

ANNUAL REPORT 2023





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Welcome to our 2023 Annual Report.

In this report, we detail our strategy to grow our business by connecting sustainable produce to the market, and report on our operational and financial performance as we work with our communities to deliver excellence.

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This report links to other information stored on the internet. Click on the QR codes or scan with your smartphone camera to view extra material.

Introducing Seeka

Our produce business

Seeka grows, processes and supplies premium, healthy fruit to domestic and international consumers.

We work along the supply chain, helping growers develop and operate their orchards, provide harvest and post-harvest services, supply Zespri's export programme, and market produce in New Zealand, Australia, and to other high-value markets.

Growers benefit from an integrated supply service that cares for their produce from the orchard to point of sale. We pride ourselves on careful handling and inventory management that optimises total crop value and grower returns. Our supply chain partners benefit from a quality-driven service that connects consumers to the sustainable production and supply of quality fruit.

Operating throughout New Zealand and Australia, and recruiting from the Pacific and Asia, we enhance regional economic development, and are a responsible employer that cares for the welfare of our workforce and communities.

By operating an integrated service, we are working to return value to Seeka shareholders by growing our revenue streams and operating margins. This includes adding new services and expanding the reach of our core supply chain service.

Our core business

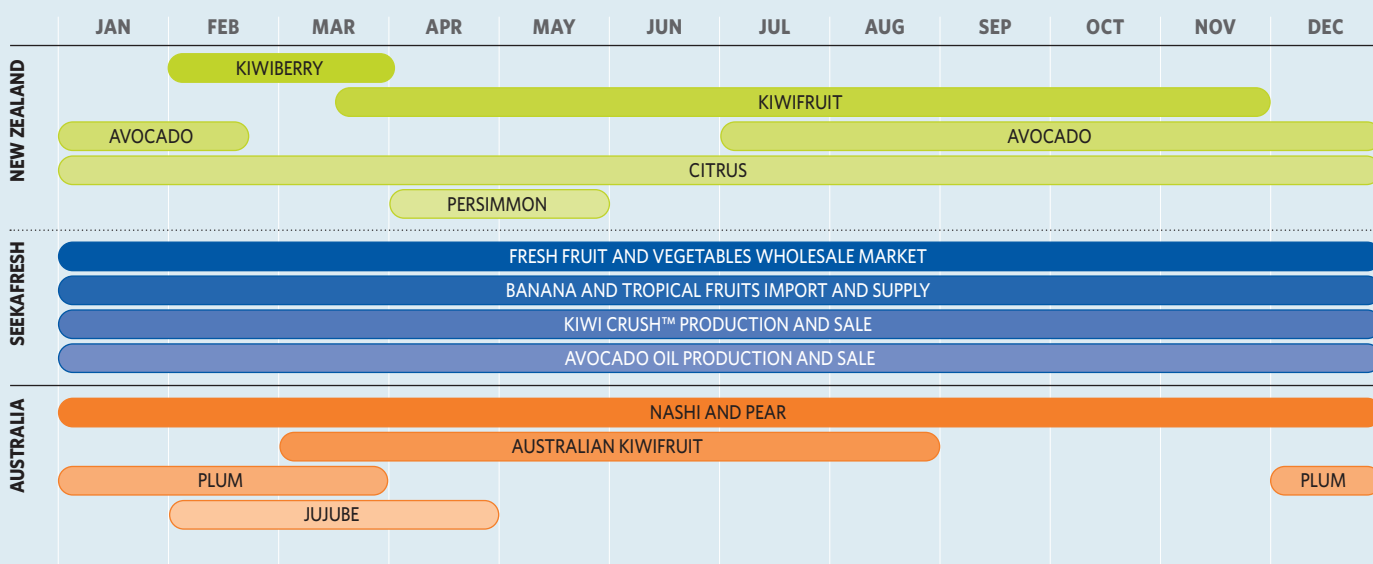
We are founded on kiwifruit and have expanded to be New Zealand's and one of Australia's largest kiwifruit growers. We grow and supply New Zealand kiwiberry, avocado, persimmon and citrus and Australian nashi, pears, jujube and other fruits.

We are a large regional employer, operating packing and coolstore facilities in all major kiwifruit and avocado growing regions in New Zealand's North Island. Seeka also operates orchard and post-harvest facilities in Victoria, Australia, with the Australian market supplied with Seeka fruit all year round.

We focus on supply chain management and have extended our services to include maturity testing to the wider kiwifruit industry, the importation and conditioning of tropical fruits for New Zealand retailers, and the production and selling of avocado oil and the digestive aid, Kiwi Crush™.

At Seeka, we strive to deliver excellence from orchard to market.

Our operations calendar



Seeka operates 12 packing and coolstorage facilities in NZ >

Plus 2 SeekaFresh sites
and 2 Australian packhouses

SeekaFresh
Retail services centre

SeekaFresh
DNFC production centre

Kerikeri
Orangewood
Peninsula
Katikati
Aongatete
Work Road
Huka Pak
Oakside
KKP
Transpack
OPAC
Gisborne



Seeka's strategy

Connecting
sustainable produce
to the world

› Deliver operational and financial excellence to our growers and shareholders

Excellent planning, disciplined execution and quality fruit to the market.

› Lift financial performance

Low cost structure, targeted capital expenditure and less bank debt.

› Optimise post-harvest capacity

Automation where it delivers efficiency and returns value.

› Build revenue streams

Lift kiwifruit returns and add complementary services and products to our core business.

› Select Excellence

Our aspiration to deliver excellent service, produce and value to our stakeholders.





Our brand

Select Excellence

Select Excellence encapsulates the essence of Seeka's business.

We Select Excellence to guide our decision making, our actions, and the company we strive to be. And our stakeholders can expect excellence when they select Seeka.

Select Excellence is backed by our six core brand values, highlighted by the six ticks of the Seeka motif.



Performance dashboard

FINANCIAL

\$(14)m

Loss after tax.

↓ Down from \$7m profit FY22.

\$3m

Operating cash flow.

↓ Down from \$12m FY22.

\$549m

Total assets.

→ Maintained total assets \$548m FY22.

ENVIRONMENTAL

1500

Hectares of NZ kiwifruit, avocado and kiwiberry grown by the Seeka team.

30m

Trays of NZ Class 1 kiwifruit packed and coolstored at Seeka facilities and shipped to the international markets.

99%

Of export-packed SunGold and Hayward kiwifruit delivered on time and in spec to Zespri, with industry-leading in-market fruit quality.

SOCIAL

1929

Full time equivalents employed per year in NZ and Australia to pick, pack and supply premium fruit.

6

Regions serviced in New Zealand and Australia. By connecting producers to high-returning markets, we grow regional economies.

3.2

Total recordable injury frequency, per 200,000 hours worked. Seeka's investments in safety technology and systems is creating safer work places.

\$240m

Net tangible assets, with capital expenditure within depreciation following ten years investing in automation and capacity.

↓ Down from \$251m FY22.

\$5.71

Net tangible assets per share.

↓ Down from \$5.97 FY22.

\$(0.34)

Loss per share.

↓ Down from \$0.16 earnings FY22.

60

tCO2e per \$1 million of revenue as Seeka works to reduce the intensity of our carbon footprint.

5

Years of CO2e data is guiding Seeka's sustainability initiatives as we track our journey to be net zero carbon by 2050.

791kW

Solar installed, with 345kW system commissioned at Seeka Katikati December 2023.

7

Pacific and Asian nations engaged with Seeka's recognised seasonal employer programme, with I-Kiribati, ni-Vanuatu, Solomon Islander, Samoan, Tongan and Malaysian people hosted in NZ and employed at Seeka orchards and post-harvest facilities.

140

Bed purpose-built accommodation facility completed at Aongatete is providing comprehensive pastoral care to Seeka RSEs.

\$201k

Donated to community health programmes, youth development, cultural and sports groups.

From the Chair and Chief Executive

The 2023 harvest was a difficult season right across the horticultural sector. Seeka was impacted by an industry wide drop in kiwifruit yields which led to an operating loss. A warm wet winter, cyclones and hail significantly impacted kiwifruit yields across New Zealand and Australia.

Seeka handled 29.8 million trays of class 1 New Zealand kiwifruit in 2023, compared with 42.0 million in 2022. Revenue for the 12 months ended 31 December 2023 was \$300.9 million, down from \$348.4 million in 2022. The \$47.5 million reduction in revenue produced a \$14.5 million loss after tax in 2023.

In response to the challenging financial year, Seeka:

- Suspended dividends
- Reviewed operations to lower the base overhead structure
- Established a captive insurance structure to slow the impact of rising insurance costs
- Reduced capital expenditure, while prioritising renewal of fire risk equipment, and
- Sought and obtained the support of Seeka's banking syndicate to renew facilities and obtained covenant waivers.

The weather plays a vital role in a successful crop and over the course of the last 18 months, Seeka has experienced it all. Winter 2022 was unseasonably warm and regions missed their normal winter chill contributing to an indifferent budbreak, particularly in Northland and Te Kaha. A heavy frost in October 2022 impacted many orchards right across the growing regions, with a number devastated.

In November 2022, record-breaking flooding and hail occurred in Shepparton, which impacted Seeka's Australian orchards, while New Zealand experienced continual rain through the Christmas period, followed by Cyclones Hale and Gabrielle, which caused severe damage in the Hawke's Bay and Tairāwhiti Gisborne regions. In May 2023, there was a significant hail event in the Bay of Plenty and while some orchards only experienced light damage, others suffered total loss.

These events lowered crop volumes and yields and decreased packhouse efficiency, slowing the machines and reducing margins as additional grading staff were employed to remove damaged fruit. Seeka worked to provide the best possible outcome for impacted growers and delivered them exceptional results.

With warm, moist growing conditions, 2023 harvest produced SunGold kiwifruit with below-normal dry matter. This occurred in a year when Zespri had increased dry matter maturity thresholds as a mechanism to improve the consumer taste experience. This convergence resulted in a significant volume of quality SunGold kiwifruit not being packed for export and sold on the domestic market.

Despite the challenging growing conditions, Seeka's operational performance for growers and Zespri was excellent. Seeka delivered extremely low onshore and offshore fruit loss, and the best offshore fruit quality in the industry. Last season's issue of fruit quality had been resolved through a focus on operational excellence, including innovative picking technology, a tailored packing service that matched the needs of each crop, and precision inventory management that ensured fruit was loaded out at the optimal time.

The new automated packing machine at KKP performed well and delivered the anticipated throughput and capacity gains. Automation upgrades at both Oakside and Seeka Gisborne enhanced site capacity and throughput.

Seeka's mix of automated and manual packing plant provides the flexibility to efficiently process weather damaged fruit. Quality lines can be quickly and efficiently processed on Seeka's highly-automated packing machines, while crop from damaged orchards can be cared for with intensive manual grading. This mix of packing technology allows Seeka to provide a timely harvest to all supplying growers.

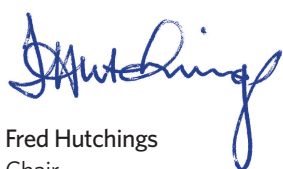
To drive efficiencies, Seeka has invested in reporting systems, utilising Power BI that tracks fruit maturity on the orchard, prioritises the harvest programme, and monitors fruit inventory quality from the grader to the markets. The next wave of Seeka innovation will incorporate artificial intelligence into Seeka's decision making systems.

Outlook

Seeka is focused on restoring the profitability of the Company in 2024 and reducing debt, while maintaining the excellent operational performance achieved in 2023 for its growers and customers. Having invested in capacity and automation, Seeka is containing capital spend to maintenance, risk reduction, and automation with proven financial return.

All indications point to volumes rebounding in 2024, with orchards benefitting from far better growing conditions during the key summer period, and kiwifruit vines holding high levels of fruit. Having built our capacity to handle more than 50 million trays, Seeka has the infrastructure, systems and personnel to manage the near-term growth in kiwifruit volumes from our supplying growers.

The Board and management would like to thank Seeka's people, shareholders and growers for their resilience, their loyalty and their continued support.



Fred Hutchings
Chair



Michael Franks
Chief executive



Financial review

Seeka Limited achieved a gross profit of \$48.7 million for the year ended 31 December 2023. This was a 29% decrease on 2022 as industry-wide low kiwifruit yields impacted revenue and the profitability of the Group's core business. EBITDA¹ was \$26.0 million, down \$20.1 million year on year.

Orcharding regions recorded their wettest summer, which along with Cyclones Hale and Gabrielle, regional flooding, frosts and hail, delivered a material reduction of New Zealand kiwifruit production. Poor growing conditions in the two seasons since 2021 have delivered a 25% fall in total volumes. This is despite an 8% increase in orcharding area.

Net loss after tax

Seeka's investments in post-harvest infrastructure and automation have been matched to the growth in kiwifruit plantings. The large downturn in yields, however, meant facilities were underutilised, and the core kiwifruit business unprofitable.

Seeka recorded a \$14.5 million net loss after tax, down from a \$6.5 million profit in 2022. This came from a \$19.6 million drop in gross profit, \$3.8 million of non-cash impairments and revaluations, and a \$5.4 million increase in finance expenses reflecting higher borrowings and interest rates.

Revenue

Total Group revenue of \$300.9 million was down 14% on 2022. New Zealand post-harvest revenue was 22% down to \$182.4 million as packing and coolstorage revenues were hit by a 29% fall in kiwifruit volumes.

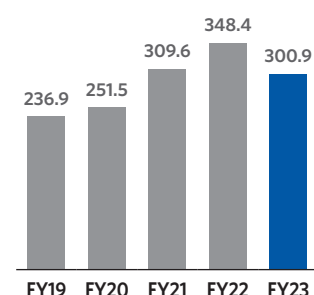
While lower yields also impacted orcharding operations, revenue increased 7% to \$86.5 million, aided by a substantial lift in tray payments for SunGold and Hayward kiwifruit from leased orchards. SeekaFresh also reported higher revenues, with a strong performance of the imported fruits and fresh market programmes contributing to a 9% lift in revenues to \$20.7 million. Seeka Australia revenue of \$10.4 million was down 26% on 2022, reflecting a 41% drop in kiwifruit, nashi and pear volumes as flooding impacted Australian orchard production.

Operating expenses and operating cash flow

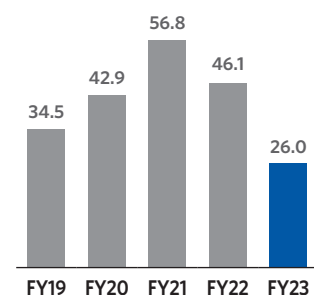
Total Group expenses of \$325.5 million was down 5% on 2022. This reflects lower volumes reducing costs, offset by a steady increase in the cost of seasonal labour and packaging materials, along with the fixed overhead costs across 14 post-harvest facilities.

Gross profit of \$48.7 million was down 29% on 2022.

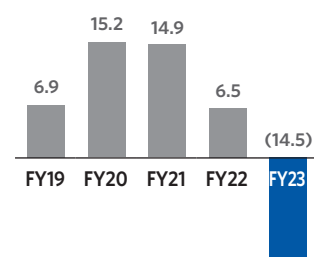
Group revenue
NZD Millions



Group EBITDA
NZD Millions



Group net profit after tax
NZD Millions



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

Cost savings from captive insurance structure

New measures implemented in 2023 are forecast to deliver \$3 million in annual cost savings from 2024 onwards. This includes savings from Seeka's new captive insurance structure. Seeka Risk Management Limited provides the Group with direct access to the London and Asian reinsurance markets. As a fully-owned Seeka subsidiary, Seeka Risk Management provides the same level of cover, however by reducing Seeka's reliance on domestic providers, it delivers significant cost savings.

Balance sheet

Total assets remained stable at \$548.8 million, with \$387.7 million invested in property, plant and equipment. Following a sustained period of investments, Seeka has a post-harvest infrastructure capable of handling more than 50 million trays of kiwifruit, which is forecast to efficiently handle short-term growth from our supplying growers.

Capital expenses were reduced to focus on plant maintenance and risk reduction, including worker safety and the upgrading of coolstore leak detection and fire-protection systems.

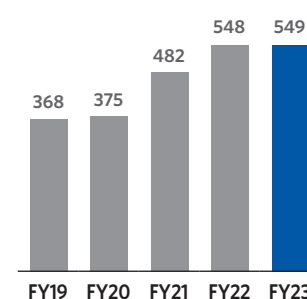
Total assets include \$50.5 million of right-of-use assets, reflecting \$29.8 million of land and building, and \$16.1 million of orchard leases.

In February 2023, Seeka realised \$3.3 million from the sale of excess water shares associated with the Group's Australian business.

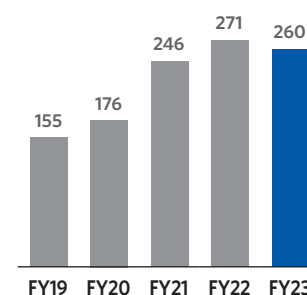
Total liabilities increased \$11.9 million to \$288.9 million with interest-bearing liabilities increasing to \$177.6 million (up \$26.6 million). At 31 December 2023, Seeka had \$23.2 million of available headroom from the syndicated banking facility. Seeka's banking partners waived two covenants in 2023, and have set two step-down covenants for June 2024 and December 2024 to help re-establish a profitable operation on higher volumes.

Net assets were down \$11.0 million to \$259.9 million.

Total assets
NZD Millions



Net assets
NZD Millions





Group financial performance

Key indicators

New Zealand dollars (millions)	FY23	FY22	Change
Total revenue	\$ 300.92	\$ 348.39	(14%)
EBITDA before impairments and revaluations	\$ 25.99	\$ 46.08	(44%)
Depreciation expense	\$ 15.52	\$ 16.06	(3%)
Lease depreciation expense	\$ 10.46	\$ 9.52	10%
Impairments, revaluations and amortisation of intangibles	\$ 4.12	\$ 1.42	190%
EBIT	(\$4.12)	\$ 19.09	(122%)
Interest expense	\$ 12.03	\$ 7.20	67%
Lease interest expense	\$ 4.84	\$ 4.29	13%
Net profit before tax	(\$20.99)	\$ 7.59	(376%)
Income tax charge	(\$8.26)	\$ 1.62	(609%)
Deferred tax expense	\$ 1.74	(\$0.54)	426%
Net profit attributable to equity holders	(\$14.47)	\$ 6.50	(322%)
Basic earnings per share (cents)	(\$0.34)	\$0.16	(313%)
Dividends per share paid in the financial year (cents)	-	\$0.13	-
Cash flow from operating activities	\$ 2.67	\$ 12.13	(78%)
Total assets	\$ 548.81	\$ 547.87	-
Property plant and equipment	\$ 387.71	\$ 375.79	3%
Net assets	\$ 259.95	\$ 270.94	(4%)
Net bank debt	\$ 172.38	\$ 147.39	17%

Values may not always sum due to rounding.

Orcharding

Led by GM Orchards, Barry Penellum

Revenue

- Leased and long term leased orchards: costs plus profit share
- Managed orchards: costs plus management fees

29%

of Group revenue

\$86.5m

Up 7% on
FY22 \$80.5m

Assets

- Leased orchards: growing crops
- Long-term leased orchards: developing orchards and growing crops

15%

of Group assets

\$84.8m

In line with
FY22 \$84.9m

Orcharding grew 11.4 million Class 1 trays of kiwifruit compared to 17.0 million trays in 2022. The main growing regions were hit by a record wet summer, which was compounded by regional flooding, hail and frost.

Yields were much lower than expected. The average Hayward yield from Seeka's orcharding operations was a record low 6,730 trays per hectare, down 30% on 2022, and down 45% on 2021. SunGold average yield of 9,295 trays per hectare was down 23% on 2022, and down 35% on 2021. The La Niña weather system which has impacted the last two seasons has now ended, and Seeka is expecting increased kiwifruit volumes in 2024.

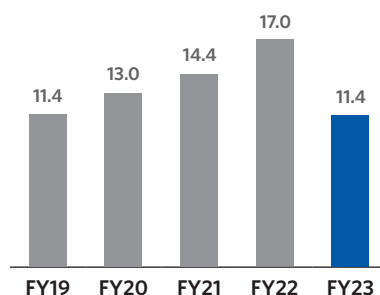
Seeka also grew 1,900 tonnes of avocado (2022: 1,700 tonnes) and 163 tonnes of Kiwiberry (2022: 116 tonnes), on orchards which it either owned or managed.

With the normalisation of border control, labour supply has improved and orcharding is benefiting from the return of skilled RSE employees.

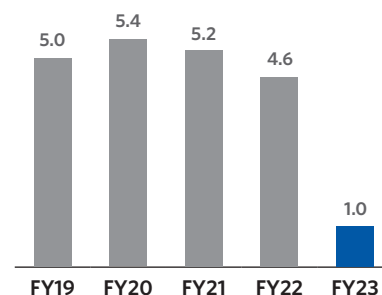
2023 orchard operations revenue of \$86.5 million was up \$6.0 million on 2022, reflecting a strong increase in kiwifruit tray returns which helped offset the large drop in yields. EBITDA of \$1.0 million was down on 2022's \$4.6 million, reflecting low kiwifruit yields. EBITDA was also impacted by the large drop in avocado yields and market returns, which impacted the profitability of Seeka's avocado operations.

Seeka continues to co-invest alongside landowners and funding agencies to develop high-value orchards, with 97 hectares currently under development with long-term supply commitments. Seeka has also directly invested \$16 million to develop 55 hectares of kiwifruit and 13 hectares of avocado on long-term leased land. Fruit volumes and the profitability of Seeka's orcharding operations are expected to increase as these orchards reach full production.

Kiwifruit grown
Millions of Class 1 kiwifruit trays



Orchard EBITDA
NZD Millions



Orchard operations span from Northland through the Coromandel, Bay of Plenty, Ōpōtiki and Te Kaha. Orchard operations include all aspects of growing and harvesting kiwifruit, avocado and Kiwiberry on leased, long term leased, and Seeka-owned orchards. The orcharding business provides comprehensive orchard and vine management services to owners together with contract work on an as-required basis. The business develops orchards for landowners on contract or under long term leases and in partnership with iwi.

Post-harvest

Led by GM Post-harvest, Paul Crone

Post-harvest packed 29.8 million Class 1 trays of kiwifruit, down from 42.0 million trays in 2022. Hayward volumes were down 37% and SunGold volumes down 24%, both significantly impacted by yield reductions.

Kiwifruit inventory performance was excellent across all Seeka sites, with a focus on "pack to load" delivering record-low coolstore losses, and high-quality, in-spec fruit to the marketer Zespri. The New Zealand kiwifruit industry is built on providing the markets with high-quality fruit. Seeka's supply-chain performance is essential to grow markets and secure premium pricing for New Zealand growers.

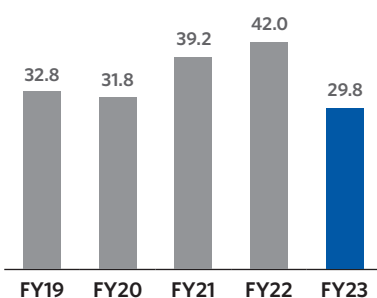
Avocado volumes and fruit quality were impacted by the poor growing season, and revenue from avocado export packing was significantly down. Seeka has been working with industry partners to rationalise supply chain services and re-establish a profitable business model for avocado growers.

Seeka also packed 11.0 million kilograms of citrus and 0.8 million kilograms of persimmon on contract for third party marketers, both impacted by low yields.

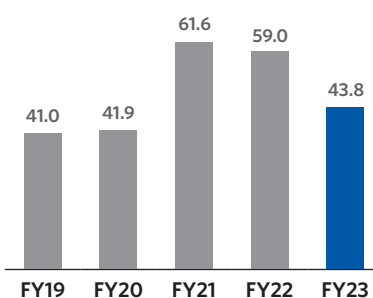
Post-harvest revenue of \$182.4 million was down 22% from last season (2022: \$233.8m) reflecting the large drop in volumes across all fruit categories. EBITDA was \$43.8 million compared to \$59.0 million in 2022, with Seeka unable to realise the efficiency gains from the highly-automated facilities due to the low volumes.

The completion of the capacity build, including the 2022 commissioning of the KKP and Transcool upgrades, along with automation upgrades at Seeka Gisborne and Oakside, has Seeka well positioned to handle 2024 kiwifruit volumes, with the network and capacity to pack more fruit using significantly less labour.

Kiwifruit packed
Millions of Class 1 kiwifruit trays

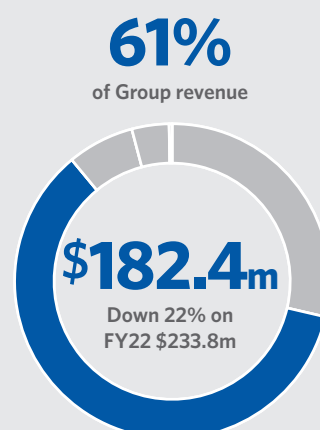


Post-harvest EBITDA
NZD Millions



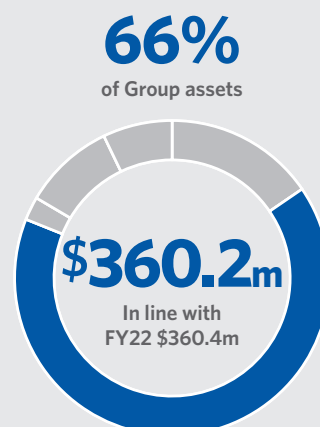
Revenue

- Grading and packing service fee per unit handled
- Coolstorage and loadout fees



Assets

- 12 packing facilities with 16 graders
- Coolstores



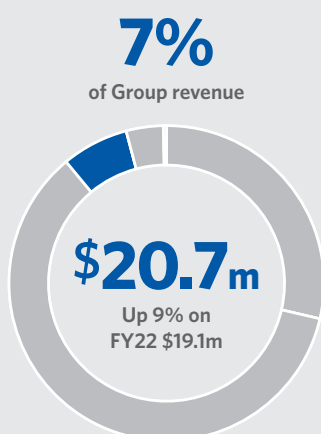
Post-harvest operates twelve packhouse facilities along with a network of coolstores. These packhouse facilities pack, cool and dispatch all produce from our orcharding operations and from our independent growers along with packing citrus and persimmons on contract for external marketers.

SeekaFresh retail services

Led by GM Grower Relations, Kate Bryant

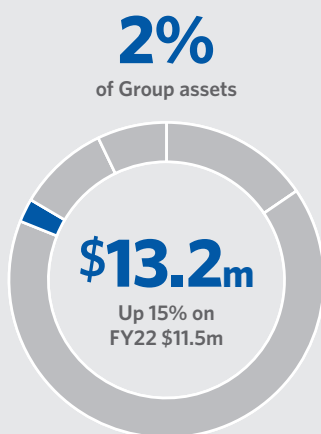
Revenue

- Sales commission
- Service fee for imported fruit
- Processing fees



Assets

- Auckland service facility
- Te Puke processing facility



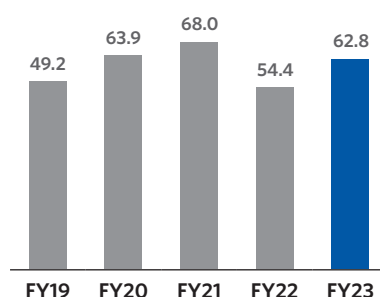
Turnover was up 15% to \$62.8 million. This was reflected in a 9% lift in revenue to \$20.7 million, supported by higher returns from imported produce and SeekaFresh's wholesale market. This flowed through to a 226% lift in EBITDA to \$2.6 million (2022: \$0.8m) with the extension of Seeka's operations into retailing adding a valuable revenue stream.

Low volumes and high quality supported strong pricing for SeekaFresh's retailing of kiwifruit in New Zealand and Australia. Good returns were also generated for Kiwiberry growers.

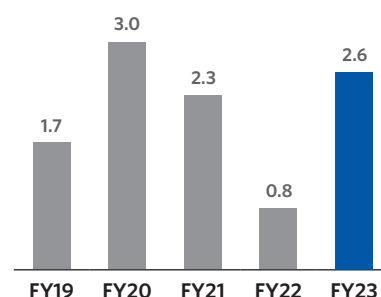
SeekaFresh includes the production and sale of Kiwi Crush™ and avocado oil from otherwise unmarketable fruit. Both initiatives contributed to Group earnings, returned value to supplying growers, and further lifted the sustainability of supply chain operations.

Low avocado yields, poor fruit quality, and very weak Australian pricing impacted the avocado programme, with a high percentage of the crop sold in an over-supplied domestic market. While SeekaFresh executed a successful sales programme into Asia, volumes are restricted by Asia's preference for smaller fruit and a short marketing window. Seeka is working with industry partners to rationalise the supply chain and marketing functions, and generate better returns for the industry.

SeekaFresh retail services turnover
NZD Millions



SeekaFresh retail services EBITDA
NZD Millions



SeekaFresh retail services includes the supply, export and sale of avocado, Kiwiberry and Class 2 New Zealand kiwifruit, sale of New Zealand kiwifruit through collaborative programmes, operation of the New Zealand wholesale marketing business including imported tropical fruits, and the manufacture and sale of Kiwi Crush™ and avocado oil.

Australia

Led by GM Australian Operations, Jonathan van Popering

Seeka Australia grew and sold 3,309 tonnes of fresh fruit in 2023, down 32% on 2022 as severe flooding and hail impacted plant health and yields. Kiwifruit volumes fell 51%, pears were down 29%, and nashi down 2%.

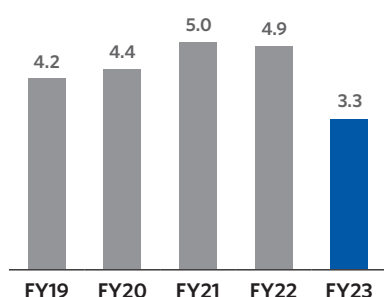
While most fruit was marketed in Australia, including direct to large supermarket retailers, Seeka also exported a limited supply of its Australian-grown fruit to Asia at excellent prices. The demand for Australian-grown Hayward Green kiwifruit exceeded the volume Seeka could supply.

The reduced volumes flowed through to a 26% drop in revenue to \$10.4 million, and an EBITDA of \$0.7 million.

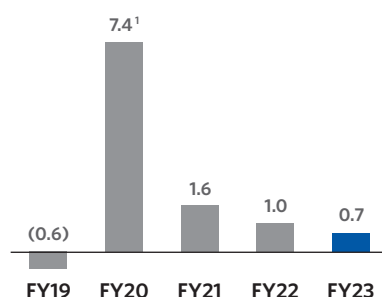
Seeka is forecasting strong growth in its Australian business, with \$13 million invested in new orchard developments, including 63 hectares of kiwifruit, new pear varieties, and an expansion of jujube plantings.

Seeka has established strong market demand for Seeka-branded produce in Australia, and is selectively exporting to Asia where it returns value. A normalisation of growing conditions, along with the new plantings, are poised to deliver significant growth.

Seeka Australia volumes handled
Thousands of tonnes handled



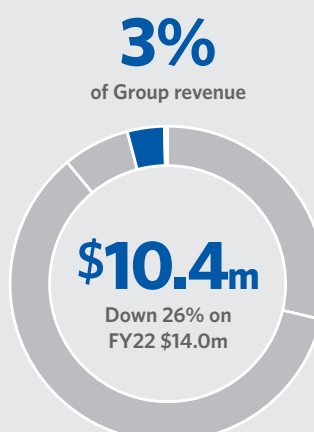
Seeka Australia EBITDA
NZD Millions



Seeka Australia Pty Limited, a 100% Seeka-owned company, leases and operates kiwifruit orchards, and owns and operates nashi and pear orchards along with associated post-harvest facilities in Victoria, directly marketing Seeka's Australian produce domestically and to export customers.

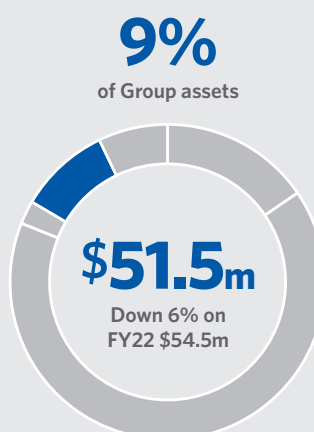
Revenue

– Fruit sales



Assets

- 160 hectares of owned orchards and crop
- 114 hectares of kiwifruit on long-term leased orchards
- Packhouse and coolstores



1. FY20 included a \$6.2m gain on the sale and leaseback of 199 hectares of orchards.

Focus on sustainability

Seeka plans to become a sustainable company by reducing our environmental footprint, supporting the wellbeing of our communities, and to generate value for our stakeholders.

Over the past 12 months, we have:

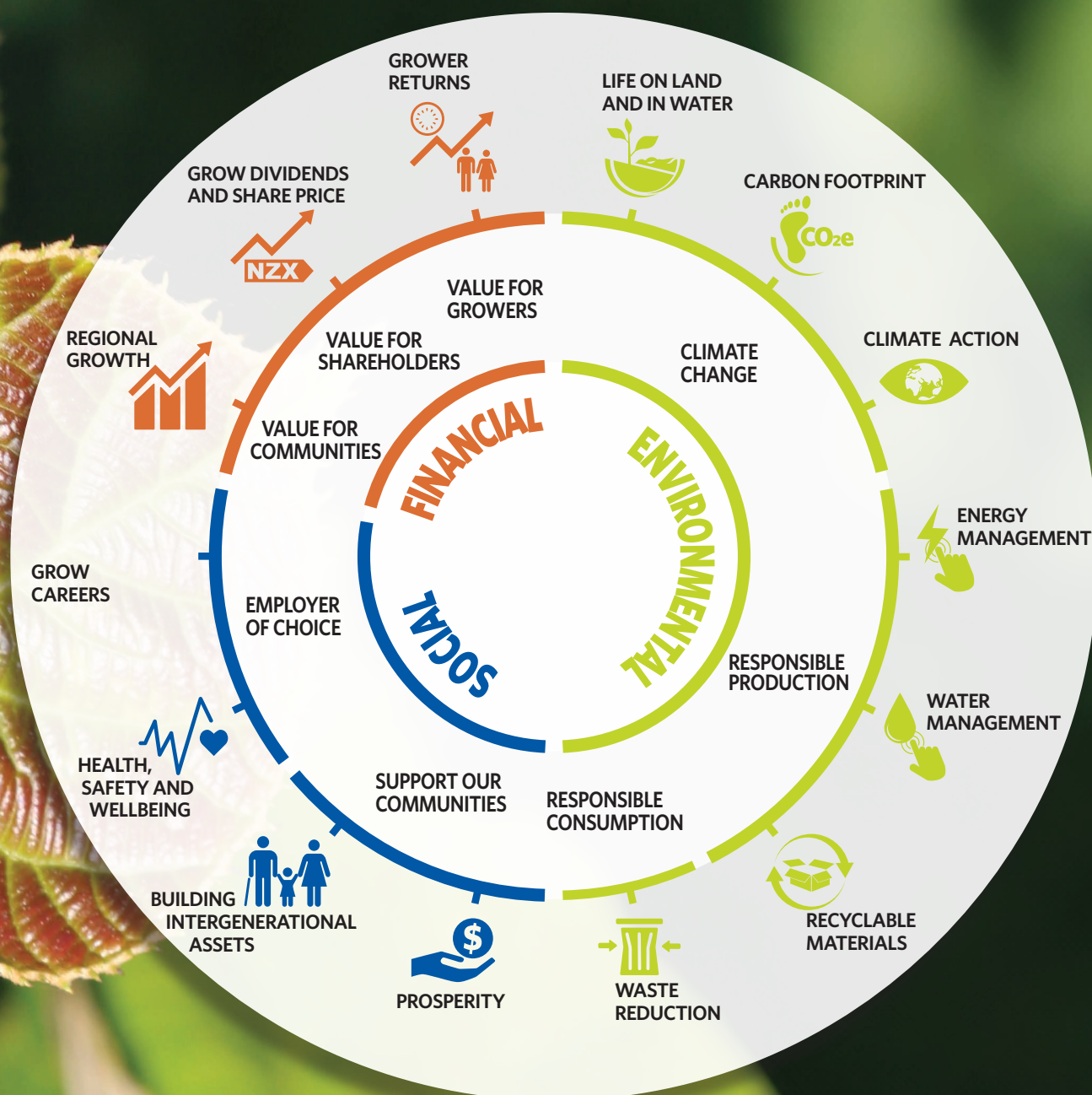
-  **Reduced our carbon footprint by 21%**
2023's 21% reduction on 2022 was aided by lower crop volumes. See our CO2e journey on page 20.
-  **Entered a \$201m Sustainability-linked Loan**
Setting targets to reduce our carbon footprint, increase renewable energy, and improve safety.
-  **Trialled the retrofitting of coolstores with environmentally-friendly refrigerants**
Action plan to progressively replace coolants that have high greenhouse gas potential.
-  **Installed 345 kW of solar panels at Katikati post-harvest facility**
Increasing our production of renewable energy.
-  **Promoted four cadets to orchard management positions**
Developing rewarding career pathways in the horticultural industry.
-  **Reduced the gender pay gap**
Down from 22.3% in 2022 to 21.0% in 2023, in Seeka's first disclosure on gender pay.
-  **Opened the 140-bed Turanga Whetu accommodation facility for RSE employees**
Providing comprehensive pastoral care, including free dental services for our Pacific and Asian RSEs.

By working with our communities and our environment, Seeka is committed to making meaningful change and achieving sustainable outcomes.

You can read about our sustainability journey at seeka.co.nz/sustainability, and we will publish a full update on our ESG initiatives in June 2024.



Sustainability strategy



Seeka's carbon footprint

Seeka measures its greenhouse gas (GHG) emissions in accordance with *ISO 14064-1: 2018 - Greenhouse gases*. [Toitū Envirocare](#) has verified Seeka's GHG emissions inventory, providing assurance across the four emission categories since 2019.

Seeka's approach to its carbon footprint is to prevent carbon emissions, then to reduce, and offset as a last resort. No carbon offsets were purchased between 2019 and 2023.

2023 performance

Category 1 direct emissions controlled by Seeka

Seeka experienced a number of refrigerant leaks in 2023. Seeka's programme to upgrade the more recently acquired sites with Seeka standard leak detection systems is nearly complete.

Category 2 indirect emissions from purchased electricity

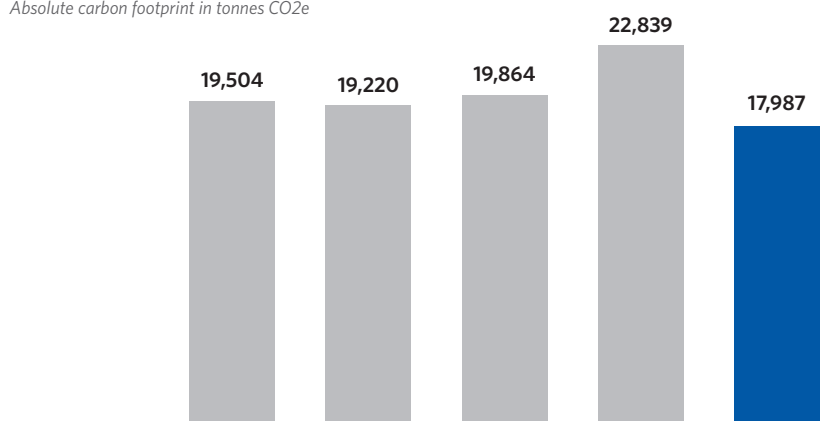
The electricity carbon footprint was 49% down on the prior year reflecting 2023's low fruit volumes and short packing season.

Category 3 and 4 indirect emissions from Seeka's supply chain

Indirect transport and distribution emissions were down 3% on 2022 and other indirect emissions associated with packaging, transmission and distribution losses were down 39%, reflecting the drop in fruit yields and volumes.

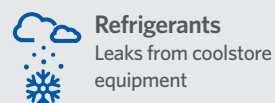
Annual CO₂e footprint, 2019 to 2023

Absolute carbon footprint in tonnes CO₂e



Category	2019	2020	2021	2022	2023	Emissions
1	4,051	3,803	3,900	4,465	5,685	Direct emissions controlled by Seeka
2	3,973	3,696	4,487	5,708	2,892	Indirect emissions from purchased electricity
3	4,069	4,452	3,987	4,618	4,487	Indirect transport emissions from Seeka's supply chain
4	7,411	7,269	7,490	8,048	4,923	Other indirect emissions from Seeka's supply chain
Total	19,504	19,220	19,864	22,839	17,987	

Seeka's main category 1 emissions



Refrigerants
Leaks from coolstore equipment



Fossil fuels
Burnt to power Seeka's transport fleet



Fertilisers
Applied to Seeka long-term leased and owned orchards

Seeka's main category 2 emissions



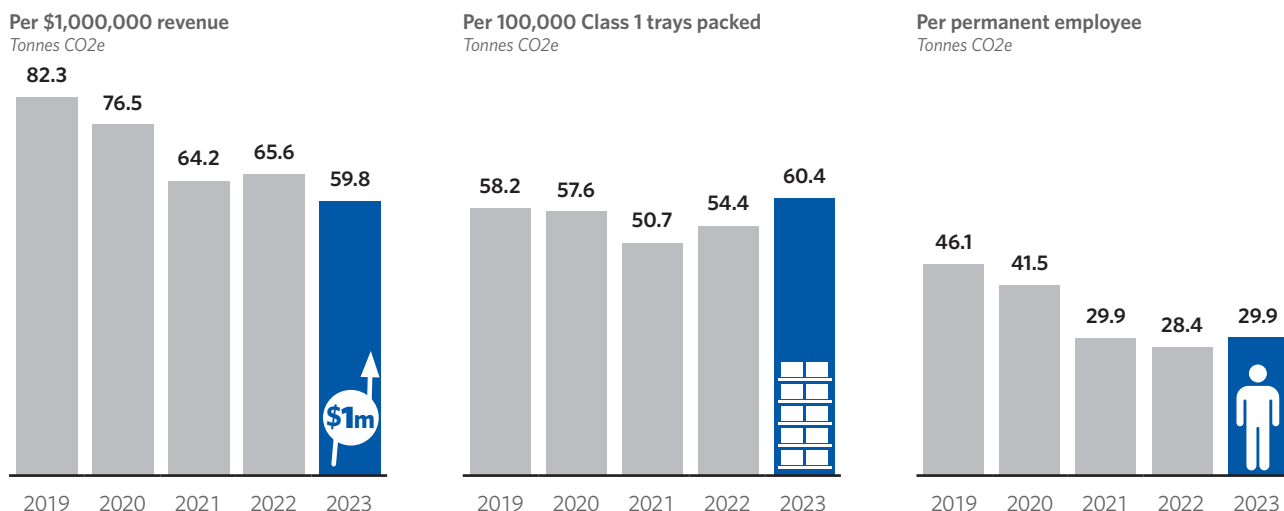
Electricity
Powering Seeka's packhouses and coolstores

Intensity-based performance measures

Seeka is in a fast-growing industry. While it is important to report our absolute carbon result, as an expanding business it is equally important to report our efficiency gains. Our total emissions are benchmarked against three intensity-based measures:

- Tonnes CO₂e per \$1,000,000 revenue
- Tonnes CO₂e per 100,000 Class 1 trays packed
- Tonnes CO₂e per permanent employee

The 2022 drop in yields and a second drop in 2023 impacted the intensity measures.



Climate-related risks and opportunities

Climate change is both an opportunity and a threat to the business. A changing climate impacts the land and our people, and the quantity and quality of the fruit Seeka handles. Seeka is working to assess climate-related risks and impacts and is formulating strategies to ensure the business remains resilient in a changing environment.

Over the past ten years, Seeka has expanded operations to encompass all major kiwifruit growing regions in New Zealand and to the Goulburn Valley in Australia. Seeka is growing and packing a bigger range of fruit, including kiwifruit, avocado, Kiwiberry, nashi, pear, plum, jujube, persimmon and citrus. By growing diverse crops in different regions, Seeka is building a knowledge base on how different soil types and climates impact plant health and fruit yields. These learnings are guiding Seeka's orchard practices and orchard developments.

Seeka is committed to growing sustainable futures for our employees, growers, communities, and shareholders. Addressing climate change and creating appropriate mitigation and adaption strategies are core to enabling a sustainable future.

Seeka is making its first disclosures of its climate-related risks and opportunities, as at 31 December 2023. Seeka's climate disclosures provide insights into potential risks and opportunities, and how Seeka is building resilience in a changing environment. The disclosures comply with the External Reporting Board's (XRB's) [Climate-related Disclosures \(NZ CS 1\)](#). Seeka's climate-related risks are regularly reviewed and incorporated into Seeka's risk management register.





Financial statements

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Statement of profit or loss

For the year ended 31 December 2023

New Zealand dollars	Notes	2023 \$'000s	2022 \$'000s
Revenue	3	300,920	348,387
Cost of sales	4	252,194	280,078
Gross profit		48,726	68,309
Other income	3	3,270	755
Share of profit of associates	24	282	1,154
Other costs	4	26,290	24,139
Earnings (EBITDA)¹		25,988	46,079
Depreciation expense	10	15,520	16,055
Lease depreciation expense	13	10,462	9,516
Impairments	4	3,465	1,016
Loss on revaluation of property, plant and equipment	10	294	-
Amortisation of intangible assets	11	365	406
(Loss) / earnings (EBIT)²		(4,118)	19,086
Interest expense		12,028	7,204
Lease interest expense	13	4,842	4,289
Net (loss) / profit before tax		(20,988)	7,593
Income tax (benefit) / charge		(8,264)	1,624
Deferred tax charge / (benefit)		1,742	(535)
Total tax (benefit) / charge	6	(6,522)	1,089
Net (loss) / profit attributable to equity holders		(14,466)	6,504
Earnings per share for profit attributable to the ordinary equity holders of the company during the year			
Basic (loss) / earnings per share	20	(\$ 0.34)	\$ 0.16
Diluted (loss) / earnings per share	20	(\$ 0.34)	\$ 0.16

1. EBITDA, a non-GAAP measure, is earnings before interest, tax, depreciation, amortisation, impairments and revaluations, [see note 1](#).

2. EBIT, a non-GAAP measure, is earnings before interest and tax, [see note 1](#).

Statement of comprehensive income

For the year ended 31 December 2023

New Zealand dollars	Notes	2023 \$000s	2022 \$000s
Net (loss) / profit for the year		(14,466)	6,504
<i>Items that will not be reclassified to profit or loss, net of tax</i>			
Gain on revaluation of land and buildings	10	7,466	9,736
(Loss) / gain on revaluation of water shares	11	(2,756)	162
Total items that will not be reclassified to profit or loss		4,710	9,898
<i>Items that may be reclassified subsequently to profit or loss, net of tax</i>			
Movement in cash flow hedge reserve	21	(1,576)	2,864
Movement in foreign currency translation reserve	21	3	47
Movement in foreign currency revaluation reserve	21	216	(92)
Total items that may be reclassified subsequently to profit or loss		(1,357)	2,819
Total net (loss) / profit for the year attributable to equity holders		(11,113)	19,221

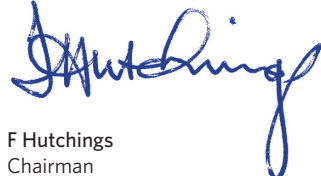
The accompanying notes form an integral part of these financial statements

Statement of financial position

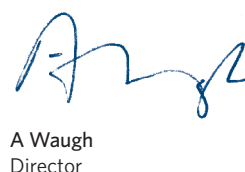
As at 31 December 2023

New Zealand dollars	Notes	2023 \$'000s	2022 \$'000s
Equity			
Share capital	18	162,865	162,746
Reserves	21	58,790	55,437
Retained earnings	21	38,294	52,760
Total equity		259,949	270,943
Current assets			
Cash and cash equivalents		5,207	3,554
Trade and other receivables	14	32,604	33,147
Biological assets - crop	12	21,766	18,408
Inventories	15	10,640	11,900
Irrigation water rights		231	127
Assets classified as held for sale	9	3,205	6,293
Tax assets	6	369	-
Total current assets		74,022	73,429
Non current assets			
Trade and other receivables	14	3,367	5,099
Property, plant and equipment	10	387,710	375,788
Intangible assets	11	24,239	26,934
Right-of-use lease assets	13	50,507	55,805
Investment in associates and joint arrangements	24	4,639	5,952
Derivative financial instruments	30	1,249	3,438
Investment in financial assets	23	1,261	1,424
Deferred tax assets	7	1,817	-
Total non current assets		474,789	474,440
Total assets		548,811	547,869
Current liabilities			
Tax liabilities	6	-	337
Trade and other payables	16	25,278	32,778
Lease liabilities	13	9,941	9,631
Interest bearing liabilities	17	49,291	22,870
Total current liabilities		84,510	65,616
Non current liabilities			
Interest bearing liabilities	17	128,292	128,072
Lease liabilities	13	54,821	60,434
Deferred tax liabilities	7	21,239	22,804
Total non current liabilities		204,352	211,310
Total liabilities		288,862	276,926
Net assets		259,949	270,943

On behalf of the Board.



F Hutchings
Chairman



A Waugh
Director

Dated: 28 February 2024

The accompanying notes form an integral part of these financial statements

Statement of changes in equity

For the year ended 31 December 2023

New Zealand dollars	Notes	Share capital \$000s	Cash flow hedge reserve \$000s	Foreign currency revaluation reserve \$000s	Foreign currency translation reserve \$000s	Share reserve \$000s	Water share revaluation reserve \$000s	Land and buildings revaluation reserve \$000s	Retained earnings \$000s	Total \$000s
2023										
Equity at 1 January 2023		162,746	2,476	(2)	(161)	-	2,756	50,368	52,760	270,943
Net (loss)		-	-	-	-	-	-	-	(14,466)	(14,466)
Foreign exchange movement		-	-	216	3	-	-	-	-	219
Other comprehensive (loss) / income		-	(1,576)	-	-	-	(2,756)	7,466	-	3,134
Total comprehensive (loss) / income		-	(1,576)	216	3	-	(2,756)	7,466	(14,466)	(11,113)
<i>Transactions with owners</i>										
Employee share scheme receipts	18	119	-	-	-	-	-	-	-	119
Total transactions with owners		119	-	-	-	-	-	-	-	119
Equity at 31 December 2023		162,865	900	214	(158)	-	-	57,834	38,294	259,949
2022										
Equity at 1 January 2022		151,681	(388)	90	(208)	526	2,594	40,632	51,564	246,491
Net profit		-	-	-	-	-	-	-	6,504	6,504
Foreign exchange movement		-	-	(92)	47	-	-	-	-	(45)
Other comprehensive income		-	2,864	-	-	-	162	9,736	-	12,762
Total comprehensive income / (loss)		-	2,864	(92)	47	-	162	9,736	6,504	19,221
<i>Transactions with owners</i>										
Shares issued	18	9,297	-	-	-	-	-	-	-	9,297
Employee share scheme receipts	18	794	-	-	-	-	-	-	-	794
Grower share scheme receipts	18	401	-	-	-	-	-	-	-	401
Movement in employee share entitlement reserve	21	461	-	-	-	(423)	-	-	-	38
Movement in grower share entitlement reserve	21	112	-	-	-	(103)	-	-	-	9
Dividends declared and paid	22	-	-	-	-	-	-	-	(5,308)	(5,308)
Total transactions with owners		11,065	-	-	-	(526)	-	-	(5,308)	5,231
Equity at 31 December 2022		162,746	2,476	(2)	(161)	-	2,756	50,368	52,760	270,943

Statement of cash flows

For the year ended 31 December 2023

New Zealand dollars	Notes	2023 \$'000s	2022 \$'000s
Operating activities			
<i>Cash was provided from:</i>			
Receipts from customers		304,715	346,084
Interest and dividends received		44	95
Insurance proceeds		1,002	-
<i>Cash was disbursed to:</i>			
Payments to suppliers and employees		(287,264)	(313,426)
Interest paid		(12,847)	(7,204)
Lease interest paid		(4,842)	(4,289)
Income taxes refunded / (paid)		1,863	(9,132)
Net cash inflows from operating activities	5	2,671	12,128
Investing activities			
<i>Cash was provided from:</i>			
Sale of property, plant and equipment	10	460	596
Cash acquired in acquisition of business	19	-	33
Distributions and share buy backs from investments		475	518
Sale of investment in financial assets	23	-	253
Proceeds from sale of assets classified as held for sale	9	5,266	527
Repayment of grower or grower entity advances		22,462	34,272
<i>Cash was applied to:</i>			
Purchase of property, plant, equipment and intangibles		(16,574)	(29,681)
Development of bearer plants		(6,162)	(4,183)
Acquisition of business	19	-	(8,853)
Acquisition of associate	24	(100)	(1,358)
Advances to growers or grower entities		(22,462)	(34,022)
Net cash outflows from investing activities		(16,635)	(41,898)
Financing activities			
<i>Cash was provided from:</i>			
Proceeds of non-current bank borrowings	17	38,000	50,000
Proceeds of current bank borrowings	17	119,919	64,753
Proceeds from employee and grower loyalty share schemes	18	119	1,195
<i>Cash was applied to:</i>			
Principal lease payments	13	(10,814)	(9,231)
Repayment of non-current bank borrowings	17	(38,000)	(34,175)
Repayment of current bank borrowings	17	(93,445)	(47,216)
Payment of dividend to and behalf of shareholders	22	-	(4,374)
Net cash inflows from financing activities		15,779	20,952
Net increase / (decrease) in cash and cash equivalents		1,815	(8,818)
Effect of foreign exchange rates		(162)	11
Opening cash and cash equivalents		3,554	12,361
Closing cash and cash equivalents		5,207	3,554

The accompanying notes form an integral part of these financial statements

Notes to the financial statements

For the year ended 31 December 2023

This section contains the notes to the consolidated financial statements (financial statements) for Seeka Limited, its subsidiaries and associates. To give stakeholders a clear insight into how Seeka organises its business, the note disclosures are grouped into seven sections.

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Basis of preparation

This section sets out the Group's accounting policies that apply to the full set of financial statements. Accounting policies which are limited to a specific note are described in that note.

Reporting entity and statutory base

The financial statements presented are those of the consolidated Seeka group. Seeka Limited is referred to as Seeka Limited or the Company. The group, which is the Company and all subsidiaries controlled by Seeka Limited, is referred to as the Group, Seeka, or Seeka Group.

Seeka Limited is a profit-orientated company registered in New Zealand under the Companies Act 1993 and a Financial Markets Conduct Reporting Entity for the purposes of the Financial Markets Conduct Act 2013. Seeka Limited is listed and its ordinary shares are quoted on the NZX main board equity security market (NZX Main Board).

Nature of operations

Seeka is a produce business operating in New Zealand and Australia.

In New Zealand the Group provides orchard management, orchard leasing, post-harvest and retail services to New Zealand's kiwifruit, avocado, citrus, persimmon, and Kiwiberry industries. Seeka manufactures and sells the Kiwi Crush™ and Kiwi Crushies product range along with avocado oil. The Group also provides retail and ripening services for imported tropical produce, and operates a wholesale market.

In Australia, Seeka owns, leases and operates orchards and associated post-harvest assets, making the Group one of the largest producers and suppliers of Australian kiwifruit and nashi pears, a major supplier of European pears, plus other fruits, including plums and jujube dates.

Summary of material accounting policies

The accounting policies have been applied consistently throughout the periods presented in the financial statements.

Statement of compliance and basis of preparation

The financial statements for the Group have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013. The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Principles (GAAP), incorporating New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable financial reporting standards as appropriate for profit-oriented entities. The Group financial statements also comply with International Financial Reporting Standards (IFRS).

The financial statements are prepared on a historical cost basis, with the exception of:

- Assets classified as held for sale at fair value ([note 9](#))
- Land and buildings at fair value ([note 10](#))
- Biological assets - crop at fair value ([note 12](#))
- Right-of-use lease assets and lease liabilities at present value of expected cash payments ([note 13](#))
- Investment in financial assets held at fair value ([note 23](#))
- Financial assets and liabilities (including derivative instruments) at fair value through comprehensive income ([note 30](#) and [note 31](#))

The material accounting policies applied in the preparation of the financial statements are set out below and those that are considered material to an understanding of the financial statements are provided throughout the notes in grey shading.

The financial statements were approved by the Board of Directors (the Board) on 28 February 2024.

Basis of consolidation

Subsidiaries

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets exchanged, equity instruments issued and liabilities incurred or assumed at the date the acquisition is settled. Direct acquisition costs are expensed as incurred.

Intercompany transactions, balances and unrealised gains on transactions between companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency (NZD) using the exchange rates prevailing during the month of that transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the statement of profit or loss. The presentational currency is the New Zealand dollar (NZD).

Foreign operations

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each entity's balance sheet within the Group are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each entity's income statement and statement of comprehensive income, are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning future operational and financial performance. By definition, these assumptions may not always equal actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are identified in the notes below. Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Assumptions underlying management's estimates can be found in the following notes to the financial statements.

Note	Area of estimation or judgement
10. Property, plant and equipment	Valuation and impairment assessment
11. Intangible assets	Impairment assessment and CGU allocation

Going concern assumption

The financial statements have been prepared on a going concern basis.

The Directors have carefully considered the ability of the Group to operate as a going concern for at least the next 12 months from the date of signing these financial statements.

The Directors have considered the economic environment, the forward outlook for the kiwifruit industry, the forecast covenant compliance, and have made due enquiry into the appropriateness of the assumptions underlying the budgeting forecasts. The Directors have considered the working capital position of the Group and noted that the cash and cash equivalent balance of \$5.2m and undrawn term facilities of \$20.0m provide sufficient headroom, alongside expected future cash flows and an additional \$20.0m credit line available between February 2024 and July 2024, to support the business for at least the next 12 months past the signing date of these financial statements.

The Directors have concluded that the Group will continue to operate as a going concern and the financial statements are prepared on that basis.

Climate impact

The longer-term impacts of climate change are being analysed and Seeka is mitigating these risks through regional diversification, innovative growing techniques, and research and development. Climate change brings both opportunities and risks for the business, which are detailed in the [sustainability section](#) of this report.

Goods and services tax (GST)

The statement of profit or loss and statement of comprehensive income have been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

Impact of standards issued but not yet applied by the entity

There are no new standards, amendments or interpretations that have been issued and are effective that are expected to have a significant impact on the Group.

Performance

This section focuses on the Group's financial performance and details the contributions made from the individual operating segments.

1. Segment information

The Group's operating segments engage in business activities that earn revenues, incur expenses and are reported in a manner consistent with the internal reports provided to the chief decision makers, being the Directors, who regularly evaluate the allocation of resources alongside operational outcomes, such as EBITDA and EBIT, and are responsible for setting strategic direction.

The Group has five operating segments:

- Four New Zealand segments express the range of complementary services delivered to New Zealand's produce industries and the retail sector.
- A single Australian operating segment covers the integrated supply chain service for the Group's Australian-grown fruit.

Direct segment revenues and operating costs are allocated to each segment. Administration costs, overheads, grower service costs and other income from the sale of assets recorded in the statement of profit or loss are allocated to all other segments. Transactions between segments are conducted at arm's length and are eliminated on consolidation.

New Zealand segments

Orchard operations

The Group provides on-orchard management services to orchard owners who produce kiwifruit, avocado, citrus and Kiwiberry crops.

The Group produces kiwifruit, avocado, citrus and Kiwiberry from:

- Short term leased orchards (typically three-year rolling contracts) whereby the Group recovers costs and shares any profits with the orchard owners.
- Long term leased land which the Group has developed into productive orchards, pays all development and production costs, owns all crops for the term of the lease, and shares profit with the landowner after all costs are recovered from crop proceeds.
- Owned orchards whereby the Group incurs growing and harvest costs and receives all orchard income from crop sales.

Post-harvest operations

The Group provides post-harvest services to the kiwifruit, avocado, citrus, persimmon and Kiwiberry industries. This includes all crops from the Group's orchard management and lease operations, plus crops from independent orchard owners.

Retail service operations

The Group provides fruit marketing services in New Zealand and internationally, particularly in the Australian and Asian markets. This includes fruit from the Group's New Zealand based orchard and post-harvest operations. In New Zealand the Group also provides retail and ripening services for imported fruit, and operates a wholesale market.

Retail service operations include the production and selling of Kiwi Crush™, Kiwi Crushies and avocado oil to the retail sector and hospitals, along with post-harvest services for Kiwiberry.

All other segments - New Zealand

This represents the Group's aggregated administration, grower services and overhead sections recorded in the statement of profit or loss, and impairment and revaluations of other assets not attributed directly to any other segment. It also includes the gain on sale from assets that had been classified as held for sale, and are not attributed directly to any other segment.

Australian operations

The Group grows, provides post-harvest services, and retails all produce from orchards the Group owns or leases in Australia. The main products are kiwifruit, nashi pears, European pears, jujubes and plums which are primarily sold in Australia.

EBITDA and EBIT

EBITDA is earnings before interest, tax, depreciation, amortisation, impairments and revaluations. EBITDA is an indicator of profitability and reflects operating cash flow generation.

EBIT is earnings before interest and tax; an indicator of profitability that excludes interest and income tax expenses.

Non-GAAP financial information does not have a standard meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. The Board considers EBITDA and EBIT as useful measures of financial performance for both investors and management as they are indicators of the Group's operating profitability that remove the impact of tax and the interest expenses associated with debt and leases (EBIT), along with depreciation, amortisation, impairment and revaluation expenses associated with the Group's large investments in fixed and leased assets (EBITDA).

The following table details the operating segments at balance date.

	New Zealand				Australia	Group
New Zealand dollars	Orchard operations \$'000s	Post-harvest operations \$'000s	Retail service operations \$'000s	All other segments \$'000s	Australian operations \$'000s	Total \$'000s
2023						
Income statement						
Turnover ¹	86,504	182,386	62,841	931	10,356	343,018
Gross segment revenue	86,798	185,018	20,743	931	10,356	303,846
Eliminations	(293)	(2,633)	-	-	-	(2,926)
Total segment revenue	86,505	182,385	20,743	931	10,356	300,920
EBITDA²	954	43,758	2,585	(21,980)	671	25,988
Depreciation expense ⁴	(962)	(11,635)	(304)	(1,531)	(1,088)	(15,520)
Lease depreciation expense ⁵	(1,599)	(6,647)	(667)	(686)	(863)	(10,462)
Impairments	-	(118)	(90)	(1,413)	(1,844)	(3,465)
Loss on revaluation of property, plant & equipment	-	(294)	-	-	-	(294)
Amortisation of intangible assets	-	-	-	(365)	-	(365)
EBIT³	(1,607)	25,064	1,524	(25,975)	(3,124)	(4,118)
Lease interest expense ⁵	(696)	(2,126)	(303)	(858)	(859)	(4,842)
EBIT³ (after lease interest expense)	(2,303)	22,938	1,221	(26,833)	(3,983)	(8,960)
Interest expense ⁶				(10,642)	(1,386)	(12,028)
Tax charge on profit				4,575	1,947	6,522
Profit / (loss) after tax	(2,303)	22,938	1,221	(32,900)	(3,422)	(14,466)
Balance sheet						
Segment assets	84,799	360,184	13,189	39,121	51,518	548,811
Total assets	84,799	360,184	13,189	39,121	51,518	548,811
Segment liabilities	42,746	160,769	12,735	31,281	41,331	288,862
Total liabilities	42,746	160,769	12,735	31,281	41,331	288,862
2022						
Income statement						
Turnover ¹	80,526	233,755	54,418	1,054	13,979	383,732
Gross segment revenue	80,589	237,297	19,072	1,054	13,979	351,991
Eliminations	(63)	(3,541)	-	-	-	(3,604)
Total segment revenue	80,526	233,756	19,072	1,054	13,979	348,387
EBITDA²	4,556	58,979	794	(19,231)	981	46,079
Depreciation expense ⁴	(1,001)	(12,020)	(337)	(1,622)	(1,075)	(16,055)
Lease depreciation expense ⁵	(1,311)	(5,636)	(616)	(1,118)	(835)	(9,516)
Impairments	-	(144)	(681)	-	(191)	(1,016)
Amortisation of intangible assets	-	-	-	(406)	-	(406)
EBIT³	2,244	41,179	(840)	(22,377)	(1,120)	19,086
Lease interest expense ⁵	(422)	(2,217)	(307)	(412)	(931)	(4,289)
EBIT³ (after lease interest expense)	1,822	38,962	(1,147)	(22,789)	(2,051)	14,797
Interest expense ⁶				(6,000)	(1,204)	(7,204)
Tax charge on profit				(2,067)	978	(1,089)
Profit / (loss) after tax	1,822	38,962	(1,147)	(30,856)	(2,277)	6,504
Balance sheet						
Segment assets	84,881	360,366	11,482	36,613	54,527	547,869
Total assets	84,881	360,366	11,482	36,613	54,527	547,869
Segment liabilities	44,642	145,053	12,394	40,066	34,771	276,926
Total liabilities	44,642	145,053	12,394	40,066	34,771	276,926

1. Turnover is a non-GAAP measure, see calculations in [note 2](#).

2. EBITDA, a non-GAAP measure, is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.

3. EBIT, a non-GAAP measure, is earnings before interest and tax.

4. Depreciation includes the depreciation of fixed assets.

5. Lease interest and lease depreciation are as a result of NZ IFRS 16 Leases, see [note 13](#).

6. Interest includes finance costs for borrowings.

The following table reconciles segment EBITDA before and after applying NZ IFRS 16.

New Zealand dollars	New Zealand				Australia	Group
	Orchard operations \$'000s	Post-harvest operations \$'000s	Retail service operations \$'000s	All other segments \$'000s	Australian operations \$'000s	Total \$'000s
2023 - EBITDA						
EBITDA pre NZ IFRS 16	(1,365)	35,279	1,562	(23,721)	(1,423)	10,332
NZ IFRS 16 lease costs	2,319	8,479	1,023	1,741	2,094	15,656
EBITDA after applying NZ IFRS 16	954	43,758	2,585	(21,980)	671	25,988
2022 - EBITDA						
EBITDA pre NZ IFRS 16	1,376	52,836	(51)	(20,535)	(1,067)	32,559
NZ IFRS 16 lease costs	3,180	6,143	845	1,304	2,048	13,520
EBITDA after applying NZ IFRS 16	4,556	58,979	794	(19,231)	981	46,079

2. Turnover

The following table reconciles turnover to revenue.

New Zealand dollars	2023 \$'000s	2022 \$'000s
Turnover	343,018	383,732
Value of sales made as agent	(42,098)	(35,345)
Revenue	300,920	348,387

Turnover

The Board considers turnover a useful measure of the Group's operating activity as it represents the total transactional value of goods and services provided to external customers during the year. As such turnover includes the value of fruit sales made on behalf of growers and suppliers where the Group acts as the agent, and is considered the supplier by the purchasing party. This includes all produce sales both local and export.

3. Revenue and other income

New Zealand dollars	Notes	2023 \$'000s	2022 \$'000s
Total revenue		300,920	348,387
Other income			
Interest		24	16
Gain on sale of assets classified as held for sale	9	1,833	364
Dividends received		1	79
Increase in fair value of irrigation water rights		144	-
Insurance Income		1,090	-
Other income		178	296
Total other income		3,270	755
Total revenue and other income		304,190	349,142

During the year the Group recognised no costs relating to the measurement of the grower share scheme issued based on the Black Scholes Model (Dec 2022 - \$0.01m).

Accounting policies

The Group's major revenue streams are post-harvest operations, orchard management, retail services and Australian operations in accordance with NZ IFRS 15: *Revenue from contracts with customers* (NZ IFRS 15).

Post-harvest

The Group enters into two standardised post-harvest contracts:

- The first has two performance obligations; to collect the supply of fruit via picking and transportation, and maturity testing. The charges are separated in the contract. All revenue is recognised when the service is performed.
- The second has three performance obligations; to pack fruit, to cool and dispatch fruit, and to sell Class 2 fruit to authorised markets. These are stand-alone services provided by the Group. Each performance obligation has a separate transaction price detailed in the contract and the obligations are recognised when services are performed; packing revenue as fruit is packed, cooling revenue as fruit is loaded out from cool storage, and Class 2 as fruit is sold and delivered.

Orchard management

The Group enters into two orchard management contracts that are largely standardised:

- The first has one performance obligation; to manage fruit growing. Revenue is recognised as the service is performed and calculated at cost plus a margin per the contract or at a fixed per-hectare charge. The management fee included in the contract is recognised evenly over the contract's 12 month period.
- The second has one performance obligation; to collect the supply of fruit on short term or long term leased orchards. The transaction price is determined using a forecasted OGR. Revenue is recognised when crops are picked (in the June interim accounts for kiwifruit).

Retail services

The Group enters into three retail service contracts which are customised to the service being offered:

- The first has one performance obligation; to sell fruit on the owner's behalf. As the sales agent, the Group only collects a marketer's commission which is recognised when the fruit is sold and delivered.
- The second has one performance obligation; to either store or ripen fruit. Revenue is recognised as the fruit is stored or ripened.
- The third has one performance obligation; to provide ordered product. The transaction price is based on the agreed price with revenue recognised when the fruit is sold and delivered.

Australia

The Group has one type of contract that is entered by the Australian business; for the sale and supply of fruit.

- The fruit sale and supply contracts are entered on a one-to-one basis with the fruit purchaser and are largely standardised. They have one performance obligation; to provide the fruit to the customer. The transaction price is based on the agreed price and recognised when the fruit is sold and delivered.

Principal versus agent relationship

A principal relationship is one where the Group has the performance obligation to provide the good or service directly and has control of the asset or has a right to direct the asset. An agency relationship is one where the performance obligation is to arrange for the good or service on behalf of the supplier. The Group currently has agent relationships for the sale of some fruit and vegetables in the retail services segment.

Impact of seasonality

Group revenues are generated from seasonal horticultural operations, with post-harvest revenues recognised as services are provided and orcharding revenues recognised once the fruit is harvested. Retail revenues are generated at the point of sale. In New Zealand kiwifruit are harvested from March to June, avocados from July to February, and Kiwiberry from February to March. In Australia nashi and European pears are harvested January to March, and kiwifruit from March to May. As a result of these harvest timings around 45-70% of orchard revenues are recognised in the first six months of the financial year. Due to seasonal fluctuations, the timing of the provision of post-harvest services can vary from year to year, however normally 70-85% is recognised in the first six months of the financial year, but can be impacted by seasonal fluctuations.

Irrigation water rights

Water allocation rights are carried at fair value supported by the value of the traded rights on a recognised exchange or market at measurement date. Annual water allocation rights are recognised as a current asset when they are allocated to the Group's permanent water shares from the first of July each year by the Victorian Water Register, and are subsequently expensed when the entitlement is used to irrigate orchards. Any gain on revaluation is recognised in the statement of profit or loss.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Gain on sale of assets classified as held for sale

The gain on sale of assets classified as held for sale is recognised when a sale and purchase agreement is unconditional and the consideration is paid or payable at that date.

Insurance income

Insurance income is recognised when the right to receive payment is established.

4. Cost of sales and operating expenses

New Zealand dollars	Notes	2023 \$'000s	2022 \$'000s
Operating materials and services		183,168	192,855
Direct employee benefits		72,384	87,188
Decrease in fair value of biological assets - crop	12	(3,358)	35
Total cost of sales		252,194	280,078
Total other employee benefits		13,514	12,476
General administrative expenses		10,007	8,587
Audit fees paid to principal auditors - paid on a Group basis		421	529
Audit fees paid to previous auditor - paid on a Group basis		96	-
Tax compliance and consulting fees paid to principal auditors		-	12
Tax pooling services paid to principal auditors		-	12
Debt covenant compliance agreed upon procedures paid to principal auditors		5	7
Acquisition and restructuring costs		534	419
Directors' fees and expenses		605	624
Short term lease expenses		1,108	1,376
Decrease in fair value of irrigation water rights		-	97
Total other costs		26,290	24,139
Depreciation expense	10	15,520	16,055
Lease depreciation expense	13	10,462	9,516
Amortisation of intangible assets	11	365	406
Impairments and revaluations			
Loss on revaluation of property, plant and equipment	10	294	-
Impairment of property, plant and equipment	10	1,476	144
Impairment of biological assets	12	486	191
Impairment of associates	24	1,413	-
Impairment of intangible assets	11	-	681
Impairment of onerous right of use lease asset	13	90	-
Total impairment and revaluation		3,759	1,016
Interest expense		12,028	7,204
Lease interest expense	13	4,842	4,289
Total expenses		325,460	342,703

During the year the Group recognised no costs relating to the measurement of the employee share schemes issued based on the Black Scholes Model (Dec 2022 - \$0.04m).

Accounting policies

Operating expenses are recognised in the statement of profit or loss as incurred, except where future economic benefits arise and they are recorded as a prepayment.

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables. The employee liabilities are measured at the amounts expected to be paid when settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

5. Reconciliation of net operating surplus after taxation with cash flows from operating activities

New Zealand dollars	2023 \$000s	2022 \$000s
Net operating (loss) / surplus after taxation	(14,466)	6,504
<i>Add / (less) non cash items:</i>		
Depreciation	15,520	16,055
Lease depreciation	10,462	9,516
Impairments	3,465	1,016
Loss on revaluation of property, plant and equipment	294	-
Revaluation of employee share scheme	-	38
Revaluation of grower share scheme	-	9
Movement in deferred tax	(3,382)	4,431
Movement in fair value of biological assets - crop	(3,358)	35
Amortisation of intangible assets	365	406
	23,366	31,506
<i>Add / (less) items not classified as an operating activity:</i>		
Gain on sale of property, plant and equipment	(16)	(138)
Gain on sale of assets classified as held for sale	(1,833)	(364)
(Decrease) / increase in current water allocation account	(170)	133
	(2,019)	(369)
<i>(Increase) / decrease in working capital:</i>		
(Decrease) in accounts payable	(3,261)	(3,730)
(Increase) in accounts receivable/prepayments	(887)	(6,725)
Decrease / (increase) in inventory	1,260	(2,593)
(Decrease) in taxes due	(1,322)	(12,465)
	(4,210)	(25,513)
Net cash flow from operating activities	2,671	12,128

Accounting policies

The statement of cash flows is prepared using the direct approach. Cash and cash equivalents are shown exclusive of GST.

6. Income tax expense

New Zealand dollars	Notes	2023 \$'000s	2022 \$'000s
a. Current tax expense			
Current year		(5,204)	1,410
Prior period adjustment		(3,060)	214
Total current tax (benefit) / charge		(8,264)	1,624
Deferred tax expense			
Origination and reversal of temporary differences		(199)	598
Prior period adjustment		1,941	(1,133)
Total deferred tax charge / (benefit)		1,742	(535)
Total income tax (benefit) / charge		(6,522)	1,089
b. Numerical reconciliation of income tax expense to prima facie tax payable			
(Loss) / profit before income tax expense		(20,988)	7,593
Tax at the New Zealand tax rate of 28%		(5,876)	2,126
Tax at the Australian tax rate of 30%		(132)	(60)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		365	63
(Over) provision in prior years - temporary differences		(1,119)	(919)
Benefit of tax credits		(181)	(121)
Tax paid in respect of acquisitions pre-Group liabilities		647	-
Other		(226)	-
Income tax (benefit) / charge		(6,522)	1,089
c. Imputation credit account			
Imputation credits available for use in subsequent reporting periods		30,240	27,742
<p>The above amounts represent the balance of the imputation account as at the end of the reporting period, adjusted for:</p> <ol style="list-style-type: none"> Imputation credits that will arise from the payment of the amount of the provision for income tax Imputation debits that will arise from the payment of dividends recognised as a liability at the reporting date; and Imputation credits that will arise from the receipts of dividends recognised as receivables at the reporting date. 			
d. Current tax asset / (liability)			
Opening balance of current tax (liability) / asset		(337)	(7,463)
Current tax liability acquired via acquisition	19	-	(653)
Adjustments for prior periods		3,060	(214)
Current year tax		5,204	(1,410)
Less tax (refund) / paid		(1,751)	9,362
Transfer tax losses to deferred tax		(5,763)	-
Exchange differences		(44)	41
Current tax asset / (liability)		369	(337)

Accounting policies

Income tax expense comprises both current and deferred tax and is recognised in the statement of profit or loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the tax losses of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination and that affects neither accounting or taxable profit. Differences relating to investments in subsidiaries and jointly controlled entities are not recognised to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at balance date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

7. Deferred tax

Deferred tax assets and liabilities are offset when there is a legally-enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The following table details the offset amounts.

New Zealand dollars	Notes	2023 \$000s	2022 \$000s
Net deferred tax liabilities:			
Opening balance		22,804	18,373
Deferred tax liability acquired via acquisition	19	-	226
Adjustments for prior periods		1,941	(1,133)
Exchange differences		22	(26)
(Received) / charged to the statement of profit or loss		(199)	598
Charged to revaluation reserve		2,416	3,653
(Credited) / debited to hedge reserve		(613)	1,113
(Benefit) of tax losses recognised		(5,763)	-
Remeasurement of water shares		(1,186)	-
Closing balance at end of year		19,422	22,804
The balance comprises temporary differences attributable to:			
Temporary differences on non-current assets		24,515	22,712
Current liabilities		(898)	(2,094)
Prepayments and accrued income		1,568	2,186
Losses reclassified as deferred tax		(5,763)	-
Net deferred tax liability		19,422	22,804

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable and these losses will be utilised in the near future. \$5.76m was recognised at balance date and there were no unrecognised tax losses (Dec 2022 - Nil).

The deferred tax liability recognised in the financial statements does not represent the tax that would be payable on the disposal of the buildings; actual tax payable is limited to the reversal of tax depreciation claimed on that asset in prior period tax returns.

8. Events occurring after balance date

There are no material events occurring subsequent to balance date requiring adjustment to or disclosure in the financial statements.

Assets

This section focuses on the physical and intangible assets used by the Group to operate the business, deliver benefits to stakeholders, add new income streams and generate revenues. Assets include post-harvest facilities, retail service facilities, and software. Assets also include Group-owned land, vines, trees and crop on Group-owned and leased orchards. The Group also has interests in water shares, leases and goodwill arising from Group acquisitions.

Disclosures are made on additions, disposals, revaluations, depreciation, impairments and amortisation.

9. Assets classified as held for sale

New Zealand dollars	Notes	2023 \$000s	2022 \$000s
Opening balance at 1 January		6,293	1,898
SunGold licence transferred from intangible assets	11	-	491
Water shares transferred from intangible assets	11	-	3,283
Transfers from property, plant and equipment	10	-	1,915
Development costs incurred		264	313
Sales settled by third parties at carrying value		(3,352)	(1,607)
Total assets classified as held for sale		3,205	6,293

The following table details the assets classified as held for sale by asset class.

New Zealand dollars	2023 \$000s	2022 \$000s
Asset class		
Land and buildings	874	943
Property, plant and equipment	380	380
Intangible assets	500	3,783
Bearer plants	1,451	1,187
Total assets classified as held for sale	3,205	6,293

At 31 December 2023, 13.5 hectares of Northland orchards (Dec 2022 - 16.6 hectares) were classified as held for sale. No growing costs have been attributed to the remaining orchards at 31 December 2023 as they are valued on a crop-off basis.

At 31 December 2022, 750ML of permanent water entitlement in Victoria, Australia, was classified as held for sale. The sale of the water entitlement settled on 22 February 2023 for a consideration of \$3.08m AUD.

All assets classified as held for sale in 2023 are included in the orchard operations segment. In 2022, \$3.3m related to the water entitlement held at December 2022, which was included in the Australian operations segment until its sale in February 2023.

Assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is met when the sale is highly probable and the assets are available for immediate sale in their present condition, and the Group is committed to the sale and expects it to be completed within one year from the date of classification. The accounting standards allow for the period to extend past 12 months if the circumstances causing the delay are out of Seeka's control. As at 31 December 2023, one orchard of 13.5 hectares (Dec 2022 - one orchard at 13.5 hectares) has taken longer than 12 months to find a willing buyer, however Seeka remains committed to selling the property, is actively marketing it and sale is anticipated within the next 12 months. Assets held for sale are recorded at the lower of the carrying value or fair value less costs to sell.

10. Property, plant and equipment

New Zealand dollars	Land and buildings \$000s	Plant and equipment \$000s	Motor vehicles \$000s	Bearer plants \$000s	Assets under construction \$000s	Total \$000s
At 1 January 2023						
Cost or valuation	280,850	150,667	3,131	37,187	21,311	493,146
Accumulated depreciation and impairment	(29,912)	(82,056)	(1,249)	(3,746)	(395)	(117,358)
Net book amount	250,938	68,611	1,882	33,441	20,916	375,788
Year ended 31 December 2023						
Opening net book amount	250,938	68,611	1,882	33,441	20,916	375,788
Additions and transfers - net	16,211	10,505	74	4,831	(12,226)	19,395
Depreciation	(5,928)	(8,937)	(255)	(400)	-	(15,520)
Disposals	-	(133)	(280)	-	-	(413)
Impairment of property, plant and equipment	(120)	(409)	-	(947)	-	(1,476)
Revaluation	9,614	-	-	-	-	9,614
Foreign exchange	129	48	3	142	-	322
Closing net book amount	270,844	69,685	1,424	37,067	8,690	387,710
At 31 December 2023						
Cost or valuation	306,804	161,087	2,928	42,160	9,085	522,064
Accumulated depreciation and impairment	(35,960)	(91,402)	(1,504)	(5,093)	(395)	(134,354)
Net book amount	270,844	69,685	1,424	37,067	8,690	387,710
At 1 January 2022						
Cost or valuation	251,297	131,630	2,247	33,278	10,537	428,989
Accumulated depreciation and impairment	(22,780)	(73,740)	(955)	(3,289)	(395)	(101,159)
Net book amount	228,517	57,890	1,292	29,989	10,142	327,830
Year ended 31 December 2022						
Opening net book amount	228,517	57,890	1,292	29,989	10,142	327,830
Additions from business combination	12,900	5,955	64	-	-	18,919
Additions and transfers - net	4,126	13,195	1,040	5,228	10,774	34,363
Depreciation	(7,132)	(8,316)	(294)	(313)	-	(16,055)
Disposals	(4)	(139)	(221)	(114)	-	(478)
Impairment	-	-	-	(144)	-	(144)
Revaluation	13,118	-	-	-	-	13,118
Reclassification to assets classified as held for sale	(644)	-	-	(1,271)	-	(1,915)
Foreign exchange	57	26	1	66	-	150
Closing net book amount	250,938	68,611	1,882	33,441	20,916	375,788

Assets under construction are assets that are yet to be used and are not depreciated. When the asset is ready for use it is transferred to the appropriate asset class. At 31 December 2023, assets under construction relate to the Sharp Road Accommodation development, and further investment relating to building upgrades and packhouse automation.

Land and buildings

Land and buildings are revalued to their estimated market value on at least a three-year rolling cycle (excluding assets under construction), plus any subsequent additions at cost, less subsequent depreciation for buildings. In New Zealand valuations are undertaken by CBRE Group Inc., independent registered valuer. At 31 December 2023, 52% (Dec 2022 - 42%) of Seeka's New Zealand land and building portfolio was externally revalued in line with policy. Additionally, 25% were adjusted based on a desktop fair value calculation. Sensitivity analysis suggests the remaining properties that were not revalued this year could cause a movement in land and buildings of between 0.82% and 3.79%. This is not considered a material movement in land and building values.

In Australia valuations were last completed at 31 December 2022 by Opteon (Goulburn North East Vic) Pty Ltd, independent valuers based in Victoria, Australia.

The valuers consider three different approaches in concert to arrive at a fair value;

1. Sales comparison - considers sales of other comparable properties.
2. Capitalisation of rentals - assumes a hypothetical lease of the property with a current market rental being established and capitalising this at an appropriate rate of return that would be expected by a prudent investor. The 2023 year saw capitalisation rates move between (0.25%) - 0.50% since the previous valuations of the same properties, some of which may have been up to three years prior.

3. Discounted cash flow - a variation of the investment method whereby it takes the current market rental calculated under the investment method and forecasts net cash flows over a ten-year period. Cash flows are adjusted for expected growth in market rentals and estimated costs incurred to maintain land and buildings in operational use. This method assumes land and buildings are sold in the terminal year (year 11).

Significant unobservable inputs inherent in the land and building valuation process include potential market comparative rentals, and the market rental capitalisation rates. The higher the rental rate, the higher the fair value, and the higher the capitalisation rate, the lower the fair value. Significant changes in either of these inputs would result in significant changes to the fair value measurement. See below;

1. Market rental rates - Packhouse rental rates as described in the valuation reports obtained in 2023 between \$55/m² - \$130/m² (Dec 2022 - \$60/m² - \$130/m²). Coolstore rental rates were between \$0.40/tray - \$0.63/tray (Dec 2022 - \$0.40/tray - \$0.65/tray)
2. Rental capitalisation rates - Capitalisation rates as described in the valuation reports obtained in 2023 were between 8.25% - 9.50% (Dec 2022 - 6.00% - 8.75%).
3. Discount rates - Discount rates as described in the valuation rates obtained in 2023 were between 9.23% - 10.37% (Dec 2022 - 6.50% - 9.00%).

The net book value of land is \$47.24m (Dec 2022 - \$47.41m) and buildings is \$223.61m (Dec 2022 - \$203.53m), see [note 29](#).

The following table details the gain on revaluation of land and buildings recognised in the revaluation reserve, net of tax, of \$7.47m (Dec 2022 - \$9.74m).

New Zealand dollars	Land \$000s	Buildings \$000s	Total \$000s
Land and buildings revaluation reserve	1,252	6,214	7,466

As a consequence of the building revaluations conducted December 2023, \$9.08m (Dec 2022 - \$6.38m) of accumulated depreciation was offset directly against the assets' cost or valuation, prior to revaluation.

In the year ended 31 December 2023, the Group assessed the useful lives of property, plant and equipment, and did not identify any material situations where the useful life of an asset or group of assets was not appropriate or within the existing accounting policy. In the year ended 31 December 2022, the useful lives of buildings was reviewed and re-estimated to be 50 years from the date of the estimate.

The following table details the depreciated value of land and buildings if they were to be stated on a historical cost basis.

New Zealand dollars	2023 \$000s	2022 \$000s
Cost	268,168	251,959
Accumulated depreciation	(62,884)	(56,783)
Depreciated historical cost	205,284	195,176
Net book amount	270,844	250,938

Impairment of bearer plants

For the year ended 31 December 2023, \$0.95m (Dec 2022 - \$0.14m) of assets were impaired, which relate to bearer plant assets in Australia that were removed.

Impairment of land, buildings, plant and equipment

For the year ended 31 December 2023, \$0.53m (Dec 2022 - nil) of assets were impaired. This related to hail netting damaged in a hail event in Australia and electrical infrastructure damaged in an electrical surge in one of our packhouses in New Zealand. Both events were covered by insurance and in both instances assets were either replaced or in the process of being replaced as at 31 December 2023.

Accounting policies

Bearer plants

Bearer plants are the Group's investment in kiwifruit vines, pear, jujube, avocado and other fruiting vines and trees on Group-owned and leased land. Bearer plants are stated at historical cost less depreciation. Historical cost includes all costs incurred to purchase or establish the asset.

Land and buildings

Land and buildings are shown at fair value, based on periodic, but at least triennial valuations by independent valuers, plus any subsequent improvements at cost, less depreciation. At each annual balance date, no less than one third of assets classified as land and buildings are revalued and those valuations are used to assess the appropriateness of the carrying values of all land and building assets held by the Group, which effectively revalue all land and buildings annually. Revaluations are performed more frequently if changing industry conditions may cause their carrying value to differ significantly from fair value. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Changes in the carrying amounts arising on revaluation of land and buildings are accounted for through comprehensive income and other reserves, except where an asset's assessed fair value is less than the original cost, in which case the change is recognised in the statement of profit or loss.

Property, plant and equipment

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes all costs incurred to purchase the asset.

Subsequent additions at cost are included in the asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Asset impairments are recognised in the statement of profit or loss.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated using the straight line or diminishing value method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives. The depreciation of bearer plants on leased land orchards is aligned to the term of the lease.

The estimated useful lives of assets from revaluation date are:

- Buildings and fit outs	7 - 50 years
- Machinery	5 - 30 years
- Vehicles	4 - 15 years

- Furniture, fittings and equipment	5 - 15 years
- Bearer plants	4 - 25 years

Asset residual values and useful lives are reviewed, and adjusted if appropriate, at balance date and an asset's carrying amount is immediately written down to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount, and any gain or loss is included in the statement of profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve in respect of those assets are transferred to retained earnings.

Critical accounting estimates and judgements

At 31 December 2023, 52% (Dec 2022 - 42%) of Seeka's New Zealand land and building portfolio was externally revalued in line with policy. Additionally, 25% were adjusted based on a desktop fair value calculation.

Sensitivity analysis suggests the remaining properties that were not revalued this year could cause a movement in land and buildings of between 0.82% and 3.79%. This is not considered a material movement in land and building values.

11. Intangible assets

New Zealand dollars	Notes	Software \$'000s	Goodwill \$'000s	Water shares \$'000s	Other intangibles \$'000s	Total \$'000s
At 1 January 2023						
Cost		4,380	22,212	5,399	377	32,368
Accumulated amortisation and impairment		(3,403)	(2,031)	-	-	(5,434)
Net book amount		977	20,181	5,399	377	26,934
Year ended 31 December 2023						
Opening net book amount		977	20,181	5,399	377	26,934
Additions		78	-	-	-	78
Remeasurement		-	-	(2,460)	-	(2,460)
Foreign exchange		-	-	52	-	52
Amortisation		(350)	-	-	(15)	(365)
Closing net book amount		705	20,181	2,991	362	24,239
At 31 December 2023						
Cost		4,458	20,181	2,991	377	28,007
Accumulated amortisation and impairment		(3,753)	-	-	(15)	(3,768)
Net book amount		705	20,181	2,991	362	24,239
At 1 January 2022						
Cost		3,983	19,212	8,421	555	32,171
Accumulated amortisation and impairment		(3,028)	(2,031)	-	(33)	(5,092)
Net book amount		955	17,181	8,421	522	27,079
Year ended 31 December 2022						
Opening net book amount		955	17,181	8,421	522	27,079
Additions		395	-	-	-	395
Additions from business combination	19	-	3,681	-	-	3,681
Transfers from investments in financial assets		-	-	-	377	377
Revaluation		-	-	212	-	212
Impairment		-	(681)	-	-	(681)
Foreign exchange		2	-	49	-	51
Reclassification to assets classified as held for sale		-	-	(3,283)	(491)	(3,774)
Amortisation		(375)	-	-	(31)	(406)
Closing net book amount		977	20,181	5,399	377	26,934

The amortisation period of software is four to five years.

Remeasurement

NZ IAS 38: *Intangible assets* (NZ IAS 38) states that fair value shall be measured by reference to an active market. Although there is an active register for water share trading, being the Victorian Water Register, it has been determined by the Australian Securities and Investments Commission (ASIC), with reference to AASB 138 (the Australian equivalent standard to NZ IAS 38), that because the shares are not sufficiently homogenous in nature, the majority of sales are negotiated off-market, and the quantity of sales transactions are relatively infrequent therefore an active market does not exist for water shares. The Group have recognised this determination and in response have remeasured the value of water shares to historical cost as at 1 January 2023.

The impact of this change is to reduce the water share revaluation reserve to nil as at 1 January 2023. A gain on sale of \$1.5m relating to the water share sale settled in February 2023, was reclassified to the statement of profit and loss.

This change is not considered material for prior period restatement in financial statements.

Water shares are an integral part of land and irrigation infrastructure required to grow pears, kiwifruit and other annual crops in Australia and are carried at historical cost. Such rights have an indefinite life and are not amortised but are tested annually for impairment. If events or changes in circumstances indicate impairment, the carrying value is adjusted to take account of any impairment losses.

The Group's portfolio of water rights is currently recorded at a historical cost value of \$3.0m (Dec 2022 - \$3.0m). A market value assessment was performed at the end of the financial year. This was completed by accessing the Victorian Water Register and determining the weighted average sales price for the applicable class of water rights. This value is then applied on a like for like basis to the Group's water portfolio. As water prices fluctuate due to seasonal factors, current market rates have been valued internally for impairment testing purposes at \$5.9m (Dec 2022 - \$5.4m).

Impairment tests for goodwill

At 31 December 2023, the Group's market capitalisation was \$107.07m compared to net assets of \$259.95m. As a result, an impairment test was performed on all cash generating units (CGUs), in addition to CGUs with goodwill balances to ensure that future cash flows of the CGUs and Group support the fair value of the assets.

Goodwill represents the 2022 acquisition of NZ Fruits, the 2021 acquisitions of Ōpōtiki Packing and Cool Storage Limited (OPAC) and Orangewood Limited, the 2019 acquisition of Aongatete Coolstores Limited, and the 2018 acquisition of the Northland business.

The recoverable amount is based on the net present value of the five-year after-tax cash flow projection (value-in-use), with a terminal value beyond five years. Cash flows beyond the five-year period are extrapolated using estimated growth rates and discount rates stated in this note. The assumptions used for the analysis of the net present value of forecast gross margin for the cash generating unit is determined based on past performance and the Board's expectations of future market dynamics, plus the Group's five-year financial plans.

The impact of a frost event in spring 2022, cyclones in January and February 2023, and a hail event in May 2023, along with a lower yield as a result of variable bud break have reduced the volume harvested in 2023. Leading in to harvest 2024, there have been favourable weather patterns across key growing periods with no significant adverse weather events impacting the harvest to date. This, and a favourable outlook for the Group and the industry, have been incorporated into the impairment tests. The Group is operating in an inflationary environment, with rising interest rate impacting discount rates across all CGUs and being incorporated in the impairment tests.

Any financial impact of climate change is expected to fall outside of the planning period given the long-term nature of climate change. However, scenario planning is being carried out across the Company to prepare for the impact of climate change on future yields, varieties, and growing methods. Seeka has a long history of adapting to the environment, such as when Psa arrived in New Zealand and the business pivoted to the SunGold variety, alongside past climatic events such as droughts, hail, and floods. The business will continue to adapt to the changing environment.

No impairment was noted in a CGU as a result of the impairments tests, either on the CGUs with or without goodwill allocated to them.

The annual impairment tests of goodwill were performed at 30 November 2023. Impairment indicators were considered at 31 December 2023, however no indicators were identified that required any further impairment tests.

Additions to goodwill

There were no additions to goodwill in 2023.

In the year ended December 2022, \$3.54m of goodwill was recognised as a result of the NZ Fruits acquisition and a further \$0.15m from updates to the goodwill acquired in the 2021 Orangewood acquisition. See [note 19](#) for details of the business combination.

Post-harvest CGU

All goodwill at 31 December 2023 is included in the post-harvest CGU. The single post-harvest CGU reflects the operationally coordinated and financially interdependent nature of post-harvest operations across the regions serviced by Seeka. To best handle fruit at optimum maturity, and maximise post-harvest efficiency and flexibility, the regions are managed as one unit with mature fruit allocated to the next available facility. This means fruit flows and the associated cash flows are intrinsically linked across all regions. Due to this, a single CGU best reflects the nature of the post-harvest business.

The following table details the key assumptions used for value-in-use calculations and the recoverable amount.

Group cash generating units	Operating segment	Goodwill carrying amount pre impairment \$'000s	Goodwill carrying amount post impairment \$'000s	Pre tax discount rate ¹	EBITDA ⁴ growth rate 1-5 years	Terminal growth rate ²
2023						
Post-harvest	Post-harvest operations	20,181	20,181	9.6%	0% - 10% ³	2.0%
2022						
Post-harvest	Post-harvest operations	20,181	20,181	12.5%	2% - 36%	2.0%
SeekaFresh	Retail services operations	437	-	14.4%	40% - 203%	2.0%
Kiwi Crush™	Retail services operations	244	-	14.4%	0% - 9%	2.0%

1. The discount rate is calculated based on the specific circumstances of the cash generating unit and its operations, and is derived from its weighted average cost of capital.
2. The long term growth rate is based on the long term expected inflation rate, being within the RBNZ inflationary target of 1%-3%. The Group has set its terminal growth rates at 2% to ensure a long term conservative growth estimate has been applied in the impairment tests.
3. The EBITDA growth rate for the 2024 year assumes a return to average yields. The EBITDA growth rates in the long-term forecast sit between 0-10%, which is considered conservative for the kiwifruit industry.
4. EBITDA, a non-GAAP measure, is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.

Goodwill balances are assessed annually for impairment.

Post-harvest CGU

The goodwill relating to the post-harvest CGU is supported by historical profitability, with a positive outlook and significant growth path ahead. Despite challenging weather conditions in the 2023 harvest season, the post-harvest segment operated profitably throughout the year. The forecast cash flows assume a return to average yields and a return to normal growing conditions.

The impairment and recoverable amount of the CGU were calculated using the value-in-use method.

No other reasonable changes to key assumptions would require an impairment of goodwill.

Accounting policies

Intangible assets

Assets with a finite useful life are subject to depreciation and amortisation and reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that have an indefinite life are not subject to amortisation and are tested at least annually for impairment, with impairment losses recognised when the carrying amount exceeds the recoverable amount. When assessing impairment, assets are grouped at the lowest identifiable unit able to generate cash flow.

Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Internally developed computer software is capitalised when it enters the development phase and includes costs incurred to develop and test the software for use. Intangible assets are amortised over their estimated useful life (typically four to five years).

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets at the date of acquisition. Goodwill on a business acquisition is included in intangible assets, and on acquisition of an associate is included in investments in associates. When acquired in business combinations, the goodwill is annually tested for impairment (or more frequently if there are impairment indicators) and carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to that business.

Water shares

The Group records permanent water shares at historical cost. Such rights have an indefinite life and are not amortised but are tested annually for impairment. If events or changes in circumstances indicate impairment, the carrying value is adjusted to take account of any impairment losses.

Other intangibles

Other intangibles subject to amortisation are amortised over the life of the asset on a straight line basis. The expense is charged to the statement of profit or loss.

Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units (CGUs)). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Critical accounting estimates and judgements

The intangible assets impairment tests require judgement to determine the appropriate forecast cash flows and inputs into the calculations. The primary estimates relate to the forecast EBITDA growth rates, discount rates and terminal growth rates.

12. Biological assets - crop

Crops growing on bearer plants are classified as biological assets and measured at fair value.

Crop assets are kiwifruit, nashi pears, Packham pears, Corella pears, other crops growing on leased and owned orchards and yet to be harvested at balance date.

The following table reconciles beginning balances to end balances for biological assets crop measured at fair value defined as level 3 in [note 29](#).

New Zealand dollars	2023 \$000s	2022 \$000s
Carrying amount at beginning of period	18,408	18,443
<i>Crop harvested during the period</i>		
Fair value movement from the beginning of the period to point of harvest	12,427	12,075
Fair value when harvested	(30,835)	(30,518)
<i>Crop growing on bearer plants at end of period</i>		
Crop at cost	21,531	18,345
Crop at fair value	235	63
Carrying value at end of period	21,766	18,408

The following table reconciles fair value movement of biological assets - crop.

New Zealand dollars	2023 \$000s	2022 \$000s
Movement in carrying amount	3,310	(59)
Exchange differences	48	24
Net fair value movement in crop	3,358	(35)

The following table details the classification of biological assets - crop.

New Zealand dollars	2023 \$000s	2022 \$000s
Australia - all varieties	5,179	4,007
New Zealand - kiwifruit crop	16,134	13,597
New Zealand - avocado crop	453	804
Carrying value at end of period	21,766	18,408

Crop where fair value cannot be measured reliably

Kiwifruit, nashi, Packham and Corella pear crops are not considered to have achieved sufficient biological transformation at balance date therefore fair value is not able to be measured reliably and, as such, these crops are measured initially at cost less impairment.

Crop valued at fair value

Where a crop has achieved sufficient biological transformation, it is measured at fair value less costs to sell using unobservable inputs in the fair value assessment. These unobservable inputs include forecasted sales prices achieved once the crop is harvested and marketed for sale, if the forecast price was to increase so would the fair value of the crop.

Accounting policies

The Group's biological assets are the crops growing on bearer plants in the Group's leased and owned orchards. All crops have a maturity period of less than one year and will be harvested within 12 months from the Group's balance date.

Biological assets are measured at fair value less costs to sell provided this can be measured reliably, otherwise they are measured at cost.

When insufficient biological transformation has occurred fair value is not able to be measured reliably. Biological assets at cost are not depreciated as they are in the process of maturing.

Fair value is determined as the estimated net market return.

13. Right-of-use lease assets and lease liabilities

The Group reports all leases on the balance sheet where it has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of the lease, with the exception of low value leases or leases less than 12 months.

The following table details leases where the Group is a lessee.

New Zealand dollars	2023 \$000s	2022 \$000s
Right-of-use lease assets		
Land and buildings	29,824	32,884
Orchard leases	16,117	17,310
Equipment	1,907	2,812
Motor vehicles	2,659	2,799
Total right-of-use lease assets	50,507	55,805
<i>The movements for the year are as follows:</i>		
Right-of-use lease asset movements		
Opening balance	55,805	49,885
Additions and renewals	6,220	16,269
Disposals, reclassifications and early terminations	(984)	(944)
Impairment of onerous lease	(90)	-
Exchange rate differences	18	111
Depreciation	(10,462)	(9,516)
Closing balance	50,507	55,805
<i>The classification for depreciation of right-of-use lease assets is as follows:</i>		
Land and buildings	4,467	3,793
Orchard leases	1,771	1,386
Equipment	1,914	2,254
Motor vehicles	2,310	2,083
Total depreciation of right-of-use lease assets	10,462	9,516

New Zealand dollars	2023 \$000s	2022 \$000s
Lease liabilities		
Current	9,941	9,631
Non-current	54,821	60,434
Total lease liabilities	64,762	70,065
<i>The liabilities are classified as follows:</i>		
Lease liabilities		
Land and buildings	35,045	37,614
Orchard leases	24,731	26,148
Equipment	2,139	3,274
Motor vehicles	2,847	3,029
Total lease liabilities	64,762	70,065
<i>The movements for the year are as follows:</i>		
Lease liability movements		
Opening Balance	70,065	63,367
Additions and renewals	6,289	16,796
Disposals, reclassifications and early terminations	(829)	(873)
Exchange rate differences	51	6
Principal lease payments	(10,814)	(9,231)
Closing balance	64,762	70,065

Additions

During the period ended 31 December 2023, the Group renewed \$1.77m of leases relating to post-harvest coolstorage facilities, \$0.55m of leases relating to retail service facilities, and \$2.31m of leases relating to vehicles and equipment leases.

Accounting policies

Lease liabilities are measured as the present value of the remaining lease payments, including any renewal periods that are likely to be exercised, discounted using the Group's incremental borrowing rate which ranges between 7.57% and 16.50%. The discount rate is based on the Group's incremental borrowing rate, being the rate the Group would borrow the funds required to purchase the asset. When determining the discount rate, Seeka considers that the value of the right-of-use lease asset should not be greater than the fair value of the underlying asset being leased.

The Group's right-of-use lease asset is equal to the lease liability on the day of lease inception, with the exception of sale and leaseback transactions where the asset is measured as the proportion of the carrying value of the asset sold of which the benefit is retained by the Group. The right-of-use lease asset is depreciated on a straight line basis over the period of the lease. Costs incurred with a lease that are not part of the cost of the right-of-use lease asset are expensed.

All leases have been classified into one of the following asset classes:

- Land and building - leases for rental of all properties, including packhouses and coolstores
- Orchard - leases held for the development of productive orchards
- Equipment - leases for equipment, including plant equipment and forklifts
- Motor vehicles - leases for motor vehicles

The Group leases various properties for the packing and cooling of kiwifruit, leases orchards to grow kiwifruit and avocados, and leases equipment and vehicles. The terms of the leases vary, with land and building leases ranging from 10 - 15 years, with one 99 year lease. Orchard leases range from 3 - 25 years, and equipment and vehicle leases range from 1 - 5 years.

Contracts may contain both lease and non-lease components. In the case of orchard leases, only the fixed rental is recognised as a lease liability. Any variable consideration relating to profit share on the orchard leases is not accounted for as the profit share is only determined after a crop has been harvested and is not identifiable at the commencement of the lease. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than the security interest in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The Group is exposed to potential future increases in land and building lease payments based on contractual market rent reviews that are not included in the lease liability until the rent review takes place.

Lease payments are allocated between principal and lease interest. The lease interest is charged to the statement of profit and loss over the term of the lease.

Working capital

This section focuses on how the Group manages inventories, accounts receivable and accounts payable to ensure an appropriate level of working capital is available to operate the business, deliver benefits to stakeholders and generate revenues.

14. Trade and other receivables

New Zealand dollars	2023 \$000s	2022 \$000s
Current trade receivables (net of provision for doubtful debts)	22,298	20,109
Prepayments	5,593	3,203
Prepaid deposits	255	619
GST refund due	405	-
Accrued income and other sundry receivables	4,053	9,216
Current trade and other receivables	32,604	33,147
Non current trade and other receivables	3,367	5,099
Total trade and other receivables	35,971	38,246

Within current trade receivables, \$6.66m are past due (Dec 2022 - \$4.79m), of which 10.36% are more than 90 days (Dec 2022 - 4.02%).

Prepaid deposits includes \$0.25m for avocado trees and kiwifruit vines not yet received (Dec 2022 - \$0.62m).

Accrued income and other sundry receivables includes income to be received from orcharding operations on 382 hectares of leased and owned orchards (Dec 2022 - 419 hectares).

A \$0.26m provision for doubtful debts is recognised in the accounts (Dec 2022 - \$0.24m).

Non-current trade receivables includes \$1.81m losses carried forward on Hayward short term leased orchards to be recovered in a future period (Dec 2022 - \$2.20m). Non current receivables also include \$1.56m (Dec 2022 - \$3.06m) of long term receivable balances with agreed long-term payment terms. The remaining balance of non-current trade receivables relates to debtors secured against crop supply commitments with repayment terms of up to five years and is considered recoverable.

Accounting policies

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis including debts past due, but not considered impaired. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established based on the expected default rates over the balance of trade receivables. See [note 28](#) for calculation details.

15. Inventories

New Zealand dollars	2023 \$000s	2022 \$000s
Total packaging at cost	7,062	8,618
Other inventories at cost	3,578	3,282
Total inventories	10,640	11,900

In the current year, \$28.95m (Dec 2022 - \$37.52m) of packaging inventory costs were expensed to cost of sales in the statement of profit or loss.

Accounting policies

Raw materials, work in progress, finished goods and produce are stated at the lower of cost or net realisable value. Cost comprises direct materials and direct labour, and are assigned to individual items of inventory on the basis of weighted average cost. Net realisable value is the estimated selling price less estimated costs of completion and sales costs.

16. Trade and other payables

New Zealand dollars	2023 \$000s	2022 \$000s
Trade payables	6,050	6,329
Accrued expenses	11,948	17,940
Employee expenses	7,140	6,619
GST payable	-	1,853
Other payables	140	37
Total trade and other payables	25,278	32,778

Trade payables include \$0.47m for capital works in progress (Dec 2022 - \$0.18m) and accrued expenses includes \$0.72m for capital purchases (Dec 2022 - \$2.00m).

Accrued expenses include costs to be incurred from orcharding operations on 382 hectares (Dec 2022 - 419 hectares) of leased and owned orchards. Accrued expenses also include costs relating to the retail service segment and the export and domestic sales of avocado.

Accounting policies

Trade payables are recognised initially at fair value (the invoiced amount). If the Group has been provided with extended terms of trade, they are then recognised at amortised cost using the effective interest method.

Funding

This section focuses on how the Group manages its capital structure to protect shareholder value while funding operations that deliver benefits to stakeholders and grow shareholder returns.

Disclosures are made on the Group's bank facilities, retained earnings, dividends paid to shareholders, and earnings per share. Details on the Company's share capital include shares issued during acquisition through amalgamation, and under the dividend reinvestment plan, grower incentive and employee share schemes.

17. Interest bearing liabilities

New Zealand dollars	2023 \$'000s	2022 \$'000s
Current secured		
Interest bearing liabilities	49,597	23,110
Capitalised loan fees to be amortised in the next 12 months	(306)	(240)
Total current interest bearing liabilities	49,291	22,870
Non current secured		
Interest bearing liabilities	128,322	128,151
Remaining capitalised loan fees to be amortised	(30)	(79)
Total non-current interest bearing liabilities	128,292	128,072
Total interest bearing liabilities	177,583	150,942
<i>Analysis of movements in borrowings:</i>		
At 1 January	150,942	113,003
Cash flow - additional borrowings	157,919	114,753
Cash flow - repayment of borrowings	(131,445)	(81,391)
Loans acquired via acquisition	-	4,175
Capitalised loan fees - amortised over the life of the loan	(17)	188
Exchange differences	184	214
At 31 December	177,583	150,942
<i>Analysis of total facilities:</i>		
Drawn	177,583	151,261
Available	23,205	59,296
Total facilities at 31 December	200,788	210,557

The Board has assessed the fair value of the term loans as the outstanding balance at balance date.

On 30 June 2023, Seeka refinanced with a Sustainability-Linked Loan with its banking syndicate, which included extension of the facility maturity dates and amendments to the banking covenants. Westpac NZ acted as the Sole Sustainability Coordinator, Agent and Mandated Lead Arranger, and Bookrunner throughout the refinancing.

Seeka extended 66% of the facilities to 31 January 2025, and 34% to 31 January 2026, and obtained a waiver for the net leverage ratio and interest cover ratio banking covenants for the 30 June 2023 and 31 December 2023 test periods. The 30 June 2024 and 31 December 2024 banking covenants are set on a "step down" basis to enable Seeka to reach its long-term covenants of 3.25x for the net leverage ratio and 2.00x for the interest cover ratio. Seeka remains committed to reducing debt and building headroom into its banking covenants.

Seeka's \$201 million banking facility is provided as a Sustainability-Linked Loan that incentivises Seeka to reduce greenhouse gas emissions, increase solar energy generation capacity, and improve health and safety across its workforce. Seeka will pay a lower interest rate for achieving yearly sustainability targets, and a higher interest rate if it misses agreed yearly benchmarks.

After the balance date, an additional \$20m credit line has been secured from 5 February 2024 through to 16 July 2024.

The following table details the amounts of the term loans drawn down at balance date and their maturities.

	Balance due \$000s	Interest rate	Maturity
Term loans as at 31 December 2023			
AUD \$17m	18,322	7.43%	31 January 2026
NZD \$40m	40,000	8.40%	31 January 2025
NZD \$50m	50,000	8.64%	31 January 2026
NZD \$20m	20,000	8.42%	31 January 2025
Term loans as at 31 December 2022			
AUD \$17m	18,151	5.04%	31 January 2024
NZD \$40m	40,000	5.50%	31 January 2024
NZD \$50m	50,000	5.70%	31 January 2025
NZD \$20m	20,000	6.96%	31 January 2024

The Group's policy is to protect the term portion of the loans from exposure to changing interest rates via the use of derivatives, see [note 30](#).

Assets pledged as security

Bank loans and overdrafts are secured by first mortgages over the freehold land and buildings, and a General Security Agreement over all the assets of the following trading entities within the Group, as either borrowers or guarantors. These entities make up the bank Charging Group.

The value of the Group's assets that are not part of the Charging Group is \$7.24m, being less than 1.32% of the total Group Assets.

The Charging Group comprises the following entities:

Borrowers and guarantors:

- Seeka Limited
- Seeka Australia (Pty) Limited

Guarantors:

- Aongatete Coolstores Limited
- Delicious Nutritious Food Company Limited
- Kiwi Coast Growers (Te Puke) Limited
- Northland Horticulture Limited
- OPAC Properties Limited
- Seeka East Limited
- Seeka OPAC Limited
- Seeka Te Puke Limited

Accounting policies

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

When it is probable that part or the entire loan will be drawn down, any loan facility establishment fee paid is recognised as a loan transaction cost. When the loan will probably remain undrawn, any loan fee paid is capitalised as a pre-payment for liquidity services and amortised over the period of the facility.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

18. Share capital

Shares	2023	2022
Authorised and issued share capital		
<i>Ordinary shares - fully paid and no par value:</i>		
Opening balance	41,988,282	40,176,160
<i>Shares issued under:</i>		
NZ Fruits Limited amalgamation	19	-
Dividend reinvestment programme	-	124,262
Total shares issued	41,988,282	41,988,282
<i>Ordinary shares - classified as follows:</i>		
Held by ordinary shareholders	41,694,782	41,567,947
Held by Seeka Share Trustee Limited	293,500	420,335
Total shares issued	41,988,282	41,988,282

New Zealand dollars	2023 \$000s	2022 \$000s
<i>Movements in ordinary paid up share capital:</i>		
Opening balance of ordinary shares	164,512	154,642
Transfer from grower share entitlement reserve	-	112
Transfer from employee share entitlement reserve	-	461
Issues of ordinary shares during the year	-	9,297
Closing balance of ordinary share capital	164,512	164,512
<i>Movements in treasury share capital:</i>		
Opening balance of ordinary shares	1,766	2,961
Employee share scheme receipts - 2016 issue	-	(7)
Grower loyalty share scheme receipts - 2019 issue	-	(401)
Employee share scheme receipts - 2019 issue	(119)	(787)
Closing balance of shares held as treasury capital	1,647	1,766
Net share capital	162,865	162,746

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of fully paid shares held.

Grower loyalty share scheme

On 15 March 2019, the Group invited eligible growers of kiwifruit, avocado and Kiwiberry to participate in a three-year grower loyalty share scheme, whereby each participant would be allocated a parcel of shares based on their orchard's current or forecast production. This issue of up to 2.6m shares was approved by shareholders on 14 February 2019.

In April 2019, 2,061,803 shares were issued to the scheme's trustees on behalf of 405 participating growers. The issue price of \$4.76 per share was funded by the Group making a \$9.8m non-interest-bearing loan to the trustees. Upon meeting the terms of the scheme by supplying all product from the participating orchards for three consecutive seasons the shares vest and participating growers can elect to pay the outstanding balance of their loans, less any dividend payments made on the shares, and have the shares transferred to them.

In 2021, 1,917,165 shares issued to kiwifruit growers vested. In 2022, the remaining 144,638 shares issued to avocado growers vested, see [note 21](#).

Employee share scheme

On 15 March 2019, the Group invited eligible employees to participate in a three-year employee share scheme, whereby each participant would be allocated a parcel of shares based on their role in the business. In April 2019, 568,000 shares were issued to the scheme's trustees on behalf of 319 participating employees. The issue price of \$4.76 per share was funded by the Group making a \$2.7m non-interest-bearing loan to the trustees. Upon meeting the terms of the scheme by continuing employment for three consecutive years, participating employees can elect to pay the outstanding balance of their loans, less any dividend payments made on the shares, and have the shares transferred to them. Shares issued under this scheme vested in 2022, see [note 21](#).

Accounting policies

Ordinary shares are classified as equity.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

19. Business combination

Acquisition through amalgamation of New Zealand Fruits Limited (NZ Fruits)

In February 2022, the Group amalgamated NZ Fruits, a kiwifruit, citrus and persimmon post-harvest business based in Gisborne, East Coast, New Zealand, into a newly-formed 100%-owned subsidiary of Seeka Limited, being Seeka East Limited. NZ Fruits shares were cancelled with each share being exchanged for 7.5016 shares in Seeka and \$39.3495 cash. Seeka shares were issued based on a price of \$5.2455 per Seeka share (equal to the VWAP of shares traded over 10 business days, finishing on 9 December 2021, with all fractions of Seeka shares rounded up to the next whole number).

The purchase was settled on 2 February 2022 for a consideration of \$17.53m by the issue of 1,687,860 ordinary shares in Seeka at a market price of \$5.14 on the settlement date of 2 February 2022, being the market price on the acquisition date as per NZ IFRS 3 (Business Combinations), and a cash consideration of \$8.85m. The change in the share price on acquisition date had the impact of decreasing goodwill by \$0.18m.

There are no acquisition or integration related costs included in overhead expenses in the year ended 31 December 2023 (Dec 2022 - \$0.46m).

Seeka has 12 months from the acquisition date to reassess the fair values of the assets and liabilities disclosed above if more information comes to light that suggests the values differ. In particular, any liabilities are expected to be crystallised and quantified within the 12 months from the acquisition date.

There have been no updates to the initial fair values as disclosed in December 2022.

20. Earnings and net tangible assets per share

	2023	2022
Basic earnings per share		
(Loss) / profit attributable to equity holders of the Company (\$'000s)	(14,466)	6,504
Weighted average number of ordinary shares in issue ('000s)	41,988	41,292
Basic earnings per share	(\$0.34)	\$0.16
Diluted earnings per share		
(Loss) / profit attributable to equity holders of the Company (\$'000s)	(14,466)	6,504
Weighted average number of ordinary shares in issue plus dilutive employee share scheme ('000s)	41,988	41,301
Diluted earnings per share	(\$0.34)	\$0.16
Net tangible assets per share		
Net tangible assets (\$'000s)	239,768	250,762
Total ordinary shares issued at the end of the period ('000s)	41,988	41,988
Net tangible assets per share	\$5.71	\$5.97

Basic earnings per share

Basic earnings per share is calculated by dividing the (loss) / profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for bonus elements in ordinary shares issued and outstanding during the period.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Net tangible asset per share

Net tangible asset per share is calculated by dividing the Group's net assets less goodwill by the total shares on issue at the end of the period.

21. Retained earnings and reserves

Retained earnings

The following table details movements in retained earnings.

New Zealand dollars	2023 \$'000s	2022 \$'000s
At 1 January	52,760	51,564
Net (loss) / profit for the year	(14,466)	6,504
Dividends paid or declared	-	(5,308)
At 31 December	38,294	52,760

Reserves

The following table details the closing balances of reserve accounts.

New Zealand dollars	2023 \$'000s	2022 \$'000s
Reserves		
Cash flow hedge reserve	900	2,476
Water share revaluation reserve	-	2,756
Land and buildings revaluation reserve	57,834	50,368
Foreign currency translation reserve	(158)	(161)
Foreign currency revaluation reserve	214	(2)
Total reserves	58,790	55,437

The cash flow hedge reserve records increases and decreases on the revaluation of derivative financial instruments.

The water share revaluation reserve records increases and decreases on the revaluation of Seeka's owned permanent water shares in Victoria Australia. In the year ended 31 December 2023, the water shares were remeasured to be held at historical cost and therefore the revaluation reserve was set to nil. See [note 11](#) for details.

The land and buildings revaluation reserve records increments and decrements on the revaluation of land and buildings.

The foreign currency translation reserve records foreign currency translation differences of Group entity results and financial position. The amounts are accumulated in other comprehensive income and recognised in profit or loss when the foreign operation is partially disposed of or sold.

The foreign currency revaluation reserve records unrealised gains and losses on Group assets and liabilities held in foreign currencies.

The share entitlement reserve records the value of option benefits recognised on the Group's grower loyalty and employee share schemes as detailed in this note.

The Group operates two equity-settled, share-based incentive plans:

- An equity-settled, share-based compensation plan for employees. Shares are periodically issued under this plan.
- An equity-settled, grower loyalty share scheme approved by shareholders on 14 February 2019.

The employee share scheme is managed by a trust deed established September 2014. The grower loyalty share scheme is managed by a trust deed established 15 March 2019. The trustee for both trusts is 'Seeka Share Trustee Limited', whose directors are also directors of Seeka.

Employee share scheme

Under the employee share scheme, shares are issued to an employee share trust in return for a debt back to the Company. Qualifying employees are eligible to subscribe to shares held by the trust under the terms of the scheme with the shares to vest at the end of three years. The option benefit is recognised as a share-based payment expense and recorded as an expense over the vesting period. At the end of the vesting period the employee has an option to settle any outstanding debt on their shares and have the shares transferred to them.

At the date the shares vest the employee can elect to extend the repayment period by two years with interest charged and the shares held by the trust as security and only transferred when the debt is fully repaid. Alternatively at the date the shares vest the employee can elect that the shares do not vest to them and any outstanding debt will be forgiven and the shares sold by the trustees. The proceeds from the sale of shares are used to repay the debt owed to the Company.

The following table details movement in the share entitlement reserve relating to the employee share scheme.

New Zealand dollars	2023 \$000s	2022 \$000s
At 1 January	-	423
Transfer to share capital	-	(461)
Movement in employee share entitlement reserve	-	38
At 31 December	-	-

At balance date the number of shares in respect of which options have been granted to employees and remain outstanding under the scheme was 42,000 (Dec 2022 - 369,998), representing 0.10% (Dec 2022 - 0.89%) of the shares of the Company on issue at that date.

Grower loyalty share scheme

Under the grower loyalty share schemes, shares were issued to a share trust in return for a debt owed back to the Company. Qualifying supplying growers were eligible to subscribe to shares held by the trust under the terms of the offer agreements dated 15 March 2019 and 22 March 2019. Shares vest after the grower supplies the Company their kiwifruit and avocado crops for the three harvest seasons, with the final harvest season being the avocado harvest season ending 31 March 2022. The option benefit is recognised as a discount against revenue over the vesting period.

At the end of the vesting period the grower had an option to either settle any outstanding debt on the shares and have the shares transferred to them, or to not have the shares transferred to them, whereby any outstanding debt was forgiven and the shares sold by the trustee. The proceeds from the shares that vest or from the sale of shares was used to repay the debt owed to the Company.

In September 2021, the three-season supply commitment period for kiwifruit and Kiwiberry growers ended, and 1,917,165 shares vested.

In April 2022, the three-season supply commitment period for avocado growers ended, and 144,638 shares vested.

From the September 2021 vesting, 333,897 shares that were either ineligible for entitlement, or not accepted by growers, were sold on market for a total net consideration of \$1.41m.

The following table details the movement in the grower loyalty share scheme.

New Zealand dollars	2023 \$000s	2022 \$000s
At 1 January	-	103
Transfer to share capital	-	(112)
Movement in grower share entitlement reserve	-	9
At 31 December	-	-

The scheme terminated April 2022 upon the end of the avocado grower commitment period, and at 31 December 2022 no options that were granted to growers remain outstanding.

For both schemes the shares are issued fully paid in exchange for a loan to the share scheme trust on behalf of scheme members.

The shares held by the trustee on behalf of employees and growers carry the same voting rights as other issued ordinary shares with votes only able to be made via the trustees. The trustees are not able to vote, other than at the direction of the individual member employees and growers. While monies are owed on the shares they remain with the trustee.

The options element of the schemes are valued using the Black Scholes pricing model on the grant date, which is the date the shares are first issued to the trust. Volatility is forecasted into the model.

Accounting policies

The fair value of the employee services received in exchange for the grant of options is recognised as an expense in the statement of profit or loss with a corresponding increase in the share entitlement reserve. For the Grower Loyalty Share Scheme (GLSS), the fair value of the grower loyalty received in exchange for the grant of the option is recognised as a discount against other income in the statement of profit or loss with a corresponding increase in share entitlement reserve. The fair value is determined by reference to the fair value of the options granted, calculated using the Black Scholes pricing model, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

When the shares vest, the amount of the reserve relating to those shares is transferred to retained earnings.

Employee share scheme shares may be issued at the Board's discretion at a price set by the Board based on the Volume Weighted Average Price (VWAP) calculation of the Company's shares during the period prior to issue. The Employee Share Scheme (ESS) cannot be issued with further shares if that issue would result in the ESS having an interest of more than 5% of the Company's issued capital.

Shares are issued fully paid in exchange for a loan to the share scheme trust. Dividends paid on the shares are applied towards repaying the debt between ESS and GLSS and the Group on behalf of the employee of the grower.

Proceeds received along with any employee contributions are credited to share capital when payment for the shares is received.

The ESS and GLSS have a non-beneficial interest in all the shares allocated to employees and growers. Annually the Group reviews the ESS scheme and decides upon the allocation of further shares and the price at which those shares will be issued to the ESS. Trustees of ESS and GLSS are appointed for an unspecified term and may be removed by the Company at any time.

22. Dividends

Dividends paid	Per share	\$'000s
2023		
Total dividend 2023	-	-
2022		
February 2022	\$0.13	5,308
Total dividend 2022	\$0.13	5,308

Dividends are imputed to the fullest extent allowable in the tax year. The total dividend paid includes the non-cash amounts for the dividend reinvestment plan. No cash dividend payments were made during the year (Dec 2022 - \$4.37m).

On 20 January 2022, the directors declared a fully-imputed dividend of \$0.13 per share. The dividend was paid 23 February 2022 to those shareholders on the register at 5pm on 28 January 2022. The dividend reinvestment plan applied with no discount to the strike price.

Seeka dividend policy

Seeka's dividend policy is to declare and distribute dividends between 65% and 75% of Net Profit After Tax (NPAT) annually in conjunction with the release of the half year and full year results subject to due consideration of the Board and approval of the banking syndicate.

In addition to this, following agreement by Seeka's Banking Syndicate to amend certain covenants, it is a requirement that dividends will only be paid if the net leverage ratio banking covenant in the most recent Compliance Certificate does not exceed 3.75:1.00 and they shall be less than or equal to 75% of NPAT for the financial year.

The net leverage ratio is calculated as total net debt less the \$46m working capital facility, to adjusted EBITDA.

Adjusted EBITDA is defined as pre IFRS 16 EBITDA, less non-cash gain and losses, extraordinary, and equity accounted profit or loss.

Accounting policies

Provision is made for the amount of any dividend declared on or before the end of the period but not distributed at balance date.

Investments

This section focuses on how the Group invests in businesses to support Seeka's core kiwifruit operations, realise synergies along the produce supply chain and grow Seeka's product base and geographical reach. The Board manages business investments to strengthen the benefits delivered to stakeholders and grow shareholder returns.

Disclosures are made on the Group's holdings in associates and subsidiaries, along with details on the Group's holding of listed and unlisted financial assets.

23. Investment in financial assets

New Zealand dollars	2023 \$000s	2022 \$000s
At 1 January	1,424	2,054
Sale of investment	-	(253)
Transfer to intangible assets	-	(377)
Movement in fair value of other financial assets	30	-
Share repurchase	(193)	-
At 31 December	1,261	1,424
<i>Unlisted securities designated at fair value through profit or loss</i>		
Blackburn General Partner Limited	91	91
Ravensdown Fertiliser Co-operative Limited	261	261
Ballance Agri Nutrients Limited	82	82
OTK Orchards Limited	133	326
Other share holdings	41	41
<i>Other financial assets designated at fair value through profit or loss</i>		
Ngati Pukenga	653	623
Total financial assets at fair value through profit or loss	1,261	1,424
Total investment in financial assets	1,261	1,424

All other financial assets measured at fair value are defined as level 3, see [note 29](#).

Accounting policies

The fair values of the listed securities are based on the securities' closing share price at balance date. Where pricing information is available, unlisted securities are revalued at balance date. All other unlisted securities are currently held at cost less impairment as it reasonably represents current fair value. Other financial assets designated at fair value through profit or loss are held at their discounted present value of expected cash flows as it reasonably represents current fair value. The carrying amount of all financial assets has been reviewed at balance date and any impairment is recognised through the statement of profit or loss.

24. Investment in associates and joint arrangements

a. Investment in associates

Name of entity	Country of incorporation	Business activity	Equity holding 31 December 2023	Equity holding 31 December 2022
Kiwifruit Supply Research Limited	New Zealand	Not trading	20%	20%
TKL Logistics Limited	New Zealand	Port service	33%	33%
Wai O Kaha Gold Landowners Limited Partnership	New Zealand	Orcharding	11%	11%
Te Kaha Gold Investment Partnership	New Zealand	Orcharding	33%	33%
Fruitometry Limited	New Zealand	Agritech	26%	26%
Ngutupiri General Partner Limited	New Zealand	Orcharding	64%	64%
TKG Orchard Services Limited	New Zealand	Orcharding	50%	50%
Waihau Bay JV Limited Partnership	New Zealand	Orcharding	50%	-

The following table details transactions relating to investments in associates.

New Zealand dollars	2023 \$000s	2022 \$000s
At 1 January	5,952	3,958
Purchase of investments	100	1,358
Share of profit or loss	282	654
Prior period adjustment	-	500
Impairment of associate	(1,413)	-
Capital distributions received	(282)	(518)
Balance at end of year	4,639	5,952
<i>Investments are made in the following associates:</i>		
Fruitometry Limited	1,065	2,600
Wai O Kaha Gold Landowners Limited Partnership	1,000	1,000
Ngutupiri General Partner Limited	938	938
TKL Logistics Limited	874	764
TKG Orchard Services Limited	618	506
Te Kaha Gold Investment Partnership	44	144
Waihou Bay JV Limited Partnership	100	-
Total investment in associates	4,639	5,952

In September 2023, the Group invested \$0.1m of a total committed investment of \$1.1m towards a 50% shareholding in Waihou Bay JV Limited Partnership, which is a Limited Partnership for a kiwifruit orchard joint investment venture between the Group and several Māori investment trusts in Waihou Bay.

In December 2022, the Group invested \$0.94m of a total committed investment of \$1.4m towards a 64% shareholding in Ngutupiri General Partner Limited, which is a management company for a kiwifruit orchard joint investment venture between the Group and several Māori investment trusts in Te Kaha, Ōpōtiki. Seeka has influence over the entity but not control, as Seeka's rights are contractually limited, a 75% voting threshold is required for special resolutions, and Seeka cannot directly impact its returns.

The Group owns a 33% share in TKL Logistics Limited, which is a logistics company that provides services for kiwifruit including transportation, vessel planning, and ECPI. Historically this company did not build any equity value. However, from 2022 the Group has recognised the value of its investment equivalent to its share of the TKL Logistics Limited's profits.

Impairment of associates

For the year ended 31 December 2023, an impairment of \$1.41m (Dec 2022 - nil) was recognised in relation to Fruitometry Limited, which is recorded as an investment in associate. Fruitometry is an agri-tech start-up business that was impacted by lower demand than forecast due to two difficult growing seasons. A discounted cash flow model was used to value the investment and as a result an impairment was recognised. No further impairment in investments in associates was identified.

The following table summarises the financial information of associates.

New Zealand dollars	Fruitometry Limited (\$000s)	Wai O Kaha Gold Landowners Limited Partnership (\$000s)	Ngutupiri General Partner Limited (\$000s)	TKL Logistics Limited (\$000s)	TKG Orchard Services Limited (\$000s)	Te Kaha Gold Investment Partnership (\$000s)	Waihou Bay JV Limited Partnership (\$000s)	Total (\$000s)
Summarised statement of financial position								
Current assets	1,052	-	-	2,758	825	62	-	4,697
Non current assets	200	11,508	3,118	183	670	253	840	16,772
Total assets	1,252	11,508	3,118	2,941	1,495	315	840	21,469
Current liabilities	88	-	-	294	136	38	-	556
Non current Liabilities	386	-	-	-	26	-	-	412
Total liabilities	474	-	-	294	162	38	-	968
Net assets	778	11,508	3,118	2,647	1,333	277	840	20,501
Group share of ownership	26%	11%	64%	33%	50%	33%	50%	
Summarised statement of profit or loss								
Revenue	612	-	-	26,735	1,104	800	-	29,251
Profit	(472)	-	-	331	224	546	-	629
Group reported share of profit or loss	(122)	-	-	110	112	182	-	282

Accounting policies

Associates are entities over which the Group has significant influence, but not control, typically by holding between 20% to 50% of the voting rights in the entity or exercising significant influence via directors on the Board.

Investments in associates are accounted for using the equity method after initially being recognised at cost and tested annually for impairment.

The Group's share of associates profits or losses are recognised in the statement of profit or loss and the carrying amount of the investment in the statement of financial position.

Dividends or distributions received from associates are applied to reduce the carrying amount of the investment in the statement of financial position.

b. Investment in joint arrangements

Name of entity	Country of incorporation	Business activity	Equity holding 31 December 2023	Equity holding 31 December 2022
Apanui Road Orchards Joint Venture	New Zealand	Orcharding	42.9%	42.9%

The Apanui Road Joint Venture is considered a joint operation based on the following:

- There is equal voting rights and influence;
- There is no investment vehicle that separates the entities from the parties to the arrangement; and,
- The legal form and contractual arrangements through which the investee operates give the parties rights to the individual assets and liabilities of the investee (rather than the net assets as a whole).

The orchards of Apanui Road Orchards Joint Venture have a finite life, are carried at their fair value and are included in the consolidated financial statements.

Accounting policies

Investment in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the statement of financial position.

Other notes

This section contains all other note disclosures about the Group.

25. Contingencies

Seeka Limited has an active insurance claim under its Bailees Policy for the associated losses in kiwifruit orchard returns from fruit packed at the OPAC site in 2022. The claim is being processed by the insurance company.

Any potential settlement will be paid to growers through Seeka Growers Limited. The amount and timing of the settlement at this stage is unknown.

26. Commitments

Capital commitment

At 31 December 2023, the Group was committed to incur capital expenditure of \$4.06m (Dec 2022 - \$8.00m) and a further \$1.41m (Dec 2022 - \$0.46m) for investments in associates. The capital expenditure includes planned expenditure on builds, machinery and automation projects.

Operating lease commitments

The Group recognises right-of-use lease assets for all operating leases, except for short-term and low value leases, in accordance with NZ IFRS 16, see [note 13](#).

27. Related party transactions

Investment in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries.

Name of entity	Country of incorporation	Class of shares	Equity holding 31 December 2023	Equity holding 31 December 2022
<i>Trading subsidiaries</i>				
Aongatete Coolstores Limited	New Zealand	Ordinary	100%	100%
AvoFresh Limited	New Zealand	Ordinary	100%	100%
Delicious Nutritious Food Company Limited	New Zealand	Ordinary	100%	100%
Integrated Fruit Supply & Logistics Limited	New Zealand	Ordinary	100%	100%
Kiwi Coast Growers (Te Puke) Limited	New Zealand	Ordinary	100%	100%
Northland Horticulture Limited	New Zealand	Ordinary	100%	100%
OPAC Growers Supply Limited ¹	New Zealand	Ordinary	100%	100%
OPAC Properties Limited	New Zealand	Ordinary	100%	100%
Seeka East Limited	New Zealand	Ordinary	100%	100%
Seeka OPAC Limited	New Zealand	Ordinary	100%	100%
Seeka Share Trustee Limited	New Zealand	Ordinary	100%	100%
Seeka Te Puke Limited	New Zealand	Ordinary	100%	100%
Little Haven Holdings Pty Limited	Australia	Ordinary	100%	100%
Seeka Australia (Pty) Limited	Australia	Ordinary	100%	100%
Seeka Risk Management Limited	Cook Islands	Ordinary	100%	0%
<i>Not-trading subsidiaries</i>				
CMS Logistics Limited ²	New Zealand	Ordinary	69%	69%
Eleos Limited	New Zealand	Ordinary	100%	100%
Enviro Gro Limited	New Zealand	Ordinary	100%	100%
Glassfields (NZ) Limited	New Zealand	Ordinary	100%	100%
Guaranteed Sweet New Zealand Limited	New Zealand	Ordinary	100%	100%
Kiwifruit Vine Protection Company Limited	New Zealand	Ordinary	100%	100%
Nutritious Delicious Food Company Limited	New Zealand	Ordinary	100%	100%
Seeka Fresh Limited	New Zealand	Ordinary	100%	100%
Seeka Kiwifruit Industries Limited	New Zealand	Ordinary	100%	100%
Verified Lab Services Limited	New Zealand	Ordinary	100%	100%
Seeka Pollen Australia (Pty) Limited	Australia	Ordinary	100%	100%

1. Liquidated and removed from the Companies Register on 12 January 2024.

2. In liquidation (solvent) as at 31 January 2024, and under notice to be removed from the Companies Register.

Directors

Directors during the period were: F Hutchings, M Brick (retired 20 April 2023), H Cartwright (appointed 1 February 2023), S Cresswell (appointed 1 October 2023), P R Cross, R Farron (resigned 4 August 2023), S Moss, C Tarrant and A Waugh.

Key management and compensation

Key management personnel are all Company directors or executives with the greatest authority for the Group's strategic direction and management.

The following table details key management personnel compensation.

New Zealand dollars	2023 \$000s	2022 \$000s
Director fees	605	624
Executive salaries	2,384	2,906
Short term benefits	197	21
Total	3,186	3,551

During the year the Group provided compensation totalling \$0.10m (Dec 2022 - \$0.21m) to close family members of key management personnel. All transactions were related to employee remuneration and made on normal employment contract terms and conditions.

Transactions

The following table details the transactions entered with related parties for post-harvest and orchard management services (excluding transactions outlined and disclosed above).

New Zealand dollars	2023 \$000s	2022 \$000s
<i>Purchase of services</i>		
Directors, key management and other personnel	6	31

Seeka Growers Limited and OPAC Growers Limited

The Group undertakes transactions with Seeka Growers Limited (SGL), a related party which administers all kiwifruit revenues received for the New Zealand business on behalf of supplying growers, and Avofresh Limited, a related party which administers all avocado revenues for the New Zealand business on behalf of supplying growers.

In the current period the Group received \$148.01m (Dec 2022 - \$189.58m) for the provision of services to SGL and \$2.05m (Dec 2022 - \$2.51m) for the provision of services to Avofresh Limited.

In 2023, the Group did not receive anything for the provision of services to OGL relating to kiwifruit harvested in 2022 (Dec 2022 - \$0.88m).

Investments in associates

The Group undertakes transactions with its associates as described in [note 24](#), in the regular course of business and with normal commercial terms and conditions. In the current period the Group received \$6.80m (Dec 2022 - \$6.76m) from these transactions with associates, for the sale of goods and services, with \$2.69m (Dec 2022 - \$0.68m) outstanding and owed to the Group at balance date.

In the current period the Group paid \$1.38m (Dec 2022 - \$0.10m) to associates for the purchase or provision of goods and services, with \$0.21m (Dec 2022 - \$0.03m) outstanding and due to them at balance date.

Entities controlled or jointly controlled by key management personnel

The Group undertakes transactions with entities where its key management personnel are deemed to either control or have joint control over their operations. In the current period the Group paid \$2.04m (Dec 2022 - \$4.93m) to these entities, for the purchase or provision of goods and services, with no outstanding balance due to them at balance date (Dec 2022 - Nil). In the current period the Group received \$1.48m (Dec 2022 - Nil) from these entities, for the sale or provision of goods and services, with \$0.41m (Dec 2022 - \$0.13m) outstanding and due to Seeka Limited at balance date.

Terms and conditions

All related party transactions were made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

28. Risk management

The Group's activities expose it to a variety of risks specific to producing and selling horticultural crops, along with corporate financial risks related to credit, liquidity and capital risk. The Group operates a comprehensive risk assessment and mitigation programme through its Audit and Risk Committee.

The Group's policy is to ensure that the Group creates value and maximises returns to its shareholders and benefits for other stakeholders, as well as ensuring that adequate financial resources are available for the development of the Group's business whilst managing its financial risks.

a. Risk management strategies related to orcharding, post-harvest and retail operations

Horticultural operations expose the Group to risks to production and market returns. The main short-term production risks are weather events, diseases, and pests. These impact on volume and quality of produce from the Group's orchards, volumes to post-harvest (both from Group orchard operations and independent growers) and volumes available to the retail business.

Market risks include price and exchange rate impact on orchard operations (the amount the Group is paid for crops grown by the Group) and impact on retail revenues where the Group imports and sells produce, mainly bananas. The exchange rate risk on imports is managed through the use of foreign exchange contracts to match known and planned purchases. Market risks do not directly impact on post-harvest operations, as charges are normally set prior to harvest and deducted before sales revenues are paid to supplying growers.

The Group operates in five regions spread over two countries; New Zealand's Northland, Coromandel, Gisborne and the Bay of Plenty regions, and in Australia's Mundoona region of Victoria. Main produce lines are kiwifruit, nashi pears, European pears, avocado and Kiwiberry, with small production of other temperate-climate fruits. Group retail activities are in New Zealand (including imported tropical produce), Australia, Asia, Europe and the USA. The Group's geographical, product and market spread limits the impact on Group operations from an adverse event occurring in a specific region, produce or market. To further mitigate risks, the Board uses the following strategies.

Production risks - weather events, disease and pests

The Group follows industry best practice to mitigate production risks. This includes orchard management practices to optimise production from Group orchards, and extensive planning to ensure post-harvest and retail services are suitably resourced to manage each season's crop volumes.

In New Zealand the major climatic risks are hail, frost, storm damage and drought.

- Hail events are typically highly localised, and for kiwifruit the Group has access to industry hail insurance for its orchard operations, plus top-up payments from a Seeka Growers Limited hail insurance programme.
- Frost events are typically regional, and the Group advocates best-practice crop protection, including active frost management on kiwifruit orchards operated by the Group and other growers supplying the Group's post-harvest operations.
- Storm events are typically regional, and the Group advocates best-practice crop protection, including shelter belts on all orchards operated by the Group and other growers supplying the Group's post-harvest operations.
- Drought events are typically regional, and the Group has invested in irrigation in many of its orchards. The Group is also investing in localised weather measurement on its orchards.

In Australia, the major climatic risks are drought, hail and fire. As the owner or manager of all orchards supplying its Australian operations, the Group actively manages climatic risks of its total production base. The orchards are located on three sites in the Mundoona region.

- Drought events are typically regional, and to secure adequate irrigation, the Group has purchased long-term water shares from a reliable irrigation programme.
- Hail events are typically localised, and the Australian orchards are geographically spread to reduce risk of total loss.

- Fire risk is typically from serious grass wild-fire occurring during periods of extreme weather, with the Country Fire Authority responsible for risk assessment and management of fire events. The Group takes all practical steps to internally manage fire risk including removing excess vegetation from Group properties.

All horticultural undertakings are susceptible to disease and pest incursions. The kiwifruit vine disease *Pseudomonas syringae* pv. *actinidiae* (Psa) is widespread throughout New Zealand and Australia, and is being actively managed. Seeka has moved to contain the outbreak and works to proactively monitor the orchards. The Queensland fruit fly and brown marmorated stink bug are potential threats to the horticulture industry. To minimise the risk of crop loss the Group monitors its orchards and undertakes recognised spray programmes to protect crops to the fullest extent possible. Seeka also relies on the Ministry for Primary Industries to protect New Zealand's borders from introduced diseases.

Climate change

As a horticultural based business, Seeka is exposed to the long-term impact of climate change through potential reduced production crop yields. In addition to responding to weather events, future regulatory change may impact Seeka through revised policies that limit the use of chemical inputs on orchards, require soil monitoring and reporting, introduce carbon taxes, and implement water restrictions.

To respond to this Seeka;

- Has a Board Sustainability Committee to assist in governance;
- Is measuring its carbon footprint, has set reduction targets, and implemented carbon-reduction initiatives;
- Is actively engaged in developing orchard management practices to measure the environmental impact on orchards; and
- Ensures new developments undertaken by Seeka include water accessibility as part of the development design, whether via stream access, onsite storage, or developing wetlands.

Market returns

New Zealand kiwifruit

The Group has no direct market risk from the sale of kiwifruit harvested from lease operations, as all export marketing activities beyond Australia are undertaken by Zespri Group Limited (Zespri) under statutory regulations. The Group, however, is impacted by the level of Zespri's market returns which impact on the Group's orchard profitability. The Group monitors Zespri returns and uses modelling techniques to analyse current and projected orchard income. This information is used when setting Group budgets and orchard lease terms.

New Zealand avocado and Kiwiberry

The Group has a direct market risk from the sale of avocado and Kiwiberry, with half of Kiwiberry sales and all avocado sales managed by the Group's retail operations. The Group forecasts seasonal supply, monitors market conditions, develops a sales programme around the needs of key retailers and controls product quality and supply to optimise market access and returns. This information is used when setting Group budgets and orchard lease terms.

The Group has no direct currency risk from export sales as it does not own the products but acts as the growers' agent.

Imported tropical produce

The Group has direct market, price and currency risk from imported fruit produce (banana, pineapple and papaya) where the Group imports fruit produce for sale as the principal through its supply and sale contracts. The Group may hedge up to the total known and projected cash flows to manage exchange risk. The Group has no material direct price and currency risk from imported fruit produce where the supply agreement enables the Group to amend its purchase price according to trading conditions.

Australian produce

The Group has a direct market and price risk from the sale of all Australian product which is managed by the Group's Australian operations. As one of the largest growers and suppliers of Australian kiwifruit and nashi pears, the Group has developed strong relationships with key retailers. The Group forecasts seasonal supply, monitors market conditions, develops a sales programme around the needs of key retailers and controls product quality and supply to optimise market access and returns.

Seeka Australia is the Group's single international operation, exposing the Group to the Australian dollar. Foreign exchange risk includes future commercial transactions, assets, liabilities and net investments. Currency exposure from net assets is managed through borrowings in Australian dollars, see [note 17](#).

b. Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables, derivative financial instruments and committed transactions.

The maximum credit risk is the financial loss to the Group if counterparties fail to discharge a contractual obligation. The Group's maximum exposure is the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

For banks and financial institutions, only registered banks or their subsidiaries are accepted. The Group does not generally require any collateral or security to support financial instruments due to the quality of the financial institutions.

For customers, including outstanding receivables, the Group deals predominantly with growers for which it receives payment for post-harvest services directly from Seeka Growers Limited. Credit risk is therefore not considered significant.

Trade receivables

The Group applies the NZ IFRS 9 Financial Instruments (NZ IFRS 9) simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Management factors in forward-looking information, including future crop and return forecasts, and the macro economic environment when assessing the recoverability of trade receivables. Many outstanding receivables relate to debtors where balances are secured by future crop returns. No adjustments were made to the assessment as a result of these factors.

To measure the expected credit losses, trade receivables have been grouped based on days past due. The expected loss rates are based on the payment profiles of sales over a 12 month period before 31 December 2023 and the corresponding historical credit losses during this period, adjusted for any significant known amounts that are not recoverable. Management identifies any non-recoverable debts through regular conversations with debtors.

On that basis, the following table details the provision for doubtful debts.

	31 December 2023				31 December 2022			
	More than 30 days past due	More than 60 days past due	More than 120 days past due	2023 Total	More than 30 days past due	More than 60 days past due	More than 120 days past due	2022 Total
Expected loss rate	0.5%	0.8%	1.1%		0.0%	0.1%	0.2%	
Gross carrying amount - trade receivables (\$000s)	1,090	775	6,297	8,162	1,600	557	1,765	3,922
Loss allowance (\$000s)	4	5	62	71	1	-	3	4

	2023 \$000s	2022 \$000s
New Zealand dollars		
At 1 January	243	247
Movement in the current year	19	(4)
At 31 December	262	243
Calculation for loss allowance		
Loss allowance per NZ IFRS 9	71	4
Specific debtor provision(s)	191	239
At 31 December	262	243

c. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities.

The Group's policy is to regularly monitor its expected cash flows, liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. Cash flow forecasting allows for the seasonal nature of Group operations.

When cash flow exceeds working capital management, funds are invested in interest bearing current accounts.

At balance date, the Group had \$200.79m (Dec 2022 - \$210.56m) of available credit of which \$177.58m (Dec 2022 - \$151.26m) was drawn. All credit lines are currently provided by a bank syndicate comprised of five lenders across New Zealand and Australia, where Westpac New Zealand Limited acts as the syndicate agent lender, security trustee and lead lender.

The following table details the remaining contractual maturities at balance date of the Group's financial liabilities.

New Zealand dollars	Less than 1 year \$000s	Between 1 and 2 years \$000s	Between 2 and 5 years \$000s	Over 5 years \$000s
At 31 December 2023				
Trade and other payables	25,278	-	-	-
Lease liabilities	9,941	9,366	15,732	29,723
Interest bearing liabilities	49,291	59,970	68,322	-
Total contractual maturities	84,510	69,336	84,054	29,723
At 31 December 2022				
Trade and other payables	32,778	-	-	-
Lease liabilities	9,631	8,361	17,400	34,673
Interest bearing liabilities	22,870	78,072	50,000	-
Total contractual maturities	65,279	86,433	67,400	34,673

d. Capital risk

Capital risk management focuses on ensuring the Group continues to operate as a going concern and maintains an optimal capital structure to support its business, maximise shareholder value, and the benefits delivered to other stakeholders.

The Group may maintain or adjust its capital structure by adjusting dividends, returning capital to shareholders, issuing new shares or selling assets.

The Group monitors capital on the basis of shareholder equity ratio, as calculated by total shareholder funds divided by total assets.

The following table details the Group's shareholder equity ratio at balance date.

New Zealand dollars	2023 \$000s	2022 \$000s
Total shareholder funds	259,949	270,943
Total assets	548,811	547,869
Shareholder equity ratio	47.37%	49.45%

The Group is subject to, and monitors, financial covenants imposed by its lenders, including maintenance of equity ratios, net leverage ratios, and earnings times interest cover. At no stage during the year did the Group breach any of its lending covenants. The Group, however, obtained agreement from its banking syndicate in June 2023 to modify two of its covenants (net leverage and interest cover) to 31 December 2024.

e. Price risk - equity securities

The Group has minor exposure to equity securities price risk through incidental investments classified in the statement of financial position as investment in financial assets. The majority of these investments are in industry-related entities, only some of which are publicly traded.

A 10% increase or decrease in equity investments with all other variables held constant, has minimal impact on the Group's profit and equity reserves.

The Board periodically reviews the performance and strategic benefits of these investments. No other formal risk management procedures are deemed necessary.

The change in the fair value of an investment is recorded through comprehensive income whenever a previous revaluation reserve balance is available. When no such reserve exists, any related loss is processed directly in the statement of profit or loss, otherwise available reserves are utilised to offset the loss.

f. Cash flow interest rate risk

The Group's cash flow interest rate risk arises primarily from short and long-term variable rate borrowings from financial institutions. The Board continuously reviews term borrowings and uses interest rate swaps to hold a portion of borrowings at fixed rates; these are designated as effective hedging instruments and hedge accounting is applied.

The following table details interest rate and price sensitivity of the Group's financial assets and liabilities and their impact on the statement of profit or loss or equity. Cash and advance balances do not attract interest and are not subject to pricing risk, and are therefore excluded from this analysis.

	Carrying amount \$000s	Interest rate risk				Price risk			
		- 1 %		+ 2 %		- 10 %		+ 10 %	
New Zealand dollars		Profit \$000s	Equity \$000s	Profit \$000s	Equity \$000s	Profit \$000s	Equity \$000s	Profit \$000s	Equity \$000s
At 31 December 2023									
<i>Financial assets</i>									
Current and non current trade and other receivables	35,971	-	-	-	-	(3,597)	(3,597)	3,597	3,597
Investment in financial assets	1,261	-	-	-	-	(126)	(126)	126	126
Derivative assets	1,249	-	(1,690)	-	2,994	-	-	-	-
<i>Financial liabilities</i>									
Trade and other payables	25,278	-	-	-	-	-	-	-	-
Current interest bearing liabilities	49,291	493	493	(986)	(986)	-	-	-	-
Non-current interest bearing liabilities	128,292	1,283	1,283	(2,566)	(2,566)	-	-	-	-
Total increase / (decrease)		1,776	86	(3,552)	(558)	(3,723)	(3,723)	3,723	3,723
At 31 December 2022									
<i>Financial assets</i>									
Current and non current trade and other receivables	38,246	-	-	-	-	(3,825)	(3,825)	3,825	3,825
Investment in financial assets	1,424	-	-	-	-	(142)	(142)	142	142
Water shares	5,399	-	-	-	-	-	(540)	-	540
Derivative assets	3,438	-	(1,167)	-	2,300	-	-	-	-
<i>Financial liabilities</i>									
Trade and other payables	32,778	-	-	-	-	-	-	-	-
Current interest bearing liabilities	22,870	229	229	(457)	(457)	-	-	-	-
Non-current interest bearing liabilities	128,072	1,281	1,281	(2,561)	(2,561)	-	-	-	-
Total increase / (decrease)		1,510	343	(3,018)	(718)	(3,967)	(4,507)	3,967	4,507

The following table outlines the expected undiscounted cash flows relating to the Group's outstanding term and current debt at balance date.

New Zealand dollars	Between 0 and 3 months	Between 3 and 6 months	Between 6 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2023						
Expected undiscounted cash flows based on current market interest rates (\$000s)	2,953	2,953	5,905	4,537	376	-
Floating rate	7.23%					
Average term rate	6.64%					
At 31 December 2022						
Expected undiscounted cash flows based on current market interest rates (\$000s)	2,183	2,183	4,367	3,350	250	-
Floating rate	5.96%					
Average term rate	5.74%					

29. Determination of fair values of financial and non-financial assets and liabilities

The following table analyses assets and liabilities carried at fair value.

The different levels are defined as:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability that have to be developed to reflect the assumptions that a market participant would use when determining an appropriate price.

New Zealand dollars	Level 1 \$000s	Level 2 \$000s	Level 3 \$000s	Total \$000s
Biological assets - crop at fair value	-	-	235	235
Irrigation water rights	-	231	-	231
Land	-	-	47,236	47,236
Buildings	-	-	223,608	223,608
Other financial assets	-	-	653	653
Derivatives used for hedging (asset)	-	1,249	-	1,249

The reconciliations for level 3 fair value requirements are shown.

- Land and buildings ([note 10](#))
- Biological assets - crop ([note 12](#))
- Other financial assets ([note 23](#))

The following table shows the valuation techniques used in the determination of fair values within level 3 of the hierarchy, as well as the key unobservable inputs used in the valuation models.

Type	Fair value	Method	Key unobservable inputs	How unobservables impact estimated fair value
Biological assets - crop at fair value Includes New Zealand avocados and Australian plums and speciality pears.	\$ 0.24 m	Estimated market value less selling costs and costs to market (have achieved sufficient biological transformation). See note 12 .	Forecast yields. Market sales price. Costs to harvest.	Increases with yields. Increases with price. Decreases with higher costs.
Land and buildings	\$ 270.84 m	An annual revaluation is used to estimate fair value, which is performed, at a minimum, on approximately one third of land and buildings on a rolling 3-year cycle by an independent valuer using three different approaches; sales approach, capitalisation of rents approach and discounted cash flow approach. See accounting policies below and note 10 for further details.	Comparative market rents and applicable discount rate. Comparative market sales. Current level of building costs.	Increases with market rental, and lower discount rates. Increases with market sales. Increases with building costs.
Other financial assets	\$ 0.65 m	Calculating the present value of expected cash flows using contractual interest rates, expected repayment dates and discount rate.	Repayment dates. Discount rates.	Increases with an earlier repayment date. Increases with a lower discount rate.

Accounting policies

Financial assets, liabilities and instruments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. Fair value measurements are categorised into a three-level hierarchy, based on the types of inputs to the valuation techniques used.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and investment in shares) is based on quoted market prices at balance date (level 1 inputs). The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques (level 2 inputs). The Group uses the appropriate method and makes assumptions that are based on market conditions at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

The fair value of interest rate swaps are calculated as the present value of the estimated future cash flows. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

Trade receivable and payables

The carrying value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values due to their short term nature. The fair value of financial assets and liabilities with unobservable inputs (level 3), reflects the assumptions that market participants would use when determining an appropriate price; additional disclosure is provided for the inputs and assumptions used in such cases.

Land and buildings

Fair value is based on an annual revaluation, which is performed on land and buildings based on at least a rolling three-year cycle by an independent valuer, with a minimum of one third of land and buildings assets valued each year using three different approaches as described in [note 10](#).

30. Derivative financial instruments

New Zealand dollars	2023 \$'000s	2022 \$'000s
Assets		
Interest rate swap contracts and forward exchange contracts - cash flow hedge	1,249	3,438

Group bank loans currently bear an average variable interest rate of 8.0% (Dec 2022 - 5.8%), with the Group using interest rate swaps to protect the term portion of the loans.

Swaps cover 61% (Dec 2022 - 61%) of the term liabilities at balance date and are classified as held for trading or as cash flow hedges.

Cash flow hedges

The following table details the interest rate swaps.

Term loan	Amount \$'000s	Variable rate	Loan maturity	Hedge fixed rate excluding bank margin	Hedge effective date	Hedge expiry
NZD \$28m	28,000	8.40%	31 January 2025	2.70%	10 May 2022	31 January 2024
NZD \$50m	50,000	8.64%	31 January 2026	2.89%	10 May 2022	31 January 2025
NZD \$20m	20,000	8.40%	31 January 2025	4.12%	31 January 2024	31 January 2026
NZD \$50m	50,000	8.42%	31 January 2026	4.10%	31 January 2025	31 January 2028
Total (NZD)	148,000					

All interest rate swaps are on a hedge ratio ranging from 0.5 : 1.0 to 1.0 : 1.0 basis with the associated term loan value.

The following table details the forward exchange contracts.

Term loan	Amount LCY \$'000s	Spot rate	Hedge fixed rate	Hedge expiry
2023				
AUD - NZD hedges	1,412	0.9279	0.9040	7 February 2024
USD - NZD hedges	200	0.6340	0.5874	26 January 2024
NZD - EUR hedges	337	0.5724	0.5992	29 February 2024
NZD - USD hedges	2,395	0.6340	0.6438	4 January 2024
NZD - AUD hedges	2,000	0.9279	0.7544	30 January 2024
2022				
NZD - AUD hedges	2,674	0.9366	0.9000	29 December 2023
USD - NZD hedges	116	0.6335	0.6456	13 January 2023

The fair values of the interest rate swaps and forward exchange contracts are determined by Westpac New Zealand Limited and reviewed by the Board.

The gains and losses are recognised in the statement of comprehensive income.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship and through annual prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group enters into foreign exchange contracts where purchases or receipts are expected to be settled in that foreign currency. The Group does not hedge 100% of its loans or foreign exchange contracts.

Hedge ineffectiveness may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan,
- differences in critical terms between the interest rate swaps and loans, or,
- trading ceases to exist in the foreign currency.

There was no material ineffectiveness during 2023 or 2022 in relation to the interest rate swaps or foreign exchange contracts.

Accounting policies

Derivative financial instruments and hedging

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date. The resulting gain or loss is recognised as a financing cost in profit or loss immediately unless the derivative is designated and effective as a hedge instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedge accounting

The Group designates certain derivatives as cash flow hedges. At the inception of the hedge relationship the Group documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in cash flows of the hedged item.

Cash flow hedge

Hedge accounting is discontinued when the Group revokes the hedge relationship, the hedging instrument expires or is sold, terminated, exercised or no longer qualifies for hedge accounting. When a hedging instrument expires, is sold, or no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in the statement of profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in comprehensive income is immediately transferred to the statement of profit or loss within other gains / (losses).

Derivatives and financial instruments

The Board uses judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. For derivative financial instruments, assumptions are based on quoted market rates and reliance placed on quotes provided by Westpac New Zealand Limited.

31. Financial instruments summary

The following table categorises the Group's financial assets.

New Zealand dollars	Financial assets at amortised cost \$000s	Financial assets at fair value through profit or loss \$000s	Total \$000s
At 31 December 2023			
Cash and cash equivalents	5,207	-	5,207
Trade and other receivables excluding prepayments	27,011	-	27,011
Non current trade and other receivables excluding prepayments	3,367	-	3,367
Derivative financial instruments	-	1,249	1,249
Investment in financial assets	-	1,261	1,261
Total financial assets at 31 December 2023	35,585	2,510	38,095
At 31 December 2022			
Cash and cash equivalents	3,554	-	3,554
Current trade and other receivables excluding prepayments	29,944	-	29,944
Non current trade and other receivables excluding prepayments	5,099	-	5,099
Derivative financial instruments	-	3,438	3,438
Investment in financial assets	-	1,424	1,424
Total financial assets at 31 December 2022	38,597	4,862	43,459

The following table categorises the Group's financial liabilities.

New Zealand dollars	Financial liabilities at amortised cost \$'000s	Total \$'000s
At 31 December 2023		
Trade and other payables	25,278	25,278
Current interest bearing liabilities	49,291	49,291
Non current interest bearing liabilities	128,292	128,292
Total financial liabilities at 31 December 2023	202,861	202,861
Financial liabilities as at 31 December 2022		
Trade and other payables	32,778	32,778
Current interest bearing liabilities	22,870	22,870
Non current interest bearing liabilities	128,072	128,072
Total financial liabilities at 31 December 2022	183,720	183,720

Accounting policies

The Group classifies its financial instruments in the following categories in accordance with NZ IFRS 9:

- amortised cost for financial assets and liabilities,
- assets at fair value through other comprehensive income (FVOCI),
- assets at fair value through profit or loss (FVTPL),
- liabilities at fair value through profit or loss, and
- other financial liabilities.

The classification of financial assets and liabilities under NZ IFRS 9 is generally based on the business model in which the financial instrument is managed and its contractual cash flows characteristics.

On initial recognition, a financial instrument is classified as measured at amortised cost, FVOCI and FVTPL.

Financial instruments are not reclassified subsequent to their initial recognition unless the Group changes its business model in which case all affected financial instruments are reclassified on the first day of the first reporting period following the change in the business model.

A financial instrument is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held with the objective to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely for the payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. The election is made on an investment by investment basis.

All financial instruments not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.



Independent Auditor's Report

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To the Shareholders of Seeka Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Seeka Limited (the Company), including its subsidiaries (the Group) on pages 24 to 69 which comprise the Group's statement of financial position as at 31 December 2023, and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) issued by the New Zealand Accounting Standards Board and International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm carries out other assignments for the Group in the area of agreed upon procedures in respect to the debt covenant compliance certificate. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Our procedures to address the key audit matter
<p>Goodwill Impairment assessment</p> <p>As disclosed in note 11 of the financial statements, the carrying amount of the Group's goodwill amounting to \$20.2 million, is included within one cash generating unit (CGU) as at 31 December 2023.</p> <p>In addition to the above, the carrying amount of the Group's net assets as at 31 December 2023 was \$259.9 million whilst the market capitalisation of the Group was \$107 million. This is an indicator of impairment and required additional analysis and interpretation.</p> <p>The impairment assessment is a key audit matter due to significant level of judgement involved in determining the methodology and assumptions used in the testing.</p> <p>To determine whether the carrying value of goodwill and all its CGUs is reasonable, management performed an impairment assessment on a value-in-use (VIU) basis.</p> <p>Impairment tests prepared by management were based on discounted cashflow models using Board approved budgets for the year ending 31 December 2024 and combined with forecasted cashflow for subsequent years. The Board approved budgets have been allocated to the CGUs to meet the requirements of NZ IAS 36 <i>Impairment of Assets</i>.</p> <p>The key assumptions in assessing the CGUs carrying value were as follows:</p> <ul style="list-style-type: none"> - Annual EBITDA growth rate; - The terminal value growth rate; and - The pre-tax discount rate <p>Refer to note 11 in the financial statements for disclosures on the key assumptions and impairment assessments of the carrying value of the CGUs.</p>	<p>The procedures we performed to evaluate the Goodwill impairment assessments included:</p> <ul style="list-style-type: none"> - assessed whether the methodology adopted was consistent with accepted valuation approaches of NZ IAS 36 <i>Impairment of Assets</i>; - evaluated the Group's determination of CGUs and whether they were appropriate; - obtained management's impairment assessments and tested the mathematical accuracy of the VIU calculations; - challenged management's assumptions and estimates used to determine the recoverable value of its CGUs, including but not limited to those relating to forecasted revenue, expenditure and discount rates applied; - compared the forecast cash flows used for the year ending 31 December 2024 to the Board approved budget and five-year plan; - assessed the Group's forecasting accuracy by comparing historical forecasts to actual results; - engaged our own internal valuation experts to evaluate the logic of the VIU calculation and the inputs to the calculation of the discount rates applied, including evaluating the forecasts, inputs and any underlying assumptions with a view to identifying management bias, performing sensitivity analysis across a range of reasonably possible changes in key assumptions; - assessed whether there were any material movements in assumptions between 30 November 2023 test date to the 31 December 2023 balance date; and - we audited the disclosures in the financial statements to ensure they are compliant with the requirements of the relevant accounting standards.



<p>Valuation of land and buildings</p> <p>As disclosed in note 10 of the financial statements, the Group has a policy of revaluing its land and buildings on at least a three-year rolling cycle (excluding assets under construction), with approximately one-third of the properties revalued at each balance date by an independent external valuer using three different methods to arrive at a fair value.</p> <p>Desktop valuations are performed internally for out of cycle land and buildings only when material movements exist.</p> <p>The inclusion of land and buildings' valuation as a key audit matter arises from the substantial judgment involved in the valuations.</p> <p>As at 31 December 2023, 52% of the portfolio value was externally revalued.</p> <p>A desktop valuation was conducted for the remaining land and buildings, utilising the external third-party valuations mentioned above as a benchmark, along with recent market data.</p> <p>The total value of the Group's land and buildings as at 31 December 2023 is \$270.8 million.</p>	<p>We evaluated the appropriateness of the fair value of the Group's property held at year end by completing the following:</p> <ul style="list-style-type: none"> - obtained and agreed the schedule of revalued property to the respective independent valuation reports, performed by valuation experts; - evaluated the qualifications and work of each valuation expert; - engaged with our internal valuation specialist to scrutinize the efforts of third-party valuers and evaluate the validity of assumptions made, including but not limited to capitalisation and discount rate, reviewed the desktop valuations performed by management and benchmarked the assumptions against the third-party valuations noted above; - confirmed each property valuation was performed in accordance with appropriate accounting standards for use in determining the carrying value as at 31 December 2023; - assessed whether there were any material movements in assumptions between 30 November 2023 test date to the 31 December 2023 balance date; - recalculated the revaluation adjustment to be recorded for the year of each revalued property as at 31 December 2023; and - we audited the disclosures in the financial statements to ensure they are compliant with the requirements of the relevant accounting standards.
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Other information

The Directors are responsible for the other information. The other information comprises the sections Introducing Seeka, Financial review, Focus on sustainability, Governance and Directory, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibilities for the Financial Statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the financial statements in accordance with New Zealand equivalents to International Financial Reporting Standards issued by the New Zealand Accounting Standards Board, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, the Directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1/>

Restriction on use of our report

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders, as a body those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited

Grant Thornton

Yasin Mohammed

Partner

Auckland

28 February 2024



Governance

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Corporate governance statement

As at 31 December 2023

At Seeka we conduct our business safely and ethically within the legal and regulatory framework so we can deliver the best outcomes for our growers, clients, employees, shareholders, customers and the communities we operate in.

Seeka's Board and management are committed to best practice governance and Seeka has adopted the recommendations in the [NZX Corporate Governance Code, 1 April 2023](#) (the Code). Our practices are set out in this corporate governance statement. The Board regularly reviews Seeka's corporate governance structures against the eight principle recommendations in the Code, and considers Seeka's practices and procedures substantially meet Code recommendations. Any exceptions are noted in this governance statement, and listed on [page 85](#) of this annual report.

Seeka's governance policies are available on Seeka's website, see [Seeka.co.nz/corporate-governance](https://seeka.co.nz/corporate-governance).

The Board approved this governance statement on 28 February 2024.

Principle 1. Ethical Standards

"Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation."

Seeka commits to high ethical standards in all dealings undertaken by the Group's directors, employees and suppliers. We are a produce business that connects growers with customers. Our business spans cultural, regulatory, and country boundaries, and our directors and management understand that high ethical standards deliver the best outcomes for our growers, clients, employees, shareholders, customers and communities.

Our commitment to ethical dealings is captured by Seeka's core brand attribute "founded on relationships."

[Seeka's Code of Ethics](#) is included in employee induction packs, is available on Seeka's intranet, and the code's principles and objectives are promoted, with Seeka's Board reinforcing the company's expectations that employees will follow the highest standards of ethical behaviour. The code outlines how directors and management are to consistently act with honesty and integrity, and model high ethical standards to all employees and stakeholders, adhering to the principle "we do what we say and are accountable for what we do."

The Code of Ethics provides clear guidance on:

- Conflicts of interest
- Proper use of Seeka information, assets and property
- Conduct, valuing individuals' differences and respecting all stakeholders
- Dealing with gifts or gratuities
- Whistle blowing for safe reporting of potential wrong doing
- Compliance with laws and Seeka policies
- Managing breaches of Seeka's Code of Ethics

Seeka also has a strict [Insider Trading Policy](#) that applies to the Seeka team of directors, officers, senior managers and all employees, that prohibits team members from direct or indirect dealing in Seeka financial products when holding inside information, plus a duty of confidentiality that protects the dissemination and use of confidential company information.

The Insider Trading Policy defines black-out periods during which restricted persons (defined below) are prohibited from trading in Seeka shares unless provided with a specific exemption by the Board. Each black-out period starts 30 days prior to, and finishes the first trading day after, key events; being the half-year and full-year balance dates, and the release to the NZX of any announcement relating to an offer in Seeka shares.

Restricted persons includes all directors, executive officers, members of the management executive team and their administrative staff, any trusts and companies controlled by such persons, and advisors. The policy also specifies that Seeka team members should not engage in short-term trading.

Prior to trading in Seeka shares, directors must notify the chair of the Board, and the chair must notify the chair of the audit and risk committee.

No breaches of the Code of Ethics or Insider Trading Policy were reported in the year.

Principle 2. Board Composition and Performance

"To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives."

Seeka's Board commits to acting in the best interests of the company, to deliver benefits to stakeholders and grow shareholder returns.

Board charter and responsibilities

The [Board Charter](#) sets out the Board's structure, appointments, remuneration, committees and process for performance review, along with the duties and responsibilities of the Board and chief executive officer. Seeka's Board is primarily responsible for:

- Robust and effective health and safety systems and standards that fully comply with relevant legislation
- Compliance with the Financial Markets Authority (FMA) and NZX Listing Rules

- Meeting obligations under environmental, social and governance (ESG) principles
- Establishing key corporate objectives and strategies
- Monitoring management's implementation of Seeka's strategies
- Approving budgets and monitoring financial performance
- Ensuring the Group uses adequate risk-management strategies
- Issuing clear written delegation to the chief executive officer including detailing their responsibilities
- Ensuring timely and transparent stakeholder and market communication

The Board follows NZX corporate governance rules, including the directors' fiduciary duties to act in the Group's best interests, to exercise due skill and care, and to comply with the Board charter and Group policies, procedures and codes, including ethics, insider trading and disclosures of trading in Group shares. As required, directors are able to seek independent advice to aid decision making and have access to the external auditors without management present.

The Board delegates to the chief executive officer to lead and manage Seeka's operations, including being the company's principal representative. The chief executive officer is not a Board member.

Board composition

Seeka's [Company Constitution](#) specifies that the Board has a minimum of three and a maximum of seven directors, with provision for an eighth to be appointed between annual shareholder meetings for Board succession planning. This occurred on 1 February 2023, when non-independent director Hayden Cartwright was appointed to the Board. At the annual shareholders meeting on 20 April 2023, shareholders elected Hayden Cartwright, and non-independent director Martyn Brick retired, at which point the Board reverted to seven directors.

Directors are to contribute a mix of complementary skills that support Seeka's objectives and strategies, with at least two being independent, and at least two ordinarily residing in New Zealand. To maintain proper separation between governance and management, all directors are non-executive and the constitution has no provision for a managing director.

Seeka's Board is led by the independent chair Fred Hutchings. In the periods from 1 January to 1 February, from 20 April to 4 August, and since 1 October 2023, the Board has had a majority of independent directors. The following table outlines the transitions in Board composition in 2023.

Period	Number of directors	Independent directors	Majority	Reason for change
1 January to 1 February	7	4	Yes	
1 February to 20 April	8	4	Even split	Appointment of non-independent director Hayden Cartwright on 1 February
20 April to 4 August	7	4	Yes	Resignation of non-independent director Martyn Brick on 20 April
4 August to 1 October	6	3	Even split	Resignation of independent director Robert Farron on 4 August
Since 1 October	7	4	Yes	Appointment of independent director Sharon Cresswell on 1 October

All directors reside in New Zealand.

The following table summarises current director qualifications, independence, residency, skills and experience.

Qualifications	Independent	NZ resident	Executive leadership	Financial	Legal	Sustainability	Kiwifruit industry	Governance	Cultural	International markets	Brand management	Technology	Property valuation
Fred Hutchings BBS, FCA	●	●	●	●				●				●	●
Hayden Cartwright BEng		●	●				●	●					
Sharon Cresswell BA Hons, FCA	●	●	●	●				●				●	●
Ratahi Cross		●	●			●	●	●	●				
Stewart Moss		●	●				●	●					
Cecilia Tarrant BA/LLB Hons, LL.M	●	●	●	●	●	●		●					
Ashley Waugh BBS	●	●	●	●				●		●	●	●	

Director independence

The Board's Charter follows [NZX Listing Rules](#) to determine the independence of a director. Directors must inform the Board of all relevant information and the Board confirms director independence at least annually. The determination of each director's independence can be found at www.seeka.co.nz/board-of-directors-investors/.

As Seeka's foundation business is kiwifruit, the Board considers experience in the kiwifruit industry a core competency. Four directors that served on the Board in 2023 are experienced in kiwifruit production and handling, and through their interests in kiwifruit orchards that supply Seeka were considered non-independent directors;

- Martyn Brick (retired 20 April 2023)
- Hayden Cartwright (appointed 1 February 2023)
- Ratahi Cross; also an appointee of large Seeka shareholder Te Awanui Huka Pak Limited.
- Stewart Moss

During the year the Board had five independent directors. Director independence is defined as not having an interest, position or relationship that could impact decision making;

- Fred Hutchings, Board chair and Remuneration Committee chair
- Sharon Cresswell (appointed 1 October 2023)
- Robert Farron, Audit and Risk Committee chair (resigned 4 August 2023)
- Cecilia Tarrant, Sustainability Committee chair, and
- Ashley Waugh (Audit and Risk Committee chair, from 4 August 2023)

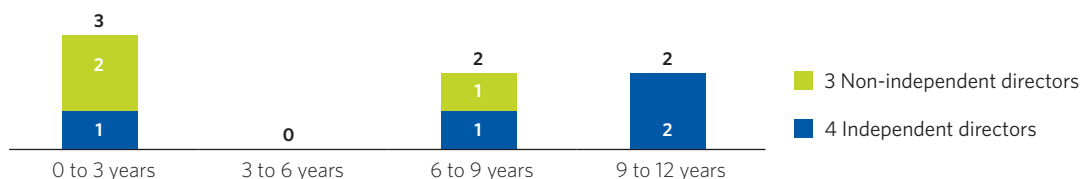
Director appointments and induction

As required, the chair establishes a Nominations Committee to review the Board's composition and performance, and recommend people with complementary skills to join the Board. Nominees can be appointed by the Board, with the appointment to be approved by shareholders at the next annual shareholder meeting, or nominated and elected to the Board by shareholders at the annual shareholder meeting. The Board provides guidance to shareholders on a candidate's suitability for appointment or reappointment.

Directors enter a written agreement covering the term of their appointment and are provided with detailed information about Seeka, the Group's strategies, policies and procedures, and any other training or support that will help the director become a fully-functioning member of the Board.

The chair undertakes an annual assessment of Board, director and committee performance, seeking assistance, as required, from the Nominations Committee and external advisors.

Director tenure at 31 December 2023



While there is no maximum term, the Board annually reviews director length of service and any potential impact on director independence. When the Board recommends the re-election of a director whom has served longer than 12 years, it will explain to shareholders its rationale for supporting re-election.

At the April 2023 annual shareholders meeting, non-independent director Martyn Brick retired, having served 10 years.

Director profiles

Director profiles are listed on Seeka's website (see [Seeka.co.nz/investors](https://seeka.co.nz/investors)), and are included on page 86 of this annual report. Full disclosure of director interests according to section 140 (2) of the Companies Act 1993 are listed on page 88 of this annual report.

Diversity

Diversity is the range of attributes held by members of a group. Seeka's Board believes diversity within the Board and the company provides a deeper understanding of stakeholders, broadens the range of skills available to Seeka, and will lead to improved business performance.

The Board works to optimise diversity across directors, while managing an efficient governance process. The Board's focus is on diversity in gender, culture and ethnicity, business skills and innovative thinking as these attributes are key to understanding the operating environment of our key clients, creating unique solutions, and improving stakeholder outcomes and shareholder returns. Notably Ratahi Cross of Ngāi Tukairangi is a lecturer in Māori history.

The following table reports self-identified gender composition of the Board and senior management team as at 31 December 2023.

	FY23			FY22		
	Female	Male	Gender diverse	Female	Male	Gender diverse
Directors	2	5	0	1	6	0
<i>Independent directors</i>	2	2	0	1	3	0
Senior managers	2	5	0	2	6	0
Total	4	10	0	3	12	0

The Board considers the composition of its independent directors a relevant measure of Board diversity. In FY23, following a director resignation and an appointment, the number of independent directors that identify as female increased to 50% (FY22: 25%), with the percentage of all directors and senior managers that identify as female increasing to 29% (FY22: 20%).

Diversity policy

Seeka is committed to providing an inclusive environment that supports a diversity of thinking and skills. Aspects of diversity include gender, ethnic background, religion, marital status, culture, disability, economic background, education, language, physical appearance and sexual orientation.

Seeka's [Diversity Policy](#) promotes equal employment opportunities, and while it does not set measurable objectives, the Group has a very large workforce drawing on local communities, as well as people from the Pacific and Asia through the recognised seasonal employer (RSE) scheme.

During the year ended 31 December 2023, Seeka performed in adherence to the principles of our [Diversity Policy](#).

Professional development

Directors are supported to undertake professional development through individual training and by attending relevant courses.

Evaluation of board, committee and director performance

The Board Charter specifies that the chair undertakes an annual review of Board, committee and director performance. The chair's 2023 review found that the Board, committees and directors have fulfilled all their duties and responsibilities for sound corporate governance as specified by the Board Charter.

Principle 3. Board Committees

"The board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility."

The Board has three permanent committees and will form ad-hoc committees to efficiently and effectively carry out key governance functions, while retaining ultimate responsibility for all decisions and actions.

All committees operate under written charters which define the role, authority and operations of the committee. All Seeka directors and committee members are non-executive, and Seeka management and other employees may only attend committee meetings when invited by the committee. The Board reviews the Audit and Risk, Sustainability, Remuneration, and Nominations Committee Charters biennially.

Committee membership and workload management

Seeka is governed by a seven-member non-executive Board, except during succession planning when an eighth director may be appointed until the next annual shareholders meeting, at which point the Board reverts to seven directors. To provide effective and transparent committee governance, while managing workload across Board members, Seeka's committee charters ensure each committee is chaired by an independent director, with committee members drawn from both independent and non-independent directors to provide the best skill set. The Audit and Risk Committee Charter specifies a majority of independent directors.

The current standing committees and their members are:

Audit and Risk

Composition	Role	Members	Charter
Independent chair with a minimum of two other directors. The committee must have a majority of independent directors, with at least one having an accounting or financial background. The chair may not be the Board chair.	Reviews financial statements before submission to the Board, including changes to accounting policies and practices, major judgemental areas, significant adjustments, tax position, solvency and going concern assumptions, and compliance with accounting standards, legislation, NZX and other regulations. Monitors the audit process, including periodic review of audit tenure, and monitors any internal investigations. Establishes formal risk management and insurance programmes. As required, the committee also undertakes the duties of a Due Diligence Committee.	Ashley Waugh, chair Hayden Cartwright Sharon Cresswell (FCA)	Audit and Risk Committee Charter

Sustainability

Composition	Role	Members	Charter
A minimum of two directors appointed by the Board. No management members, but the chief executive or delegate to be invited to meetings.	Ensures Seeka uses an appropriate reporting framework, provides strategic guidance on targets, measures and performance, and examines the strategic implications of climate change.	Cecilia Tarrant, chair Fred Hutchings Ratahi Cross	Sustainability Committee Charter

Remuneration

Composition	Role	Members	Charter
Independent chair with a minimum of two other directors. When not an appointed member, the Board chair will be an ex-officio member.	Examines the performance, remuneration and succession planning of the chief executive officer, the remuneration of senior managers, company-wide employee remuneration policy and human resource plans and policies.	Fred Hutchings, chair Cecilia Tarrant Stewart Moss	Remuneration Committee Charter

In addition, the chair periodically establishes an ad-hoc nominations committee.

Nominations

Composition	Role	Members	Charter
Independent chair with a minimum of two other directors.	Examines the directors' terms of engagement, Board succession planning, seeks and evaluates nominees, and advises the Board on director appointments.	Established as required	Nominations Committee Charter

In the event of a takeover offer, the Board Charter provides for the formation of an ad-hoc Initial Response Committee and an Independent Takeover Response Committee to enact the procedures and protocols of the Board's Takeover Response Manual.

Initial Response Committee

Composition	Role	Members
Independent directors.	Manage the initial response to an unexpected takeover notice.	Fred Hutchings Sharon Cresswell Cecilia Tarrant Ashley Waugh

Independent Takeover Response Committee

Composition	Role	Members
Directors that are independent of the bidder and of the bid.	Manage the takeover response and act in the interests of all shareholders.	Appointed by the Board

To date there has been no need to convene an Initial Response Committee meeting or form an Independent Takeover Response Committee.

While the Board considers the current range of committees, comprehensively manages the governance of Seeka's business, and provides the best outcomes for shareholders and other stakeholders, the Board Charter allows ad-hoc committees to be formed as required to aid Board decision making.

The Board and all committee meetings achieved their quorum in 2023 of having at least two-thirds of directors at each Board meeting and a minimum of two member directors at each committee meeting. The following table reports Board and committee meeting attendance in 2023, see [page 87](#) for changes to Board and committee membership during the year.

	Independent director	Board Meetings	Board Attended	Audit and Risk Meetings	Audit and Risk Attended	Sustainability Meetings	Sustainability Attended	Remuneration Meetings	Remuneration Attended	Nominations Meetings	Nominations Attended
Fred Hutchings	Yes	10	10	2	2	4	4	3	3	-	-
Martyn Brick	No	3	3	6	6	-	-	-	-	-	-
Hayden Cartwright	No	10	10	7	7	-	-	-	-	-	-
Sharon Cresswell	Yes	3	3	2	2	-	-	-	-	-	-
Ratahi Cross	No	10	9	-	-	4	4	-	-	-	-
Robert Farron	Yes	5	5	9	9	-	-	-	-	-	-
Stewart Moss	No	10	9	-	-	-	-	3	3	-	-
Cecilia Tarrant	Yes	10	10	-	-	4	4	3	3	-	-
Ashley Waugh	Yes	10	10	13	12	-	-	-	-	-	-

Principle 4. Reporting and Disclosure

“The board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.”

Seeka's Board is committed to keeping investors and the wider market fully informed of all material information concerning the company's operating environment and business performance. In addition to all information required by law and NZX Listing Rules, Seeka provides stakeholders with a mid-year performance update, along with regular operational updates to growers.

Seeka's Continuous Disclosure Policy covers the classification, timing and release of material information to investors and other stakeholders. The chair of the Board, chair of the audit and risk committee, chief executive and chief financial officer (the disclosure committee) are responsible for identifying material information between Board meetings. At every Board meeting the Board considers whether there is relevant material information which should be disclosed to the market.

As stewards of around 4500 hectares of orchards in New Zealand and Australia, Seeka is committed to applying industry best practices and international guidelines for all asset management, backed up by rigorous auditing. This includes certification to the international GLOBALG.A.P standard for good agricultural practice that focuses production and supply management on the consumer's demand for safe food. See www.globalgap.org.

Seeka as an employer is focused on sustainable land management that supports long-term employment and wealth creation in our rural communities, and has formally implemented the GLOBALG.A.P GRASP module with its extended social standards for worker health, safety and welfare. See www.globalgap.org/uk_en/for-producers/globalg.a.p.-add-on/grasp/.

In New Zealand, Seeka has partnered with all supplying growers to form independent, grower-controlled entities that manage grower fruit returns; kiwifruit growers appoint Seeka Growers Limited as their agent for the supply of kiwifruit to Seeka, with avocado growers appointing AvoFresh Limited. See www.seeka.co.nz/seeka-grower-council and www.seeka.co.nz/avofresh.

Seeka Growers Limited and AvoFresh Limited manage market returns in independent bank accounts, approve all service distributions and grower payments, and publish independently-audited annual financial statements. Seeka is represented on the entities' controlling councils, provides management support, and ensures grower representatives are kept informed on market conditions, industry issues and Seeka's operational performance for their fruit.

Seeka complies with the financial reporting requirements prescribed by the Companies Act 1993, Financial Markets Conduct Act 2013 and the NZX Listing Rules. The Chief Executive and Chief Financial Officer provide a letter of representation to the Board confirming that the financial statements have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and fairly present the financial position of the Group and the results of its operations and its cash flows for the year. Seeka also considers environmental, social and governance impacts, and discloses to the market any environmental factors that may materially affect operations.

Seeka's Sustainability Committee provides strategic guidance on its environmental, social and governance (ESG) framework, targets, measures and performance. Since 2020, Seeka has been reporting its ESG initiatives in the annual and interim reports, and in June 2023 Seeka published its second stand-alone sustainability report.

Seeka's [2023 Sustainability Report](#) details Seeka's journey to be a sustainable business and Seeka's aim to be net zero carbon by 2050, and an employer of choice that provides excellent service to Seeka customers while supporting the wellbeing of our communities.

Seeka began measuring emissions in 2019 using the Ministry for the Environment's carbon footprint workbook, before calculating its 2020, 2021 and 2022 footprint using the internationally recognised standard *ISO 14064-1: 2018 - Greenhouse gases*, with the results verified by [Toitū Envirocare](#). Using this data, Seeka has a platform to understand its impact on the environment, identify key areas of emissions, and monitor three intensity-based performance indicators; tonnes CO₂e per \$1 million of revenue, per 100,000 Class 1 trays packed, and per permanent employee.

Principle 5. Remuneration

“The remuneration of directors and executives should be transparent, fair and reasonable.”

Director remuneration

In accordance with the Board Charter, the chair uses independent professional advice and market information to review director remuneration within a two year period, with shareholders approving any increase to the pool available to pay directors' fees. Approval was last sought in April 2022, when the pool limit was set at \$610,000 per annum. As part of Board succession planning, the Board had eight directors from 1 February 2023 until the 20 April 2023 annual shareholders meeting, after which the Board reverted to seven directors.

As determined by the Board, the directors are remunerated by a base director fee, a Board chair fee, and chair or membership fees for three Board committees as per the following schedule that was presented to shareholders in April 2022. The total Board chair fee will not exceed \$140,000, irrespective of whether the chair would otherwise be eligible for committee fees.

	Number	Director fee	Chair fee	Pool
Board	7	\$ 70,000	\$ 140,000	\$ 560,000
Audit and Risk, and Due Diligence Committee	3	\$ 7,500	\$ 15,000	\$ 30,000
Sustainability Committee	3	\$ 2,500	\$ 5,000	\$ 10,000
Remuneration Committee	3	\$ 2,500	\$ 5,000	\$ 10,000
Total director pool				\$ 610,000

As per the remuneration policy set out in the Board Charter, directors are remunerated by fixed fees reflecting the time commitment and responsibilities of the Board and committee membership, with no equity-based remuneration or performance incentives. The Board has never proposed a director retirement payment, and Seeka's [Constitution](#) requires that any such proposal would first require shareholder approval. Directors are encouraged but not required to own Seeka shares. Director shareholdings are disclosed on [page 89](#).

The following table reports the annual allocation of the pool in 2023, and directors' fees paid during the financial year. Non-italics are committee members at year end, italics are part-year membership in 2023, see [page 87](#) for details. No other benefits were provided to directors.

	Board	Audit and Risk Committee	Sustainability Committee	Remuneration Committee	Annual base director fee	Chair fee	Committee fees	Director fees paid during the year
Fred Hutchings	Chair	<i>Member</i>	Member	Chair	\$ 70,000	\$ 70,000		\$ 140,000
Martyn Brick	<i>Director</i>	<i>Member</i>			\$ 20,962		\$ 2,246	\$ 23,208
Hayden Cartwright	Director	Member			\$ 64,038		\$ 5,254	\$ 69,292
Sharon Cresswell	Director	Member			\$ 17,500		\$ 1,875	\$ 19,375
Ratahi Cross	Director		Member		\$ 70,000		\$ 2,500	\$ 72,500
Robert Farron	<i>Director</i>	<i>Chair</i>			\$ 41,538		\$ 8,901	\$ 50,439
Stewart Moss	Director			Member	\$ 70,000		\$ 2,500	\$ 72,500
Cecilia Tarrant	Director		Chair	Member	\$ 70,000		\$ 7,500	\$ 77,500
Ashley Waugh	Director	<i>Chair / member</i>			\$ 70,000		\$ 10,549	\$ 80,549
Total					\$ 494,038	\$ 70,000	\$ 41,325	\$ 605,363

Chief executive officer remuneration

The review of the chief executive officer's remuneration is undertaken by the remuneration committee with the remuneration package the responsibility of the Board. Michael Franks was appointed chief executive officer in 2006. His remuneration package comprises a fixed annual remuneration that covers base salary, vehicle, Kiwisaver contributions, medical and life insurance, and an at-risk annual performance incentive.

The following table reports chief executive officer remuneration for 2023.

	Base salary	Benefits ¹	Annual performance incentive	Total remuneration
Michael Franks	\$ 733,984	\$ 49,104	-	\$ 783,088

1. Benefits are delivered through vehicle, Kiwisaver contributions, medical and life insurance.

Performance incentive

The chief executive officer's performance incentive has a maximum value of 73% of fixed remuneration for achieving annual targets set by the Board, including financial performance, strategic goals, health and safety, and risk management. For the 2023 financial year, the chief executive officer earned a \$142,350 performance incentive. This payment was made in 2024 (FY22: Nil).

Principle 6. Risk Management

"Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks."

The Board considers risk management an important governance function to protect stakeholders, build long-term wealth in our communities and optimise shareholder value. The Board retains ultimate responsibility for risk management, with the audit and risk committee providing a specific focus on material risks as defined in the Audit and Risk Committee Charter.

While no risk management system can completely remove business and financial risks, our goal is to ensure material risks are appropriately identified and managed within acceptable levels. We accomplish this through a strategic focus, active management, contingency planning and a sensible balance between costs and anticipated benefits. Wherever appropriate, the processes are consistent with AS/NZS 31000:2009 Risk Management Principles and Guidelines.

Financial statements and key operational measures are prepared monthly and reviewed by the Board throughout the year to assess business performance against budget and forecasts.

Seeka has appropriate insurance cover, as available, for property damage to its offices, post-harvest processing and fruit handling facilities. In 2023, as part of a long-term risk management strategy, Seeka established Seeka Risk Management Limited; a captive insurance company registered in the Cook Islands, to provide the Group with direct access to the international reinsurance market.

The Board composition includes directors with long-term experience in New Zealand's kiwifruit industry, and Australian produce handling and marketing. Board meetings include periodic site visits in New Zealand and Australia to ensure all directors understand the Group's operating environments when assessing material risk.

The Board's complementary skill set and understanding of the core business have allowed it to implement strategies to mitigate risk associated with being a New Zealand kiwifruit handler by diversifying operations across multiple products, expanding into the Australian market and sourcing revenue from more points along the value chain.

The following summarises the key material risks which the Board have identified and the associated mitigation strategies.

Key risks	Potential impacts	Mitigation strategies
Produce contamination	Market access and consumer demand for Group-handled produce. Produce contamination.	Documented and accredited quality management system. Recognised suppliers and securely stored produce. Compliance with industry spray programmes and pre-harvest residue testing.
Extreme weather events	The volume and quality of fruit grown, handled and sold by the Group. Physical damage of Group assets and the ability to deliver time-sensitive services.	Geographical spread of operations and development of land management plans. Invest in weather-event protection measures such as irrigation, frost fans, shelter belts, hail netting and drainage. Locate infrastructure on stable, flood-free land.
Plant diseases and pests	The volume and quality of fruit grown, handled and sold by the Group.	Best-practice orchard management and geographic separation of orchards. Comprehensive orchard monitoring and compliance with industry spray programmes.
Health and safety	Stakeholder safety and wellbeing. The ability to attract and retain personnel. Degrade the Seeka brand and stakeholder demand for Group services.	Integrated health and safety in all aspects of the business. Site safety audits and guarding of moving machinery. Regular reporting on health and safety performance.
Cyber risk	The Group's capacity to deliver time-sensitive services to stakeholders. Unauthorised access and distribution of sensitive Group and stakeholder data. Degrade the Seeka brand and stakeholder demand for Group services.	Documented and enforced security policy for information systems. Professional information technology security systems.
Property condition, site infrastructure and security	Physical damage of Group assets and the ability to deliver time-sensitive services.	Well maintained plant and equipment by in-house engineers. Security fencing, alarm systems and third-party monitoring of Seeka facilities. Registered access to Seeka sites.
Biosecurity breaches in New Zealand and Australia by novel plant diseases and pests	The volume and quality of fruit grown, handled and sold by the Group. Market access for Group-handled produce.	Biosecurity border control by government authorities. Awareness and monitoring of key threats in New Zealand and Australia.
Regulatory security	Supply chain efficiency and costs. Market access and market returns for Group-handled produce.	Active participation in industry associations. Monitor potential threats and opportunities.
Climate change	The volume and quality of fruit grown, handled and sold by the Group over the long term. Degrade the Seeka brand and stakeholder demand for Group services.	Board Sustainability Committee governance and decarbonisation targets and action plans. Research and development team investigating alternative orchard practices. Geographical spread of operations and development of land management plans.

Health and safety

The Board is responsible for health and safety across Group operations, with the chief executive appointing a health and safety manager to ensure Seeka complies with legislation and operates industry best practice across the Group, while also supporting the management of health and safety risks by clients and suppliers. The Board reviews performance against set targets at each meeting.

Our people work in multiple, complex environments, and we focus on integrating safety into everything we do. Over the full year, the Group employed more than 6,150 people, with Group salary and wages equating to 1,929 full time equivalents.

The following table reports Seeka's health and safety lead and lag measures for FY23.

	Indicator	FY23 annual target	FY23 actuals
Inspirational people; monthly H&S meetings held	Lead	90%	93%
Total recordable injury frequency rate ¹	Lag	Less than 4.5	3.19
Serious injuries ²	Lag	Zero	2

1. Total recordable injury frequency rate (TRIFR) is a key measure that compares total lost time injuries and medical treatments against the total number of hours worked.

$$\text{TRIFR} = (\text{number of recordable lost time and medical treatment injuries}) \times 200,000 / (\text{number of employee hours worked}).$$

2. Permanently disabled or requiring immediate in-patient hospitalisation.

Principle 7. Auditors

"The board should ensure the quality and independence of the external audit process."

Seeka's Audit and Risk Committee Charter outlines Seeka's commitment to an independent audit process that provides shareholders and the market with objective, robust, clear and timely financial reporting.

The Audit and Risk Committee in consultation with management and the external auditor reviews the efficiency and effectiveness of the external audit process, and provides a formal channel of communication between the Board, senior management and the external auditor. The audit and risk committee:

- Oversees the independence of the auditor and ensures they conduct their operations free from any actual or perceived impairments, and
- Monitors the provision of any services beyond the auditor's statutory audit services.

Following 16 years of [PricewaterhouseCoopers \(PwC\)](#) as Seeka's auditor, as good corporate governance the Board released a formal request for proposal for the Group's auditing service. Overseen by the Audit and Risk Committee, on 29 August 2023, the Board appointed [Grant Thornton](#) as Seeka's auditor, and accepted the immediate resignation of PwC.

Grant Thornton has confirmed its independence to the Audit and Risk Committee, and that its independence was not compromised during the reporting period. Grant Thornton auditors will attend the annual shareholder meeting to answer any shareholder questions about the audit.

In FY23, \$521,972 was paid or accrued to the external auditors; \$425,631 to Grant Thornton (\$367,500 for FY23 audit fees, \$53,131 for disbursements, \$5,000 for debt covenant compliance certificate agreed upon procedures), and \$96,341 to the outgoing auditor PwC (\$16,070 for additional FY22 audit fees, \$47,967 for ISA 315 review, \$11,874 business combination review, \$6,930 for debt covenant compliance certificate agreed upon procedures, and \$13,500 for half year agreed upon procedures).

Internal audit

Seeka has a number of internal controls overseen by the Audit and Risk Committee to ensure the integrity of key financial and operational data. This includes data access, internal financial controls, adequate resourcing, targeted internal audit programmes and monitoring management's response to external audit findings.

Due to the size of Group operations, rather than operating a dedicated internal audit function, Seeka uses its assurance and compliance team to conduct internal audit processes and monitor operational compliance, along with independent providers to regularly test the integrity of the Group's financial systems. Directors also consider matters raised by the external auditor.

Principle 8. Shareholder Rights and Relations

"The board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."

Seeka's shareholders include a significant number of grower clients, employees, suppliers and people living in our rural communities. Seeka maintains open channels of communication with a diverse range of groups to uphold our key brand attribute of "founded on relationships".

The Board is motivated and committed to transparent and regular reporting and engagement with shareholders including:

- Annual and interim reports
- Annual sustainability report
- Market announcements
- Annual shareholder meeting
- October stakeholder meeting
- Ad-hoc investor presentations
- Attendance of directors at seasonal grower roadshows held throughout the catchment for each produce type
- Clear access to investor information on the company's website, see [Seeka.co.nz/investors](https://seeka.co.nz/investors)
- Open access to senior managers via phone and email, see [Seeka.co.nz/senior-management-team](https://seeka.co.nz/senior-management-team)

Shareholders are actively encouraged to attend the annual shareholder meeting and stakeholder update either in person or online, where they can raise matters for discussion by directors and senior management. Shareholders vote on major decisions which affect Seeka at the annual shareholder meeting. Voting is by poll, conducted by the Company's registrar Link Market Services and overseen by the company's external auditor on a one share, one vote principle.

Shareholders are provided with copies of the annual report, and are encouraged to receive electronic communication by contacting our registrar Link Market Services, see [Linkmarketservices.co.nz](https://linkmarketservices.co.nz). Notices of shareholder meetings are posted on the NZX website and Seeka's website. Where circumstances allow, Seeka sends notices of shareholder meetings at least 20 working days prior to the meeting. A link to Seeka's announcements can be directly accessed from Seeka's website, see [Seeka.co.nz/nzx-announcements](https://seeka.co.nz/nzx-announcements).

When raising new capital, where practical, the Board will offer a scheme that allows existing shareholders to further invest in the Company on a pro rata basis so they can maintain their relative proportion of Seeka's issued shares.

Seeka's current and historical share price is located on the NZX website, see nzx.com/instruments/SEK.

Corporate calendar

In the normal course of business, the Board reports to the following schedule.

End of year market announcement	Late February
Dividend payment - full year	April ¹
Annual shareholder meeting	April
Dividend payment - half year	October ¹
Stakeholder update	October

1. Dividend payments were suspended in 2023.

Differences in practice to NZX Code

The following table summarises the material differences between Seeka's corporate governance and the Code during the year. Where there are differences, these have been approved by the Board.

Principle	Concerning	Key difference	Period of non compliance
2. Board Composition and Performance	2.5 An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it.	Seeka's Diversity Policy is a guidance document that underpins an inclusive work culture. It does not set measurable objectives, noting that Seeka is a large employer drawing on the local communities, along with people from the Pacific and Asia through the RSE scheme.	At all relevant times
	2.8 A majority of the board should be independent directors.	<p>The Constitution and Board Charter specify a minimum of two independent directors. As Seeka's foundation business is kiwifruit, the Board considers it appropriate to have a mix of directors with extensive experience in kiwifruit production and handling, who in the normal course of business would supply Seeka with produce from their ongoing orcharding interests. The Board must also appropriately represent large shareholders.</p> <p>The specified minimum of two independent directors provides the flexibility to meet these two criteria, while also ensuring Board decisions reflect the best interests of Seeka and its security holders.</p> <p>As part of succession planning, the Board went from seven to eight directors following the appointment of a new non-independent director on 1 February 2023. This resulted in only four of the eight directors (even split) being deemed independent, and four non-independent; three for their extensive interests in orchards that supply Seeka (industry expertise), and one that has extensive interests in orchards that supply Seeka as well as being an appointee of a large shareholder (industry expertise). Following the planned retirement of a non-independent director at the 20 April 2023 annual shareholders meeting, the Board reverted to seven directors and reestablished a majority of four independent directors.</p> <p>Following the resignation of an independent director on 4 August 2023 until the appointment of a new independent director on 1 October 2023, only three out of six directors (even split) were deemed independent.</p> <p>From 1 October 2023, Seeka complies with the Code with four out of seven directors deemed independent (a majority).</p>	From 1 February to 20 April 2023, and from 4 August to 1 October 2023
3. Board Committees	3.4 Standing nominations committee with a majority of independent directors.	The Nominations Committee Charter allows for the formation of an ad-hoc committee as required. To manage workload across the Board, the Nominations Committee Charter requires an independent chair.	At all relevant times

Board of directors

The following directors held office and committee membership on 31 December 2023.

Fred Hutchings BBS, FCA

Independent, non-executive Chair

Member Sustainability Committee, Chair Remuneration Committee

Chartered Member of the Institute of Directors NZ

Appointed 10 September 2012

Fred has commercial and business experience having been a partner at PwC for 27 years where he specialised in assurance and advisory services, particularly for agribusiness. He also held leadership roles in the partnership including Wellington and South Island managing partner and for three years was a member of the firm's executive board.

Fred retired as a director of Speirs Group Limited and Speirs Food Limited in 2023, and retired as chair of Tui Products Limited in 2018 when the business was sold. He is a past president of Chartered Accountants Australia and New Zealand.

Fred holds an interest in a kiwifruit orchard supplying Seeka.

Hayden Cartwright BEng

Non-independent, non-executive Director

Member Audit and Risk Committee

Appointed 1 February 2023

Hayden is the managing director of his family's Bay of Plenty kiwifruit orchards. Hayden is deputy chair of the Seeka Growers Council and Seeka's representative on the kiwifruit industry's New Zealand Kiwifruit Growers Incorporated forum.

He holds a Bachelor of Engineering (BEng) and has been a Certified Practicing Project Manager (CPPM). Hayden's 17-year engineering career in the oil and gas industry involved multiple leadership roles at New Zealand and Australian listed companies.

Sharon Cresswell BA Hons. FCA

Independent, non-executive Director

Member Audit and Risk Committee

Member of the Institute of Directors NZ

Appointed 1 October 2023

Sharon is a Chartered Accountant with previous experience as a director, advisor, and senior executive. Sharon was a Partner at PwC in New Zealand for 16 years, providing both financial and risk assurance to predominately primary sector clients.

Sharon is a director and member of the audit and risk committee of the Network for Learning and a director of Wool Impact. These appointments reflect her desire to be involved in businesses with a strong purpose in New Zealand.

Peter Ratahi Cross

Non-independent, non-executive Director

Member Sustainability Committee

Chartered Member of the Institute of Directors NZ

Appointed 1 March 2016

Ratahi is the chairman of several trust boards throughout the eastern areas of the North Island. He chairs Te Awanui Huka Pak Limited and Ngāi Tukairangi Trust, the largest Māori kiwifruit grower in New Zealand. The trust operates orchards on the Matapihi Peninsula at Mount Maunganui, and in the Hawke's Bay, which supply Seeka.

Ratahi has a background in natural science specialising in native flora and fauna. He also lectures in Māori history for several iwi he belongs to.

Stewart Moss

Non-independent, non-executive Director

Member Remuneration Committee

Elected 22 April 2022

Stewart has extensive commercial experience in horticulture and agriculture. He is a kiwifruit grower and member trustee of the Seeka Growers Council. From his experiences working on a grading machine at Seeka KKP to developing a large-scale kiwifruit orchard, Stewart understands the many facets of the industry and its supply chain.

Stewart is a large shareholder in one of New Zealand's largest kiwifruit orchards. He brings commercial insights into kiwifruit production and the key relationships between grower, post-harvest operator and the marketer Zespri.

Cecilia Tarrant BA/LLB Hons, LLM

Independent, non-executive Director

Chair Sustainability Committee and Member Remuneration Committee

Chartered Member of the Institute of Directors NZ

Appointed 27 April 2017

Cecilia has more than 25-years experience in law and finance, having worked as a lawyer in Auckland and San Francisco before becoming an investment banker in New York and London. She is now a professional director. Cecilia is the chair of New Zealand Green Investment Finance Limited, a director of Payments NZ, and Chancellor of Waipapa Taumata Rau - The University of Auckland. She is also involved in start-up investing and is a director of the ArcAngels network.

Cecilia is involved in both the beef and dairy industries through her family's ownership of a dry stock farm in the Waitomo area and partnership in a dairy farm in the Otorohanga district. Her family have lived in the Waitomo area for more than 100 years.

Ashley Waugh BBS

Independent, non-executive Director

Chair Audit and Risk Committee

Appointed 21 May 2014

Ashley has experience in the fresh food industry having worked within the Australasian Fast Moving Consumer Goods (FMCG) markets for more than 30 years. He also has global experience in the FMCG, foodservice and ingredients markets.

Ashley was the chief executive officer of Australian dairy foods and juice giant National Foods until its merger with Lion Nathan in 2009. His prior business experience was with the New Zealand Dairy Board and Ford Motor Company.

He currently chairs the board of Colonial Motor Company and chaired Moa, New Zealand's largest craft brewer, until retiring in 2017, and was a director of Fonterra Co-operative Group Limited until retiring in November 2018.

Changes in Board and committee membership

1 February 2023

- Hayden Cartwright appointed director of Seeka, and was subsequently elected at the 2023 Annual Shareholders Meeting
- Board increased to eight with an even split of four independent and four non-independent directors

20 April 2023, Annual Shareholders Meeting - one director retires, changes to the Audit and Risk Committee

- Martyn Brick retired (member Audit and Risk Committee)
- Hayden Cartwright appointed member of the Audit and Risk Committee (vacated by Martyn Brick's retirement)
- Board reestablishes a majority of independent directors (four independent, three non-independent)

4 August 2023 - director resignation, changes to the Audit and Risk Committee

- Robert Farron resigned (chair Audit and Risk Committee)
- Ashley Waugh appointed chair of the Audit and Risk Committee (vacated by Robert Farron's resignation)
- Fred Hutchings appointed to the Audit and Risk Committee
- Board reduced to six with an even split of three independent and three non-independent directors

1 October 2023 - new director appointment and changes to the Audit and Risk Committee

- Sharon Cresswell appointed director of Seeka, and replaced Fred Hutchings as member of the Audit and Risk Committee
- Board reestablishes a majority of independent directors (four independent, three non-independent)

Interests register

During the year the Group undertook related party transactions with directors in the ordinary course of the Company's business and on usual terms and conditions.

Directors have made general disclosures of interests in accordance with s140 (2) of the Companies Act 1993. New disclosures advised since 31 December 2022 are italicised.

Fred Hutchings	Amwell Holdings Limited	Director / Shareholder
	Walker Nominees Limited	Director
	AvoFresh Limited	Director
	Seeka Share Trustee Limited	Director
Hayden Cartwright	<i>Seeka Growers Limited</i>	<i>Director</i>
	<i>MJ and HC Cartwright Trust</i>	<i>Beneficiary</i>
	<i>Cartwright Ciwi Limited</i>	<i>Director / Shareholder</i>
Sharon Cresswell	<i>The Network for Learning Limited</i>	<i>Director</i>
	<i>Wool Impact Limited</i>	<i>Director</i>
Peter Ratahi Cross	Ngāi Tukairangi No2 Trust	Trustee / Chair
	Te Awanui Huka Pak Limited	Director
	Seeka Share Trustee Limited	Director
	Wai O Kaha Gold Landowners General Partner Limited	Chair
	Wai O Kaha Gold JV General Partner Limited	Chair
Stewart Moss	Strathboss Kiwifruit Limited	Director / Shareholder
	Seeka Growers Limited	Director
	Seeka Growers Trust	Trustee
	SJ & GW Moss Partnership	Partner
	Strathboss Avocados Limited	Director
	Pepper Street Trust	Trustee / Beneficiary
	Bateson Trailers Limited	Director / Shareholder
	Rising Sun Orchards Limited	Shareholder
Cecilia Tarrant	<i>Oswaldtwistle Orchards Limited</i>	<i>Director / Shareholder</i>
	Payments NZ Limited	Director
	ArcAngels Angel Investment Network	Director
	The University of Auckland	Chancellor
	New Zealand Green Investment Finance Limited	Chair
Ashley Waugh	Seeka Share Trustee Limited	Director
	Primrose Hill Farm (Puke-Roha Limited) - Te Awamutu	Director / Shareholder
	The Colonial Motor Group Limited	Chair / Shareholder

Directors' interests in Seeka Limited securities

The following table details director interests in Seeka shares at 31 December 2023.

	Interest	Shares
Hayden Cartwright		0
Sharon Cresswell		0
Peter Ratahi Cross	Beneficial ¹	2,300,040
Fred Hutchings	Beneficial ²	63,196
Stewart Moss	Beneficial ³	373,644
Cecilia Tarrant	Beneficial	7,143
Ashley Waugh	Beneficial	13,166

1. Held by the trustees of the Ngāi Tukairangi No. 2 Trust (585,630) and Te Awanui Huka Pak Limited (1,714,410). P R Cross is a trustee of the Ngāi Tukairangi No. 2 Trust and a beneficiary, and interests associated with P R Cross are beneficiaries, of the Ngāi Tukairangi No. 2 Trust. Te Awanui Huka Pak Limited holds Ordinary Shares in Seeka Limited. P R Cross is a director of Te Awanui Huka Pak Limited. The trustees of the Ngāi Tukairangi No. 2 Trust are shareholders in Te Awanui Huka Pak Limited.

2. Held by Walker Nominees Limited (47,716), Amwell Holdings Limited (2,523), Sharesies Nominee Limited on behalf of F A Hutchings (2,970), and Sharesies Nominee Limited on behalf of Amwell Holdings Limited (9,987).

3. Held by Strathboss Kiwifruit Limited (185,807) of which Stewart Moss holds 0.1% of the shares and jointly holds a further 26.6%, and held by Oswaldtwistle Orchards Limited (297,617) of which Stewart Moss has 20% or more voting rights. See [NZX disclosure on 29 November 2023](#) for details.

The following table details director dealings in Seeka shares during the year.

	Transaction	Date	Number	Total consideration
Stewart Moss	Purchase ¹	21 November 2023	109,780	\$252,494
	Transfer ²	29 November 2023	178,251	\$483,060
	Transfer ³	29 November 2023	9,586	\$25,978

1. Purchased off market by Oswaldtwistle Orchards Limited. Stewart Moss has the power to exercise the right to vote attached to 20% or more of the voting rights of Oswaldtwistle Orchards Limited.

2. Transferred off market from S Moss to Oswaldtwistle Orchards Limited.

3. Transferred off market from S Moss and G W Moss to Oswaldtwistle Orchards Limited.

Subsidiary companies

The following table details directors of Seeka Limited subsidiary companies as at 31 December 2023. Subsidiaries added and director changes since 31 December 2022 are italicised.

Michael Franks and Nicola Neilson are officers of Seeka Limited.

New Zealand incorporated companies

Trading subsidiaries

Aongatete Coolstores Limited	Michael Franks, Nicola Neilson
AvoFresh Limited	Michael Franks, Fred Hutchings
Delicious Nutritious Food Company Limited	Michael Franks, Nicola Neilson
Integrated Fruit Supply & Logistics Limited	Michael Franks, Nicola Neilson
Kiwi Coast Growers (Te Puke) Limited	Michael Franks, Nicola Neilson
Ngutupiri General Partner Limited ¹	Kylie Burt, Norman Carter, Te Aroha Mani, Rongo Puha
Northland Horticulture Limited	Michael Franks, Nicola Neilson
OPAC Properties Limited	Michael Franks, Nicola Neilson
Seeka East Limited	Michael Franks, Nicola Neilson
Seeka OPAC Limited	Michael Franks, Nicola Neilson
Seeka Share Trustee Limited	Fred Hutchings, Cecilia Tarrant, Peter Ratahi Cross
Seeka Te Puke Limited	Michael Franks, Nicola Neilson

Non-trading subsidiaries

CMS Logistics Limited ²	John Spratt, Robert Towgood
Eleos Limited	Michael Franks, Nicola Neilson
Enviro Gro Limited	Michael Franks, Nicola Neilson
Glassfields (NZ) Limited	Michael Franks, Nicola Neilson
Guaranteed Sweet New Zealand Limited	Michael Franks, Nicola Neilson
Kiwifruit Vine Protection Company Limited	Michael Franks, Nicola Neilson
Nutritious Delicious Food Company Limited	Michael Franks, Nicola Neilson
OPAC Growers Supply Limited ³	Michael Franks, Nicola Neilson
Seeka Fresh Limited	Michael Franks, Nicola Neilson
Seeka Kiwifruit Industries Limited	Michael Franks, Nicola Neilson
Thornton Orchard Limited	Donald Murray, Sandra Murrell, Luke Stewart, Joseph Williams
Verified Lab Services Limited	Michael Franks, Nicola Neilson

Australian incorporated companies

Little Haven Holdings Pty Limited	Michael Franks, Nicola Neilson, <i>Jonathan van Popering</i>
Seeka Australia Pty Limited	Michael Franks, Nicola Neilson, <i>Jonathan van Popering</i>
Seeka Pollen Australia Pty Limited (not trading)	Michael Franks, Nicola Neilson, <i>Jonathan van Popering</i>

On 8 February 2023, Jonathan van Popering (GM Australia) was appointed as a director of the Group's three Australian incorporated companies.

Cook Islands incorporated company

<i>Seeka Risk Management Limited</i>	<i>Michael Franks, Nicola Neilson, Antony Will</i>
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On 13 January 2023, Seeka Risk Management Limited was incorporated in the Cook Islands as a captive insurer to hold Seeka's insurance programme.

Directors of Group subsidiary companies did not undertake any share dealings in those companies.

1. Ngutupiri General Partner Limited is a subsidiary of Seeka for the purposes of the Companies Act 1993 and therefore certain disclosures regarding Ngutupiri General Partner Limited are required to be included in this annual report. However, for the purposes of NZ IFRS, Ngutupiri General Partner Limited is considered an associate of Seeka and not a subsidiary of Seeka and is therefore included in Seeka's financial statements as an associate.

2. CMS Logistics Limited in liquidation (solvent) as at 31 January 2024, and under notice to be removed from the Companies Register.

3. OPAC Growers Supply Limited was liquidated and removed from the Companies Register on 12 January 2024.

Subsidiary directors' interests register

Directors of Seeka subsidiaries have made general disclosures of interests in accordance with s140 (2) of the Companies Act 1993.

Michael Franks is a director and shareholder of TKL Logistics Limited.

Jonathan van Popering is a director of Van Popering Pty Limited.

No further entries were made in the interests register of any subsidiary during the year ended 31 December 2023

Subsidiary company director remuneration

Seeka Limited officers Michael Franks and Nicola Neilson, and Seeka Limited employees Kylie Burt and Jonathan Van Popering, received no beneficial director's fees or other benefits except as employees.

Antony Will received a USD\$2,200 director fee for Seeka Risk Management Limited.

Employee remuneration

In FY23, the Group employed 749 permanent and more than 5,400 seasonal employees.

The Group had 197 employees (December 2022 - 183), including 10 employees (December 2022 - 10) employed by subsidiaries, that are not directors whose annual cash remuneration and benefits (including motor vehicles and termination costs) exceed \$100,000 in the financial year.

Remuneration	FY23	FY22
\$100,000 - \$109,999	39	36
\$110,000 - \$119,999	41	43
\$120,000 - \$129,999	30	28
\$130,000 - \$139,999	20	19
\$140,000 - \$149,999	12	10
\$150,000 - \$159,999	11	8
\$160,000 - \$169,999	8	5
\$170,000 - \$179,999	2	9
\$180,000 - \$189,999	10	6
\$190,000 - \$199,999	5	4
\$200,000 - \$209,999	4	3
\$210,000 - \$219,999	1	-
\$220,000 - \$229,999	3	3
\$230,000 - \$239,999	2	1
\$240,000 - \$249,999	2	1
\$250,000 - \$259,999	-	-
\$260,000 - \$269,999	1	1
\$270,000 - \$279,999	1	1
\$280,000 - \$289,999	-	-
\$290,000 - \$299,999	-	-
\$300,000 - \$309,999	-	1
\$310,000 - \$319,999	-	1
\$320,000 - \$329,999	2	1
\$330,000 - \$339,999	1	-
\$340,000 - \$349,999	-	1
\$350,000 - \$359,999	1	-
\$780,000 - \$789,999	1	-
\$810,000 - \$819,999	-	1
Total	197	183

Remuneration includes key performance indicator payments. Remuneration by the Group's Australian subsidiary Seeka Australia in Australian dollars was converted to New Zealand dollars using the average exchange rate for the year. The impact of movements in exchange rates from FY22 to FY23 was reviewed and would not have significantly changed the employee remuneration disclosure.

Other disclosures

Indemnities and insurance

Clause 9.7 of the Constitution allows the Company to indemnify and insure directors to the extent permitted by the Companies Act 1993. The Company has provided insurance for all directors and officers, including directors of subsidiaries.

Summary of waivers granted by NZX

No waivers were granted, published or relied on by Seeka in the year ended 31 December 2023.

Donations

In the year ended 31 December 2023, the Group donated \$201,240 to support New Zealand youth development, community, cultural, and sports groups, as well as community health programmes. The following organisations received donations in 2023.

315 Pass It On Charitable Society	Made in Te Puke Trust	Rotorua & Bay of Plenty Hunt
Akarana Publishing Company	Makauri School	Tairāwhiti Growers Association
Ashbrook School	Matakana Island Sports Club	Tauranga Moana Hui Aranga Management Incorporated Society
Autism NZ	Mike Young Motorsport	Tauranga Women's Refuge
Awakeri School	MOYA	Te Aranui Youth trust
Bay of Plenty Symphonia	Multi Sport Ōpōtiki Incorporated	Te Hiringa Charitable Trust
Blue Rovers Junior Football Club	Multicultural Tauranga	Te Kapa Haka o Te Whānau-a-Apanui
BOP Young Fruit Growers Incorporated	Northland City Cricket Club	Te Kura Mana Māori o Maraenui
Chartered Institute of Logistics & Transport	Omokoroa Bridge Club	Te Puke Agricultural & Pastoral Association
Coastguard Ōpōtiki Incorporated	Omokoroa Golf Club	Te Puke Bridge Club
E Tu Hei Tia Uri Ariki Sports & Cultural Trust	One Love Charity	Te Puke Club Incorporated
Eastern Districts Sports Club	Ōpōtiki Big 3	Te Puke Golf Club
Epic Te Puke	Ōpōtiki Bowling Club	Te Puke Intermediate
Fairview Golf Course	Ōpōtiki College	Te Puke Playcentre
Gisborne Tairāwhiti Rugby League	Ōpōtiki Community Childcare Centre Incorporated	Te Puke Sports & Recreation Club
He Iwi Kotahi Tauranga Moana Charitable Trust	Ōpōtiki Golf Club Incorporated	Te Puke Squash Rackets Club Incorporated
Heart Kids New Zealand	Ōpōtiki Little 3	Te Puke Tai Mitchell - Girls
Hoe Aroha Whānau o Mauao (Outrigger Canoe Club)	Ōpōtiki Surf Life Saving Club	Te Puke Tennis Club
Houhora Bowls and Sports Club	Otamarakau School	Te Whakakaha Trust
Iron Māori	Pacific Fusion Fashion Show	The Job Agency Limited T/A Markat
Jackman Entertainment	Paengaroa School	The New Zealand Institute for Plant & Food Research
Katch Katikati	Patutahi Golf Club	Waihou Bay Sports Fishing Club Inc
Katikati A&P Show	Pongakawa School	Waiotaha Valley School School-links
Katikati Fun Fest Charitable Trust	Rangataua Sports & Cultural Club Incorporated	Waipuna Hospice
Kerikeri Cricket Club	Rangioru Sports Club Incorporated	Western Bay Emergency Services Golf Tournament
Kerikeri Rugby Football Club Incorporated	Rotary Club of Papamoa Charitable Trust	Whangamata Golf Club Incorporated
Lions Club of Katikati Charitable Trust	Rotary Club of Tauranga Te Papa	
Lions Club of Waihi Charitable Trust	Rotoiti Fishing Club	

Divided reinvestment plan

Under the company's dividend reinvestment plan, holders of ordinary shares may elect to reinvest the net proceeds of cash dividends payable or credited to acquire fully paid ordinary shares in the company.

Substantial product holders

As at 31 December 2023, the persons listed in the table below had disclosed a substantial product holding of Seeka shares.

	Date of Notice	Shares disclosed
Tomlinson Group Investments Limited	21 December 2020	2,899,930 ¹
Masfen Securities Limited	20 December 2022	2,138,100
Sumifru Singapore Pte Limited	15 September 2015	2,093,558
Seeka Limited ordinary listed shares at 31 December 2023		41,988,282

1. As at 31 December 2023, Seeka's share register records Tomlinson Group Investments Limited as the holder of 3,233,827 Seeka shares.

Securities statistics

As at 31 December 2023

Top 20 shareholders	Number of ordinary shares	Percent
Tomlinson Group Investments Limited	3,233,827	7.70%
Masfen Securities Limited	2,138,100	5.09%
Sumifru Singapore Pte Limited	2,093,558	4.99%
Te Awanui Huka Pak Limited	1,714,410	4.08%
Custodial Services Limited	1,568,236	3.73%
Omega Kiwifruit Limited	1,145,895	2.73%
New Zealand Depository Nominee	977,172	2.33%
Eastern Bay Orchards Limited	881,128	2.10%
The Maori Trustee	711,299	1.69%
Peter Ratahi Cross & Helen Te Kani & Joshua Gear & Helen Ellis & James Lambert	585,630	1.39%
Cole Family Trust Limited	585,160	1.39%
Citibank Nominees (NZ) Limited	559,993	1.33%
David John Emslie & Deborah Jocelyn Emslie & Sharp & Cookson Trustee Limited	494,018	1.18%
Christopher William Flood & Mark Schlagel	477,130	1.14%
Patricia Colleen Law	310,240	0.74%
Oswaltdtwistle Orchards Limited	297,617	0.71%
Anne Louise Bayliss & Christopher James Mcfadden	293,280	0.70%
Seeka Share Trustee Limited	292,000	0.70%
Accident Compensation Corporation	276,082	0.66%
Burts Orchards (1997) Limited	272,606	0.65%
Total	18,907,381	45.03%

Shareholder analysis	Investors	Percent of investors	Shares	Percent of shares
By shareholding size				
Up to 1,000 shares	656	23.48	333,189	0.79
1,001 to 5,000 shares	1,264	45.24	3,427,476	8.16
5,001 to 10,000 shares	398	14.24	2,912,491	6.94
10,001 to 50,000 shares	378	13.53	7,523,613	17.92
50,001 to 100,000	45	1.61	3,156,610	7.52
100,001 to 500,000	41	1.47	7,716,250	18.38
More than 500,000	12	0.43	16,918,653	40.29
Total	2,794	100.00	41,988,282	100.00
By residency				
New Zealand shareholders	2,734	97.85	39,496,584	94.07
Overseas shareholders	60	2.15	2,491,698	5.93
Total	2,794	100.00	41,988,282	100.00

Directory

Board of directors

Fred Hutchings - Chair

Hayden Cartwright (appointed 1 February 2023)

Sharon Cresswell (appointed 1 October 2023)

Peter Ratahi Cross

Stewart Moss

Cecilia Tarrant

Ashley Waugh

Audit and risk committee

Ashley Waugh - Chair

Hayden Cartwright

Sharon Cresswell

Sustainability committee

Cecilia Tarrant - Chair

Peter Ratahi Cross

Fred Hutchings

Remuneration committee

Fred Hutchings - Chair

Stewart Moss

Cecilia Tarrant

Company officers

Michael Franks

Chief Executive Officer

Nicola Neilson

Chief Financial Officer and Company Secretary

Senior management team

Michael Franks

Chief Executive

Nicola Neilson

Chief Financial Officer

Kate Bryant

GM Grower Relations

Paul Crone

GM Post-harvest

Barry Penellum

GM Orchards

Jonathan van Popering

GM Australia

Jim Smith

GM New Business and Marketing

Registered office

Seeka Limited

34 Young Road, RD9, Paengaroa 3189

PO Box 47, Te Puke 3153

[Seeka.co.nz](https://seeka.co.nz)

Auditor

Grant Thornton

Auckland

www.grantthornton.co.nz

Bankers¹

Westpac New Zealand Limited

Auckland

www.westpac.co.nz

Westpac Banking Corporation

Melbourne

www.westpac.com.au

ASB Bank Limited

Auckland

www.asb.co.nz

Bank of New Zealand

Auckland

www.bnz.co.nz

Coöperatieve Rabobank U.A. (Rabobank)

Wellington

www.rabobank.co.nz

1. All banks are lenders under a syndicated facilities agreement with Westpac New Zealand as the sustainability-linked loan coordinator and the agent.

Share register

Link Market Services Limited

Auckland

www.linkmarketservices.co.nz

NZX

www.nzx.com

Legal advisors

Harmos Horton Lusk Limited

Auckland

www.hhl.co.nz

Tompkins Wake

Tauranga

www.tompkinswake.com

Mayne Wetherell

Auckland

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