

**ZESPRI GROUP LIMITED AND SUBSIDIARIES – CORE BUSINESS
SPECIAL PURPOSE FINANCIAL STATEMENTS
ADDITIONAL DISCLOSURES
FOR THE YEAR ENDED 31 March 2024**

The Special Purpose Financial Statements comprise the attached Zespri Group Limited (ZGL) Annual Report for the year ended 31 March 2024 and the additional disclosures below. The Annual Report was signed on the 15th July 2024.

Basis of preparation

These special purpose financial statements were prepared in accordance with the financial reporting provisions required by the Kiwifruit Export Information Disclosure Handbook (the "Handbook") as required by the Kiwifruit Export Regulations 1999 (the "Regulations").

1. Exemption from Separate Accounting for "Other" Business

ZGL has obtained exemption from Kiwifruit New Zealand for the following requirements:

- to disclose as 'Other' business all sales, expenses, assets and liabilities of the New Zealand sourced fresh Kiwifruit into Australia and New Zealand.

ZGL's 'other' business relates to the following activities:

- New cultivar;
- Non-New Zealand grown Kiwifruit; and
- All other segments.

Please note that the business is run on an amalgamated basis and therefore all cash is held centrally, and dividends, tax charges and financial hedges cannot be allocated to separate business segments.

2. Alternative Revenue Statement

The Alternative Revenue statement is detailed on pages 116 to 117 and the related footnotes on page 118 of the Zespri Group Limited Annual Report.

Pool costs as a percentage of pool revenue

Total pool costs as a percentage of total pool revenue are detailed on page 118 of the Zespri Group Limited Annual Report. Refer to Note 5 of these Special Purpose Financial Statements for cost as a percentage of revenue by class 1 pool.

3. Cause of Change

	2024 \$000	2023 \$000	2022 \$000
Prior year fruit and service payments (including loyalty premium)	2,241,569	2,473,356	2,252,708
Prior year ZGL profit for the year	238,748	361,500	277,133
Total prior year return	2,480,317	2,834,856	2,529,841
Changes due to volume increase/(decrease)	(371,923)	(171,057)	328,904
Changes due to market and profile mix ¹	40,073	62,081	44,874
Total volume change ²	(331,850)	(108,976)	373,777
Changes due to change in price ³	332,663	20,736	(32,916)
Changes due to foreign exchange ⁴	15,940	31,792	(24,981)
Changes due to non-New Zealand fruit profit	(5,920)	2,645	(1,960)
Changes due to freight movements	38,882	(119,895)	(62,646)
Changes due to change in tax expense	12,394	51,124	(33,971)
Changes due to other income movements	(88,708)	(128,474)	136,868
Changes due to other cost movements	41,078	(103,491)	(49,157)
Total current year return	2,494,796	2,480,317	2,834,856
Represented by:			
Fruit and service payments	2,254,782	2,193,433	2,420,295
Future season total fruit and service payments accrued	26,359	(418)	(144)
Loyalty premium	40,341	48,554	53,205
ZGL profit for the year	173,314	238,748	361,500
Total current year return	2,494,796	2,480,317	2,834,856

- 1 Changes due to reallocation of kiwifruit between markets reflect the impact of change in market mix. This is calculated by calculating the total movement in year on year volumes on a region by region basis and changes in movement in year on year volumes by size.
- 2 Changes due to volume are the sum of changes in volume by size by variety for New Zealand-grown kiwifruit between the prior year season multiplied by the corresponding NZD market return per tray for the prior season.
- 3 Changes due to price are calculated by size on a region by region basis where prices for individual product groups of New Zealand-grown fruit have changed between seasons. This is calculated using the following formula:

$$((\text{Current year's average tray price per sales region (in sales currency)} - \text{prior year's average tray price per sales region (in sales currency)}) / \text{prior year's effective FX rate} * \text{current year's volume per sales region}).$$
- 4 Changes due to foreign exchange reflect exchange movements in respect to the supply and sale of New Zealand-grown kiwifruit, and are calculated based on the total of:
 - the movement in current year's sales and expenses versus prior year by size on a line by line basis calculated by the difference between the current year figures translated into New Zealand dollars at the transaction date exchange rate versus prior year's transaction date exchange rates;
 - the movement between current and prior year realised gain or loss on forward cover contracts; and
 - the difference between prior year and current year unrealised exchange gains or losses which are determined by the revaluation of foreign currency denominated assets and liabilities at year end exchange rates.

4. New Zealand-grown kiwifruit revenue by pool

	2024	2023	2022
	\$000	\$000	\$000
Zespri® Green Kiwifruit	740,370	890,186	1,061,425
Zespri® Organic Green Kiwifruit	46,127	57,904	55,062
Zespri® SunGold Kiwifruit	2,394,261	2,305,348	2,281,026
Zespri® Organic SunGold Kiwifruit	70,067	81,004	62,857
Zespri® Sweet Green Kiwifruit	2,284	3,449	4,176
Zespri® RubyRed Kiwifruit	13,157	3,832	-
Class 2 Green Kiwifruit	14,393	11,314	13,374
Class 2 Organic Green Kiwifruit	743	1,070	1,260
Class 2 SunGold / Organic Gold Kiwifruit	41,140	12,834	12,414
Non Standard Supply	11,743	29,726	252
Net Sales of New Zealand-grown kiwifruit	3,334,285	3,396,667	3,491,846

5. New Zealand-grown kiwifruit costs as a percentage of revenue by class 1 pool

New Zealand-grown kiwifruit costs as a percentage of revenue	Zespri® Green Kiwifruit		
	2023/24	2022/23	2021/22
Zespri margin ⁽¹⁾	7.8%	6.8%	6.9%
Freight	9.2%	13.0%	9.1%
Insurance	0.8%	0.2%	0.4%
Duty and customs	3.0%	2.4%	2.0%
Other onshore direct costs	1.4%	1.6%	1.4%
Other offshore direct costs	4.2%	5.9%	4.3%
Promotion	3.2%	4.1%	4.3%
Interest	-0.8%	-0.4%	0.1%
KNZ/NZKGI	0.1%	0.1%	0.1%
Purchase of kiwifruit	71.1%	66.3%	71.4%
TOTAL	100.0%	100.0%	100.0%
Revenue attributable to Zespri Green Kiwifruit (\$'000)	740,370	890,186	1,061,425

New Zealand-grown kiwifruit costs as a percentage of revenue	Zespri® Organic Green Kiwifruit		
	2023/24	2022/23	2021/22
Zespri margin ⁽¹⁾	8.2%	7.6%	8.0%
Freight	6.9%	9.5%	6.8%
Insurance	0.2%	0.2%	0.2%
Duty and customs	2.0%	2.1%	1.9%
Other onshore direct costs	2.4%	1.4%	1.5%
Other offshore direct costs	7.1%	8.7%	6.6%
Promotion	3.3%	4.2%	4.3%
Interest	-0.6%	-0.3%	0.0%
KNZ/NZKGI	0.1%	0.1%	0.1%
Purchase of Kiwifruit	70.4%	66.5%	70.6%
TOTAL	100.0%	100.0%	100.0%
Revenue attributable to Zespri Organic Green Kiwifruit (\$'000)	46,127	57,904	55,062

New Zealand-grown kiwifruit costs as a percentage of revenue	Zespri® SunGold Kiwifruit		
	2023/24	2022/23	2021/22
Zespri margin ⁽¹⁾	8.3%	8.0%	8.3%
Freight	7.4%	9.5%	6.1%
Insurance	0.4%	0.2%	0.3%
Duty and customs	1.0%	1.0%	1.0%
Other onshore direct costs	4.0%	4.0%	3.9%
Other offshore direct costs	4.1%	5.3%	4.0%
Promotion	5.8%	6.2%	5.6%
Interest	-0.5%	-0.3%	0.0%
KNZ/NZKGI	0.1%	0.1%	0.1%
Purchase of kiwifruit	69.4%	66.0%	70.7%
TOTAL	100.0%	100.0%	100.0%
Revenue attributable to Zespri SunGold Kiwifruit (\$'000)	2,394,261	2,305,348	2,281,026

New Zealand-grown kiwifruit costs as a percentage of revenue	Zespri® SunGold Organic Kiwifruit		
	2023/24	2022/23	2021/22
Zespri margin ⁽¹⁾	8.6%	8.0%	8.2%
Freight	6.4%	8.0%	5.6%
Insurance	0.7%	0.2%	0.2%
Duty and customs	1.0%	1.3%	1.7%
Other onshore direct costs	4.0%	3.8%	4.1%
Other offshore direct costs	9.2%	8.8%	7.9%
Promotion	5.2%	5.8%	4.6%
Interest	-0.5%	-0.2%	0.0%
KNZ/NZKGI	0.1%	0.1%	0.1%
Purchase of kiwifruit	65.3%	64.2%	67.6%
TOTAL	100.0%	100.0%	100.0%
Revenue attributable to Zespri SunGold Organic Kiwifruit (\$'000)	70,067	81,004	62,857

New Zealand-grown kiwifruit costs as a percentage of revenue	Zespri® Sweet Green Kiwifruit		
	2023/24	2022/23	2021/22
Zespri margin ⁽¹⁾	8.7%	7.9%	8.2%
Freight	10.1%	11.2%	9.1%
Insurance	0.3%	0.2%	0.2%
Duty and customs	0.0%	0.9%	0.4%
Other onshore direct costs	4.2%	4.4%	4.5%
Other offshore direct costs	6.0%	7.2%	5.0%
Promotion	0.5%	1.8%	1.0%
Interest	-0.7%	-0.4%	0.0%
KNZ/NZKGI	0.1%	0.1%	0.1%
Purchase of kiwifruit	70.8%	66.7%	71.5%
TOTAL	100.0%	100.0%	100.0%
Revenue attributable to Zespri Sweet Green Kiwifruit (\$'000)	2,284	3,449	4,176

New Zealand-grown kiwifruit costs as a percentage of revenue	Zespri® RubyRed Kiwifruit ⁽²⁾		
	2023/24	2022/23	2021/22
Zespri margin ⁽¹⁾	9.0%	9.0%	
Freight	6.1%	6.5%	
Insurance	0.1%	0.1%	
Duty and customs	0.0%	0.0%	
Other onshore direct costs	5.0%	5.6%	
Other offshore direct costs	4.0%	5.4%	
Promotion	7.9%	6.9%	
Interest	-0.3%	-0.2%	
KNZ/NZKGI	0.0%	0.0%	
Purchase of kiwifruit	68.2%	66.7%	
TOTAL	100.0%	100.0%	
Revenue attributable to Zespri RubyRed Kiwifruit (\$'000)	13,157	3,832	

(1) The Zespri margin disclosed is net of loyalty premium payments and collaborative marketing.

(2) Zespri RubyRed was commercialised in the 2022/23 year therefore no comparatives are available for previous periods

6. New Zealand-grown kiwifruit Supplier Return Analysis

Total Fruit and Service Payments (including Loyalty Premium) are detailed in Appendix B.

The allocation of revenue and cost between Pools and Corporate (non-pool) is based on the Annual Supply Agreement between Zespri Group Limited and Suppliers. The allocation between pools has been applied as follows:

- Sales are directly allocated to individual pools.
- Where expenses are directly attributable to one pool, they are allocated to that pool.
- Where expenses relate to more than one pool, amounts are allocated to pools based on allocation methods disclosed and agreed annually with the 'Industry Advisory Council' ('IAC'), captured in the Pool Policy Manual.

7. New Zealand Registered Number of Suppliers

	2024	2023	2022
Number of Suppliers	13	13	13
Trays Supplied	138,441,172	165,845,413	179,669,142

8. Regional Production Analysis (Class 1)

The Regional Production Analysis (Class 1) is shown in Appendix C.

The average trays per hectare in the tables in Appendix C equals Class 1 volumes submitted divided by productive hectares. The source data for productive hectares is derived from KPIN registrations and other returns by growers stating the number of producing hectares. It's integrity is reliant on the accurate completion of returns by growers. The trays per hectare may be distorted by the inclusion of orchards in the first years of production in the calculation.

9. Non-New Zealand-grown kiwifruit revenue by pool

	2024 \$000	2023 \$000	2022 \$000
Zespri® Green & Organic Green kiwifruit	127,566	131,725	147,441
Zespri® Gold & Organic Gold kiwifruit	523,340	385,244	385,786
Zespri® Class 2 kiwifruit	3,267	2,354	3,637
Net Sales of non-New Zealand-grown kiwifruit	654,173	519,323	536,864

10. Non-New Zealand-grown kiwifruit Supplier Return Analysis

	2024 \$000	2023 \$000	2022 \$000
Zespri® Green & Organic Green kiwifruit	106,692	100,536	118,167
Zespri® Gold & Organic Gold kiwifruit	390,438	270,950	290,139
Zespri® Class 2 kiwifruit	710	1,861	1,469
Non-New Zealand-grown kiwifruit supplier return	497,840	373,347	409,775

11. Disclosure of Transfer Payments

In accordance with Regulation 13(e) of the Kiwifruit Export Regulations transfer payments between business segments are detailed in Appendix D. All transfers relate to goods or services performed in the year ended 31 March 2024.

During the year ended 31 March 2024 no inter-segment amounts have been written off or forgiven (2023: Nil).

12. Zespri Group Limited Shareholder Statistics

Shareholder statistics are detailed on pages 106 of the Zespri Group Limited Annual Report.

Please note the following in relation to the statistics detailed on page 106 of the Annual Report:

- The share price is the last price paid for shares on or before 31 March 2024 as per Unlisted share trading platform.
- The number of shares sold represents the number of shares transferred as advised by Computershare Investor Services Limited. This figure excludes off market share transfers, shares transferred with property sales and shares transferred within family entities which are separately disclosed.

13. Non-New Zealand-grown kiwifruit costs as a percentage of revenue

Non-New Zealand-grown kiwifruit Costs as a Percentage of Revenue	2023/24	2022/23	2021/22
Zespri margin	11.2%	12.9%	13.5%
Freight	3.3%	4.9%	2.6%
Insurance	0.0%	0.0%	0.2%
Duty and customs	1.6%	1.2%	1.2%
Other onshore direct costs	0.0%	0.0%	0.0%
Other offshore direct costs	5.2%	5.6%	4.0%
Promotion	2.6%	3.5%	2.2%
Interest	0.0%	0.0%	0.0%
KNZ/NZKGI	0.0%	0.0%	0.0%
Purchase of Kiwifruit	76.1%	71.9%	76.3%
TOTAL	100.0%	100.0%	100.0%
Revenue attributable to Non-New Zealand-grown kiwifruit (\$'000)	654,173	519,323	536,864

The Additional Disclosures to the financial statements were authorised for issue by the Directors of Zespri Group Limited on 15th July 2024.

Authorised for and on behalf of the Board:

DocuSigned by:

Jonathan Mason

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J P Mason
Director

Appendix A – Business Segment Analysis

Total Assets by business segment for the year ended 31 March 2024

TOTAL ASSETS BY SEGMENT

As at 31 March 2024

	New Zealand kiwifruit	Non-New Zealand supply	New cultivar	All other segments	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets:					
Bank, cash, short-term investments	442,563	-	-	-	442,563
Trade debtors	86,979	36,783	98	-	123,860
Other debtors / current assets	1,411	-	-	-	1,411
Other financial assets	105,312	-	-	-	105,312
Inventory / stock	174,477	4,912	-	-	179,389
Prepayments	129,081	168	3,336	-	132,585
Total current assets	939,823	41,863	3,434	-	985,120
Fixed Assets:					
Information system assets	6,632	174	-	-	6,806
Motor vehicles	110	-	-	-	110
Office equipment	3,873	225	-	66	4,164
Land	-	-	-	11,454	11,454
Buildings	15,064	-	-	28,223	43,287
Leasehold improvements	3,200	366	-	-	3,566
Capital work in progress	728	2	-	28	758
Total fixed assets	29,608	766	-	39,771	70,145
Intangibles					
Development costs	-	-	7,498	-	7,498
Information systems	24,936	-	-	-	24,936
Intangibles work in progress	1,072	-	-	-	1,072
Total intangibles	26,008	-	7,498	-	33,506
Other non - current assets					
Other financial assets noncurrent	57,979	-	-	-	57,979
Prepayments non current	18	-	-	-	18
Right of use assets	17,595	1,810	2,710	-	22,115
Other	12,583	-	-	-	12,583
Total other non-current assets	88,175	1,810	2,710	-	92,695
TOTAL ASSETS	1,083,615	44,438	13,642	39,771	1,181,466
Current Liabilities					
Accounts payable	(439,805)	(113,373)	(4,282)	-	(557,460)
Accrued payroll	(35,915)	(3,362)	(1,023)	-	(40,300)
Provisions	(1,977)	-	-	-	(1,977)
Lease liabilities	(5,847)	(105)	(1,290)	-	(7,242)
Other financial liabilities	(105,312)	-	-	-	(105,312)
Other current liabilities	(8,699)	-	-	-	(8,699)
Total current liabilities	(597,555)	(116,840)	(6,596)	-	(720,990)
Long term liabilities					
Accrued payroll non current	(2,140)	(1,450)	(7)	-	(3,598)
Provisions	(415)	-	-	-	(415)
Interest bearing liabilities	-	-	-	(27,000)	(27,000)
Lease liabilities non current	(11,976)	(1,761)	(1,536)	-	(15,274)
Other financial liabilities non current	(57,979)	-	-	-	(57,979)
Other long term liabilities	(5,532)	-	(475)	-	(6,007)
Total long term liabilities	(78,042)	(3,212)	(2,018)	(27,000)	(110,273)
Equity	(350,203)	-	-	-	(350,203)
Total equity & liabilities	(1,025,800)	(120,052)	(8,614)	(27,000)	(1,181,466)
Segment receivable / (loan)	(57,815)	75,613	(5,028)	(12,771)	-
(before tax & dividend distributions)					

NB: Equity is not split between segments, therefore is allocated to "core business" as dividends and taxation is not allocated by segments.

Appendix A – Business Segment Analysis- continued

Total Assets by business segment for the year ended 31 March 2023

TOTAL ASSETS BY SEGMENT	As at 31 March 2023				Total \$'000
	New Zealand kiwifruit \$'000	Non-New Zealand supply \$'000	New cultivar \$'000	All other segments \$'000	
Current assets:					
Bank, cash, short-term investments	424,986	-	-	-	424,986
Trade debtors	33,268	56,247	2,031	-	91,546
Other debtors / current assets	3,020	-	-	-	3,020
Other financial assets	119,527	-	-	-	119,527
Inventory / stock	99,411	9,673	-	-	109,084
Prepayments	64,960	154	26	-	65,140
Total current assets	745,172	66,074	2,057	-	813,303
Fixed Assets:					
Information system assets	6,885	195	6	-	7,086
Motor vehicles	79	16	-	-	95
Office equipment	2,762	322	1	-	3,085
Land	-	-	-	11,453	11,453
Buildings	13,885	-	-	28,855	42,740
Leasehold improvements	578	497	-	-	1,075
Capital work in progress	5,062	2	-	28	5,092
Total fixed assets	29,251	1,033	7	40,336	70,626
Intangibles					
Development costs	7,784	-	-	-	7,784
Information systems	27,529	-	-	-	27,529
Intangibles work in progress	1,717	-	-	-	1,717
Total intangibles	37,030	-	-	-	37,030
Other non - current assets					
Other financial assets noncurrent	71,602	-	-	-	71,602
Prepayments non current	201	-	-	-	201
Right of use assets	10,130	2,078	2,409	-	14,617
Other	12,004	-	-	-	12,004
Total other non-current assets	93,937	2,078	2,409	-	98,424
TOTAL ASSETS	905,390	69,186	4,472	40,336	1,019,383
Current Liabilities					
Accounts payable	(313,450)	(110,443)	(6,603)	-	(430,496)
Accrued payroll	(17,562)	(982)	(242)	-	(18,786)
Provisions and insurance liabilities	(3,370)	-	-	-	(3,370)
Lease liabilities	(192)	(898)	(897)	-	(1,987)
Other financial liabilities	(119,527)	-	-	-	(119,527)
Other current liabilities	(5,123)	-	-	-	(5,123)
Total current liabilities	(459,224)	(112,323)	(7,742)	-	(579,289)
Long term liabilities					
Accrued payroll non current	(1,779)	(1,581)	(7)	-	(3,367)
Provisions and insurance liabilities non c	(24)	-	-	-	(24)
Interest bearing liabilities	-	-	-	(27,000)	(27,000)
Lease liabilities non current	(10,516)	(1,314)	(1,542)	-	(13,372)
Other financial liabilities non current	(71,602)	-	-	-	(71,602)
Other long term liabilities	(1,335)	-	(195)	-	(1,530)
Total long term liabilities	(85,256)	(2,895)	(1,744)	(27,000)	(116,895)
Equity	(323,199)	-	-	-	(323,199)
Total equity & liabilities	(867,679)	(115,218)	(9,486)	(27,000)	(1,019,383)
Segment receivable / (loan) (before tax & dividend distributions)	(37,711)	46,032	5,014	(13,336)	-

NB: Equity is not split between segments, therefore is allocated to "core business" as dividends and taxation is not allocated by segments.

Appendix A – Business Segment Analysis- continued

Net profit/(loss) by business segment for the year ended 31 March 2024

	OTHER BUSINESS					Total \$'000
	New Zealand kiwifruit	Non-New Zealand supply	New cultivar	All other segments	Eliminations	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Revenue from sale of NZ kiwifruit (exc transfers)	3,334,285	-	-	-	-	3,334,285
Revenue from sale of Non-NZ kiwifruit	-	654,173	-	-	-	654,173
Total Sales revenue - external customers	3,334,285	654,173	-	-	-	3,988,458
Transfer Revenue:						
ZGL Commission from NZ Kiwifruit	317,264	-	-	-	(317,264)	-
Intercompany rent	-	-	-	3,041	(3,041)	-
Allocated excess taxation	-	-	-	2,636	(2,636)	-
New Cultivar Royalties	-	-	50,848	-	(50,848)	-
Inter-segment revenue	317,264	-	50,848	5,677	(373,789)	-
Revenue from insurance claims *	-	-	-	-	-	-
Revenue from licenses issued	-	-	217,073	-	-	217,073
Other Income	754	1,448	-	-	-	2,202
Research grant co-funding	2,419	-	2,414	-	-	4,833
External royalties	-	-	-	-	-	-
Other revenue *	3,173	1,448	219,487	-	-	224,108
Total revenue (excl. interest)	3,654,722	655,621	270,335	5,677	(373,789)	4,212,566
Freight	261,063	21,388	-	-	-	282,451
Insurance (onshore and offshore)	17,206	-	-	-	-	17,206
Duty and customs	50,612	10,190	-	-	-	60,802
Promotion	168,896	16,970	-	-	-	185,866
Other direct costs - offshore *	143,588	33,729	-	-	-	177,317
Other direct costs - onshore	68,244	-	-	-	-	68,244
KNZ/NZKGI/KVH costs	3,986	-	-	-	-	3,986
Fruit and service payments	2,281,141	497,840	59	-	-	2,779,040
Loyalty premium	40,341	-	-	-	-	40,341
Research and development	19,114	1,047	19,575	-	-	39,736
Depreciation	11,060	896	2,377	656	-	14,989
Amortisation / impairment intangible assets	6,521	-	2,334	-	-	8,855
Corporate and administration expenses	53,527	1,764	2,734	-	-	58,026
Land and building expenses	2,530	325	167	-	-	3,022
Motor vehicle expenses	837	331	1	-	-	1,169
Other travel	12,335	1,568	619	-	-	14,523
Office equipment maintenance	-	-	-	-	-	-
Human resource expenses	155,375	14,127	2,177	-	-	171,679
Marketing/advertising	-	-	-	-	-	-
Consultancy and legal	50,841	1,040	6,991	-	-	58,872
Other expenses	668	7	9	-	-	683
Foreign exchange hedging relating to Offshore Overheads	-	-	-	-	-	-
Transfer Payments:						
ZGL Commission from NZ Kiwifruit	317,264	-	-	-	(317,264)	-
Intercompany rent	2,800	-	241	-	(3,041)	-
Allocated excess taxation	2,636	-	-	-	(2,636)	-
Inter-segment service charge	(24,099)	22,133	1,957	9	-	-
ZGL royalty new cultivars	42,168	8,680	-	-	(50,848)	-
Total expense	3,688,655	632,036	39,241	664	(373,789)	3,986,807
Net profit before interest & taxation	(33,933)	23,585	231,094	5,013	-	225,759
Interest revenue on short term deposits	5,352	-	-	23,773	-	29,125
Intersegment interest income/(expense)	19,884	-	-	(19,884)	-	-
Interest expense	(1,463)	-	-	-	-	(1,463)
Net profit after interest before tax	(10,161)	23,585	231,094	8,902	-	253,420

* In the segment note of the statutory accounts, the New Zealand pool offshore insurance revenue is treated as negative cost, it is included in other external expenses.

The numbers above differ from those reported under NZ IFRS due to the allocation of FX gains and losses, which are presented separately under NZ IFRS, to the revenue and expense accounts they relate to.

Appendix A – Business Segment Analysis- continued

Net profit/(loss) by business segment for the year ended 31 March 2023

	OTHER BUSINESS				Eliminations \$'000	Total \$'000
	New Zealand kiwifruit \$'000	Non-New Zealand supply \$'000	New cultivar \$'000	All other segments \$'000		
Revenue from sale of NZ kiwifruit (exc transfers)	3,396,667	-	-	-	-	3,396,667
Revenue from sale of Non-NZ kiwifruit	-	519,323	-	-	-	519,323
Total Sales revenue - external customers	3,396,667	519,323	-	-	-	3,915,990
Transfer Revenue:						
ZGL Commission from NZ Kiwifruit	309,121	-	-	-	(309,121)	-
Intercompany rent	-	-	-	2,911	(2,911)	-
New Cultivar Royalties	-	-	46,891	-	(46,891)	-
Inter-segment revenue	309,121	-	46,891	2,911	(358,923)	-
Revenue from insurance claims *	-	-	-	-	-	-
Revenue from licenses issued	-	-	308,111	-	-	308,111
Other Income	3,992	2,564	-	11,962	-	18,518
Research grant co-funding	1,966	-	3,574	-	-	5,540
External royalties	-	-	-	-	-	-
Other revenue *	5,958	2,564	311,685	11,962	-	332,169
Total revenue (exc interest)	3,711,746	521,887	358,576	14,873	(358,923)	4,248,159
Freight	354,800	25,198	-	-	-	379,998
Insurance (onshore and offshore)	7,115	-	-	-	-	7,115
Duty and customs	47,364	6,414	-	-	-	53,778
Promotion	189,527	18,360	-	-	-	207,887
Other direct costs - offshore *	189,800	29,099	-	-	-	218,899
Other direct costs - onshore	111,588	-	-	-	-	111,588
KNZ/NZKGI/KVH costs	4,728	-	-	-	-	4,728
Fruit and service payments	2,193,016	373,347	-	-	-	2,566,363
Loyalty premium	48,554	-	-	-	-	48,554
Research and development	20,131	889	19,441	-	-	40,461
Depreciation	9,891	1,035	2,373	626	-	13,925
Amortisation / impairment of intangible assets	5,636	-	1,811	-	-	7,447
Corporate and administration expenses	32,666	790	1,645	-	-	35,102
Land and building expenses	1,999	397	-	-	-	2,396
Motor vehicle expenses	640	225	79	-	-	944
Other travel	9,677	1,402	667	-	-	11,746
Office equipment maintenance	-	-	-	-	-	-
Human resource expenses	135,318	10,601	7,659	-	-	153,578
Consultancy and legal	50,999	875	2,571	-	-	54,445
Other expenses	-	-	-	-	-	-
Foreign exchange hedging relating to Offshore Overheads	-	-	-	-	-	-
Transfer Payments:						
ZGL Commission from NZ Kiwifruit	309,121	-	-	-	(309,121)	-
Intercompany rent	2,911	-	-	-	(2,911)	-
Inter-segment service charge	(20,061)	17,364	2,685	12	-	-
ZGL royalty new cultivars	40,505	6,386	-	-	(46,891)	-
Total expense	3,745,924	492,382	38,932	638	(358,923)	3,918,953
Net profit before interest & taxation	(34,178)	29,505	319,644	14,235	-	329,206
Interest revenue on short term deposits	2,954	-	-	-	-	2,954
Intersegment interest income/(expense)	9,989	-	-	(9,989)	-	-
Interest expense	(912)	-	-	-	-	(912)
Net profit after interest before tax	(22,148)	29,505	319,644	4,246	-	331,247

NB: * In the segment note of the statutory accounts, all New Zealand pool offshore insurance revenue is treated as negative cost, it is included in other external expenses.

The numbers above differ from those reported under NZ IFRS due to the allocation of FX gains and losses, which are presented separately under NZ IFRS, to the revenue and expense accounts they relate to.

Appendix B – Total Fruit and Service Payments (including Loyalty Premium)

	RETURN \$m 2023/24	\$ PER TE 2023/24	\$ PER TE 2022/23	\$ PER TE 2021/22	\$ PER TE 2020/21	\$ PER TE 2019/20
Zespri® Green Kiwifruit						
Total tray equivalents supplied (m)		39.37	58.58	73.92	67.54	68.68
Fruit payments	264.70	6.72	4.16	4.69	8.65	4.10
Fruit incentives	206.80	5.25	4.20	3.77	0.36	4.15
Service payments	43.10	1.09	1.42	1.50	1.39	1.59
Loyalty premium	11.80	0.30	0.30	0.30	0.40	0.31
Total fruit and service payments (including loyalty premium)	526.40	13.37	10.08	10.25	10.80	10.16
Zespri® Organic Green Kiwifruit						
Total tray equivalents supplied (m)		2.03	3.08	2.99	2.76	2.79
Fruit payments	18.00	8.88	5.99	6.25	11.54	5.64
Fruit incentives	10.80	5.31	5.18	5.50	0.46	5.71
Service payments	3.10	1.52	1.03	0.96	0.81	0.90
Loyalty premium	0.60	0.30	0.30	0.30	0.40	0.31
Total fruit and service payments (including loyalty premium)	32.50	16.01	12.50	13.02	13.21	12.56
Zespri® SunGold Kiwifruit ⁽¹⁾						
Total tray equivalents supplied (m)		89.22	97.31	97.69	85.52	73.71
Fruit payments	901.20	10.10	7.40	7.82	14.18	6.32
Fruit incentives	546.20	6.12	6.55	6.77	0.83	8.14
Service payments	164.70	1.85	1.40	1.61	1.42	1.57
Loyalty premium	26.80	0.30	0.30	0.30	0.40	0.31
Total fruit and service payments (including loyalty premium)	1,638.90	18.37	15.65	16.50	16.82	16.35
Zespri® SunGold Organic Kiwifruit ⁽¹⁾						
Total tray equivalents supplied (m)		2.29	3.00	2.50	1.45	
Fruit payments	25.60	11.19	8.16	7.21	16.95	
Fruit incentives	16.20	7.07	7.73	8.20	0.55	
Service payments	3.20	1.41	1.14	1.30	0.96	
Loyalty premium	0.70	0.30	0.30	0.30	0.40	
Total fruit and service payments (including loyalty premium)	45.70	19.97	17.33	17.02	18.85	
Zespri® RubyRed Kiwifruit⁽³⁾						
Total tray equivalents supplied (m)		0.25	0.11			
Fruit payments	5.50	22.39	21.98			
Fruit incentives	(0.10)	(0.20)	0.19			
Service payments	-	(0.09)	-			
Loyalty premium	0.10	0.30	0.30			
Total fruit and service payments (including loyalty premium)	5.50	22.40	22.47			
Zespri® Sweet Green Kiwifruit						
Total tray equivalents supplied (m)		0.11	0.21	0.26	0.27	0.39
Fruit payments	1.10	10.55	8.05	7.16	12.70	6.59
Fruit incentives	0.40	4.09	2.78	3.98	0.50	3.92
Service payments	-	-	-	-	-	-
Loyalty premium	-	0.30	0.30	0.30	0.40	0.31
Total fruit and service payments (including loyalty premium)	1.50	14.94	11.13	11.44	13.61	10.82
Class 2 Green Kiwifruit						
Total tray equivalents supplied (m)		1.09	1.14	1.33	1.10	1.15
Fruit payments	10.00	9.17	6.38	7.18	7.32	7.01
Service payments	0.10	0.12	0.17	0.16	0.13	-
Total fruit and service payments	10.10	9.30	6.55	7.34	7.45	7.01
Class 2 Organic Green Kiwifruit						
Total tray equivalents supplied (m)		0.04	0.08	0.09	0.05	0.05
Fruit payments	0.50	12.49	8.41	9.87	10.02	10.02
Service payments	-	0.19	0.22	0.20	0.15	0.13
Total fruit and service payments	0.50	12.69	8.63	10.07	10.17	10.15
Class 2 SunGold Kiwifruit⁽²⁾						
Total tray equivalents supplied (m)		2.23	0.84	0.85	0.78	0.51
Fruit payments	25.70	11.49	10.15	9.36	9.02	8.44
Service payments	0.30	0.12	0.13	0.19	0.16	0.03
Total fruit and service payments	26.00	11.60	10.27	9.55	9.18	8.47
Class 2 SunGold Organic Kiwifruit⁽²⁾						
Total tray equivalents supplied (m)		-	-	0.03	0.03	
Fruit payments	-	-	-	14.10	13.42	
Service payments	-	-	-	0.03	0.04	
Total fruit and service payments	-	-	-	14.14	13.47	

Appendix B – Total Fruit and Service Payments (including Loyalty Premium) - continued

	RETURN \$m 2023/24	\$ PER TE 2023/24	\$ PER TE 2022/23	\$ PER TE 2021/22	\$ PER TE 2020/21	\$ PER TE 2019/20
Non-Standard Supply						
Total tray equivalents supplied (m)		0.45	1.51	0.01	0.14	0.85
Fruit payments	7.50	16.84	11.06	8.47	9.71	4.20
Fruit incentives	-	-	-	5.17	-	3.49
Service payments	0.10	0.24	0.56	0.43	0.77	0.96
Total fruit and service payments	7.60	17.08	11.62	14.07	10.48	8.65
Total All Pools						
Total tray equivalents supplied (m)		137.08	165.86	179.66	159.65	148.13
Fruit payments	1,259.80	9.19	6.29	6.50	11.74	5.28
Fruit incentives	780.30	5.69	5.57	5.44	0.61	6.12
Service payments	214.60	1.57	1.37	1.53	1.37	1.54
Loyalty premium	40.00	0.29	0.29	0.30	0.39	0.31
Total fruit and service payments (including loyalty premium)	2,294.70	16.74	13.52	13.77	14.11	13.25
Total fruit and service payments 2022/23 (NZ IFRS)	2,242.00					
Total fruit and service payments 2021/22 (NZ IFRS)	2,242.00					
Total fruit and service payments 2020/21 (NZ IFRS)	2,473.50					
Total fruit and service payments 2019/20 (NZ IFRS)	2,253.20					
Total fruit and service payments 2018/19 (NZ IFRS)	1,962.50					

(1) The 2018/19 to 2019/20 comparatives presented here for Zespri SunGold kiwifruit reflects the combined pool of Zespri SunGold and Organic SunGold kiwifruit (Gold3). These varieties have been split into separate pools from 2020/21 onwards.

(2) The 2018/19 to 2019/20 comparatives presented here for Zespri Class 2 SunGold kiwifruit reflects the combined results of Zespri Class 2 SunGold and Class 2 Organic SunGold kiwifruit (Gold3). These varieties have been presented separately from 2020/21 onwards.

(3) Zespri RubyRed was commercialised in the 2022/23 year therefore no comparatives are available for previous periods

Fruit and Service Payment amounts above are not rounded; therefore, rounding differences may apply to totals.

Appendix C – Regional Production Analysis (Class 1) – New Zealand-grown kiwifruit (trays supplied to Zespri)

Zespri Green kiwifruit	2023/24		2022/23		2021/22		2020/21	
	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha
Northland	54	4,114	69	6,878	79	7,410	81	8,829
Auckland	210	6,489	226	7,919	237	9,332	243	8,030
Bay of Plenty								
- Katikati	753	5,991	793	9,449	824	11,343	859	8,011
- Opotiki	403	6,677	424	7,245	433	11,363	436	10,735
- Tauranga	859	6,004	912	10,149	987	11,711	996	10,625
- Te Puke	2,725	7,886	2,863	10,359	2,969	12,672	3,079	11,551
- Waihi	83	5,125	90	8,851	101	10,822	106	7,608
- Whakatane	211	5,535	254	7,479	279	9,153	309	7,434
Waikato	176	3,525	230	7,450	210	9,327	202	8,297
East Coast	20	5,626	31	7,671	31	7,035	40	6,054
Hawkes Bay	25	5,863	34	7,574	39	6,332	41	6,005
Lower North Island	69	5,718	70	8,321	69	6,482	69	8,623
South Island	168	6,318	183	7,339	133	6,903	197	6,226
Total producing hectares	5,757	-	6,180	-	6,390	-	6,659	-
Average TE supplied per hectare	-	6,838	-	9,480	-	11,529	-	10,133
Zespri Green Organic kiwifruit	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha
Northland	-	-	-	-	-	-	-	-
Auckland	1	1,361	1	5,714	1	4,569	1	5,118
Bay of Plenty								
- Katikati	36	4,863	39	7,206	29	8,862	29	6,427
- Opotiki	22	3,519	22	7,137	22	7,337	22	7,400
- Tauranga	182	4,618	187	6,453	177	7,331	177	7,333
- Te Puke	39	5,335	39	7,956	38	8,926	35	8,276
- Waihi	23	4,059	21	6,582	20	6,207	22	3,961
- Whakatane	6	2,021	6	3,665	4	2,463	4	2,742
Waikato	142	4,151	145	6,377	142	5,226	147	4,875
East Coast	-	-	-	-	-	-	-	-
Hawkes Bay	-	-	-	-	-	-	-	-
Lower North Island	7	3,817	7	4,947	6	8,097	2	3,330
South Island	-	-	-	-	-	-	-	-
Total producing hectares	458	-	467	-	438	-	439	-
Average TE supplied per hectare	-	4,425	-	6,601	-	6,805	-	6,296
Zespri SunGold kiwifruit (Gold3) ⁽¹⁾	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha
Northland	575	6,913	528	10,602	430	12,461	386	13,251
Auckland	406	11,022	383	12,119	286	13,447	234	14,312
Bay of Plenty								
- Katikati	753	10,422	755	13,542	707	16,072	597	13,285
- Opotiki	633	11,698	638	10,906	603	15,771	571	13,901
- Tauranga	587	10,691	544	14,559	519	15,443	517	14,580
- Te Puke	3,234	12,652	2,939	14,230	2,643	15,621	2,402	15,252
- Waihi	95	10,262	91	13,483	82	15,412	97	12,256
- Whakatane	631	10,238	549	10,518	425	14,283	341	13,405
Waikato	205	8,415	213	10,754	194	14,204	185	12,773
East Coast	518	9,165	430	11,476	346	13,532	311	10,727
Hawkes Bay	85	10,081	171	12,710	167	12,522	165	11,034
Lower North Island	2	9,733	2	13,209	1	10,010	1	10,096
South Island	243	14,547	245	15,269	119	11,335	241	15,189
Total producing hectares	7,968	-	7,486	-	6,522	-	6,047	-
Average TE supplied per hectare	-	11,198	-	12,998	-	14,964	-	14,130

Producing hectares includes all hectares producing fruit in the relevant season. Producing hectare amounts are not rounded to whole numbers; therefore, rounding differences may apply to totals.

Appendix C – Regional Production Analysis (Class 1) – New Zealand-grown kiwifruit (trays supplied to Zespri) - continued

Zespri Organic SunGold kiwifruit (Gold3) ⁽¹⁾	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha
Northland	27	2,688	31	8,684	24	9,745	9	7,579
Auckland	3	1,724	3	7,701	4	4,877	4	8,687
Bay of Plenty								
- Katikati	18	5,884	15	9,127	10	12,156	2	7,868
- Opotiki	15	5,893	14	8,616	11	12,335	11	7,939
- Tauranga	45	6,539	52	10,346	41	12,613	30	10,618
- Te Puke	122	9,311	113	11,281	102	11,643	52	12,350
- Waihi	6	4,629	6	10,489	6	9,545	13	9,307
- Whakatane	14	9,182	11	13,143	-	-	-	-
Waikato	22	6,882	22	10,614	19	9,256	18	8,263
East Coast	28	10,103	19	10,749	4	11,702	3	4,871
Hawkes Bay	-	-	-	-	-	-	-	-
Lower North Island	-	-	-	-	-	-	-	-
South Island	-	-	-	-	-	-	-	-
Total producing hectares	299	-	285	-	222	-	142	-
Average TE supplied per hectare	-	7,661	-	10,518	-	11,299	-	10,253
Zespri RubyRed kiwifruit ⁽²⁾	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha
Northland	19	1,404	2	2,342				
Auckland	26	2,001	11	1,674				
Bay of Plenty								
- Katikati	15	3,220	4	3,142				
- Opotiki	8	2,691	8	1,599				
- Tauranga	7	1,792	4	2,838				
- Te Puke	40	2,795	15	2,271				
- Waihi	2	377	1	1,857				
- Whakatane	15	898	2	1,779				
Waikato	11	2,672	9	959				
East Coast	14	1,574	5	1,331				
Hawkes Bay	1	966	-	-				
Lower North Island	1	3,008	-	-				
South Island	-	-	-	-				
Total producing hectares	159	-	59	-				
Average TE supplied per hectare	-	2,158	-	1,882				
Zespri Sweet Green kiwifruit (Green 14)	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha	Producing Hectares	TE supplied per ha
Northland	-	-	-	-	-	-	-	-
Auckland	8	4,454	8	5,324	9	4,957	12	3,088
Bay of Plenty								
- Katikati	5	2,735	6	4,328	6	5,153	8	4,307
- Opotiki	3	4,732	5	4,026	5	8,653	5	5,687
- Tauranga	1	7,409	1	5,406	1	9,330	1	5,771
- Te Puke	5	7,285	7	8,472	8	10,775	9	8,719
- Waihi	-	-	-	-	-	-	-	-
- Whakatane	2	2,352	2	4,352	2	6,670	5	5,844
Waikato	-	-	-	-	-	-	-	-
East Coast	-	-	-	-	-	-	-	-
Hawkes Bay	-	-	7	7,838	7	5,605	7	7,831
Lower North Island	-	-	-	-	-	-	1	2,471
South Island	-	-	-	-	-	-	-	-
Total producing hectares	23	-	34	-	37	-	48	-
Average TE supplied per hectare	-	4,666	-	6,025	-	6,969	-	5,608

TE/Ha. = tray equivalents supplied per hectare. Producing Hectares includes all hectares producing fruit in the relevant season.

(1) The 2019/20 comparatives presented here for Zespri SunGold kiwifruit reflects the combined pool of Zespri SunGold and Organic SunGold kiwifruit (Gold3). These varieties have been split into separate pools from 2020/21 onwards.

(2) Zespri RubyRed was commercialised in the 2022/23 year therefore no comparatives are available for previous periods

Producing hectares includes all hectares producing fruit in the relevant season. Producing hectare amounts are not rounded to whole numbers; therefore, rounding differences may apply to totals.

Appendix D – Transfer Payments

2023/24

Item	Recipient of transfer income	Recipient of transfer expense	Description of transfer item	\$'000
Inter-segment service charge	New Zealand Kiwifruit	Non-New Zealand Supply	Recharge of costs incurred by corporate on Non-New Zealand-grown kiwifruit behalf e.g. salary costs.	22,133
Inter-segment service charge	New Zealand Kiwifruit	New Cultivar	Recharge of costs incurred by corporate on new cultivar kiwifruit segment's behalf e.g. salary costs	1,957
Intercompany rent	All other segments	New Zealand kiwifruit	Payment made from New Zealand kiwifruit to Land & Buildings segment in relation to orchard, property and building rent charges.	2,800
New Cultivar Royalty payments from New Zealand kiwifruit	New Cultivar	New Zealand Kiwifruit	Payment made from New Zealand kiwifruit, based on sales value, for royalties on Zespri PVR's.	42,168
New Cultivar Royalty payments from non-New Zealand kiwifruit	New Cultivar	Non-New Zealand Supply	Payment made from non-New Zealand kiwifruit, based on sales value, for royalties on Zespri PVR's.	8,680
Profit before tax transferred to New Zealand Kiwifruit	New Zealand Kiwifruit	Non-New Zealand Supply	Profit is transferred to New Zealand Kiwifruit equity.	23,585
Profit before tax transferred to New Zealand Kiwifruit	New Zealand Kiwifruit	New Cultivar	Profit is transferred to New Zealand Kiwifruit equity.	231,094
Profit before tax transferred to New Zealand Kiwifruit	New Zealand Kiwifruit	All other segments	Profit is transferred to New Zealand Kiwifruit equity.	8,901

Note:

1. All material transfers between segments have a fair value assigned. No nil value or nominal value transfers representing a material underlying fair value have occurred.
2. All inter-segment transfers have been fully settled within the year. No transfer balances are outstanding at 31 March 2024.

2022/23

Item	Recipient of transfer income	Recipient of transfer expense	Description of transfer item	\$'000
Inter-segment service charge	New Zealand Kiwifruit	Non-New Zealand Supply	Recharge of costs incurred by corporate on Non-New Zealand-grown kiwifruit behalf e.g. salary costs.	17,364
Inter-segment service charge	New Zealand Kiwifruit	New Cultivar	Recharge of costs incurred by corporate on new cultivar kiwifruit segment's behalf e.g. salary costs	2,685
Intercompany rent	All other segments	New Zealand kiwifruit	Payment made from New Zealand kiwifruit to Land & Buildings segment in relation to orchard, property and building rent charges.	2,911
New Cultivar Royalty payments from New Zealand kiwifruit	New Cultivar	New Zealand Kiwifruit	Payment made from New Zealand kiwifruit, based on sales value, for royalties on Zespri PVR's.	40,505
New Cultivar Royalty payments from non-New Zealand kiwifruit	New Cultivar	Non-New Zealand Supply	Payment made from non-New Zealand kiwifruit, based on sales value, for royalties on Zespri PVR's.	6,386
Profit before tax transferred to New Zealand Kiwifruit	New Zealand Kiwifruit	Non-New Zealand Supply	Profit is transferred to New Zealand Kiwifruit equity.	29,505
Profit before tax transferred to New Zealand Kiwifruit	New Zealand Kiwifruit	New Cultivar	Profit is transferred to New Zealand Kiwifruit equity.	319,644
Profit before tax transferred to New Zealand Kiwifruit	New Zealand Kiwifruit	All other segments	Profit is transferred to New Zealand Kiwifruit equity.	4,246

Note:

1. All material transfers between segments have a fair value assigned. No nil value or nominal value transfers representing a material underlying fair value have occurred.
2. All inter-segment transfers have been fully settled within the year. No transfer balances are outstanding at 31 March 2023.



Independent Auditor's Report

To the shareholders of Zespri Group Limited

Report on the audit of the special purpose financial statements

Opinion

In our opinion, the accompanying special purpose financial statements of Zespri Group Limited (the Company) and its subsidiaries and investments in joint operations (the group) on pages 2 to 16:

- i. present in all material respects the group's financial position as at 31 March 2024 and its financial performance for the year ended on that date in compliance with the financial reporting provisions required by the Kiwifruit Export Information Disclosure Handbook (the "Handbook") under the Kiwifruit Export Regulations 1999 (the "Regulations"); and
- ii. Are correctly referenced to the annual report of Zespri Group Limited dated 21 June 2024.

We have audited the accompanying special purpose financial statements which comprise the additional disclosures included in pages 2 to 16.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the special purpose financial statements* section of our report.

Our firm has also provided other services to the group in relation to limited assurance over non-financial disclosures, other assurance services, agreed upon procedure engagements and taxation advisory and compliance services. 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.



Emphasis of matter – Basis of Accounting

Without modifying our opinion, we draw attention to the Basis of Preparation note to the special purpose financial statements, which describes the basis of accounting. The special purpose financial statements are prepared to meet the requirements of the Handbook and Regulations. As a result, the special purpose financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Other matter

The group has prepared a separate set of consolidated financial statements for the year ended 31 March 2024 in accordance with New Zealand Equivalents to International Financial Reporting Standards on which we issued a separate unqualified auditor's report to the shareholders of the Company dated 21 June 2024.



Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders as a body. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent 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 shareholders as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Directors for the consolidated special purpose financial statements

The Directors, on behalf of the company, are responsible for:

- the preparation of the consolidated special purpose financial statements in accordance with Handbook and Regulations;
- implementing necessary internal control to enable the preparation of a consolidated special purpose set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated special purpose financial statements

Our objective is:

- to obtain reasonable assurance about whether the consolidated special purpose financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent 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. They 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 consolidated special purpose financial statements.

A further description of our responsibilities for the audit of these consolidated special purpose financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/>

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Laura Youdan

For and on behalf of

A handwritten signature of the KPMG firm, written in blue ink. The letters 'KPMG' are clearly visible and appear to be written in a cursive or semi-cursive style.

KPMG
Auckland

15 July 2024