Zespri KIWIFRUIT

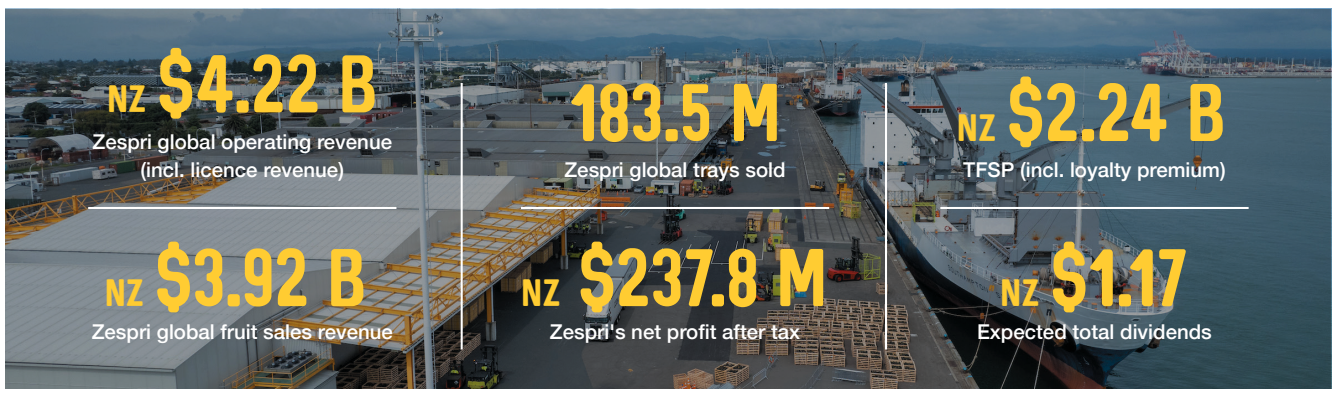
KIWIFLIER

MAY 2023

#447

P5: FROM THE MARKETS | P6-7: ZESPRI IN THE COMMUNITY | P13: THE MONTH AHEAD – JUNE | P16: FROM THE FIELD

2022/23 FINANCIAL RESULTS REFLECT CHALLENGING SEASON



Zespri's 2022/23 financial results reflect a challenging period for the kiwifruit industry, with grower returns down on the back of fruit quality issues that have primarily been driven by the industry's severe labour shortage, along with cost increases and supply chain challenges.

The scale of quality costs, which increased from $307 million in 2021/22 to $534 million in 2022/23, along with increasing demand and stronger pricing in market, illustrate the opportunity the industry has to secure greater value and the importance of the current focus on addressing quality concerns and supply chain challenges.

Zespri recorded total global fruit sales revenue of NZ $3.92 billion in 2022/23, down three percent on the record result of 2021/22, with global sales volumes down from 201.5 million trays to 183.5 million trays. Direct returns to the New Zealand industry decreased to $2.24 billion in 2022/23, the third highest Total Fruit and Service Payments recorded, and are spread across New Zealand growing regions including the Bay of Plenty, Northland, the East Coast, Nelson, and the Waikato. Increased quality and other costs resulted in grower returns being down on the record highs of recent seasons, with Zespri Green and Zespri SunGold Kiwifruit per hectare returns outside the lower end of the season's initial forecast ranges.

Zespri's Non-New Zealand Supply sales decreased to $519 million, down from $537 million last year. This reflects similar challenges experienced in our offshore growing regions, with our Italian growers facing extreme heat and some of the worst quality costs they have experienced in recent years. Total operating revenue of $4.22 billion was down on last year's record $4.47 billion. Zespri's net profit after tax was $237.8 million, back from the record profit of $361.5 million in 2021/22, with Zespri releasing a reduced number of Zespri SunGold Kiwifruit hectares as part of its 2022/23 licence release programme.

Zespri Chief Executive Officer Dan Mathieson says the results are indicative of what's been a very difficult period for many primary industries.

"This was one of our toughest-ever seasons and the industry worked incredibly hard to deliver our fruit to market, despite facing an extraordinary number of challenges relating to the labour shortage, the ongoing impacts of COVID-19, the climate, and rising costs.

"We continued to see strong demand and pricing in market and secured more than $100 million in benefits via our foreign exchange hedging policy," says Dan.

"However, quality costs have significantly impacted grower returns which have dropped from the highs recorded in recent seasons."

Dan notes that the investment Zespri has made in building consumer demand and a world-leading fruit brand, alongside our long-term customer and supply chain relationships, means we're well placed to get back on track and increase the value we can deliver back to growers, the industry, and New Zealand communities.

"Reducing our quality costs will be central to this, and the industry is working hard across the supply chain to make sure we're once again delivering consistently great quality fruit to consumers in 2023/24 and beyond.

"Our industry has a proven track record of being able to address challenges by working together and with a strong demand outlook, we remain encouraged by the opportunity for the industry to deliver greater value for growers and our stakeholders in the years ahead," says Dan.

Zespri Acting Chairman Paul Jones notes that the 2023/24 growing season has also been tough and acknowledges the impact low yields and adverse weather events are again having on growers.

"While conditions remain challenging, the first shipments of the 2023/24 season have been well received by our customers, indicating initiatives from the industry's Quality Action Plan are helping reduce quality costs and keeping poorer quality fruit onshore," says Paul.

"The Board acknowledges the considerable efforts already underway to deliver this through the implementation of the industry's Quality Action Plan, and we will continue to ensure Zespri is maintaining an appropriate level of spending and prioritising projects which deliver value for the industry."

FINAL 2022/23 NEW ZEALAND GROWER RETURNS

POOLS [FRUIT CATEGORIES]	2022/23 FINAL [PER TRAY]	2021/22 FINAL [PER TRAY]	2022/23 FINAL [PER HECTARE]	2021/22 FINAL [PER HECTARE]
Zespri Green	$5.78	$6.35	$57,636	$75,494
Zespri Organic Green	$8.68	$9.74	$60,912	$67,752
Zespri SunGold	$9.97	$11.51	$137,524	$176,026
Zespri Organic SunGold	$12.28	$12.61	$133,548	$143,772
Zespri Green14	$6.87	$7.82	$41,761	$54,609
Zespri RubyRed	$22.27	-	$42,063*	-

*Note: Zespri RubyRed forecast per hectare return, in its first year as a commercial pool, has been influenced by a high proportion of productive hectares returning low yields impacted by vine age. The age profile of per hectare returns across the pool is provided below:

VINE AGE	PRODUCTIVE HECTARES	GROSS SUBMITTED VOLUME	YIELD	2022/23 FINAL [PER HECTARE]
< 2 years	51	61,869	1,212	$26,996
> 2 years	8	50,284	6,029	$134,253
Total	59	112,153	1,889	$42,063

AUG 23

COME ALONG TO THE ZESPRI ANNUAL MEETING

The Zespri Annual Meeting will take place on Wednesday 23 August 2023 at Mercury Baypark, in Mount Maunganui.

We're looking forward to seeing growers there in person. However, if you can't make it, shareholders may also attend online and will be able to ask questions and vote remotely.

The Annual Report 2022/23 and the formal Notice of Meeting, as well as Proxy Forms and information relating to the appointment of Directors, will be sent to shareholders in July.

Companies and other incorporated entities must appoint a representative as a proxy if they plan to attend the Annual Meeting.

A reminder to check your mailing address is correct with Zespri Grower Support Services by emailing contact.canopy@zespri.com.

DO YOU NEED TO APPOINT A PROXY?

The Companies Act 1993 allows for a 'Standing Proxy' to be appointed, and that proxy will automatically be appointed for the next five years.

The proxy appointment will apply for all meetings of shareholders, including Annual Meetings and Special Meetings. By completing the standing proxy, you still have the option to either vote at the Annual Meeting or online, but by doing so, you eliminate the need to appoint a proxy (person) to represent your company 48 hours prior to a meeting.

If you have any questions about this process or want to get a copy of the standing proxy form, please contact Zespri (shares@zespri.com or 0800 155 355) or Computershare (corporateactions@computershare.co.nz or 09 488 8777).

If you wish to withdraw or change your Standing Proxy, you can do so by notifying Zespri or Computershare in writing at least 48 hours before any meeting of shareholders.

NOMINATIONS FORMS

Nomination forms for Zespri Directors and Shareholder Members of the Director Remuneration Committee will be available on Canopy in the coming weeks.

SEE YOU AT MYSTERY CREEK FIELDAYS!

JUN 14-17

Only a few weeks to go till Mystery Creek Fieldays! Check out page 16 for more details.



DAN'S VIEW

Update from the CEO

Hi everyone,

The industry has completed packing this season's Zespri SunGold Kiwifruit, Zespri RubyRed Kiwifruit, and Sweet Green crops and has now moved into packing the final third of our Zespri Green and second half of our Organic Green Kiwifruit crops.

In total, we're expecting a reduced crop of around 136 million trays this season, including one of our lowest Green crops in the last twenty years of around 40 million trays, reflecting the weather events of the last few months which have made this a particularly difficult harvest.

These lower volumes do give us an opportunity to concentrate our attention on what must remain a core priority of lifting our quality, and it's been really pleasing to see the hard work underway across our supply chain to present consistently good quality fruit to our customers and consumers. This not only helps us meet customer expectations, but reduce the quality costs that so heavily impacted grower returns in 2022/23.

While the final 2022/23 returns we released last week were up from the February forecast, they were down from the record highs we've achieved in recent years. This reflects not only challenges around fruit quality, but the rising costs we've seen across the supply chain, including freight, wages, and material costs that have hit all exporters hard.

Demand remains strong for our fruit, and reducing these costs is critical in being able to return more value to growers and our communities. Our aim should be to move per tray quality costs back from more than $2.50 for Green and almost $3.50 for Zespri SunGold Kiwifruit in 2022/23 towards the $1.00 - $1.50 mark.

Achieving this is going to be tough and requires a sustained effort across what is going to be another challenging season in front of us, but we are seeing promising signs as more people return to the industry.

Fruit defect levels have improved on last season, and the consistent feedback from customers has been that early season fruit quality has improved, measures which reflect the hard work being undertaken as part of the industry's Quality Action Plan initiatives. We'll continue to provide regular updates on this over the coming months.

Finally, I wanted to say thanks to those growers who have provided feedback on this year's licence release programme which we completed earlier in May. The new system was designed to meet grower requests for greater transparency of the level of demand, and resulted in all successful bidders paying the same price for licence.

We've got a big month of conversations coming up where we'll be discussing a lot of these issues in more detail, including a Virtual Town Hall on 8 June with Jason Te Brake, Mystery Creek Fieldays starting on 14 June, and our Shed Talks which will start the week commencing 19 June.

All the best for the last few weeks of harvest and I look forward to seeing you at Fieldays.

Dan

FRUIT QUALITY UPDATE

The industry's Quality Action Plan is progressing well in 2023 and early fruit quality results are very positive.

The Quality Action Plan was launched in October 2022 and has instigated changes to 2023 season's commercial drivers, Zespri quality assurance, and Supplier Accountability programmes. The Plan has also promoted best practice for growing and harvesting high quality fruit. Implementation progress of the plan has been reported in previous editions of *Kiwiflier*, and fruit quality results to date indicate a significant improvement in early season fruit quality:

- Export consignment product inspection (ECPI) results indicate an excellent start to the season with a high storage pass rate for both Zespri SunGold Kiwifruit and Zespri Green Kiwifruit to the end of Week 20. The ECPI packing defects for Zespri SunGold Kiwifruit continue to show flesh damage similar to 2022, indicating the need for ongoing attention to harvest quality.
- Early arrivals in-market of both Zespri SunGold Kiwifruit and Zespri Green Kiwifruit have out turned well, with lower levels of defects compared to recent previous seasons — especially for soft defects and rots. Markets continue to report excellent customer feedback on fruit quality, and low levels of customer claims. The new major quality Product Issue Notification (PIN) for high levels of combined rots — non-pathogenic fungal growth (NFPG) — that was introduced as part of the Quality Action Plan has supported the follow-up of isolated quality issues.

The Quality Action Plan was the first stage in a wider fruit quality improvement programme. The second stage of this programme, the Quality Reset, is focused on improvements beyond 2023 and has commenced with a number of initiatives being implemented and other initiatives being investigated for possible implementation.

The initiatives being implemented are:

- **Centralised reporting** — Zespri's reporting capabilities are being extended to improve quality related reporting both internally within Zespri and to growers and wider Industry. Improved transparency of quality-related information via the Industry Portal is being developed, with the initial new reports expected to be released by 30 September 2023.
- **Soft Fruit Tester** — the Soft Fruit Tester (SFT) has been developed through Zespri's Innovation programme and will be trialled in-market during 2023. This device is intended to replace penetrometers for soft fruit determination as it is better at segregating softer fruit. It is intended that the SFT is implemented in all markets for use for the 2024 Supplier Accountability programme.
- **Harvest Good Practice for Quality Guide** — the harvest good practice resources created as part of the Quality Action Plan are being extended into a harvest good practice guide for the 2024 harvest.

The initiatives being investigated under the Quality Reset include the ongoing evolution of Zespri's quality assurance programme and the ongoing evolution of the Supplier Accountability programme.

As the 2023 season unfolds, and as the Quality Reset initiatives commence, we'll continue to keep growers and industry updated — stay tuned for further updates in the June 2023 issue of *Kiwiflier*.

HI-CANE UPDATE

The Decision Making Committee (DMC) of the Environmental Protection Agency (EPA) is set to decide on the hearing date for the hydrogen cyanamide reassessment around the time *Kiwiflier* is finalised for print. The hearings are currently set to start on 3 July 2023 and the DMC will determine whether or not the hearings should be moved to February next year.

In May, the DMC asked all Hi-Cane submitters if they would be unduly prejudiced if the hearings were moved to the week starting 22 January 2024. This was in response to NZKGI's request to hold the hearings later in the year, given several of their presentation team were unavailable for the July date.

Zespri supports NZKGI's request and proposed the hearings be held from 26 February 2024 instead of 22 January 2024, given several of our experts and presenters are unavailable over the Christmas holiday period.

The DMC then went out again to all submitters in late May to ask if they would be unduly prejudiced if the hearings were moved to 26 February, as we had asked, and also asked Zespri for more information on who from our team is unavailable and why we can't provide alternative people. The DMC will announce its decision in the week beginning 29 May so keep an eye on Canopy for more information.

ORGANIC KIWIFRUIT RETURNS UPDATE

While the final 2022/23 Organic Green and Organic SunGold Kiwifruit returns have improved on the February Forecast, we recognise it's been an incredibly tough season for growers with final organics per tray returns at the lower end of the forecast range.

Below is some additional detail for growers:

Organic Green

The 2022/23 final return of $8.68 is up 64c on the February forecast for Organic Green, with Total Fruit Service Payments (TFSP) up 45c. The main contributor to this increase was net price gains through the finalisation of the North America forecast, and a stronger finish across other markets driving stronger pricing compared to the forecast. Other savings came from a reduction in Europe's repack costs, and on-shore repack savings — including cost reductions from a fruit label trial which was not progressed. There was also considerable increase in post-harvest Class 2 and Non-Standard Supply income.

Organic Zespri SunGold Kiwifruit

For Organic Zespri SunGold Kiwifruit, the final return of $12.28 is up 70c from the February forecast, with TFSP up 62c. This was driven by a positive North America reconciliation, which included significant repack cost savings and was supported by net price increases across markets in the final reconciliation. Onshore costs also reduced, and we saw a strong contribution from post-harvest Class 2 and Non-Standard Supply income as this was finalised.

This, combined with the release of remaining provisions, has driven the forecast increases to both pools.

If you have any questions or wish to talk through this in more detail, please contact:

Tracey Armstrong
Global Organic Portfolio Leader
021 187 5058

Teresa Whitehead
Organic Supply Specialist
027 257 7135

CHECK OUT PAGES 8-11 FOR MORE DETAIL ON OUR FINANCIALS.



2023 LICENCE ALLOCATION *Auction Results*

The first ever ascending price-open auctions for Zespri SunGold Kiwifruit and Zespri RubyRed Kiwifruit licences have concluded for 2023. All successful growers have received notification of their successful allocations.

This year's licence release attracted strong participation, this time with three separate licence auctions for Zespri RubyRed Kiwifruit, Restricted Zespri SunGold Kiwifruit (Hayward/Green14 cutover) and Unrestricted Zespri SunGold Kiwifruit held over the course of a week.

ZESPRI RUBYRED KIWIFRUIT

65 successful bidders

1.94 avg ha purchased

RESTRICTED ZESPRI SUNGOLD KIWIFRUIT

125 successful bidders

1.42 avg ha purchased

UNRESTRICTED ZESPRI SUNGOLD KIWIFRUIT

76 successful bidders

1.96 avg ha purchased

More than **897** eligible bidders recorded across all pools

WHY DID WE CHANGE TO THE ASCENDING PRICE-OPEN AUCTION MECHANISM?

After an extensive licensing review process undertaken in 2022, with advice from independent experts and feedback from more than 700 growers via surveys, workshops, and Shed Talks, the licence bidding mechanism changed from a closed tender bid process to an online ascending price-open auction.

The ascending price-open auction is a transparent way to allow growers to see (live) demand and price per hectare, per round in each auction pool.

The two main reasons as to why Zespri's Board announced a new bidding method from 2023, were to provide transparency, where growers can see the demand from other bidders at each price point; and establish price equity, providing marketplace certainty that all successful bidders pay the same price per hectare.

COMMUNICATION AND EDUCATION

With this year being the first time we used the ascending price-open auction mechanism, significant efforts were put into ensuring growers understood how the new process worked prior to the auctions commencing.

Our licence team, the Zespri Board, post-harvest grower-facing teams, and bidders all had the opportunity to take part in at least one practice auction to get familiar with the auction software. These practice auctions were well attended with approximately 350 bidders attending across four days, with many attending both options. This gave our bidders (and those supporting them) a sense of what the live bidding would look and feel like, and gave Zespri the opportunity to fine tune the support mechanism and iron out any issues ahead of the Licence auction week.

Some of those that participated in the practice auctions said the practice auctions were very beneficial as it gave them the opportunity to practice both 'live' bidding and setting up a pre-set bid, helping them make an informed decision on how best to participate ahead of the actual auctions.

Along with the practice auctions, Zespri also provided Bidders with a 'Practical Tips for Bidders' guide, a comprehensive bidder manual, and instructional videos in English and Punjabi. All these resources were accessible on Canopy, or via the Licence team.

FEEDBACK RECEIVED

Positive feedback received at the conclusion of both the practice and live auctions included:

"A great result for all growers who wanted licence at a fair price, and one price for all."

"I took part in yesterday's auction. I want to congratulate the team. We thought that it was transparent, easy, and fair. Well done."

The 2023 licence release results are summarised in the table below. Further information can be found on Canopy here: Canopy > Growing Kiwifruit > Zespri™ Variety Licences > Licence Release

ZESPRI 2023 LICENCE RELEASE RESULTS

Licence pool	Zespri RubyRed Kiwifruit	Restricted Zespri SunGold Kiwifruit (Hayward/Green14 cutover)	Unrestricted Zespri SunGold Kiwifruit
Hectares available	150 ha	200 ha	150 ha
Hectares released	125.8 ha	199.5 ha	148.8 ha
Opening price (GST inclusive) per hectare	$38,000	$258,000	$258,000
Final price (GST inclusive) per hectare	$38,000	$678,000	$700,000
Final price (GST exclusive) per hectare	$33,043	$589,565	$608,696
Total number of auction rounds	1	20	10
Total hectares bid for (first round of bids)	125.8 ha	627.5 ha	524.1 ha
Average successful bid size	1.94 ha	1.42 ha	1.96 ha
Number of registered bidders	121	422	354
Number of successful bidders	65	125	76



FINISHING OFF BLOCKS AND SHELTERBELT LICENCE

In October 2022, the Zespri Board also approved an enduring process for Zespri SunGold Kiwifruit 'Finishing off blocks' and 'Shelterbelt' licence with a fixed price, being the final price of the Unrestricted Zespri SunGold Kiwifruit auction ($700,000 per, including GST).

This process is available throughout the year and is for growers who require small amounts of licence (up to 0.30 hectares per KPIN) to finish off a Zespri SunGold Kiwifruit area or to replace a shelterbelt that is to be removed.

Previously, Shelterbelt Removal licence was applied for under a different process at the Treasury Stock price. However, we are simplifying this by combining this Shelterbelt Removal with the Finishing Off Blocks process, at the same price.

This process will give growers the certainty of a fixed price for small parcels. The eligibility criteria is similar to that of the 2022 application process and can be found on Canopy: Canopy > Growing Kiwifruit > Zespri™ Variety Licences > Licence Management > Shelterbelt removal.

The application window opened immediately after the finalisation of the 2023 Licence Auctions and remains open until such time as Zespri decides otherwise (by way of notice on the Zespri Canopy website).

Applications must relate to an identified property with an assigned KPIN at the time of application and must be submitted in writing using the Application form in the Zespri SunGold Kiwifruit Finishing off Blocks Licence Application Overview and Rules document (LAOR) which can be found on the Zespri Canopy Website. This application must include a valid GPS map showing the proposed area for removal. The application must be made before any shelterbelt is removed or any additional area is grafted.

The application needs to be submitted to the Zespri Licence Team via email at new.cultivars@zespri.com for approval.

Note, growers requiring Zespri RubyRed Kiwifruit licensed area to either finish off a block or replace a shelterbelt must bid for this in the annual licence auction for Zespri RubyRed Kiwifruit.

ZESPRI RUBYRED KIWIFRUIT SHOWS PROMISING RESULTS IN MARKET

Zespri RubyRed Kiwifruit sales have been tracking well, with more than 250,000 Class 1 trays (330,000 trays including Size 46s) of this season's crop shipped and sold in Japan, China, Singapore, Taiwan. The short eight-week sales window for Zespri RubyRed Kiwifruit and the novelty factor have helped drive demand, and prices continue to be at a premium to Zespri SunGold Kiwifruit.

Japan was the first market to open the Zespri RubyRed Kiwifruit season.

Zespri Head of Product Portfolio Carla Nina says sales in Japan were driven by a strong presence in-store, leveraging on the Kiwi Brothers and introducing a 'Kiwi Sister'.

China's performance is marked by a strong role of the online channel, which contributes to further raising awareness for the newest Zespri product.

And this year in Singapore, the arrival of Zespri RubyRed Kiwifruit coincides with Hari Raya, a key festive season marking the end of Ramadan for Muslims.

"It's a special moment for Zespri RubyRed Kiwifruit to be part of the celebration menu," says Carla.

"A strong presence in store and online has helped drive demand in the market."

Zespri market research shows consumer preference for RubyRed Kiwifruit is dictated mostly by the price and the pack type seen on shelf. For this reason, and to help hold the value of the smaller fruit sizes, most of the volume of Zespri RubyRed Kiwifruit has been sold in pre-packs.

Zespri Supply Chain Technical Specialist Leo Lai says packout improved with vine age, and fruit quality on arrival in markets this year was good, though we do see some variability in fruit quality

"Arrival firmness was good — between ~1.5 – 3 kgf across the markets," says Leo.

"The major defect in arrival at market checks was skin disorder, particularly spotting, this season and we also experienced some severe russet on fruit that were grower specific."

Communication with customers promoted the benefits of Zespri RubyRed Kiwifruit, and how it differed to other varieties, including the smaller size, short shelf-life, and russet being a natural feature on the skin.

A review of the markets and supply chain performance is done each year and this year will include the Brix level for Maturity Clearance Criteria, consideration of Size 46 fruit as standard supply. Trial export opportunities will be looked at for Size 49 fruit in 2024. When decisions are made, these will be shared with growers.











Zespri RubyRed Kiwifruit in-store display in China and Taiwan.

GROWING RED19

Zespri is committed to supporting Red19 growers with research-based information on production.

Information on growing Red19 is available in the updated 2023 Red19 Grower's Guide.

Timely information and interviews with Red19 growers are also available in the Raising Red newsletter. You can check this out here: Canopy > Zespri & The Kiwifruit Industry > Publications > Raising Red

The latest issue of Raising Red features an interview with Red19 Grower, Aidan Bourke, about how he achieves top production year-on-year.

To all our Red19 growers who are working through those tough early years of commercial production, thank you for taking on this exciting opportunity and for all your efforts as you work towards those greater volumes that the older vines produce.



TOP TIPS

- Red19 vines are sensitive to wind and cold. Warm, sheltered sites establish quicker and production is better with fewer rejects from wind damage. Marginal, cold, and inadequately sheltered trial blocks have been affected with Psa symptoms.
- Young Red19 vines are prone to small size fruit, and an abundance of undersize fruit that can lead to low packout rates. In early years, growers should consider focusing on canopy establishment rather than production.

JUNE 23 UPCOMING EVENT: *Zespri RubyRed Kiwifruit research update*

Date: Friday 23 June

Time: 9:30am-1:00pm

Venue: Mercury Baypark Stadium Lounge, Truman Lane, Mount Maunganui

Zespri invites you to a research update for Red19 growers. The event will include updates from the Zespri Innovation Team research projects and a panel discussion with top performing Red19 growers who'll share production tips and answer your questions.

Programme:

- Productivity trials including the use of foliar fertilisers and girdling
- Agrichemical trials to thin flowers, this includes Hi-Cane and other products
- Summer applications of oil on Red19 to control Scale insects
- Panel discussion with leading growers.

If you have any questions, contact Robin Barker-Gilbert on 027 7795 910.

Please register using the QR code to the right. Simply take a photo of the QR code, tap the banner that appears on your phone or tablet, and follow the instructions to register.

FROM THE MARKETS

MARKET UPDATE

Despite a delayed start to the New Zealand Zespri SunGold Kiwifruit season, all markets are now underway with sales which globally have been tracking well with more than 22.9 million TE of Class 1 Zespri SunGold Kiwifruit delivered as at the end of Week 21, meaning we are now one quarter the way through the full season sales plan.

Markets are preparing for some key selling windows in the coming weeks before moving into summer fruit period, with strong marketing and sales activations in flight. Importantly, our teams continue to receive greatly improved quality in market, alongside continued positive customer feedback.

The Zespri Green Kiwifruit season is well underway with more than 3.9 million TE of Class 1 Zespri Green Kiwifruit being delivered, having commenced sales across all major Asian markets. Europe is set to commence in Week 22, following the first arrivals of New Zealand Green Kiwifruit. The ZGS Zespri Green Kiwifruit season has concluded for a smooth transition to New Zealand product.

Zespri RubyRed Kiwifruit sales have now been completed with 337,000 TE delivered this season, capping off a successful second year of commercial sales.

Switzerland

CELEBRATING THE START OF THE NEW ZEALAND SEASON

Our team in Zürich held their first PR and influencer event to celebrate the New Zealand season start in Switzerland.

More than 100 journalists and influencers came to the event which saw Zespri SunGold Kiwifruit incorporated in some delicious recipes, including great tasting smoothies. The event received a lot of positive feedback, and influencers and bloggers quickly shared their great experience with their followers.







Zeebrugge

FIRST ZESPRI SUNGOLD KIWIFRUIT VESSEL ARRIVES

The first Zespri SunGold Kiwifruit vessel, Wild Peony, docked in Zeebrugge on Monday 1 May.

Our Zeebrugge staff went straight to work and immediately started discharging the ship to make sure our customers can start loading the fruit on shelves during the first week of May. A total of 688 pallets of kiwifruit were loaded, equivalent to approximately 30 trucks in Zeebrugge.







Macau

MORE GREAT TASTING KIWIFRUIT TO CONSUMERS

We celebrated the grand opening of Zespri's first flagship store in Macau on 7 May, and we're excited to bring our great tasting kiwifruit to more consumers in this region!

In 2021, Zespri authorised Podakfat Trading Co. Limited to distribute Zespri SunGold and Green Kiwifruit in Macau. Podakfat has done great work in improving and optimising the supply chain process operation to ensure each Zespri Kiwifruit is delivered to our consumers in the best condition.

The grand opening featured many dignitaries and officials from Macau.







Singapore

DISCOVER A TASTE OF NEW ZEALAND IN SINGAPORE!

Our Zespri Singapore team recently participated in the NZTE x Cold Storage launch event in Singapore — a great way to profile our great tasting Zespri Kiwifruit.

The event featured our Kiwi Brothers mascots and Zespri Kiwifruit sampling activity.





Australia

'CRAZY TASTY' FRUIT READY FOR CONSUMERS

Our Australian team recently launched their Zespri SunGold Kiwifruit campaign, targeted at enticing and delighting consumers with the surprisingly sweet taste of Zespri SunGold Kiwifruit, of course.

The campaign, which will run until 5 August, sees the Zespri Kiwi Brothers return, dancing and singing about the surprisingly sweet taste of Zespri SunGold.

There is multi-channel advertising on YouTube, Facebook, and Instagram for maximum reach.

The campaign also includes shopper marketing initiatives like Zespri SunGold Kiwifruit branded shelf tickets, display bins, and digital ads in major supermarkets.

ZESPRI IN THE COMMUNITY

Zespri boosts Youth Search and Rescue across the regions

Youth Search and Rescue (YSAR) teaches secondary school students critical skills, training them to be the next generation of Search and Rescue and Emergency Management volunteers. In addition to learning these skills, students undergo extensive personal growth, improve their confidence and build strong connections.

Zespri are proud to be a partner of YSAR and support the work they are doing with our rangatahi.

Over the past few years, YSAR has gone from strength to strength, with two new branches opening in Waikato Central and Thames Coromandel this year. On the weekend of 12-14 May, parents and students underwent a training exercise in the Kaimai Ranges. Parents had the opportunity to experience off-track navigation and other Search and Rescue techniques their children are currently learning.

Steve Campbell, CEO of YSAR, says the weekend was a great success.

"Zespri's community spirit and generosity in helping shape the future, is greatly appreciated," says Steve.



"I want to thank all instructors for teaching me so much during the YSAR course. I learned many valuable lifelong lessons during the three years and grew so much as a person. Through the programme, I became more resilient and confident through real experiences in the bush and classroom. I just wanted to acknowledge how invaluable the course, and all the people involved are, in strengthening young people and providing them a robust and diverse skill set that transcends search and rescue." - Student feedback, on the value of the YSAR programme.

Ahuwhenua Field Days a great success for all

The Ahuwhenua Trophy is the most prestigious award for excellence in Māori farming and horticulture and is celebrating its 90th year in 2023.

The objective of the award is to encourage Māori growers to improve their land and overall performance with an emphasis on sustainability. On a three-year rotational basis, the Trophy is competed for by Māori in the horticulture, dairy, and sheep and beef sectors. Zespri is a proud Silver sponsor of the Ahuwhenua Trophy Excellence in Māori Horticulture Award for 2023 and members of the Zespri team got in behind the recent field days, held by the three finalists.

The field days held by finalists, Māori Investments Limited (MIL) Whiritoa Orchards, Wi Pere Trust and Ngāi Tukairangi Trust, were designed to give those in the industry, as well as the public, the chance to visit the property and hear about their organisation.

First up was Māori Investments Limited (MIL), which is based in Te Teko in the Eastern Bay of Plenty. Wet weather and a last-minute venue change didn't dampen spirits, with more than 200 people attending the day. Guests were welcomed onto Kokohinau Marae, where they gathered in the wharenui and heard a number of presentations from staff and members of the Board, including the history of MIL, their strategic focus centred around whenua-based business and the impact of adverse weather events including flooding, hail, and frost.

With a bit of luck on their side, a break in the weather meant guests could travel to the orchard by bus and hear from Orchard Manager, Helen Scott; and Property Manager, Rex Anderson. Minister for Māori Development, Willie Jackson also attended and spoke about the Ahuwhenua Trophy awards and being part of the field days and awards night as a highlight of his ministerial portfolio.

Next up was Wi Pere Trust, with its field day being held at its orchard in Waipaoa near Tairāwhiti Gisborne. Guests were welcomed onto Tangihanga Orchard, where a range of presentations covered the history of Wi Pere, the impacts of Cyclone Gabrielle, business operations, and their focus on high-value diversification. Guests were then bussed to Toroa Orchard, where they heard from staff about growing practices and kaitiakitanga. Zespri Head of Māori Alliances, Kiriwaitingi Rei, spoke at the field day about the importance of the awards, as well as Zespri's commitment to Māori communities and growers. Guests then returned to Tangihanga Orchard to view the blueberry operation and talk through flood protection.

The final field day was hosted by Ngāi Tukairangi Trust in Hastings. Around 250 people attended the event and were welcomed onto Waipatu Marae by Ngāti Kahungunu. Ngāi Tukairangi trustees and staff spoke about the Trust, its focus on whānau and maximising intergenerational value, the severe impact of Cyclone Gabrielle and their plans moving forward. Attendees were then split into two groups, with half heading to the Korokipo kiwifruit orchard and half to the Tukituki apple orchard. There were several stations at each orchard: at Korokipo, guests learnt about growing practices, innovation and were able to view the damage caused by Cyclone Gabrielle, while at Tukituki, visitors saw some incredible innovation and technology, including solar power picking platforms and equipment designed to reduce spray drift.

The field days were a huge success and a strong testament to the incredible mahi of all three finalists. It was great to see the finalists attending all the field days and supporting one another. Thank you to the Ahuwhenua Trophy Management Committee for all their work, and also to Zespri Grower Liaison Manager Brad Ririnui, who put in countless hours to support the Committee and the finalists as facilitator and MC of the field days.

The past season has thrown many challenges at the finalists, particularly the devastating impacts of Cyclone Gabrielle, and MIL, Wi Pere Trust, and Ngāi Tukairangi Trust have all shown courage, determination, and resilience throughout. A huge congratulations to them for being finalists in such a prestigious competition and for pulling together three fantastic field days.



Dr Riri Ellis, CEO, Ngāi Tukairangi Trust.



Zespri Head of Māori Alliances, Kiriwaitingi Rei.



At a Ngāi Tukairangi apple orchard in Hastings.



Wi Pere Trust finalists.



MIL Orchard Manager, Helen Scott.



Ahuwhenua Trophy at Waipatu Marae.



Zespri Grower Liaison Manager, Brad Ririnui.



Ahuwhenua Trophy at Kokohinau Marae.



Ngāi Tukairangi Trust finalists.



MIL staff finalists.

ZESPRI IN THE COMMUNITY

2023 Kellogg Rural Leadership Programme scholarship winner

Congratulations to Bryce Morrison, the recipient of our 2023 Kellogg Rural Leadership Programme scholarship.

This highly respected programme develops passionate leaders, enabling them to lead effectively and positively influence the primary industries. Bryce is a part of the second intake for 2023, starting on June 13 with a week at Lincoln University – focusing on leadership tools and an industry context.

Bryce is one of Seeka's Regional Client Relationship Managers for kiwifruit in the Bay of Plenty. He is actively involved in the industry outside of work, particularly in his role as Chair of the Future Leaders committee — a group that delivers initiatives to upskill and inspire future leaders within the kiwifruit industry.

Bryce is looking forward to being part of a diverse cohort and expanding his professional and personal network beyond the horticultural industry. He hopes to learn from other leaders in the primary sector about their challenges and successes and to continue to grow on his personal leadership journey.

We asked Bryce what potential ideas he had for his research project, which he will complete as part of the programme. He has some great potential exploratory questions, including:

- How have advancements in social media and the digital landscape impacted today's leaders?
- How to maximise the output of a team when there is a lack of buy-in, how to best generate buy-in?
- What does successful leadership look like?

We wish Bryce all the best and look forward to hearing about his experience on the programme and the final outcome of his research.

For more information on the Kellogg Rural Leadership Programme, visit https://ruralleaders.co.nz/kellogg-rural-leadership-programme/



Bryce Morrison, scholarship winner.

Ballance Farm Environment Awards: AUCKLAND REGIONAL SUPREME WINNERS 2023

An approach that blends technology, knowledge and sign-posts from nature is proving successful for Brett and Fenella Wheeler, Glenbrook kiwifruit growers, and Auckland Regional Supreme Award winners in this year's Ballance Farm Environment Awards.

Since 2015, the couple has been running BFG Kiwi Ltd – a 22-hectare property that spans two orchards, with 13 hectares of the land being effective. Always striving to improve, they work together using a science-based approach that is tailored to the natural environment.

The property's soil is tested annually and has been fully mapped – providing a clear picture of its structure and properties. This knowledge is combined with the use of technology to guide irrigation and fertigation with pinpoint precision – tailored to each plant's age, stage of growth and variety.

The orchards are divided into seven sections, each with its own water meter and irrigation system that are controlled and monitored through a mobile app.

Plant health is central to the team's approach, and this is achieved with minimal use of sprays. A comprehensive leaf testing programme helps to ensure the plants remain healthy, with this supported by active pest control.

Netting stretches across most of the orchard, protecting it from major weather events. At the boundaries, the netting reaches to the ground which stops spray drift to and from adjacent properties.

Trialling new methods is a common theme at the orchard as the team strives to enhance production while reducing inputs. They've trialled new kiwifruit varieties to support business resilience, and planted different varieties of grass between rows to improve soil health. Limited mowing of pasture between rows minimises water evaporation and increases organic matter.

With one eye on the natural environment and the other on the market, Brett and Fenella are constantly fine-tuning their business to ensure its success into the future.



Kiwifruit grower, Brett Wheeler.

Zespri tour season success

For the first time since the New Zealand borders closed in March 2020, Zespri has hosted more than 30 international market tours with customers, suppliers, and media to New Zealand to showcase the kiwifruit industry.

The Tours & Events team want to extend a big thank you to the growers, packhouses, Kiwifruit Breeding Centre (KBC), Hills Laboratories, and other industry partners for their hospitality during the season.

Sean Chou, Quality & Technical Manager for Zespri Taiwan, comments: "On behalf of the Taiwanese wholesalers and retail buyers, we all appreciate the time and effort that our industry stakeholders put into showing us around the orchards, KBC, Hills Laboratories, and packhouse facilities, and for sharing their knowledge and expertise with us.

Their genuine enthusiasm for making a better kiwifruit eco-system was inspiring, and truly made our visit a memorable and valuable experience."



A tour group from China at KBC.



Grower Jeff Roderick with a member of our tour group from China.



Wholesaler tour group from Taiwan in front of Zespri's head office in Mount Maunganui.

2022/23 FINAL PROGRESS PAYMENTS

CLASS 1 - PROGRESS PAYMENT 9 JUNE 2023	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	**$0.2809**	$0.2626	$0.1923	$0.2884	$0.3671	$0.3671	$0.4988
Zespri Organic Green	**$0.5220**	($0.3614)	$0.1655	$0.6057	$0.4924	$0.4924	$1.6865
Zespri Gold3	**$0.3059**	$0.2706	$0.3199	$0.3376	$0.2608	No supply	No supply
Zespri Organic Gold3	**$0.7942**	$0.6738	$0.7326	$0.9226	$0.8539	No supply	No supply
Zespri Red19	**$1.5993**	$1.8595	$2.7219	$2.3131	$1.4484	$1.4484	$1.4118
Zespri Green14	**$0.7012**	$0.5520	$0.6845	$0.8965	$0.6658	$0.6658	$0.5092

1. Progress payments for Class 1 are paid on submitted trays and reversed for onshore fruit loss.
2. Net Submit trays = gross submitted trays less onshore fruit loss trays.

CLASS 2 - APPROVED PROGRESS PAYMENT 9 JUNE 2023	AVERAGE ON NET SUBMIT	16/18/22	27	30	33	36	39	42
Class 2 Green[1]	**$1.3360**	$1.3474	$1.0311	$1.2543	$1.6116	$1.5022	$1.7124	$1.9664
Class 2 Organic Green	**$0.6249**	($0.3974)	$0.9702	$1.3216	$0.9429	$0.1109	($1.0488)	$1.7770
Class 2 Gold3	**$1.4504**	$1.3186	$1.4173	$1.4990	$1.3230	$2.0630	$0.6384	No supply

[1] Weighted average of three programs.

NON-STANDARD SUPPLY - APPROVED PROGRESS PAYMENT 9 JUNE 2023	39	42	46
Zespri Gold3	$2.5517	No supply	No supply
Zespri Organic Gold3	$0.5621	No supply	No supply
Zespri Red19	No supply	No supply	$3.1942

1. Progress payments for Class 2 and Non Standard Supply fruit are paid on loaded out trays.
2. Loaded out trays = Net Submitted trays at year end = gross submitted trays less onshore fruit loss trays.

FINANCIAL COMMENTARY

Progress payments

Progress payments have been calculated to ensure cash is returned to the grower as quickly as possible and fairly across all sizes. Payments have been set so that the percentage of total fruit and service payments across the sizes are equal where possible. Consideration is given to current season sales, cashflow, prior season percentage of total fruit and service payments paid at the same time of the season, other current season risk factors and also taking into account the latest information available.

June 2023 approved progress payments on Net Submit trays

Approved per tray progress payments for 9 June 2023:

Class 1	
Zespri Green	$0.2809
Zespri Organic Green	$0.5220
Zespri Gold3	$0.3059
Zespri Organic Gold3	$0.7942
Zespri Red19	$1.5993
Zespri Green14	$0.7012

2022/23 FULL YEAR FINAL CLASS 2 AND NON STANDARD SUPPLY FRUIT AND SERVICE PAYMENTS

CLASS 2 RETURNS PER TE	GREEN KIWISTART	GREEN MAINPACK	GREEN ORGANIC	GOLD3	NON STANDARD SUPPLY RETURNS PER TE
Trays Supplied (000's)	**617.7**	**519.2**	**80.0**	**840.9**	**1,511.5**
Submit Payment	$1.40	$1.40	$1.40	$1.40	$1.60
Service Payments	$0.22	$0.12	$0.22	$0.13	$0.56
Progress Payments	$4.85	$5.14	$7.01	$8.75	$9.46
Total Fruit and Service Payments	**$6.47**	**$6.66**	**$8.63**	**$10.27**	**$11.62**

SHARE BRIEFS

As at **22 May 2023** the last Zespri share price trade was **$6.00** traded at **10:32 am** on **22 May 2023**. There were three buyers at **$5.95**, and **$5.90**. There were six sellers at **$6.00**, **$6.05**, **$6.10**, **$6.40** and **$6.45**.

To trade Zespri shares please contact one of the registered USX brokers – See https://canopy.zespri.com/EN/grow/zespri/Shares for more information.

For all other general shareholder enquiries, please contact Zespri Grower Support Services on 0800 155 355.

As per Clause 22 of the Constitution, shareholders who no longer supply fruit to Zespri (Dry Shareholders) will cease to receive dividend payments three years after becoming dry. For the month of May, there are 379,566 dry shares as of 22 May 2023 that will cease to be eligible for dividends.

Clause 21.4 of the constitution requires shareholders who are over their share cap (overshared) to sell their excess shares three years after the date they exceeded their share cap.

For the month of May there are 23,298 excess shares that are required to be sold as of 22 May 2023.

The graph below shows the price per share that has been traded with USX and the corresponding number of shares for each trade.

Want to see current buyers and sellers?

To get a list of the price for current buyers and sellers and the associated shares go to http://www.usx.co.nz. The Zespri Group Limited listing code is 'ZGL'. The USX website shows:

- Latest prices
- Market depth – to see the parcels of shares for sale and the parcels and price that buyers are seeking
- Last 10 trades
- Market announcements

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Go to www.reapapp.io to dowload the app.

Below is the current Market Depth information as at 22 May 2023.

Quote Line at Monday 22 May 2023 as at 10:45 am						
Code	Bid ($)	Offer ($)	Last ($)	High ($)	Low ($)	Volume
ZGL	5.95	6.00	6.00	6.00	6.00	30,000

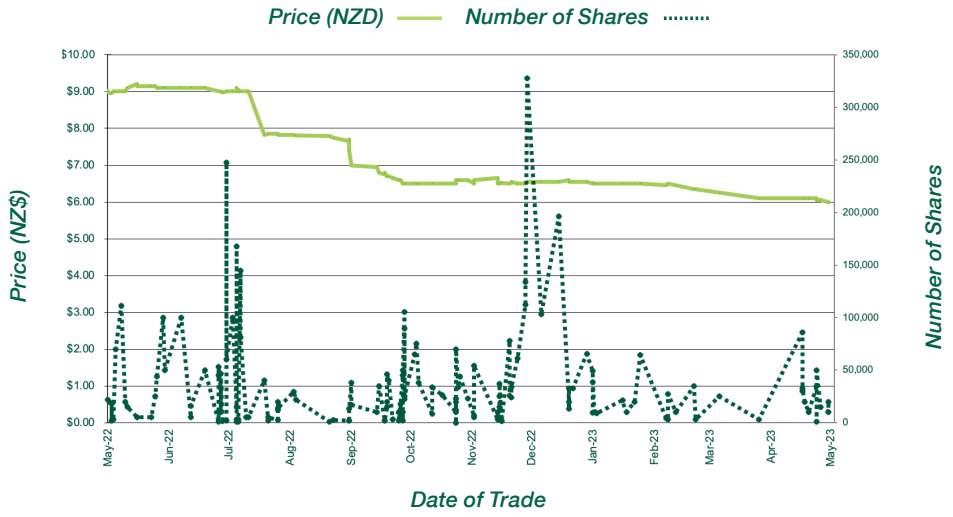
Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price ($)	Price ($)	Quantity	Orders
1	3,000	5.95	6.00	20,000	2
1	10,000	5.95	6.05	3,000	1
1	3,000	5.90	6.05	25,605	1
			6.10	24,4800	1
			6.40	3,000	1
			6.45	3,000	1

Last 10 Trades			
Date/Time	Quantity	Price ($)	Value ($)
22/05/2023	10,000	$6.00	60,000.00
22/05/2023	20,000	$6.00	120,000.00
18/05/2023	15,000	$6.05	90,750.00
16/05/2023	50,000	$6.05	302,500.00
16/05/2023	1,000	$6.10	6,100.00
16/05/2023	35,000	$6.10	213,500.00
12/05/2023	10,000	$6.10	61,000.00
10/05/2023	20,000	$6.10	122,000.00
09/05/2023	32,500	$6.10	198,250.00
09/05/2023	30,000	$6.10	183,000.00

Director share trading

For the month of May (as at 22 May 2023), there were no shares traded by entities associated with Zespri Directors. See the Canopy for details: Canopy > Growing Zespri Kiwifruit > Working with Zespri > Shares. Alternatively search for 'Director Shares' using the search function.

ZESPRI GROUP LIMITED SHARE TRADES 22 MAY 2022 TO 22 MAY 2023



CLASS 1 FRUIT AND SERVICE PAYMENTS AND TIMINGS

(INCLUDING LOYALTY PREMIUM)

The following charts show when Fruit and Service Payments (including Loyalty) are made throughout the season (to two decimal points).

Actual payments made YTD are above the dotted line with the average amount paid.

Payments yet to be made are indicated below the dotted line.

- Submit is paid in the early months when fruit is submitted into inventory.
- Pack and Time, KiwiStart and Taste Zespri are paid on FOBS, i.e. when fruit is shipped. Some of the Supplier Accountability payments are subject to SLA terms.
- Progress will be paid in the remaining months at levels subject to Zespri Management approval.
- KiwiGreen is a new payment for the 2022/23 season, incentivising on orchard pest management practices. The incentive was paid in December at $0.25/TE on qualifying gross submit.
- Average payments per TE are based on the 2022/23 final trays and actual payments to date.
- YTD amounts for Pack and Time may move from previous *Kiwifliers* due to SLAs being paid late in a month.

ZESPRI GOLD3 MAY

ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	$3.30	$0.05						$3.35	21%
May-22		$0.08						$3.43	22%
Jun-22		$0.09						$3.53	23%
Jul-22		$0.09		$1.11		$1.59		$6.30	40%
Aug-22		$0.18	$0.52	$1.48		$0.13		$8.62	55%
Sep-22		$0.17		$1.04		$0.42		$10.25	65%
Oct-22		$0.29	$0.58	$0.27		$0.30		$11.69	75%
Nov-22		$0.33	$0.01	$1.20		$0.41		$13.64	87%
Dec-22		$0.11	$0.01	$0.05	$0.26	$0.35		$14.42	92%
Jan-23		$0.00				$0.00	$0.10	$14.52	93%
Feb-23		$0.01	$0.02	$0.00		$0.38	$0.10	$15.02	96%
Mar-23			$0.00			$0.14	$0.10	$15.27	98%
Apr-23						$0.07		$15.34	98%
May-23								$15.34	98%
Jun-23						$0.31		$15.65	100%
Paid YTD	$3.30	$1.40	$1.14	$5.15	$0.26	$3.79	$0.30	$15.34	
Balance to pay	$0.00	$0.00	$0.00	$0.00	$0.00	$0.31	$0.00	$0.31	

Total fruit and service payments - 2022/23 Forecast $15.65

ZESPRI ORGANIC GOLD3 MAY

ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	$3.30	$0.04						$3.34	19%
May-22		$0.17						$3.51	20%
Jun-22		$0.09						$3.60	21%
Jul-22		$0.08		$1.30		$0.53		$5.50	32%
Aug-22		$0.28	$0.54	$1.87		$0.33		$8.51	49%
Sep-22		$0.33		$1.70		$0.93		$11.48	66%
Oct-22		$0.10	$0.67	$0.11		$0.64		$13.00	75%
Nov-22		$0.01		$1.25		$0.71		$14.98	86%
Dec-22		$0.05	$0.00	$0.00	$0.26	$0.16		$15.44	89%
Jan-23							$0.10	$15.54	90%
Feb-23			$0.02			$0.44	$0.10	$16.10	93%
Mar-23						$0.23	$0.10	$16.43	95%
Apr-23						$0.10		$16.53	95%
May-23								$16.53	95%
Jun-23						$0.79		$17.32	100%
Paid YTD	$3.30	$1.14	$1.24	$6.23	$0.26	$4.07	$0.30	$16.53	
Balance to pay	$0.00	$0.00	$0.00	$0.00	$0.00	$0.79	$0.00	$0.79	

Total fruit and service payments - 2022/23 Forecast $17.32

ZESPRI RED19 MAY

ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	$3.30							$3.30	15%
May-22								$3.30	15%
Jun-22								$3.30	15%
Jul-22						$6.66		$9.96	44%
Aug-22			-$0.05			$2.49		$12.40	55%
Sep-22						$1.02		$13.42	60%
Oct-22			$0.00			$2.00		$15.41	69%
Nov-22						$2.02		$17.44	78%
Dec-22			$0.00		$0.25	$0.81		$18.50	82%
Jan-23							$0.10	$18.60	83%
Feb-23						$0.72	$0.10	$19.42	86%
Mar-23						$1.26	$0.10	$20.78	92%
Apr-23						$0.10		$20.88	93%
May-23								$20.88	93%
Jun-23						$1.60		$22.48	100%
Paid YTD	$3.30	$0.00	-$0.06	$0.00	$0.25	$17.08	$0.30	$20.88	
Balance to pay	$0.00	$0.00	$0.00	$0.00	$0.00	$1.60	$0.00	$1.60	

Total fruit and service payments - 2022/23 Forecast $22.48

ZESPRI GREEN MAY

ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	$2.45	$0.00						$2.45	24%
May-22		$0.07						$2.52	25%
Jun-22		$0.10						$2.62	26%
Jul-22		$0.03	$0.00	$0.47		$0.68		$3.80	38%
Aug-22		$0.11	$0.49	$0.67		$0.05		$5.13	51%
Sep-22		$0.21		$0.67		$0.20		$6.21	62%
Oct-22		$0.31	$0.43	$0.34		$0.11		$7.39	73%
Nov-22		$0.25	$0.01	$0.69		$0.27		$8.62	86%
Dec-22		$0.30	$0.05	$0.09	$0.26	$0.09		$9.41	93%
Jan-23			$0.01				$0.10	$9.52	94%
Feb-23		$0.02	$0.01	$0.01		$0.00	$0.10	$9.66	96%
Mar-23		$0.00	$0.00	$0.00		$0.03	$0.10	$9.79	97%
Apr-23						$0.00		$9.79	97%
May-23								$9.79	97%
Jun-23						$0.28		$10.07	100%
Paid YTD	$2.45	$1.42	$1.00	$2.94	$0.26	$1.43	$0.30	$9.79	
Balance to pay	$0.00	$0.00	$0.00	$0.00	$0.00	$0.28	$0.00	$0.28	

Total fruit and service payments - 2022/23 Forecast $10.07

ZESPRI ORGANIC GREEN MAY

ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	$2.45							$2.45	20%
May-22		$0.05						$2.50	20%
Jun-22		$0.03						$2.53	20%
Jul-22		$0.02		$0.53		$1.65		$4.73	38%
Aug-22		$0.11	$0.37	$0.97		$0.05		$6.22	50%
Sep-22		$0.17		$0.99		$0.44		$7.82	63%
Oct-22		$0.41	$0.36	$0.72		$0.07		$9.39	75%
Nov-22		$0.16		$0.95		$0.39		$10.89	87%
Dec-22		$0.07	$0.00	$0.04	$0.26	$0.38		$11.65	93%
Jan-23							$0.10	$11.75	94%
Feb-23		$0.00	-$0.01	$0.00		$0.00	$0.10	$11.84	95%
Mar-23			$0.00			$0.04	$0.10	$11.98	96%
Apr-23						$0.00		$11.98	96%
May-23								$11.98	96%
Jun-23						$0.52		$12.50	100%
Paid YTD	$2.45	$1.03	$0.72	$4.20	$0.26	$3.02	$0.30	$11.98	
Balance to pay	$0.00	$0.00	$0.00	$0.00	$0.00	$0.52	$0.00	$0.52	

Total fruit and service payments - 2022/23 Forecast $12.50

ZESPRI GREEN14 MAY

ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	$2.80							$2.80	25%
May-22		$0.00						$2.80	25%
Jun-22								$2.80	25%
Jul-22				$0.81		$0.55		$4.16	37%
Aug-22			$0.02	$0.82		$0.02		$5.01	45%
Sep-22				$0.20		$0.90		$6.12	55%
Oct-22			$0.21			$0.52		$6.85	62%
Nov-22				$0.46		$1.18		$8.48	76%
Dec-22			$0.00	$0.25		$0.59		$9.33	84%
Jan-23							$0.10	$9.43	85%
Feb-23						$0.42	$0.10	$9.94	89%
Mar-23						$0.29	$0.10	$10.33	93%
Apr-23						$0.09		$10.42	94%
May-23								$10.42	94%
Jun-23						$0.70		$11.12	100%
Paid YTD	$2.80	$0.00	$0.23	$2.29	$0.25	$4.54	$0.30	$10.42	
Balance to pay	$0.00	$0.00	$0.00	$0.00	$0.00	$0.70	$0.00	$0.70	

Total fruit and service payments - 2022/23 Forecast $11.12

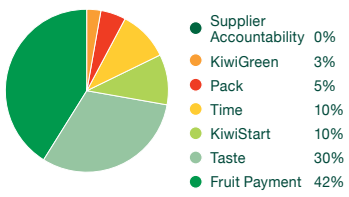
Note 1: The submit and progress payments detailed in the tables are based on net submit trays.
Note 2: Rates per TE of $0.00 have values of less than $0.005.

Amounts above are not rounded to two decimal places, therefore rounding differences may apply.

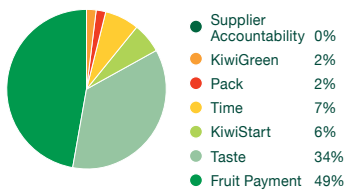
2022/23 SEASON GROWER PAYMENT PORTIONS – TOTAL FRUIT AND SERVICE PAYMENTS

2022/23 MAY FORECAST

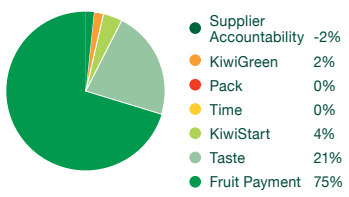
ZESPRI GREEN



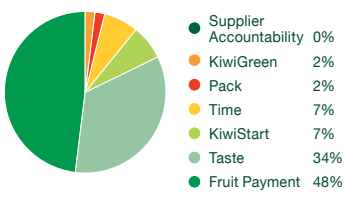
ZESPRI ORGANIC GREEN



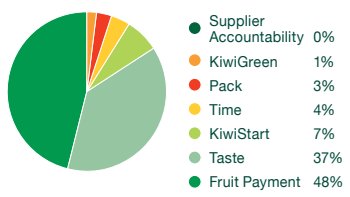
ZESPRI GREEN14



ZESPRI GOLD3



ZESPRI ORGANIC GOLD3



ZESPRI RED19



FULL YEAR FORECAST RETURN AND ORCHARD GATE RETURN (OGR) – INDUSTRY AVERAGE ONLY

Full-Year Return	2022/23 - Actual							2021/22 - Actual					
	Zespri Green	Zespri Organic Green	Zespri Gold3	Zespri Organic Gold3	Zespri Red19	Zespri Green14	All Pools	Zespri Green	Zespri Organic Green	Zespri Gold3	Zespri Organic Gold3	Zespri Green14	All Pools
Total Forecast:													
Total trays supplied (m)	58.6	3.1	97.3	3.0	0.1	0.2	165.9	73.9	3.0	97.7	2.5	0.3	179.7
Kilograms supplied (m)	204.9	10.7	340.0	10.5	0.4	0.7	566.9	259.8	10.4	341.7	8.7	0.9	621.5
Average size per tray	30.5	33.2	27.4	27.9	37.5	35.9		32.6	34.9	27.8	28.1	37.1	
Fruit payments ($m)	243.4	18.5	719.8	24.5	2.5	1.7	1,043.5	346.6	18.7	763.8	18.0	1.9	1,167.8
Fruit incentives ($m)	246.1	16.0	637.6	23.2	0.0	0.6	923.4	278.5	16.4	661.3	20.5	1.0	977.8
Service costs ($m)	82.9	3.2	135.9	3.4	-	(0.0)	226.5	110.7	2.9	157.5	3.2	0.0	274.7
Fruit and service payments excl. loyalty premium ($m)	**572.4**	**37.6**	**1,493.3**	**51.1**	**2.5**	**2.2**	**2,193.4**	**735.7**	**38.0**	**1,582.6**	**41.7**	**2.9**	**2,420.3**
Total Forecast per tray ($):													
Submit payment[1]	2.45	2.45	3.30	3.30	3.30	2.80		2.44	2.45	3.30	3.30	2.80	
Progress payments	1.71	3.54	4.10	4.86	18.68	5.25		2.25	3.80	4.52	3.91	4.36	
Total fruit payments per net submit trays	**4.16**	**5.99**	**7.40**	**8.16**	**21.98**	**8.05**		**4.69**	**6.25**	**7.82**	**7.21**	**7.16**	
KiwiStart [2]	0.95	0.75	1.13	1.24	0.00	0.43		0.51	0.85	0.90	0.62	0.56	
Taste Zespri	2.94	4.20	5.15	6.23	0.00	2.29		3.18	4.62	5.81	7.52	3.81	
KiwiGreen [3]	0.26	0.26	0.26	0.26	0.25	0.25		0.00	0.00	0.00	0.00	0.00	
Supplier Accountability	0.05	-0.03	0.01	0.00	-0.06	-0.19		0.07	0.04	0.07	0.06	-0.40	
Fruit incentives	**4.20**	**5.18**	**6.55**	**7.73**	**0.19**	**2.78**		**3.77**	**5.50**	**6.77**	**8.20**	**3.98**	
Pack type	0.45	0.19	0.39	0.45	0.00	0.00		0.42	0.18	0.61	0.37	0.00	
Time payment	0.97	0.84	1.01	0.68	0.00	0.00		1.08	0.78	1.01	0.94	0.00	
Service costs	**1.42**	**1.03**	**1.40**	**1.14**	**0.00**	**0.00**		**1.50**	**0.96**	**1.61**	**1.30**	**0.00**	
Class 1 fruit and service payments per net submit trays	**9.77**	**12.20**	**15.35**	**17.02**	**22.18**	**10.82**		**9.95**	**12.72**	**16.20**	**16.72**	**11.14**	
Loyalty premium	0.30	0.30	0.30	0.30	0.30	0.30		0.30	0.30	0.30	0.30	0.30	
Class 1 fruit and service payments with loyalty per net submit trays	**10.07**	**12.50**	**15.65**	**17.32**	**22.48**	**11.12**		**10.25**	**13.02**	**16.50**	**17.02**	**11.44**	
Less: onshore fruit loss	-0.50	-0.74	-0.90	-0.56	-0.09	-0.10		-0.28	-0.26	-0.34	-0.22	(0.02)	
Fruit loss percentage [4]	4.97%	5.93%	5.74%	3.25%	0.38%	0.92%		2.69%	2.01%	2.07%	1.27%	0.21%	
Class 1 fruit and service payments per gross submit trays	**9.57**	**11.76**	**14.75**	**16.76**	**22.39**	**11.02**		**9.98**	**12.75**	**16.16**	**16.80**	**11.42**	
Plus Class 2 Return	0.22	0.44	0.10	0.21	0.00	0.06		0.13	0.35	0.09	0.16	0.01	
Plus Non-Standard Supply (NSS) [5]	0.01	0.09	0.08	0.18	4.15	0.00		0.00	0.01	0.01	0.06	0.00	
Plus Other Income (Non dividend) [6]	0.01	0.00	0.02	0.01	0.00	0.01		0.02	0.00	0.03	0.00	0.02	
Average revenue per gross submit trays	**9.81**	**12.29**	**14.94**	**17.16**	**26.54**	**11.09**		**10.13**	**13.12**	**16.29**	**17.02**	**11.44**	
LESS: Post-harvest costs deducted [7]													
Base packing and packaging	-1.79	-1.83	-2.83	-2.95	-3.08	-3.01		-1.65	-1.67	-2.53	-2.51	-2.46	
Pack differential	-0.43	-0.18	-0.37	-0.44	0.00	0.00		-0.41	-0.18	-0.59	-0.36	0.00	
Base cool storage	-0.99	-0.97	-0.98	-0.99	-1.01	-1.01		-0.95	-0.95	-0.95	-0.95	-0.97	
Logistics	-0.18	-0.18	-0.17	-0.16	-0.18	-0.20		-0.15	-0.16	-0.16	-0.14	-0.18	
Time and CC/RK charges	-0.65	-0.45	-0.62	-0.34	0.00	0.00		-0.62	-0.43	-0.54	-0.45	-0.01	
Total post-harvest costs per gross submit trays	**-4.03**	**-3.61**	**-4.97**	**-4.87**	**-4.27**	**-4.23**		**-3.78**	**-3.38**	**-4.78**	**-4.41**	**-3.62**	
OGR per gross submit trays	**5.78**	**8.68**	**9.97**	**12.28**	**22.27**	**6.87**		**6.35**	**9.74**	**11.51**	**12.61**	**7.82**	
Average industry yield per productive hectare [8]	**9,976**	**7,017**	**13,789**	**10,871**	**1,889**	**6,081**		**11,887**	**6,958**	**15,295**	**11,400**	**6,984**	
Number of productive hectares [9]	**6,180**	**467**	**7,486**	**285**	**59**	**34**		**6,390**	**438**	**6,522**	**222**	**37**	
OGR per hectare [10]	**$57,636**	**$60,912**	**$137,524**	**$133,548**	**$42,063**	**$41,761**		**$75,494**	**$67,752**	**$176,026**	**$143,772**	**$54,609**	
Average kilogram per tray [11]	**3.50**	**3.48**	**3.49**	**3.50**	**3.33**	**3.48**		**3.51**	**3.50**	**3.50**	**3.50**	**3.45**	
OGR per kilogram	**1.65**	**2.49**	**2.85**	**3.51**	**6.68**	**1.97**		**1.81**	**2.79**	**3.29**	**3.61**	**2.27**	

Notes:

1. *Submit rate presented for Zespri Green reflects Submit rate of $2.45 for sizes 18-39, and $2.25 for size 42.*
2. *KiwiStart includes Priority Premium payments. These are period one related payments that apply to fruit shipped in the applicable weeks and vessels.*
3. *KiwiGreen payment is new for 2022/23 season, incentivising on orchard pest management practices. Incentive is paid at $0.25/TE on qualifying gross submit.*
4. *Fruit loss percentage includes ungraded fruit inventory losses.*
5. *Zespri does not procure NSS in all categories, returns are as reported in the Ingham Mora post-harvest survey.*
6. *Other Income may include any Service Level Agreement payments, Class 3 income and interest.*
7. *Post-harvest cost data was compiled by Ingham Mora Limited in April 2023.*
8. *The average industry yield per hectare equals Class 1 volumes submitted divided by productive hectares. Average yield levels are calculated based on current volume data incorporating the actual FOBS data with actual onshore fruit loss percentages. The OGR may be distorted by the inclusion of orchards in the first years of production in the calculation. 2021 season Gold3 and Organic Gold3 average industry yields include size 39 volume which has been classified as non standard supply for the 2022 season*
9. *Productive hectare information is sourced from the Grower Services database and includes all hectares described by growers as producing vines.*
10. *Zespri RubyRed forecast per hectare return, in its first year as a commercial pool, has been influenced by a high proportion of productive hectares returning low yields impacted by vine age. Across the age profile, 8 hectares with a vine age of >2 years returned an average yield of 6,029 trays per hectare and a per hectare return of $134,253. A further 51 hectares with a vine age of <2 years returned an average yield of 1,212 trays and a per hectare return of $26,996.*
11. *Average kilograms per tray are derived using the individual size conversions published in the specific season's Pack Conversion Guide.*

Note: Amounts above are not rounded to 2 decimal places, therefore rounding differences may apply.

PAYMENTS AND INCOME EXPLAINED

Zespri reports corporate profit by each individual revenue stream. The operating segments reflect the key business activities and are: New Zealand Kiwifruit, Non-New Zealand supply, New Cultivars and Other. Clarity of sources of value and sources of funding is important given the kiwifruit industry's strong growth to date and projected growth. The infographic provided here outlines how money flows through the industry using the 2022/23 Corporate results: Zespri's revenue streams, pool costs, fruit payments to growers, corporate costs and how Zespri distributes the profit made.

	NEW ZEALAND KIWIFRUIT	NON-NEW ZEALAND SUPPLY	NEW CULTIVARS	OTHER
GLOBAL REVENUE $4.3 BILLION				
Kiwifruit sales: $3,916 million	$3,397 m	$519 m	–	–
Other revenue: $382 million	$5 m	$3 m	$359 m	$16 m

Kiwifruit sales globally – $3,916 million from 191.4 million trays supplied. Other revenue driven by Zespri SunGold Kiwifruit licences released of $308.1 million and plant variety rights royalties of $46.9 million, along with external co-funding and interest and rental income.

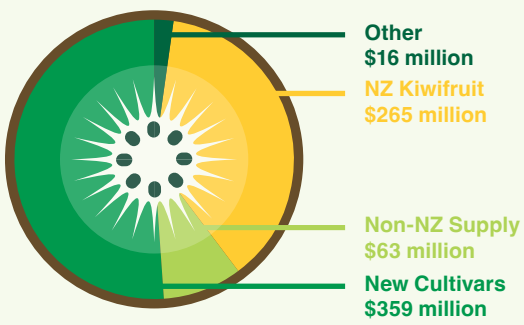
POOL COSTS $980 MILLION	$895 m	$85 m	–	–

Includes freight, insurance, duty and customs, logistics and promotion costs.

PAYMENTS FOR FRUIT INCLUDING LOYALTY $2,615 MILLION	$2,242 m	$373 m	–	–

$2,241.6 million paid to New Zealand growers for fruit payments (including service and incentive payments) including $48.6 million for loyalty payments. $373.3 million paid to non-New Zealand based growers for fruit purchased.

CORPORATE REVENUE $703 MILLION	$265 m	$63 m	$359 m	$16 m
Included in Global Revenue	After pool costs and payments for fruit including loyalty, $265.1 million earned from $3.4 billion in kiwifruit sales.	$63.1 million in corporate revenue earned from $519.3 million in kiwifruit sales.	* $308.1 million revenue from 324 hectares of Zespri SunGold Kiwifruit licence release, 280 hectares of Zespri RubyRed Kiwifruit licence release, plus other licence income. * $46.9 million royalty income from PVR (Plant Variety Rights) sales. * $1.6 million of external research funding received.	Interest income and land and building rental income and other.



CORPORATE COSTS $370 MILLION				
Innovation costs: $37 million	$20 m	$1 m	$16 m	–
Overhead costs: $333 million	$267 m	$33 m	$23 m	$11 m
PROFIT BEFORE TAX $332 MILLION	-$22 m	$30 m	$320 m	$5 m
TAXATION $95 MILLION	$95 m			
PROFIT AFTER TAX $238 MILLION	$238 m			

RETAINED EARNINGS

Profit retained in the business is $24 million. Earnings reinvested into the business for assets, working capital and financial stability.

DIVIDENDS

Net dividends proposed are $214 million or $1.17 cents per share with 80 percent imputation. The current dividend policy is 70-90 percent of the distributable profit (2022/23 = $237.8 million).

Please note rounding differences may apply to totals.

Updates from our Pre-harvest Team

GLOBALG.A.P. PROGRAMME REFLECTS KIWIFRUIT INDUSTRY'S *commitment to protecting the environment*

It's no wonder, with the global focus on sustainable business practices, that GLOBALG.A.P. has made some important changes to the programme to reflect its commitment to sustainability. These changes mean there will be a new 'Environment' section introduced to Zespri GAP. It is a combination of the previous 'Water Management' and 'Environment & Conservation' modules.

This new 'Environment section' will now include:

1. **The Orchard Ecosystem**
2. **Water Use Efficiency**
3. **Waste and Pollution**
4. **Biodiversity**
5. **Energy Efficiency**
6. **Greenhouse Gases**





A HIGH-LEVEL OUTLINE OF THE CHANGES & WHAT THEY MEAN FOR YOU

1. THE ORCHARD ECOSYSTEM

The **Orchard Ecosystem** is a new recommended requirement and aims to have growers and industry thinking about the orchard as part of a wider ecosystem and the impacts orchard practices can have on surrounding landscapes. By definition, an ecosystem is a geographic area where plants, animals, and other organisms, as well as weather and landscape, work together to form a healthy bubble of life. It is important to understand the ecosystem you and your orchard business operate within so you can protect and/or enhance the ecosystem through the work you do. Understanding your orchard ecosystem ensures a sustainable future for your business and the environment.

2. WATER USE EFFICIENCY

Water Use Efficiency is about remembering water is a 'finite' resource. The changes introduced ensure water used is measured and recorded and for all water use, not just irrigation. By understanding your water use, you will be able to more closely manage where, when, and how you use water.

Metrics for water use management are also being introduced as a recommended requirement and will help us track important information for our industry's water goals. Inspectors will now be asking three simple questions:

i. Are any of your orchards irrigated?

ii. If yes, how many total ha are irrigated?

iii. What method(s) do you use to manage irrigation water use efficiency?

3. WASTE AND POLLUTION

Previously in the 'Environment and Conservation' module, there were two separate sections for 'Waste Management' and 'Pollution minimisation', these have been combined into the new '**Waste and Pollution**' section. This combination sees the removal of duplication, a reduction in the number of principles (formerly control points) and streamlined, user friendly templates. The new combined 'Waste and Pollution Management Plan' requirement:

i. has been raised from a minor to a major

ii. 'Plastics' has been singled out as a waste type to be managed and recycled and has been included in the plan.

By having a plan around waste and pollution, you will identify all areas where waste and pollution might occur and mitigate against it. In your plan, you might identify better removal or recycling solutions, or eliminate a waste stream completely.

4. BIODIVERSITY

As ecosystems are increasingly threatened by human activity, acknowledging the benefits of **biodiversity** is the first step in ensuring that we look after it. Having an understanding of the ecology and species within your orchard can help us protect and restore the biodiversity of it.

At this time, we'll ask growers to continue as they have, documenting an environmental policy and completing a conservation action plan for the orchard. At the same time, Zespri is looking at the emerging area of biodiversity frameworks, and working to develop one that will be practical for New Zealand Kiwifruit growers, while meeting international requirements. The aim is to develop and test a framework before including it in GAP in future years.

5. ENERGY EFFICIENCY

Energy Efficiency is about improving your understanding of the energy you use. As a result, you'll gain insights in how to use energy more effectively, in turn saving money and helping the planet. Being more energy efficient can help reduce air and water pollution caused by certain types of energy generation and avoid negative impacts on critical ecosystems. The new principles are:

1. Orchard energy use related to the production of kiwifruit is monitored as a major requirement.
2. That an energy efficiency plan is in place has been elevated to a minor requirement.
3. Management of energy supported by metrics is a new, recommended requirement.

6. GREENHOUSE GASES

Greenhouse Gases is a new section all about understanding emissions. Increasingly, customers and governments around the world are asking for reporting on carbon emissions to build a picture for where reductions could be made. This is a new, recommended requirement. It states:

1. Orchard practices support building organic carbon in soil.
2. The orchard contributes to reducing and where possible, removing GHG (CO_2e) from the atmosphere.
3. Orchard practices that reduce or remove GHG from the atmosphere is supported by metrics.

As we have in the past, all these changes will be outlined in the Grower Manual and will be highlighted in blue text. A summary of changes will also be published.

We are developing training for growers and industry to support the successful implementation of the changes for the Zespri GAP 2023/24 season – stay tuned for updates on training options and more on GAP v6 changes in the next issue of *Kiwiflier*.

GLOBAL EXTENSION TEAM *Updates*

THE MONTH AHEAD: JUNE

PSA: HYGIENE AND COPPER

LEAF DROP

WINTER PRUNING

CALCULATING WINTER CHILL AND SOIL TESTING



PSA: HYGIENE AND COPPER

Hygiene top of mind

In Psa Management, one of the most important things you can do is to perform high risk activities that create wounds such as pruning, only in dry conditions. This reduces the spread of Psa within your orchard.

Keep hygiene top of mind —sanitise tools prior to orchard entry and on a regular basis ideally, especially when moving between symptomatic and non-symptomatic vines/areas/blocks if infection is sporadic.

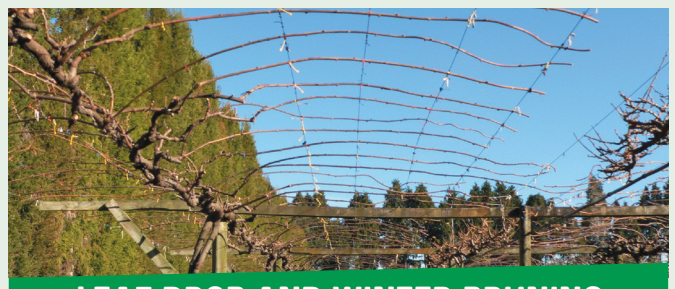
Copper application for Psa

Apply copper products at the recommended winter rates. As an absolute minimum, apply after leaf-fall, before and after pruning, and again prior to budbreak. Additional applications around significant frost or wet events may also be beneficial.

Continue to monitor for Psa through winter and remove secondary infection promptly.

Psa resources on Canopy

The Canopy website has an assortment of information specific to Psa management including preventative measures. These include hygiene, removal of infected material, orchard management as well as environmental and plant strategies.



LEAF DROP AND WINTER PRUNING

Leaf drop

Letting your leaves fall naturally allows for maximum carbohydrate and nutrient concentrations to build up in the roots. However, you might be keen to get the winter pruning job underway, in which case, a leaf drop spray can hasten natural leaf fall.

Wait until natural leaf fall is underway before this is done. Heavier copper rates in copper sulphate sprays will hasten leaf drop but will, over time, increase orchard copper levels.

Winter pruning

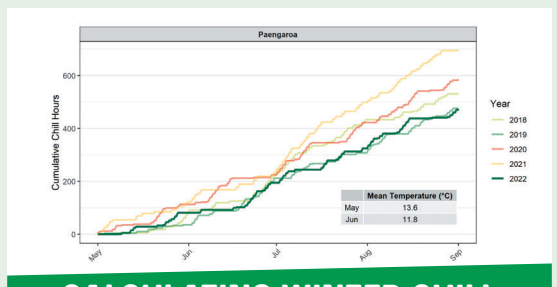
Winter pruning lays the foundation for the season ahead and future years, it's about removing the fruiting canopy and laying down the right amount of the best wood to kick off next season successfully.

Focus should be on two critical factors:

- Consistent canopy fill across all bays in the orchard
- The appropriate number of high quality winter buds to create the best crop load and fruit quality for the season ahead.

Machinery in your orchard

We will be entering winter with wetter than normal soils this season, so to minimise compaction, avoid running machinery over wet/waterlogged soils. The weight of machinery can increase compaction further and reduce the air in the soil compromising soil health.



CALCULATING WINTER CHILL

Calculating winter chill

The recommended timing for most budbreak enhancers is expressed as "days before natural budbreak" (DBNBB).

To calculate this, you'll first need to predict when natural budbreak will be based on winter chill accumulation, then work back to find the approximate application window. In order to do this, you need to monitor winter chill. If you don't have access to data from your own weather station, the 'Chilling Units' calculator, that is part of the **Zespri Weather & Disease Portal**, will be able to provide data from local weather stations (see 'Resources' below).

Soil testing

Key nutrients are removed from the orchard along with the crop each season. To get ready for next season, it is good to get an understanding of where your soils are at. Do a soil test, including available nitrogen and organic matter, before budbreak to determine nutrient requirements, and get a fertiliser plan in place. Different products release nutrients at different rates, so work with a specialist to optimise nutrient efficiency for your orchard.

RESOURCES

For more information, check out the following resources on Canopy:

- Canopy > Orchard Management > Canopy Management & Pruning > Early defoliation
- Canopy >Growing Kiwifruit > Psa > Psa Management > Hygiene
- Canopy > Growing Kiwifruit > Orchard Management > Budbreak > Predict & Monitor
- Canopy > Growing Kiwifruit > Orchard Management > Canopy Management & Pruning



RESEARCHING STEM END BLEMISH (SEB)

This season we're seeing reports of Stem End Blemish (SEB) occurring on Zespri SunGold Kiwifruit from some orchards in Gisborne, Bay of Plenty and Auckland.

This can be identified by the marking that appears to start at the top of the fruit and can progress down the fruit. This is not a stain and cannot be removed. While currently the number of orchards affected is small, the impact on those affected is considerable with some of the most affected lines achieving less than 50 percent pack out.

In response, a project has been launched, led by experienced Gisborne horticulture consultant Trevor Lupton, with the primary objective to understand if there are common orchard characteristics/management practices associated with blocks experiencing SEB.

For the latest information, check the resource below on Canopy, that is updated as new information comes to hand.

Canopy > Zespri & The Kiwifruit Industry > Publications > Need to know > NK074



NEW VARIETIES UPDATE

Zespri Grower Liaison Managers and the Pre-commercial On-orchard team have recently completed canopy establishment assessments on the new Green trials grafted in the winter of 2022.

This coming season, will see a focus on data collection on management practices and key production parameters, also supported by an ongoing R&D programme across orchard, supply chain, and consumer/market phases.

We look forward to the insights we can gather that will inform eventual commercialisation decisions and best practice management for these new Greens.

ZESPRI GLOBAL SUPPLY UPDATE

ZGS SEASON PREPARATIONS CONTINUE

ZGS growers across our four northern hemisphere growing regions are gearing up for the new season and hoping for less disruptive weather, particularly in Italy, where the Emilia Romagna region has been impacted by severe rainfall and flooding. Below are some updates on season progress, and more will be known with the first crop estimate at the end of June.

FRANCE

Budbreak has been slightly better than last year in all production regions, and growers are generally happier with shoot development which is seen as more regular compared to 2022.

Overall, the load of flowers at pollination time is satisfactory, even if the weather at the end of the pollination period wasn't ideal, with the arrival of rain. Some hail events have been reported, but these have had limited impact.

Vines are also developing well, even if growers have the additional challenge of a drier than normal winter, following a very dry and hot 2022 season. This means irrigation management will be crucial from very early in the season.

Contrary to 2021 and 2022, no major frosts occurred in April and stress to roots from soaked soils during frost fighting was consequently avoided. A lot of attention is being put onto soil life with cover crops and fertilisation plan reviews.

KOREA

Even though budbreak is tracking lower than last year, Korea is generally quite floral and this did not affect reaching the number of target flowers.

The start of pollination was warm and sunny for the first part of the pollination, but the weather turned very wet for the next week and temperature also dropped. The flowering window was unusually long and some growers have reported pollination failure, especially in the late flowers.

JAPAN

Budbreak is tracking similarly to past years and there are a high number of flowers requiring intensive flower thinning. Southern regions finished pollination before the rain set in, and remaining regions had to pollinate in very wet conditions.

It is estimated that botrytis will be prevalent this year, as it was last year, and some orchards have reported the occurrence of flower bud rot.













ITALY

Budbreak is mostly similar to last year across the country, with regional variations.

In Lazio, the key production region, the rate is around 75 percent, comparable to previous years. In terms of plant development, the situation is better than 2022 season, with greener canopies. Spring temperatures have not been as extreme as last season, meaning the time between budbreak and flowering has not been shortened. As a consequence, it has left more space for shoot and flower thinning, which has been done to a higher standard overall. There are no major frosts to report, contrary to the previous two seasons, which bodes well for the country's Zespri SunGold Kiwifruit volumes. Italian growers are now busy ensuring good pollination which is made more difficult by the rain.

In mid-May, the Emilia Romagna area of Italy was impacted by extreme rainfall and flooding. This region is home to 15 percent of Zespri's SunGold Kiwifruit crop in Italy, and the ZGS northern office in Bologna. More than 500mm of rainfall fell in the region over two separate events, resulting in flooding of over 23 rivers, more than 120 landslides, and the evacuation of 36,000 people.

We are currently assessing the impact on kiwifruit orchards which had just completed flowering, and we are supporting growers with guidance learned from flooding events in New Zealand and France. This was an unprecedented event and the impact on the horticulture industry and communities across the region is significant.



INDUSTRY SUPPORTS SILT-IMPACTED GROWERS

In the aftermath of cyclones Hale and Gabrielle, NZKGI's Grower Relief Fund put out the call for donations to support impacted growers. A generous total of $260,000 has been received so far.

NZKGI would like to thank all of those growers and members of the wider kiwifruit community who have contributed to this cause. All donations, big or small, have been gratefully received by the fund. We would like to make particular mention of Zespri who contributed $100,000 to the fund, as well as an additional $140,000 to the Red Cross. We also give particular thanks to an anonymous donor who made a significant contribution, as well as the Horticentre Trust for their donation of $25,000.

The Grower Relief Fund was established to provide disaster relief to kiwifruit growers for the repair and restoration of kiwifruit orchards. In order to alleviate the financial pressure on growers as quickly as possible, an initial tranche of donations has been distributed to growers requiring silt removal, equally divided on a per hectare basis.

We would also like to take this opportunity to thank our Hawke's Bay and Poverty Bay NZKGI Regional Representatives, Gary Davies and Tim Tietjen, who have gone beyond their call of duty to provide assistance to cyclone-impacted growers in their region.

Donations are still being received for this cause. **To contribute to the fund, please make your donation via bank transfer to 06-0433-0442832-00 (some banks may require you to add another 0 at the end of this sequence).** For tax purposes, you may choose to take the option to put your KPIN and surname in the reference for donations over $50. We recognise that there may be other funds you prefer to donate to.

We also recognise that although the media attention has died down, the reality of the situation and the hard work over the coming months and years is very real for all those who have been impacted. Growers under the pump are reminded that the Rural Support Trust is there to facilitate advice, be it related to health, wellbeing, financial, or otherwise. Call 0800 787 254.

STINK BUG SURVEILLANCE

A new post-harvest surveillance network is adding to our preparedness for one of the industry's most unwanted threats, the Brown Marmorated Stink Bug (BMSB).

The kiwifruit industry and KVH invest significant resources towards making sure we detect and appropriately respond to any detection of the bug. This includes being part of the national BMSB Council alongside government and other potentially affected industries, as well as kiwifruit specific readiness projects such as research funded by Zespri Innovation.

To detect biosecurity threats, like BMSB, surveillance networks are essential, particularly around high-risk border entry points like ports and transitional facilities, where goods are stored and inspected before being cleared for release.

The Ministry for Primary Industries (MPI) oversees the National BMSB Surveillance Programme which operates on an entry risk basis, associated with past detections and pathway risk, using lure traps and vegetation searches on a fortnightly basis during the high-risk season of September through to the end April each year.

KVH is a strong supporter of this national programme, which includes 160 traps at 80 sites (two traps at each site). Additionally, we fund 12 more traps at six sites to supplement traps in the Bay of Plenty where 80 percent of kiwifruit production occurs.

Since January 2023, KVH has also been working with post-harvest organisations to pilot our own industry BMSB surveillance network. This involves two traps each at nine major kiwifruit packing facilities in the Mount Maunganui and Te Puke area.

The pilot enhances nationwide efforts while raising awareness of BMSB across the kiwifruit industry and providing practical, tangible monitoring activities. Importantly, it also builds capability within the industry for any BMSB response.

HOW THE TRAPS WORK

BMSB surveillance works slightly different from other high-risk pest surveillance, such as fruit fly, in that we don't have a lure to directly attract the bugs to a single point. Instead, we use their aggregation pheromone to attract them to the area surrounding the trap.

We use a lure designed to attract both adult and nymphal BMSB, and a sticky card trap. Site inspections use a combination of trap inspections and vegetation searches using beating sheets to collect any stink bugs within 5-10m of the trap. It has been shown that using sticky traps alongside vegetation searching is more effective at detecting BMSB than a single method.

Our pilot project surveillance for the 2022/23 BMSB high-risk season came to an end in April and the good news is that no BMSB were detected. The team did capture very small numbers of established and native stink bugs not of concern though, demonstrating that the trapping methods do work well.

While these targeted surveillance and trapping programmes won't guarantee early detection of BMSB entering New Zealand, combined with public surveillance they will greatly increase our chances of detecting them early enough to be able to do something about them and greatly reduce impacts to our orchards.



A sticky card trap is used with a high-risk dose lure, designed to capture adult and nymphal unwanted stink bugs.



Beating sheets are inspected for any stink bugs of concern.



A 'beating' stick and sheet is used at vegetation sites near traps to detect stink bugs.

NOMINATIONS FOR KVH DIRECTORS

The KVH Board is calling for nominations for two grower directors for a term of three years.

Simon Cook's term as grower elected representative ends in August and he will be re-standing for this vacancy. Simon is currently also Deputy Chairman of the KVH Board.

Current Board Chair Dr David Tanner announced in March that he is stepping down from his role, also in August.

Nomination forms are available online at www.kvh.org.nz and must be returned to KVH at info@kvh.org.nz along with a list of all interests in the kiwifruit industry by 5pm, Monday 3 July 2023.

Grower members will be asked to vote for their preferred nominees and the successful candidates will be announced following the upcoming AGM, Wednesday 23 August 2023, 9am at Mercury Baypark, Mount Maunganui.

YOU ARE INVITED TO OUR FIRST EVER BIOSECURITY SYMPOSIUM!



Make sure you register here for the 2023 KVH Biosecurity Symposium, being held at Club Mount, 45 Kawaka Street in Mount Maunganui, from Thursday 10 August to Friday 11 August.

With the theme 'Adapting to change' the event will bring our biosecurity values and strategy to life, through an informative and interesting series of presentations and workshops for growers, industry, technical staff, and government.

There will be a programme confirmed and published in due course for the expected day and a half, with an optional social dinner the night of Thursday 10 August at Freeport Bayfair.

After you register, we will send you a calendar appointment (to be sure you have the time reserved), and we will let you know once our programme is finalised too.

Our Biosecurity Symposium web page will be continuously updated as details are confirmed.

Register online here: https://events.zespri.com/biosecurity-symposium-2023/registration/Site/Register

Q&A FROM THE FIELD

KEY CONTACTS:

Grower Engagement Manager:
Sue Groenewald 027 493 1987

Grower Liaison Managers:
Sylvia Warren 022 101 8550
Brad Ririnui 021 757 843
Richard Jones 027 255 6497
Malkit Singh 027 665 0121

Organic Supply Specialist:
Teresa Whitehead 027 257 7135

If I have ordered Zespri budwood this year how do I collect it?

All growers who requested budwood through Zespri (either Gold3 or Red19) will be emailed a link to a booking system where they are allocated time slots to come and collect budwood on set distribution days. Budwood is only able to be released to growers that have nominated a KPIN, and budwood is strictly based on an allocation of two buds per stump or plant, unless otherwise indicated in the budwood questionnaire. The calculation of budwood is calculated from the information provided by growers through the licence application at the time of tendering. For more information on the process for collection please refer to the Budwood Collection Instructions on the Canopy website or feel free to contact your Grower Liaison Manager or email budwood@zespri.com.

What is the best post-harvest spray for Psa?

Actigard and Copper — you need at least 50 percent of your leaves still in the canopy and green for an effective Actigard spray.

Why can't I select blocks for a post-harvest spray line in Spray Diary?

You can change the year of harvest to 2024 in a drop down box (top left). After the Spray Diary rollover in July 2023, this will be selected automatically.

I am looking at selling my orchard. Where can I find out what my licensed area is?

You should always be selling your orchard based off your licensed area and not your planted area. Your licensed area is the correct area and is the area you hold from the licence you have purchased either from Zespri or when you purchased the orchard. Please ensure that if you are either selling or purchasing an orchard, you have completed your due diligence and know the correct licence area. If you are unsure, you can contact the Zespri Licence Team at new.cultivars@zespri.com for help.

I want to sell Zespri SunGold Kiwifruit at my orchard gate. What is the process?

Zespri licensed growers have the opportunity to sell their Class 3 (reject) fruit at the orchard gate, roadside stalls, farmers markets, or through their Registered Supplier on the domestic market (Class 2 only). This must be done under a Gate Sale Agreement. For information on the Gold Gate Sales Agreement, visit Canopy here: Canopy > Growing Kiwifruit > Zespri™ Variety Licences > Licence Management > Gate sales. There is currently no Gate Sale Agreement for Zespri RubyRed Kiwifruit due to relatively low volumes. If you require more information, contact the Zespri Grower Support Services Team on 0800 155 355, or email new.cultivars@zespri.com.

STONEY CREEK GROWER CLOTHING OFFER AVAILABLE NOW!

Back in 2020, Zespri teamed up with Stoney Creek to provide our staff with good quality, functional, comfortable and smart corporate clothing. We are delighted to offer the Zespri Grower Range again.

There are a selected number of items on offer at a discounted price branded with the Zespri Grower logo, including polos, shirts, vests and jackets. To order your Zespri Grower items from the online Stoney Creek Grower Shop, visit Canopy for further details: Canopy > Zespri & The Kiwifruit Industry > News > Zespri Grower Stoney Creek Clothing Range.









UPCOMING *Events*

JUN 14-17 SEE YOU AT MYSTERY CREEK FIELDAYS!

Zespri warmly invites you to visit our grower tent at the Mystery Creek Fieldays, being held 14 to 17 June. This is a great opportunity to hear the from Zespri CEO Dan Mathieson and Zespri Chief Operating Officer Jason Te Brake, as well as connect with our Grower Liaison Managers, Zespri Board, and industry partners over lunch and light refreshments.

You can find us at site F49 and site E48 (where we have been located previously). Gates open daily from Wednesday to Friday, 8am to 5pm, and Saturday, 8am to 4pm. Join us for the lunchtime update at 12 noon, Wednesday to Friday.

For more information and to purchase tickets, please visit the Fieldays website at www.fieldays.co.nz.

INDUSTRY MINI SPEAKER SERIES

Hear from guest speakers and industry partners in the Zespri grower tent from Wednesday 14 June to Friday 16 June, 2-3pm.

- Wednesday – Kiwifruit Breeding Centre CEO, Dr Matt Glenn
- Thursday – FarmStrong
- Friday – Women in Kiwifruit guest speaker New Zealand's Special Agricultural Trade Envoy and farmer, Mel Poulton

2023 JUN-JUL ZESPRI SHED TALKS ARE BACK FOR THE WINTER SEASON!

After a great turnout for the first round in September last year, the team is excited to bring Shed Talks back to the regions. Join us over a cup of tea and a scone at a local shed near you.

The sessions will follow the same format as last year, where you will be able to rotate around different stations and interact with Zespri staff. You'll have the opportunity to learn about, discuss, and give feedback on topical issues and projects impacting industry. We want to hear what you think, capture your thoughts and ideas, and share what we're working on.

We're planning to have stations covering:

- **Share alignment:** The Zespri Board has been considering a number of initiatives to try and lift grower shareholding of Zespri. We're in the early stages of this work, so it's a good opportunity to have your say.
- **Industry engagement and communication:** We have some initiatives to share about how we can continue to support you, and we'd love your feedback.
- **Fruit quality transparency:** We're planning changes to the industry portal to report on fruit quality through the supply chain, as part of the Quality Action Plan (see page 2), and we'll have some prototypes to share with you.
- **The Listening Post:** Your chance to sit down with senior Zespri people and talk about what matters to you.

These discussions are aimed at all parts of the kiwifruit growing community, so whether you're a grower, an orchard manager, a contractor, or service provider, then this event is for you.

Make sure you register to secure your spot. Register at https://events.zespri.com/june-july-shed-talks/junejulyshedtalks/Site/Register

REGION	DATE	TIME
Whakatāne	Tues 20 June	10am - 1pm
Ōpōtiki	Wed 21 June	10am - 1pm
Gisborne	Thurs 22 June	10am - 1pm
Motueka	Mon 26 June	1pm - 4pm
Auckland	Tues 27 June	10am - 1pm
Whangārei	Wed 28 June	10am - 1pm
Kerikeri	Thurs 29 June	10am - 1pm
Waikato	Fri 30 June	10am - 1pm
Te Puke	Tues 4 July	10am - 1pm OR 2pm - 5pm
Tauranga	Weds 5 July	10am - 1pm
Katikati	Thurs 6 July	10am - 1pm OR 2pm - 5pm

Note: We are planning further sessions in Hawke's Bay and the Coromandel. Details will be shared soon.

SOME FEEDBACK FROM LAST TIME:

It was good to be able to have your say in smaller groups.

I liked hearing other growers' opinions, and also to hear what Zespri are considering.

It really felt like we were being listened to.

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FOR FURTHER INFORMATION OR FEEDBACK PLEASE CONTACT: THE ZESPRI GROWER SUPPORT CENTRE (0800 155 355) P.O. BOX 4043, MOUNT MAUNGANUI. TEL. 07-572 7600, FAX 07-572 7646 www.zespri.com canopy.zespri.com EMAIL: contact.canopy@zespri.com

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