, avocado oil

Import, ripen and supply

- Bananas, tropical fruit

Wholesale

- Seasonal produce

### **Australia**

Grow, process and market

- Kiwifruit
- Nashi
- European pears

**Largest grower of kiwifruit  
in New Zealand and Australia**

**Largest nashi grower  
in Australia**

1. Also process citrus and berries  
2. New Zealand kiwifruit mainly marketed by Zespri



# KEY INVESTMENT ATTRIBUTES AND STRATEGY FOR GROWTH



- 1 Strategy to becoming New Zealand's leading orchard-to-market business**  
A premium produce company
- 2 An investment entry point to New Zealand kiwifruit and avocados**  
Targeted varieties kiwifruit, avocados, nashi and pears | Geographical reach | Integrated service from orchard to retail
- 3 Significant orchard and produce business in Australia**
- 4 Capital invested to increase supply and fruit handling capacity**
- 5 Reliable cash-flow, positioned for further growth**



# OPERATING IN GROWTH INDUSTRIES

\$100M INVESTED IN THE LAST FIVE YEARS TO HANDLE INCREASING VOLUMES

## New Zealand kiwifruit volumes growing strongly

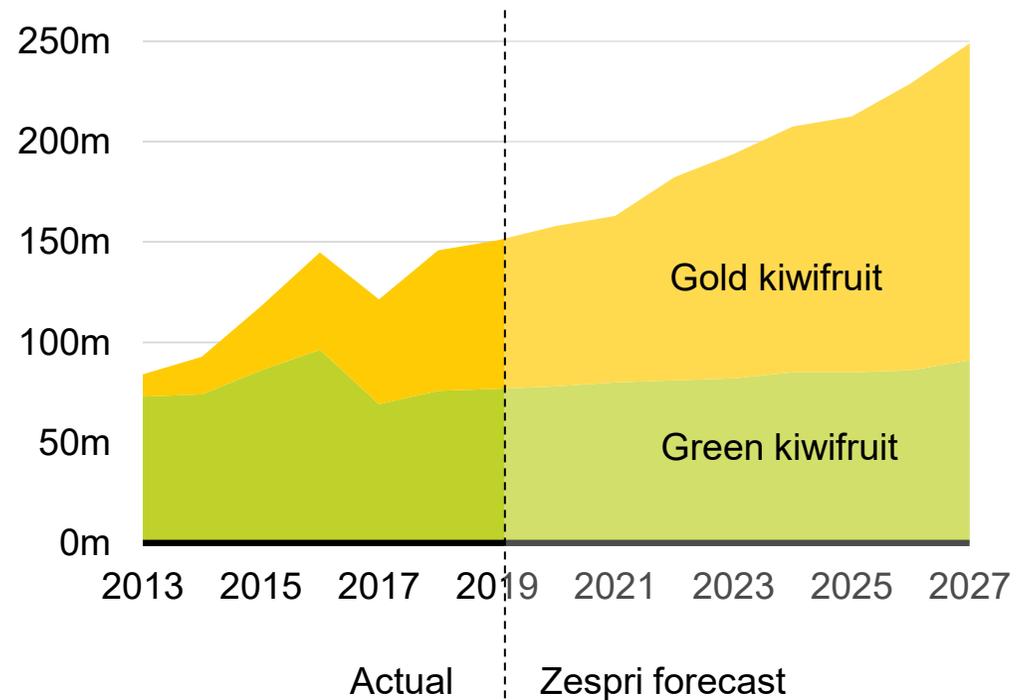
- Strong global consumer demand
- 20% market share in 2018
- Seeka benefits from higher volumes

## Export value of New Zealand avocados growing strongly

- Nearly doubled in the last five years over pcp<sup>1</sup>
- 10% market share of avocado handling and marketing in 2017/18

## Forecast New Zealand kiwifruit exports

Millions of class 1 trays<sup>2</sup>



1. New Zealand Avocado Annual Report 2018, p22

2. Zespri 5 Year Outlook, November 2017. Note in 2019, Zespri completed the second of its 5 year plan to sell up to 700 hectares of licences per year

# POST-HARVEST IN ACTION





# HIGHLIGHTS

FINANCIAL YEAR ENDING 31 DECEMBER 2018 (AUDITED)

## Financial

- \$203.7m total revenue      ↑ 9%<sup>1</sup>
- \$26.2m EBITDA              ↑ 13%<sup>1</sup>
- \$7.4m profit after tax      ↑ 27%<sup>1</sup>
- \$0.37 earnings per share   ↑ 16%<sup>1</sup>

## 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 \$42.1m<sup>2</sup> in 2018
- Developing Australian orchards
- Investing in New Zealand post-harvest infrastructure

## Recapitalised

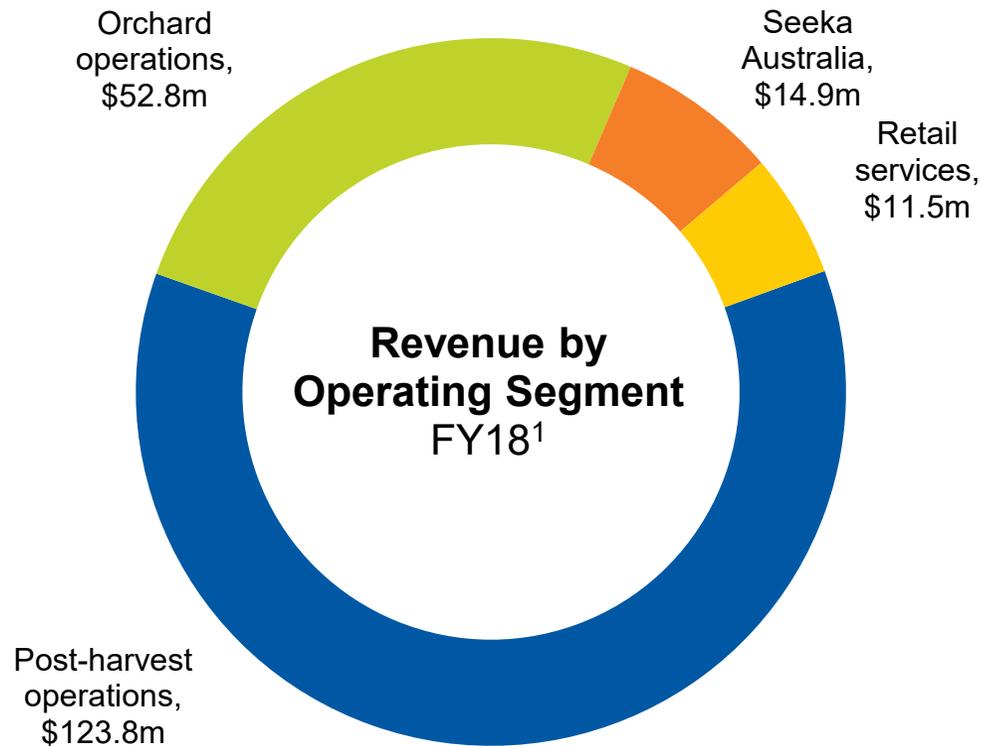
- Fully-subscribed rights issue raised \$47.9m in 2018

1. On previous comparable period  
2. Yet to settle \$9.8m of the purchase



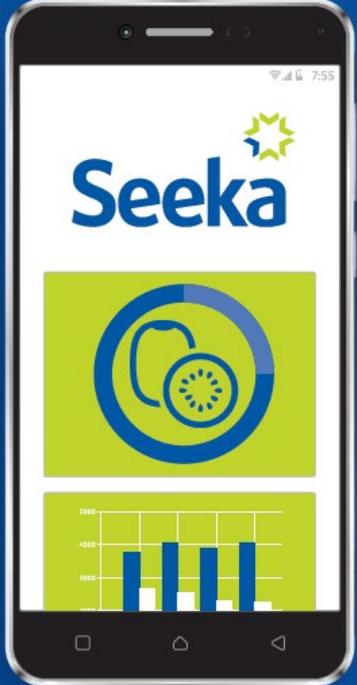
# FOUR OPERATING SEGMENTS

CAPTURING VALUE IN THE SUPPLY CHAIN



- Orchard Operations, New Zealand**  
Growing kiwifruit, avocado and kiwiberry
- Post-harvest Operations, New Zealand**  
Picking, packing and cool storing fruit
- Retail Services, New Zealand**  
Marketing local and imported produce in NZ, exports to Australia and around the world, manufactures functional foods
- Seeka Australia**  
Owns orchards and post harvest facilities

# INNOVATION FOR A COMPETITIVE EDGE



**Your Orchard  
Information.  
Anytime.  
Anywhere.**

- Seeka app
- Seeka bins
- Post-harvest automation
  - Better, faster service. Lower labour costs
- Advanced inventory management systems
  - Prioritises loadouts, generates higher market returns
- New varieties
  - GEM avocados
- New Products
  - Kiwi Crush



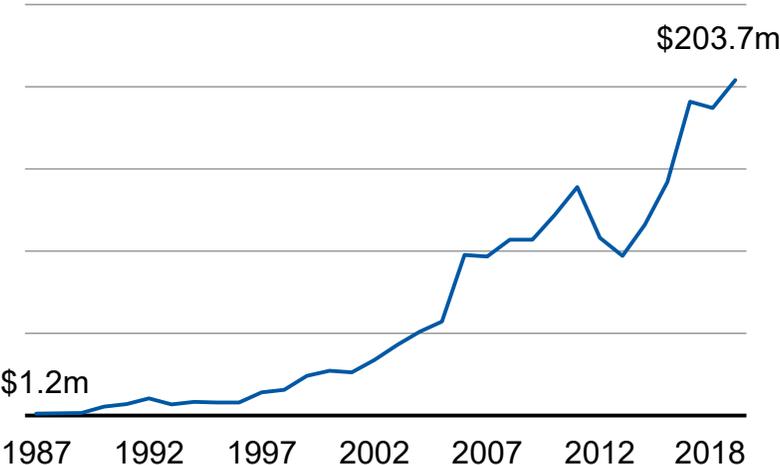
# SEEKA IS A GROWTH COMPANY



## Increasing revenue

Expansion through product portfolio, geographical reach and value chain

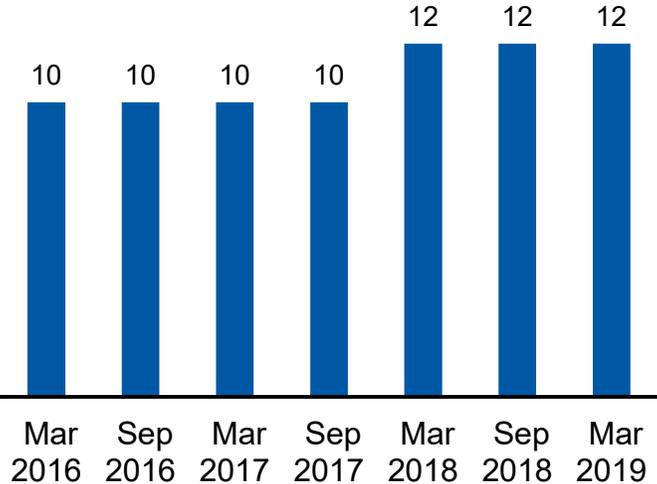
Revenue



## Delivering value to shareholders

24 cents in the last 12 months

Cash dividend  
Cents per share<sup>1</sup>



1. Fully imputed

# LATEST ANNOUNCEMENTS



## Current EBITDA Guidance

FY2019 to a range of between \$32.5m to \$33.5m, inclusive of the IFRS 16 adjustments of \$5.6m.

## Seeka continues its heartland growth story in 2019

Purchase of kiwifruit orcharding, packing and coolstore business, Aongatete Coolstores Limited, for \$25m

Analyst Briefing Pack available at [seeka.co.nz](https://seeka.co.nz) or contact:

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