



22 August 2023

Dear Growers and Shareholders,

I am writing to update you on the following items following today's Board Meeting.

- August 2023/24 OGR Forecast
- 2023/24 Forecast Total Fruit and Service payments
- 2023/24 Forecast Corporate Profit and Dividend Ranges
- Annual Meeting: Wednesday 23 August - 1PM
- August/September Grower Roadshows

August 2023/24 OGR Forecast

The Zespri Board of Directors today approved the August forecast for the 2023/24 season.

This is the first full forecast of the season, following the indicative ranges released in June. As well as providing specific per tray and per hectare results, this forecast includes ranges for each variety. This additional guidance reflects both the upside and downside opportunities and risks for the remainder of the season.

Forecast average per tray returns are now positioned towards the top half of our June range guidance, with Organic Green and RubyRed Kiwifruit returns above the range. This reflects this season's strong pricing and the improvements we've seen in quality management, which is now tracking largely in line with our 2021 season and significantly better than last season. Despite this season's stronger pricing, our per-hectare returns are down across all fruit groups other than Green14, reflecting this season's lower yields and the pressures some growers are facing.

Ensuring we are managing our inventory in a manner that allows us to maintain strong run rates will be critical to our ability to avoid late season quality issues. This remains our focus as we look to close out the season as early as possible.

Pools (Fruit Categories)	2023/24 August Forecast Per Tray	2023/24 August Forecast Indicative Range Per Tray	2023/24 June Indicative Range Forecast Per Tray	2023/24 August Forecast Per Hectare	2023/24 August Forecast Indicative Range Per Hectare	2023/24 June Indicative Range Forecast Per Hectare
Zespri Green	\$8.10	\$7.80 - \$8.60	\$7.25 - \$8.50	\$55,683	\$54,000 - \$60,000	\$50,000 - \$60,000
Zespri Organic Green	\$11.20	\$10.70 - \$11.70	\$9.50 - \$11.00	\$49,956	\$48,000 - \$52,000	\$44,000 - \$51,000
Zespri SunGold Kiwifruit	\$11.50	\$11.00 - \$12.00	\$10.50 - \$12.00	\$130,908	\$125,000 - \$137,000	\$116,000 - \$133,000
Zespri Organic SunGold Kiwifruit	\$13.10	\$12.60 - \$13.60	\$11.50 - \$13.50	\$101,076	\$97,000 - \$105,000	\$87,000 - \$102,000

Zespri Green14	\$9.80	\$9.30 - \$10.30	\$8.50 - \$10.50	\$45,947	\$44,000 - \$48,000	\$39,000 - \$49,000
Zespri RubyRed Kiwifruit*	\$23.30	\$22.80 - \$24.80	\$20.50 - \$22.50	\$36,044	\$35,000 - \$38,000	\$32,000 - \$35,000

*NB: Zespri RubyRed Kiwifruit is in its second year as a commercial pool. Forecast per hectare returns have been influenced by a high proportion of productive hectares returning low yields impacted by vine age. 149 hectares producing for 2 years or less have returned an average yield of 1,385 trays per hectare and a forecast per hectare return of \$32,266 per hectare. 4 hectares producing for greater than 2 years have returned an average yield of 5,263 trays per hectare and a forecast per hectare return of \$122,625 per hectare. 6 hectares with mixed aged vines (with vine age of both 2 years or less and more than 2 years) have returned an average yield of 3,155 trays per hectare and a forecast per hectare return of \$73,497 per hectare.

2023/24 Forecast Total Fruit and Services Payments

The total fruit and service payment, across all pools and excluding the loyalty premium, is forecast at \$2.077 billion, with the current expected range of \$2.025 - \$2.125 billion.

2023/24 Forecast corporate profit and dividend range

Zespri's corporate net profit after tax is still expected to be between \$155m and \$175m, including licence release income, consistent with our June guidance. We continue to maintain a strong focus on identifying savings opportunities across Zespri's corporate overheads to support and maintain profitability in a challenging season while making sure we have resources in place to manage the expected lift in volumes next season.

The forecast dividend range for the year ending March 2024 also remains consistent with our June guidance at \$0.76 to \$0.86 cents per share (and/or a Gross dividend per share range including imputation credits of \$0.97 to \$1.09). This range is inclusive of the \$0.66 cents per share interim dividend (and/or a Gross interim dividend of \$0.84 cents per share) paid in August 2023, which included the \$0.10 cent dividend payment that was brought forward from December 2023 to August 2023 to assist with grower cashflow.

Zespri 2023 Annual Meeting: 23 August 1PM

Zespri's Annual Meeting will take place tomorrow, starting at **1pm at Mercury Baypark**. We'll be reviewing our 2022/23 season as well as discussing the industry's current challenges and the significant opportunities in front of us.

On-site registration will open at midday, with those growers attending the KVH or KGI AGM having an opportunity to register prior to those meetings. Details for those wishing to join the meeting online are available on Canopy and in your Notice of Meeting pack.

As well as voting on resolutions, you'll also be able to ask questions (including those joining online) and at the conclusion of the formalities we encourage you to stay around to connect with each other and with senior members of our Zespri team over refreshments.

August/September Grower Roadshows

Zespri CEO Dan Mathieson, our Chief Operating Officer Jason Te Brake and members of the Zespri team, along with NZKGI leadership, will be providing further updates on the season including our latest forecast and 2024 season planning in our August/September roadshows commencing next week. These Grower Roadshow meetings will be held in person, with an option to join online for the Te Puke

Roadshow on September 1. A full list of grower roadshows and registration details are available on Canopy.

I look forward to seeing you tomorrow at the Annual Meeting and in our upcoming roadshows.

Regards,

Bruce Cameron
Chairman