



P6: FRUIT
QUALITY UPDATE



P7: FROM
THE MARKETS



P14: THE MONTH
AHEAD – JUNE



P16: FROM
THE FIELD

2023/24 FINANCIAL RESULTS: RECORD VALUE OFF REDUCED VOLUMES



Zespri's 2023/24 season financial results have delivered record average per tray returns to growers across all categories other than Organic SunGold Kiwifruit.

While a difficult growing season resulted in global sales volumes falling 10.5 per cent to 164.2 million trays, global kiwifruit sales increased two per cent to \$3.99 billion, reflecting improved fruit quality and strong pricing throughout the season.

Zespri's net profit after tax was \$173.3 million, down from \$238.7 million in 2022/23, mainly driven by reduced licence revenue from lower pricing per hectare than 2022/23. The total net dividend is \$0.85 per share.

CEO Dan Mathieson says the results are a reflection of the industry-wide effort to lift fruit quality, along with strong consumer demand for Zespri Kiwifruit.

"We're delighted to be able to deliver a strong set of returns to growers, particularly after such a challenging period for the industry.

"It's pleasing to see a significant increase in Green returns, up from \$5.78 to \$9.55 per tray, which is welcome news given how tough it's been for our Green growers in recent seasons and the difficult growing conditions we've faced," says Dan.

"These strong per tray returns have been driven by improved quality and good pricing alongside our investment in the brand and ability to build demand ahead of supply."

Zespri's Non-New Zealand Supply season sales increased to \$654.2 million, up from \$519.3 million, on the back of increased volumes sold of 27.2 million trays, improved pricing and a reduction in quality costs.

"Our offshore production bases are a critical part of Zespri's Global Supply strategy, helping us build the brand, hold shelf space, and maintain our retail and supply partnerships," says Dan.

Dan notes the results are a credit to the way the industry has responded to recent challenges, and it's been pleasing to see the positive momentum continue with the fantastic start made to the 2024/25 season.

"The strong demand for our fruit is encouraging and that's helping our efforts to maximise value for growers which will remain our focus," says Dan.

Zespri Chairman Nathan Flowerday notes the significant effort across the industry to lift quality has been a key factor in these results.

"Maintaining our commitment to quality will be pivotal in maximising the value we return to growers and this needs to continue to be a focus across the industry," says Nathan.

Early season feedback on our 2024 crop is positive, with quality remaining high and fruit selling well in our major markets.

"With more fruit available this year, the Board is focused on ensuring we deliver strong value to growers at both per tray and per hectare levels," says Nathan.

JASON TE BRAKE ANNOUNCED AS NEW ZESPRI CEO

After an extensive international search, Zespri has appointed Jason Te Brake as Chief Executive Officer. Jason is currently Zespri's Chief Operating Officer and will succeed CEO Dan Mathieson who is leaving Zespri to join Driscoll's, effective 1 July.

Chairman Nathan Flowerday notes Jason is an outstanding executive with the strong commercial and stakeholder management experience Zespri was looking for.

"He has a clear strategic vision to help Zespri and the industry achieve its immense potential, and the operational expertise to ensure we do so.

"Jason has done an outstanding job of leading our global supply chain and the New Zealand supply business as our Chief Operating Officer and has also delivered exceptional results based off detailed planning and execution as the industry responded to recent quality challenges, and then reset to deliver a record crop this year," says Nathan.

"There is significant and growing demand for Zespri Kiwifruit which will add real value to our industry and communities, and Zespri has a strong strategy in place as we pursue that, with Jason able to provide the vision and continuity as well as the knowledge of our industry to deliver on that."

Nathan also acknowledged Dan's immense contribution to Zespri, as a world-class leader who has led the industry through both strong growth and considerable challenges.

"He's someone who has a genuine care for people and our industry and we wish him every success in his new role at Driscoll's," says Nathan.

"I am hugely passionate and energised about the opportunities for the industry and it's a real honour and privilege to be able to lead Zespri.

"The kiwifruit industry has an outstanding track record of success, off the back of quality people, a world-class product and strategy, and a commitment to innovating and tackling challenges together.

"I am incredibly fortunate to be following in the footsteps and working alongside some of the industry's outstanding leaders.

"My focus will be on leading the Zespri team to capture the significant demand opportunities in market, on strengthening our supply chain and operational performance to maximise value in market, and on ensuring we return as much of that value back to growers as possible.

"Thank you to Nathan and the Board for the faith they've shown in me, and also to Dan for his guidance and mentorship. Dan has been an outstanding leader for Zespri, helping turn Zespri into a world class sales and marketing organisation which has created a strong platform, delivering significant value for our growers and our communities."



Incoming CEO,
Jason Te Brake.

2023/24 FINAL AVERAGE ORCHARD GATE RETURNS

Pools (Fruit Categories)	2023/24 Final (Per Tray)	2023/24 February Forecast (Per Tray)	2022/23 Final (Per Tray)	2023/24 Final (Per Ha)	2023/24 February Forecast (Per Ha)	2022/23 Final (Per Ha)
Zespri Green	\$9.55	\$9.44	\$5.78	\$65,717	\$64,930	\$57,636
Zespri Organic Green	\$12.53	\$12.18	\$8.68	\$56,086	\$54,516	\$60,912
Zespri SunGold	\$12.92	\$12.62	\$9.97	\$146,987	\$143,537	\$137,524
Zespri Organic SunGold	\$14.71	\$14.21	\$12.28	\$113,449	\$109,640	\$133,548
Zespri Green14	\$10.63	\$10.31	\$6.87	\$49,841	\$48,326	\$41,761
Zespri RubyRed*	\$26.34	\$26.54	\$22.27	\$40,741	\$41,057	\$42,063

*NB: Zespri RubyRed Kiwifruit is in its second year as a commercial pool. Forecast per hectare returns have been influenced by a high proportion of productive hectares returning low yields impacted by vine age. 149 hectares producing for 2 years or less have returned an average yield of 1,385 trays per hectare and a forecast per hectare return of \$36,470 per hectare. 4 hectares producing for greater than 2 years have returned an average yield of 5,263 trays per hectare and a forecast per hectare return of \$138,633 per hectare. 6 hectares with mixed aged vines (with vine age of both 2 years or less and more than 2 years) have returned an average yield of 3,155 trays per hectare and a forecast per hectare return of \$83,091 per hectare. For RubyRed 2024 season publications of OGR per tray returns, the 2023 season per tray return comparative will be restated from \$26.34 to \$18.87, to account for NSS Size 46 fruit being included in Standard Supply in 2024.

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KEEN FOR MORE ZESPRI NEWS AND INDUSTRY INFORMATION? MAKE SURE YOU CHECK OUT THE NEW CANOPY!



DAN'S VIEW

Hi everyone,

We're moving ever-closer to completing this season's harvest, with more than 128 million trays of SunGold and 50 million trays of Green now packed.

It's been a tremendous effort right across the supply chain to make such a strong start to the year, with fruit quality looking very good across our varieties on arrival in all of our markets, with consistent fruit pressure and low levels of defects.

It's meant we've generated some really positive momentum with our sales programmes, allowing us to meet the strong demand we're seeing for our fruit among customers and consumers.

The feedback our Chairman Nathan Flowerday and I heard on our market visits over the last month has been really positive, with customers very complimentary of the work the industry has done in maintaining quality across a much larger volume of fruit this season.

That's supported our ability to record some of our highest weeks of deliveries consistently across our major markets, with Japan and China delivering more weeks of one million trays of Class 1 fruit over the past five weeks than ever before, and our Green sales programmes starting well in Europe. In total, our SunGold sales are 30.2 per cent (compared to 26.8 per cent last year) through our full-year plan, with Green at 12.8 per cent (compared to 12.4 per cent last year), and RubyRed now at 99.4 per cent (compared to 100 per cent last year). While it's been one of best starts in New Zealand and in our markets, we still have a long way to go this season with such a large year-on-year jump in volume. Our teams are working incredibly hard to keep up the strong momentum going into the more competitive summer fruit period.

While we made the decision to destroy all fruit from our first vessel to Europe this season given mice activity, our shipping programme which has now switched to fortnightly vessels has allowed us to maintain appropriate fruit inventory levels of between one to two weeks, which is in line with our targets this season.

In recent weeks, we also confirmed our final 2023/24 financial results which included record per tray returns for all categories other than Organic Green. The strong results are a direct reflection of the industry's huge effort to lift fruit quality, and our ability to drive strong pricing from lower volumes. With the much larger crop this season, maintaining both quality and strong sales rates will be a key contributor to the value we're able to deliver growers this year and remains our focus.

With harvest almost complete, over the next few months you'll see we've got some important discussions to have as an industry. That includes considering how we can get the best value from our ZGS strategy, including seeking grower and industry views on potential expansion of the current cap on our offshore plantings.

It's a decision that needs to be made together as an industry, as we face more competition in the market to capture the strong demand we're seeing, and preserving our ability to deliver good value to growers.

You can see more detail on how you can participate in these discussions on pages 4-5 of this issue of *Kiwiflier*, as well as on Canopy.

Finally, I'm delighted to see that Jason Te Brake will be your next Zespri Chief Executive. Jason is a very capable and proven leader, and as Chief Operating Officer, he's led the industry through a difficult period as we've reset to deliver much better quality fruit and manage larger volumes. I look forward to supporting his transition to CEO throughout June as he gets set to start in the role on 1 July.

I look forward to seeing many of you at our Fielddays site in a few weeks, along with Nathan, Jason, and the rest of the Zespri team.

All the best in completing your harvest and see you soon.

Dan



Interested in hearing more from Dan?
You can see more regular updates on LinkedIn, so feel free to follow him there.

EPA HYDROGEN CYANAMIDE APPROVAL

The EPA has approved ongoing hydrogen cyanamide use in New Zealand, recognising scientific evidence provided by the industry and dropping its proposal to ban the product in 10 years.

COMMENT FROM CHIEF OPERATING OFFICER, JASON TE BRAKE

To say we're relieved to see the Environment Protection Authority (EPA) recognise the weight of evidence provided by industry and approve the continued use of hydrogen cyanamide would be an understatement, with sighs of relief across the industry on 23 May, following the EPA's announcement that the benefits of its use outweigh any potential risk.

The kiwifruit industry presented a strong case at the EPA reassessment hearings and throughout the long process to show how we use the product safely and protect people and the environment with strict controls around hydrogen cyanamide use, with these maintained and enforced by agencies and verified each season.

It was striking how the kiwifruit industry came together throughout this reassessment process and we thank everyone involved for their considered contributions across a wide range of viewpoints. The industry has invested millions of dollars and much sweat and time over the past four and a half years in protecting growers' access to this vital agrichemical.

Hydrogen cyanamide remains a critical tool in achieving economic levels of kiwifruit production and was used by 92 per cent of all conventional (i.e. non-organic) growers last season. I know this decision will provide reassurance and certainty to our industry that we can continue to operate and preserve livelihoods in rural communities.

While we are pleased with the outcome and acknowledge the importance of independent regulators such as the EPA, Zespri has concerns over the position taken by the EPA throughout this reassessment.

Zespri has at all times maintained that any risks from hydrogen cyanamide are low and not outweighed by the massive benefits - and this position has been supported by robust scientific evidence. This process has taken several years, come at considerable cost, and added a lot of uncertainty and stress for growers and the wider industry.

It is gratifying to see this evidence now recognised. As an industry, we have the resources to respond to this reassessment. However, other smaller industries would not be able to do so.

Thanks again to all our partners across the industry who took part in the reassessment process and showed the EPA the care we take with agrichemicals and how we keep people and the environment safe.

As an industry, it's important we remain committed to sustainability and our responsibilities to protect the environment and our people. The EPA acknowledged our commitment to compliance and strongly encourage us to continue with research into alternative products and cultivars and continue to build a culture of compliance. This is not only important to regulators but our customers and consumers and ourselves. We will continue to strengthen our robust environmental and health and safety practices.

CONTROLS

The EPA has established controls effective immediately which formalise our standard industry practice, acknowledging our requests throughout this process. More information will be provided through industry channels ahead of the application season.

Controls include:

- ! To be applied once between 1 July to 10 September
- ! Maximum wind speed of 20km/hr, no minimum speed and no use in inversion conditions
- ! Requirement for coarse spray quality which applicators can achieve through a range of techniques, not restricted to AI nozzles only
- ! The role of shelter in mitigating spray drift is acknowledged and buffer zones reduced with shelter

- ! Bystander buffer zones: 6m with shelter and 8m without
- ! Aquatic buffer zones: 6m with shelter and 10m without
- ! Non-target plant downwind buffer zones for non-threatened species: 6m with shelter and 10m without
- ! Non-target plant downwind buffer zones for threatened species: 15m
- ! Additional runoff slope added for slopes under 5 per cent gradient
- ! New labelling requirements in place from July 2025.



COME ALONG TO OUR ANNUAL MEETING!

The Zespri Annual Meeting will take place on Wednesday 21 August 2024, at 1pm, at Mercury Baypark Arena.

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 2023/24 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.

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.



NOMINATION FORMS

Nomination forms for Zespri Directors and Shareholder Members of the Director Remuneration Committee are available on Canopy here: [Canopy > Events > Zespri Annual Meeting](#)



'FINISHING OFF BLOCKS' AND SHELTERBELT LICENCE

Two separate licence allocations are now available for 'Finishing Off Blocks' (FOB). This process is for existing Zespri growers who wish to obtain small (0.30 hectares or less) licence areas to fully complete an existing SunGold or RubyRed block, and is available throughout the year.

The SunGold Finishing off blocks and Shelterbelt licence is able to be purchased at a fixed price, being the final price of the 2024 Unrestricted Zespri SunGold Kiwifruit auction (\$424,000 per hectare, excl. GST).

The RubyRed FOB and Shelterbelt Licence is available for purchase at the closing price of the 2023 Zespri RubyRed licence auction of \$33,043 per ha (excl. GST).

The FOB Licence Application Overview and Rules (LAOR) document and grower information sheet are available on the 'Managing Your Licence' page on Canopy. There are also several additional requirements that must be met before an area can qualify as 'FOB Area' that can be entered in this allocation process. The grower information sheet includes examples of these requirements and of scenarios that do and do not qualify under the FOB process.

Applications must relate to an identified property with an assigned KPIN and variety being applied for the time of application and must be submitted in writing using the application form found in the relevant FOB LAOR. This application must include a valid GPS map showing the proposed area for removal.

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

The 2024 ascending price-open auctions for SunGold licences have concluded and growers have received notification of their successful allocations.

This year's licence release saw us holding two separate licence allocation auctions on 6 and 8 May for Restricted SunGold (Hayward/Green14 cutover) and Unrestricted SunGold.

There were 99 successful bidders in the Restricted pool for SunGold, and 56 successful bidders in the Unrestricted pool. Across both pools, there were 301 approvals to bid (103 bidders were approved for both auctions). Since the auctions are run separately, it allows bidders the option and flexibility to participate in both auctions.

The average hectares purchased per bidder were 1.55 hectares for Restricted SunGold, and 1.87 hectares for Unrestricted SunGold.

Closing prices this year were significantly lower than last year (Restricted Auction Closing Price down 33 per cent, and Unrestricted Closing Price down 30 per cent).

Tracy McCarthy, Zespri Executive Officer Grower and Industry Engagement says Zespri believes the fundamentals for SunGold remain strong.

"After talking with growers and banks, we think lower licence prices reflect tougher credit market conditions and general uncertainty around rising costs," says Tracy.

"At the same time, we're pleased for those growers who have been able to secure licence at the lowest price for years."

Tracy notes that Zespri introduced online auctions in response to feedback from growers that the licensing mechanism should be transparent and should achieve price-equity.

"The auction mechanism has worked well for a second year in a row and achieved the aim of allocating licence in a manner that reflects the market and where every successful bidder pays the same price in each auction," says Tracy.



COMMUNICATION AND EDUCATION

Significant efforts were put into ensuring growers were aware of the registration process and that potential bidders had access to materials to assist them in participating.

Practice auctions were provided to approved bidders, and instructional videos and materials were made available to view on Canopy.

"The practice auctions gave bidders, and those supporting them, a sense of what the live bidding would look and feel like and gave Zespri the opportunity to ensure the support functions were ready to go for the main auctions," says Tracy.

Zespri will be reaching out to survey growers who put in an application to bid so we can understand how the online application process went, how valuable the education material is, and how easy the auctions were to navigate.

AUCTION SUMMARIES

Details of the auctions are summarised in the tables below. Further information can be found on Canopy: [Canopy > Supply & Operations > Your orchard business > Licences > Buying a licence.](#)

2024 LICENCE RELEASE RESULTS

Licence pool	Restricted Zespri SunGold Kiwifruit (Hayward/Green14 cutover)	Unrestricted Zespri SunGold Kiwifruit
Hectares available	150 ha	100 ha
Hectares released	153.47 ha	104.72 ha
Opening price (GST inclusive) per hectare	\$393,000	\$406,000
Final price (GST exclusive) per hectare	\$393,000	\$424,000
Total number of auction rounds	1	5
Total hectares bid for (first round of bids)	153.47 ha	113.59 ha
Average successful hectares	1.55 ha	1.87 ha
Number of eligible bidders	150	151
Number of successful bidders	99	56

DISTRIBUTION OF LICENCE BY SIZE

SunGold Restricted distribution of licence				
Hectares	2024		2023	
	Number of successful bidders	Total hectares allocated	Number of successful bidders	Total hectares allocated
0.01 to 0.99 ha	38	24	52	29
1 to 2.99 ha	43	67	59	105
3 to 4.99 ha	17	55	9	29
5 to 9.99 ha	1	8	5	37
10 ha	0	0	0	0
Total	99	153	125	199

SunGold Unrestricted distribution of licence				
Hectares	2024		2023	
	Number of successful bidders	Total hectares allocated	Number of successful bidders	Total hectares allocated
0.01 to 0.99 ha	27	9	38	14
1 to 2.99 ha	18	32	25	42
3 to 4.99 ha	6	23	4	16
5 to 9.99 ha	4	31	5	37
10 ha	1	10	4	40
Total	56	105	76	149

CANOPY NEWS IN BRIEF

MILESTONE REACHED FOR ZESPRI GAP



Each year Zespri is audited to determine if the latest GLOBALG.A.P. requirements are met. When we demonstrate that our growers are meeting the requirements for everything from food safety through to labour, we receive a certificate that unlocks supermarket shelves across Europe and North America for Zespri kiwifruit.

This year, the journey to certification was extra special, as it is the first time our producer group and growers were signed off on GLOBALG.A.P. Version 6.

Find out more and what means for you here: [Canopy > News > Huge milestone reached for Zespri GAP](#)

KIWIFRUIT 101 JOURNEY

We've recently launched guided journeys on Canopy to help you quickly understand everything about kiwifruit.

Our first release, the "Kiwifruit 101" journey, gives an overview of growing, shipping and exporting kiwifruit, as well as our industry structure. Whether you are new to the industry or need to refresh your knowledge, this is a great place to start. Follow the journey here: [Canopy > Tools > Guided journeys > Kiwifruit 101](#)

[READ MORE ON CANOPY](#)



ZESPRI GLOBAL SUPPLY

DISCUSSING WHAT'S NEXT FOR OUR NORTHERN HEMISPHERE PLANTING ACTIVITY

We have been focused on prioritising the New Zealand harvest and sales programmes, and as we near completion of harvest with a positive beginning to the the sales season, we want to discuss a key value creator for our industry – expansion of our industry’s counter-seasonal (12-month) supply business, Zespri Global Supply (ZGS). This is vital for keeping our industry strong and ensuring consistent returns for growers.

ZGS was established by growers more than 20 years ago. The idea was simple but powerful; to build the Zespri brand and keep Zespri Kiwifruit on shelves for longer, and ultimately all year round. In today’s market, with competition heating up and retailers running year-round programmes, achieving 12-month supply of Green and SunGold with a focus on key customers in key markets is more important than ever. It helps us keep our market position, growing the value we return to you, and protecting the future of your businesses here in New Zealand for both Green and SunGold growers.

IT DOES THIS BY:



COMPETITIVE PRESSURE

Competition is increasing and when we’re not on shelves, we leave more room for our competitors. They’re increasing their volumes, improving quality and ramping up their marketing efforts with some aiming for their own 12-month supply. Retailers want to sell kiwifruit year-round and if Zespri can’t supply it they find someone else to. If we can be available year-round we’ll protect our shelf space and market position.



PRICING

If consumers experience more kiwifruit available at lower quality it will affect their perception of the value of kiwifruit and put pressure on our ability to attract a premium. With more to sell at lower quality, our competitors are also more likely to lower price to retain shelf space when we return to market. This can make it harder for us to command the value that Zespri Kiwifruit deserves. By ensuring a consistent supply, we protect our brand's value and maintain our strong position at the quality end of the market.



BUILDING THE BRAND

The Zespri brand is a key driver of the value back to New Zealand growers. Consistent availability will help us build momentum with our retailers and consumers and mean we can spread our sales and marketing investment out more evenly to support strong sales rates and value. Plus, our efforts to grow the Zespri brand and build consumer loyalty are much more efficient. By positioning Zespri Kiwifruit as a part of people’s everyday diet all year round and being available for that, we make sure our brand stays top of mind, which benefits all of us in the long run. If our customers can’t find our Zespri brand on the shelf, they will try others, or leave the category altogether, and then we need to work harder to get them back.



OPTIMISING VALUE AND QUALITY

Selling your fruit at the right time is key to maximising returns. ZGS fruit gives us more

flexibility around when we sell to ensure we’re minimising cost and maximising returns while also seeking to fulfil our 12-month supply strategy. This way we ensure consumers always get the best quality, helping to keep them loyal to our brand and the kiwifruit category. Keeping the counter-season weeks filled with Zespri quality fruit also reduces the chance of consumers having a poor experience with other kiwifruit that turns them off the kiwifruit category.



INTERNATIONAL PARTNERSHIPS

Our partnerships with European growers were a key reason why the 8.8 per cent tariff on our exports to Europe was removed as part of the New Zealand-EU Free Trade Agreement which came into force this year. That’s worth around \$50 million a year in tariff savings. ZGS makes us members of the community in some of our key markets, helping ensure we are supported by those communities.



INNOVATION

Our Northern Hemisphere growing locations let us do biosecurity research year-round. This helps us prepare for potential incursions here and over there. Plus by partnering with those growers we can learn from each other to help improve yields and on-orchard practices that also benefit us back here in New Zealand.



CONTRIBUTING TO ZESPRI’S COSTS

ZGS returns contribute to the running of Zespri. If ZGS production expands, it would cover a greater share of Zespri’s costs. As noted, it also optimises our advertising and promotion spend, reducing the level of investment required to restart the markets when New Zealand fruit returns to shelves.



CONTRIBUTION TO DIVIDENDS

In the 2023/24 financial year, ZGS contributed \$23.7 million to Zespri’s corporate profit.



ZGS NOW

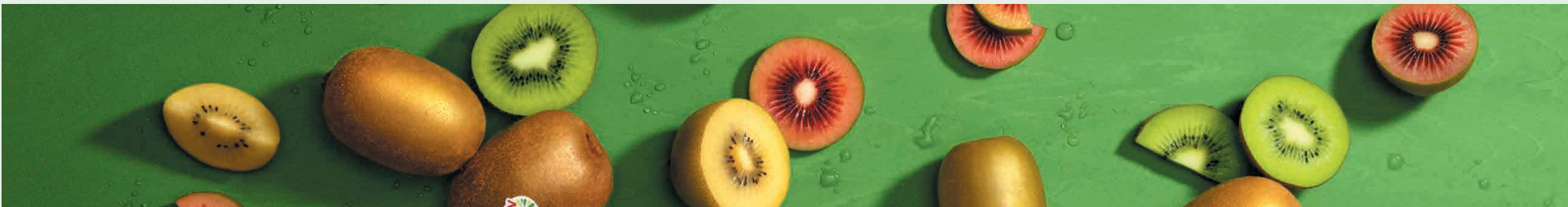
For more than 20 years, we have partnered with growers in Italy, France, Japan and Korea, and more recently Greece, to source fruit to keep our shelves full and customers and retail partners happy when New Zealand fruit is not available. Current ZGS planting activity is governed by a Producer Vote that took place in 2019 which approved 12-month supply to the following limits:

- 5,000 hectares of SunGold
- 20 million trays of Green procured
- 1,000 hectares of any new variety

A proposal in 2022 to expand approvals for growing SunGold and new varieties did not meet the two 75 per cent thresholds required under the Kiwifruit Export Regulations.

There are numerous reasons why we need to have the conversation again, including:

- We have reached the 5,000 hectare planting cap and therefore ZGS will soon reach the limit of its ability to complement New Zealand supply.
- The current gap between the amount of ZGS supply and unconstrained demand (the maximum demand forecast from each of the markets to deliver a certain level of return) for Class 1 SunGold in the Northern Hemisphere season is 29 per cent and that’s forecast to grow to 58 per cent by 2033. That means we’ll only be fulfilling 42 per cent of demand. That’s a significant lost opportunity for us, and conversely, an opportunity for competitors.
- As demand for kiwifruit has grown, so has the interest, activity and sophistication of our competitors. In our six core European markets (Belgium, France, Germany, Italy, Netherlands, Spain), during the 2020/21 ZGS season (November-April), competitors had 42 per cent volume share of the Gold kiwifruit category. By 2022/23, this number had increased to 46 per cent. During the New Zealand season (May-October) competitors had 10 per cent of the Gold category in 2021, and 15 per cent in 2023 (noting 2023 was a low volume year for New Zealand supply).
- Our international partners (growers, post-harvest) need to know what opportunities Zespri and the New Zealand industry can offer them. If we can’t provide this, they will look to other cultivars and suppliers.
- Retailers know and trust the Zespri brand and want to have our fruit on their shelves for 12 months. They already have a 12-month supply programme for kiwifruit so if our fruit is not available, they will source kiwifruit from our competitors.
- We’ve had real success as an industry at creating ongoing value for growers. However, standing still is not an option when demand is increasing, retailers want to sell more kiwifruit, and competitors are getting better.



WHAT HAVE WE LEARNED FROM PREVIOUS VOTES?

We’ve sought and received a lot of feedback from growers to help us understand the reasons we did not reach 75 per cent support in the 2022 vote and to understand what growers wanted from us after that.

For growers that support ZGS, the top three reasons for doing so were that:

- 1. Leaving space on the shelves in the market for our competitors and therefore losing market share
- 2. Needing ZGS to meet global demand for Zespri fruit and build the brand
- 3. Keeping our fruit on overseas shelves saves NZ growers on our sales and marketing costs.

For non-supporters of ZGS, the three key reasons were:

- 1. Concern about oversupply and the impact this could have on my OGR
- 2. Needing to sort the issues we’re facing in NZ before growing too quickly overseas
- 3. Concern Zespri will struggle to maintain the quality of the overseas-sourced fruit, and this could damage the brand.

There was clear feedback that in challenging times the focus should be on addressing the issues in New Zealand. Growers did not want a discussion on ZGS when they were focused on getting through that challenging time and they wanted to ensure Zespri was too. These are fair concerns – and our focus will always be on lifting OGRs, on protecting our brand, and growing the value of the kiwifruit category for New Zealand growers.

WHERE TO FROM HERE?

Most growers support ZGS, but many of you are undecided and some of you are opposed. Questions remain about the way forward and there are concerns we need to work through.

As a result, this time around we’ll be asking for grower input into the future of ZGS and proposed Producer Vote resolution before we decide whether to progress with a Vote.

There are three areas for the industry to consider when it comes to next steps for ZGS:

- 1. **The number of hectares to approve (taking into account forecast demand, estimated fruit production, and the number of trays these hectares could produce over time);**
- 2. **The approval period; and**
- 3. **What reporting is required to give growers comfort and confidence in ZGS.**

We will be prioritising this discussion during upcoming grower events including Shed Talks, Roadshows, the grower survey due out in July and during our usual engagement activities with growers. Check out page 16 of *Kiwiflier* for details on upcoming events where you can get involved and give us your feedback. Our intention is to focus on co-designing a solution with growers from June through August.

We will then present back the co-designed proposal to the industry through September and October and if growers are supportive, hold a vote through November.

We are not seeking to expand our cap for procurement of Green, with the 20-million tray approval sufficient nor the 1,000 hectares for new varieties.

GIVING YOU THE INFORMATION YOU NEED TO MAKE A DECISION

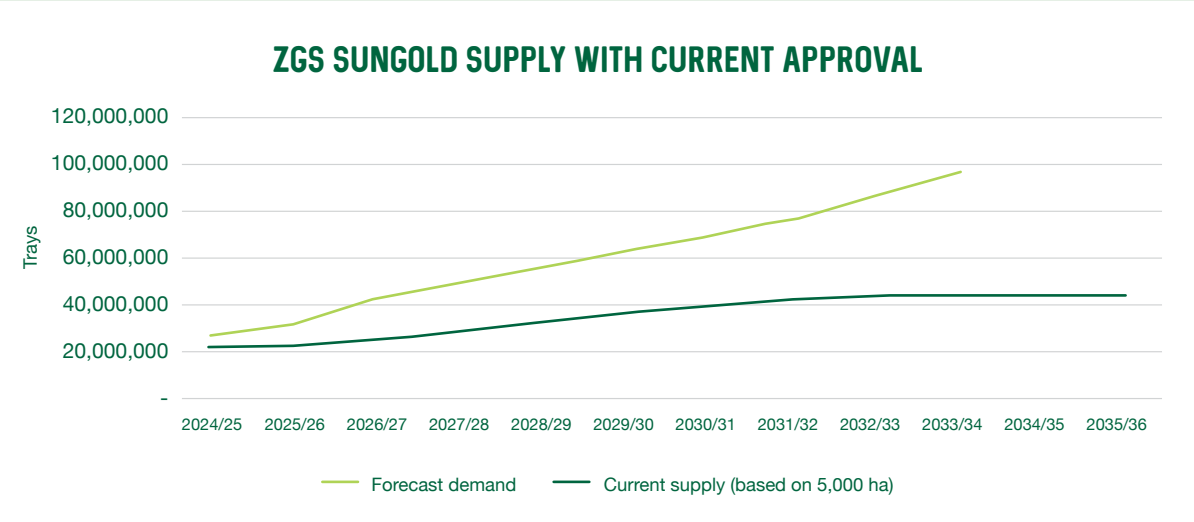
We also know that you need the right information in order to feed into the proposal and also to make an informed decision on whether or not to support it. We’ll be making information available to help with this. When considering the number of hectares, approval period, and the reporting requirements, the below should be considered:

CONSIDERATIONS	
Number of Hectares	<ul style="list-style-type: none">• Keeping demand ahead of supply to maximise returns• Providing 12-month supply to key customers in key markets• Giving growers confidence the expansion can be managed effectively• Providing certainty to our ZGS partners• Recognising planting constraints in ZGS locations, including our focus on working with the best growers in the best locations, which limits the number of hectares which can be planted annually
Approval Period	<ul style="list-style-type: none">• How often do growers want to vote on expansion?• Allowing ZGS partners to plan and run their business effectively
Reporting	<ul style="list-style-type: none">• What information do growers want to give them certainty, confidence and transparency?

While we are not putting forward a proposal at this point, we do know the level of demand, our estimated trays per ZGS hectare and our planting capacity which is a useful reference point for the discussion.

With the current 5,000 hectares in full production and estimated production of 9,250 trays per hectare (Italy and Greece), we will only be meeting 42 per cent of forecast demand by 2033. An additional 2,500 hectares would take us to 60 per cent of forecast demand. Our expectation is it would take around six years to plant this number of hectares.

The below graph illustrates the current relationship between supply and demand based on the current approved hectares:



We will be providing more background information over the next few months ahead of presenting the co-designed proposal. All growers are encouraged to be part of the discussion, head along to Shed Talks this month to get involved.

HEARING GROWER PERSPECTIVES

You will likely have been asked to participate in one of our regular grower surveys or focus groups. These are among the ways we ensure we’re speaking to as many growers and getting as wide a range of views as possible. The research is carried out by an independent research agency, Primary Purpose, and while it is just one of the ways we gather feedback, it’s an important one. Your feedback then informs our decision making.

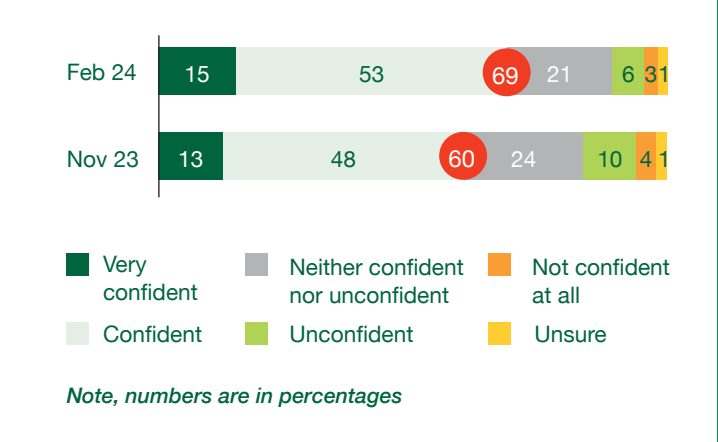
WHAT ARE GROWERS SAYING?

What growers have clearly told us is that we can only have a discussion on strategic initiatives like ZGS if the New Zealand industry is performing strongly and growers are feeling confident.

We are coming out of two challenging seasons and our full focus has been on delivering the season well and tackling the issues in New Zealand and as a result we see that grower confidence is rebuilding.

The survey shows that number of growers who are confident in the future of their business was up nine points to 69 per cent from last November to February. 21 per cent of growers were neutral and nine per cent were not confident. These are the results from February and do not take into account recent positive news including the 2023/24 returns, the hydrogen cyanamide decision, and the strong season start.

HOW CONFIDENT ARE YOU IN THE OVERALL FUTURE OF YOUR OWN ORCHARD BUSINESS?



The feedback reflects a range of things from the better growing season this year, the lift in quality and the fact that the industry has responded well to the challenges of recent seasons.

At the same time, the industry has also been making progress on some of the structural issues growers have raised through the Industry Alignment process. Industry Alignment is the framework that helps us prioritise workstreams and get grower input into solutions.

Zespri is committed to addressing the concerns raised by growers, to tackling the challenges inhibiting value creation for growers and to pursuing the opportunities in front of us.

An update on our first tranche of workstreams are below.

INITIATIVE	STATUS UPDATE
Shareholder Alignment	<p>It is the intention that from 2025, growers will have the opportunity to receive their June loyalty payment (relating to the 2024 harvest season) as shares, and shareholders will have the ability to reinvest dividend payment as shares.</p> <p>Note, we’re currently working through the implementation plan to support these initiatives, and growers cannot currently apply for the initiatives. If/when the initiatives do proceed, the offers to participate will be made in accordance with the Financial Markets Conduct Act and details regarding the initiatives, including application dates, eligible participants, and applicable terms and conditions will be released and clearly communicated to the industry closer to the time.</p>
Improving financial returns for Green growers	<p>A Green Category Management function has been set up to assess risks and opportunities with an end-to-end focus from orchard through to consumer. Within the five-year plan there is an increased emphasis on Green OGR and extending the positive movement in last year’s financial forecast into the medium and longer term. Plans are currently underway for a Green Grower Town Hall around October once we have the selling season largely completed.</p>
Making SunGold licence accessible to more growers	<p>We’ve changed our licence release mechanism to an ascending auction model to provide more transparency and certainty. We also established a Green-cutover pool to support more Green growers into licence and stronger returns by reducing supply relative to demand. We will also consider the release mechanism for new varieties.</p>
Industry Decision Making	<p>We’re making the industry decision making process more transparent to growers and considering whether it should be reviewed.</p>



FRUIT QUALITY UPDATE

ONSHORE QUALITY

Onshore fruit quality is tracking comparable to that of 2023, and better than 2022 for both SunGold and Green.

The packing related defects this year are mostly driven by minor blemishes in SunGold, and a combination of cosmetic shape defects and blemishes in Green. Flesh damage is tracking similar to that in 2023 and 2022 for SunGold. While a high incidence of short stalk was reported in SunGold during Kiwistart packing, most of the flesh damage observed during ECPI audit was due to cuts, and not punctures from short stalks. The levels of storage defects is currently tracking lower than in 2023 and 2022 for SunGold and Green.

OFFSHORE QUALITY

Overall, offshore fruit quality is comparable to that in 2023 and better than that in 2022.

The main quality defect reported in most markets for SunGold has been soft fruit, compared to 2023 where skin defects were the main quality issue.

The higher level of softs for SunGold in 2024 is in part related to a decision by Zespri to deliver ready-to-retail fruit, in order to help maintain steady run rates for those first few weeks. The impact of the higher levels of soft fruit on the overall quality outturn has been minimal, with the pallet fail rates (pallets needing repack) currently at 1.7 per cent to date, compared to 1.2 per cent in 2023, and 12.0 per cent for the same period

in 2022. This means most of the softer fruit was sold and the general view from key markets is that SunGold quality is good, with positive feedback from customers.

Early indications are that Green quality offshore is tracking better than, or comparable to, 2023 for most of the quality matrices. The higher overripe rate for 2024 to date is driven by only two KPINs, with the majority of other growers arriving in market with hardly any overripe fruit.



View the SunGold and Green ECPI quality rates and market quality rates year-to-date on Canopy: [Canopy > News > Fruit Quality Update](#)

GROWING THE ZESPRI KIWIFRUIT FOOTPRINT IN HAWAII

Following a successful first season, Māori Kiwifruit Growers Inc. (MKGI) have had their collaborative marketing programme taking Zespri Kiwifruit to Hawaii extended by the industry regulator, Kiwifruit New Zealand (KNZ).

Collaborative marketing is overseen by KNZ as a means of helping the New Zealand kiwifruit industry develop new markets. Under industry regulations, as part of its review process, KNZ considers whether proposed collaborative marketing initiatives will increase the wealth of all New Zealand kiwifruit producers.

MKGI Chairman Anaru Timutimu says the aim of the programme is to grow the Hawaiian market by 20 per cent year-on-year from 2024, helping broaden the reach of the Zespri brand for the benefit of all New Zealand growers.

"We're really pleased that KNZ has supported the extension of the programme, and sees that this offers a great opportunity to increase kiwifruit consumption and deliver value for the whole industry," says Anaru.

"This year, we'll be identifying suitable Hawaiian retailers with a low kiwifruit footprint to work closely with, including rolling out in-store displays and sampling opportunities to attract new consumers.

"The programme uses Māori provenance and cultural campaigns, utilising the strong language and cultural connections between New Zealand and Hawaii."

The upcoming Festival of the Pacific Arts in June will provide a high-profile platform where the initiative will be officially launched by Kingi Tūheitia, supported by a delegation of Māori growers, along with the King of Tonga and the Prime Minister of the Cook Islands.

Zespri Head of Māori Alliances, Kiriwaitangi Rei says the collaborative marketing programme was lifting the brand's presence in an under-developed market.

"There's a lot of excitement at the potential to deliver real value in a market which previously received around 80,000 trays of SunGold and Green a year, helping support an increase in sales from the general pool and deliver benefit for all growers."



NZ KIWIFRUIT INDUSTRY INNOVATION AWARDS

NOMINATIONS NOW OPEN!

Nominations for the 2024 New Zealand Kiwifruit Innovation Award are now open!

Established in 2015 by former Chairman of Kiwifruit New Zealand, Sir Brian Elwood, the New Zealand Kiwifruit Innovation Award recognises people who have solved a problem or created value for the kiwifruit industry through great innovation.

The deadline for this year's nominations is Friday 26 July 2024 and we encourage our industry to nominate those who have made innovative contributions. Nominees must be individuals, not groups, with the criteria being an applied idea to solve problems and create improvements.



NOMINATION FORMS

The nomination form can be found here: [Canopy > News > 2024 New Zealand Kiwifruit Innovation award nominations now open.](#)

Please submit nomination forms to corporate.communications@zespri.com.





FROM THE MARKETS

SALES UPDATE

Sales are progressing well across our markets in recent weeks contributing to what overall has been a fantastic start to the season, capitalising on early flow of good quality fruit to markets this year.

As of Week 21, more than 40 million trays have been delivered across all fruit groups with all major markets now underway with Hayward programmes.

SunGold sales have been tracking well and in line with our plans with more than 32 million of Class 1 SunGold now

delivered across all markets. China sales momentum is positive, with six weeks of consecutive deliveries of more than one million trays, and Japan and Korea are showing consistently strong run rates in this key sales window prior to summer fruit.

Despite the delayed start to sales after the issue with our first shipment, Europe SunGold sales have started well in the first few weeks following the arrival of the second charter, showing positive early demand signs in the market.

The New Zealand Zespri Green Kiwifruit season is now well underway, and as of Week 20, more than six million trays have been delivered and tracking well in the markets. Europe Green sales programmes have commenced with just under two million trays now delivered in the first two weeks following a smooth completion to the ZGS season.

RubyRed sales programmes are nearing completion with only a few thousand trays remaining to be delivered to close out the 2024 season which has seen 1.5 million trays shipped to our Asia markets.

USA: KIWI BROTHERS MAKE THEIR DEBUT

After making their debut just weeks ago in China, the Zespri KiwiBrothers have now arrived in the United States.

As the season gets underway in the USA, Zespri's successful 'Taste the Obsession' consumer campaign is being rolled out for a second year but this time, the KiwiBrothers are in the mix and singing about the passion and care that goes into growing Zespri Kiwifruit through a rendition of the 80s pop hit song Kids in America, by Kim Wilde.

The 'Kiwis in America' music video will be used across multiple platforms this season, with shorter versions used on social media such as TikTok, Instagram and Facebook, and TV streaming platforms including Disney and YouTube. In addition, the KiwiBrothers will be at consumer sampling and event activations including the San Francisco Marathon and at the outdoor food market 'Smorgasburg' in Los Angeles and New York, and on Spotify music streaming commercials.

Zespri Head of Marketing North America - Jeanne Wilson says with the KiwiBrothers proving to be a strong brand asset in other Zespri markets, strengthening sales and brand power, the US team is thrilled to introduce them to consumers in the US and continue to strengthen the brand in that market.

"Our ad testing for the KiwiBrothers' campaign videos showed very high

engagement and persuasion which is encouraging.

"Our consumers want to know more about how we grow for taste, that we just do kiwifruit, and that we're 100 per cent owned by current and former kiwifruit growers. The KiwiBrothers are here to tell this story in a fun and engaging way."

At the end of the 2023 season, in North America, Zespri was the #1 selling kiwi brand for the fourth straight year.

"With more fruit to sell this season, we're working closely with retailers as we roll out this campaign to drive shoppers to stores and support sales in market," says Jeanne.

"We're confident this 'Taste the Obsession' campaign featuring our KiwiBrothers will take our brand to new heights in the US this year and help return more value back to our growers."



UK: SUNGOLD MAKES A SPLASH IN TESCO STORES

SunGold activations have come alive in Tesco stores across the UK, including a Zespri advertisement featuring for the first time in Tesco Magazine where 1.2 million issues were printed and delivered in May to every Tesco store in the UK with a potential reach of 6.3 million people.

Sampling activations held throughout the month of May encouraged shoppers to try something different and add SunGold to their shopping basket.

"Our goal of driving penetration through the right shopper activations will see our plan unfold as we move through the season, and we're super proud of what the UK team are achieving to drive the visibility of SunGold

in-store," says Zespri Market Manager UK & Ireland, Susan Barrow.

"Produce in the UK is very restrictive to brands and is dominated by retailer private label so we are pushing the boundaries. It is a huge learning curve on what is possible and what is going to help us drive penetration and our brand awareness to a new level."

"We chose to work collaboratively with Tesco this season - they are the largest food retailer in the UK with 27 per cent grocery market share, and have the most advanced retail media platforms with over 25+ years of shopper data to help guide the best way of reaching our shoppers in a more targeted way," says Susan.



SINGAPORE: DISCOVERING A TASTE OF NEW ZEALAND

The Singapore team was honoured to participate in the opening ceremony of "Discover a Taste of New Zealand," an annual fair held by Cold Storage, one of our retailers.

The event celebrates New Zealand's premium produce, featuring various products that Aotearoa is known for. It was an exciting event that included a Kapa Haka performance, a trivia game about New Zealand, and an incredible display of refreshments made from New Zealand

produce. There was even a pavlova topped with our very own Zespri Kiwifruit (take that, Australia).

Many thanks to our beloved KiwiBrothers for making a special appearance and spreading joy and excitement at the event.

Team Singapore looks forward to supporting future events with retailers and NZTE to strengthen our partnership and brand awareness with key stakeholders and the community.

AUSTRALIA: 2024 MARKETING CAMPAIGN UNDERWAY

This year's campaign sees the return of the Zespri KiwiBrothers, dancing and singing about the surprisingly sweet taste of Zespri SunGold Kiwifruit in the catchy Crazy Tasty Song ad, as well as TV advertising running until 3 August across all major cities and regional areas.

Advertising on YouTube, Facebook, and Instagram is also part of the campaign, and the team are pleased to be running radio advertising with the Zespri KiwiBrothers for the first time in Australia.

Shopper marketing activity is also underway with display bins installed across more than 1,300 Woolworths and Coles stores. Store visits to 450 independent supermarkets (IGAs) have also kicked off.

The 'Win a \$10k Gold Coast holiday promotion with Zespri SunGold Kiwifruit' was launched at the start of May across all 580 Aldi stores, with Zespri branding and marketing materials installed on shelves and promotional labels placed across SunGold pre-packs.

"We are pleased to be partnering with 'A Better Choice' fruit and veg channel marketing again this year, with visits to fruit and veg stores commencing early this week to put up Zespri branding and marketing materials, supported by consumer and trade promotions," says Zespri Brand Manager - Australia, Sally Burtonwood.

"Thank you to everyone that has helped bring this year's campaign to life."





ZESPRI GLOBAL SUPPLY UPDATE

FIRST YEAR OF DIRECT DELIVERIES OF KIWIFRUIT WITHIN EUROPE

The 2023/24 season marked a significant milestone for ZGS with the successful implementation of the Direct Delivery project for SunGold. This initiative has enhanced our supply chain strategy, ensuring that our VIP customers across Europe receive their orders with continually improving efficiency and with enhanced product quality.

Through a proactive strategy aiming at maximising value for both growers and European customers, we've revamped the supply chain for ZGS Europe production. Traditionally routed from our production regions – Italy, France and Greece – through our European hubs, Zeebrugge, Tarragona, and Verona, we have managed to streamline the process, reducing transit time and enhancing the shelf life by an average of two weeks.

This reduction not only decreases the overall cost of supply but also helps to mitigate business risks. As a result, our customers receive fresher, higher-quality fruit upon arrival, enhancing the reputation of Zespri's northern hemisphere offerings.

The scope of the Direct Delivery project is to establish the most fit-for-purpose supply chain tailored for the European market. The first year has set a solid foundation, with the successful delivery of almost 3.5 million trays of SunGold—22 per cent of Italian and 55 per cent of French production—directly to the European market without routing through our hubs.

Looking forward, the plan is to scale up this model over the next five years. The hubs will continue to play a

crucial role as auxiliary points, primarily for emergency situations or to cater to a small fraction of our customer base. This strategic shift is expected to further reduce costs, improve service levels, and maintain the highest level of quality control.

As we progress, the project remains on track for the 2024/25 season, with plans to increase the volume of direct deliveries. Additionally, there is potential to extend this model to ZGS Green Kiwifruit, promising similar benefits in efficiency and quality.

This inaugural year of direct deliveries represents a significant step forward for ZGS, positioning us to better serve the European market with superior kiwifruit while continuously enhancing our supply chain operations.

THE SAVORANI FAMILY: ZESPRI PARTNERS SINCE 2002

Sirio Savorani and his now 94-year-old father Dino were some of the first Italian growers to join Zespri back in 2002. They were drawn to Zespri's global reputation for excellence in kiwifruit production and the promise of new, resilient plant varieties.

The Savorani family orchard is in the picturesque village of Brisighella in Romagna. They grow a total of five hectares of SunGold Kiwifruit, with an additional hectare in preparation, and nearly one hectare of Hayward.

Committed to excellence, in 2014 at 84 years old, Dino visited New Zealand as part of a Zespri grower tour and learned more about kiwifruit agronomics and innovative cultivation techniques. Both he and Sirio are meticulous in managing their orchard and particularly enjoy the close management of their SunGold hectares to achieve optimal fruit size and quality.

They take great satisfaction and pride in growing kiwifruit, which for them is a family tradition and a way to provide economic stability while keeping the passion for agriculture alive in the local community.

For the Savorani's, kiwifruit is more than just their livelihood, it is their way of life, and they look ahead to a prosperous future with Zespri.



The Savorani family on the orchard in Brisighella in Romagna.



Sirio Savorani (right) with Nick Kirtan, Executive Officer, Northern Hemisphere Supply.

ZESPRI AT MACFRUT 2024: EMBRACING SUSTAINABILITY AND COLLABORATION

Macfrut, Italy's most international agrifood event for the fruit and vegetable sector, provided a valuable platform for Zespri to engage with industry peers and share insights. With 1,400 exhibitors representing the entire supply chain and drawing 56,000 visitors, the event, held from 8 to 10 May, offered a significant opportunity for collaboration and knowledge exchange, and for our ZGS team to showcase Zespri's commitment to sustainability and innovation through a series of insightful sessions.

Our stand at Macfrut buzzed with activity as we hosted four informative events aimed at addressing key industry challenges. These sessions fostered dialogue and collaboration on topics such as sustainability, agronomic practices, gender equality, and packaging innovation.

Kicking off on 8 May was a discussion led by Giuseppe Garcea, our Head of Quality & Technical, on sustainability in fruit production. The panel explored the importance of adopting environmentally and socially responsible practices, highlighting their tangible benefits.

We also explored agronomic practices for kiwifruit production with a session on soil management moderated by Irene Donati, our Innovation Leader Biosecurity. Attendees gained valuable insights into the role of soil fertility and structure in sustainable kiwi cultivation.

9 May saw us celebrating the role of women in the fruit growing industry with a session led by Flavia Succi, our Head of Europe Industry, and the Italian National Association of Women in the Fruit and Vegetable Sector. This discussion highlighted the contributions of women and the challenges they face, while also offering opportunities for empowerment.

Our final session focused on collaboration for sustainable packaging practices, moderated by Monica Sangiorgi, our Packaging Manager. Attendees learned about the importance of partnerships in driving environmentally friendly solutions.

Our stand also featured a showcase of Zespri's ongoing innovation initiatives. Visitors explored soil samples from various SunGold production regions in Italy, offering a hands-on look at the diverse environments where our kiwifruit flourish. A sculpture depicting a section of soil with kiwifruit plant roots also provided a visual representation of our sustainable cultivation practices.

These exhibits were a chance to present the outcomes of a two-year work led by the ZGS innovation team studying the key soil macro-environments in the province of Latina, which has set the groundwork for our "monitoring network" project, aimed at refining and validating our agronomic management in kiwifruit production.

"Sustainable growth requires collective action and shared responsibility," says Flavia.

"Our participation at Macfrut reflects our dedication to fostering partnerships and driving positive change within the industry."





SHARES UPDATE: MAY

WHAT'S HAPPENING IN THE MARKET

BIDS (BUYERS)		
Orders	Quantity	Price (\$)
1	10,362	\$4.40
1	3,000	\$4.40
1	3,000	\$4.30
1	5,000	\$4.00

OFFERS (SELLERS)		
Orders	Quantity	Price (\$)
1	1,662	\$4.50
1	17,745	\$4.55
1	3,000	\$4.60
1	3,000	\$4.70

LAST 10 TRADES			
Date	Quantity	Price (\$)	Value (\$)
20/05/2024	31,083	\$4.50	\$139,873.50
16/05/2024	25,600	\$4.50	\$115,200.00
16/05/2024	9,969	\$4.50	\$44,860.50
15/05/2024	3,000	\$4.55	\$13,650.00
14/05/2024	117,458	\$4.55	\$534,433.90
10/05/2024	85,415	\$4.55	\$388,638.25
30/04/2024	38,500	\$4.55	\$175,175.00
24/04/2024	2,000	\$4.55	\$9,100.00
24/04/2024	8,000	\$4.55	\$36,400.00
24/04/2024	22,500	\$4.55	\$102,375.00

SHARES AT A GLANCE AS AT 23 MAY 2024

OVERSHARED SHARES REQUIRED TO BE SOLD THIS MONTH



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.

DRY SHARES CONVERTING TO B CLASS THIS MONTH



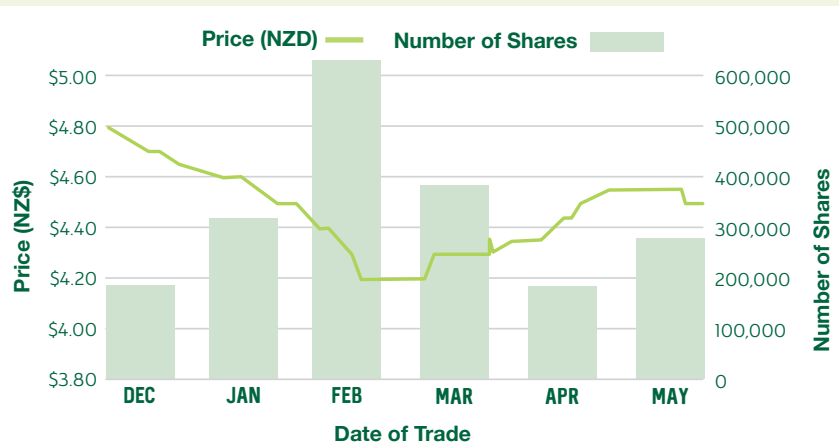
The Constitution states that Dry Shareholders (growers who no longer supply Fruit to Zespri) will cease to receive dividend payments three years after becoming Dry and will be converted to B class shares.

DIRECTOR SHARE TRADING AS AT 23 MAY 2024



Shares traded by entities associated with Zespri Directors.

ZESPRI GROUP LIMITED SHARE TRADES: DECEMBER 2023 TO MAY 2024



The graph above shows the price per share that has been traded with USX and the total number of shares traded.

Note, prior versions of Kiwiflier contained an error in the above graph for the number of shares traded for December and January. This has now been corrected.

WANT TO DISCOVER MORE?

To get a list of the price for current buyers and sellers, Market depth, last 10 trades, and market announcements go to <http://www.usx.co.nz>. The Zespri Group Limited listing code is 'ZGL'.

Follow us on **reap** for our mobile IR experience

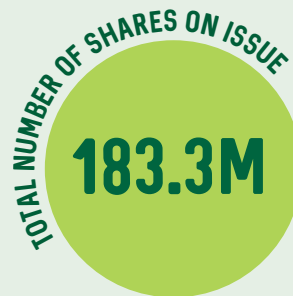
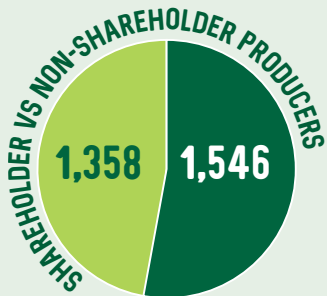
Go to www.reapapp.io to download the app.

Please note that at any time that content for the *Kiwiflier* is finalised for publication, there may be some trades associated with director entities which have been matched and transacted, but the paperwork has not yet been received by Zespri or Computershare. As such, there may be some lags in reporting trading by entities associated with directors. Zespri will however ensure that as at the end of each month, the Director Share Holdings and Transfers document on the Zespri Canopy website will always provide the most up to date information held by Zespri.

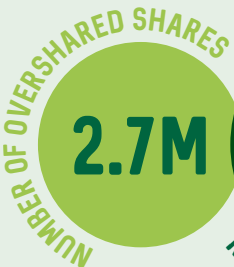


OUR SHAREHOLDERS

Shareholder Producers
Non-shareholder Producers

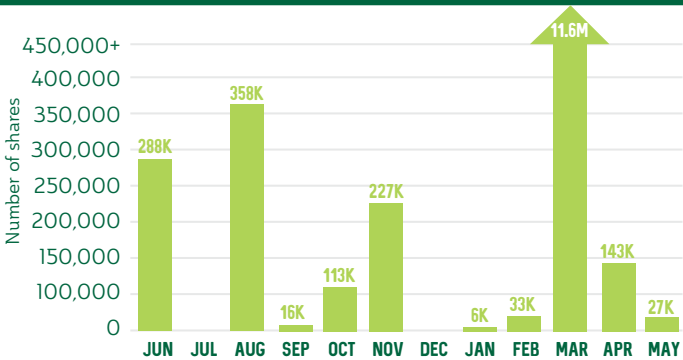


DRY AND OVERSHARED SHARES

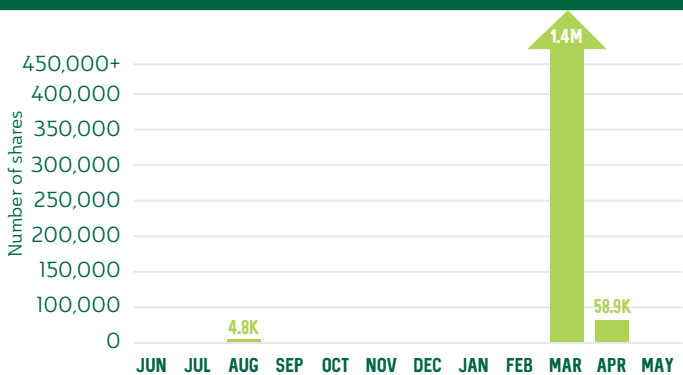


DISCLAIMER: The above figures are a snapshot in time and are subject to change at any time due to shares being traded.

DRY SHARES CONVERTING TO B CLASS BY MONTH B CLASS SHARES ARE NOT ELIGIBLE FOR DIVIDENDS



OVERSHARED SHARES REQUIRED TO BE SOLD



LOOKING TO BUY ZESPRI SHARES?

WHO CAN PURCHASE SHARES?

Our current producers are eligible to purchase shares in Zespri. The share entitlement for each landowner and lessee of a current producing orchard is calculated based on the historical production of the orchard(s). Contact us if you would like more information about your share entitlement.

OFF-MARKET TRADING

This is a share trade that does not involve a broker. The buyer and seller will agree on a price, complete an Off-Market Transfer form and return this to Zespri for processing.

ON-MARKET SHARE TRADING

Your broker will assist you to register your account with them and trade on your behalf through the Unlisted Securities Exchange (USX) platform. Once you are registered, they take care of most of the paperwork for you.

CHOOSE A USX-APPROVED BROKER



2023/24 FINAL PROGRESS PAYMENTS

CLASS 1 - APPROVED PROGRESS PAYMENT 07 JUNE 2024	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.2204	\$0.2452	\$0.2193	\$0.2397	\$0.1766	\$0.1766	\$0.2219
Zespri Organic Green	\$0.4092	\$0.2178	\$0.3177	\$0.3592	\$0.5179	\$0.5179	\$0.5020
Zespri Gold3	\$0.3119	\$0.2955	\$0.3335	\$0.3073	\$0.3242	No supply	No supply
Zespri Organic Gold3	\$0.6952	\$0.6463	\$0.7191	\$0.6732	\$0.9753	No supply	No supply
Zespri Red19	\$0.2028	\$1.4498	\$2.4755	-\$0.0498*	\$0.1526	\$0.1526	\$0.2921
Zespri Green14	\$0.5324	\$0.5084	\$0.5084	\$0.5135	\$0.5555	\$0.5555	\$0.5015

CLASS 2 - APPROVED PROGRESS PAYMENT 07 JUNE 2024	AVERAGE ON NET SUBMIT	16/18/22	27	30	33	36	39	42
Zespri Green	\$1.7334	\$1.6984	\$1.7434	\$1.6326	\$1.8856	\$1.7015	\$1.8322	\$1.5871
Zespri Organic Green	\$3.0625	\$3.3834	\$3.1445	\$2.9742	\$3.4502	\$2.6481	\$2.8684	-\$4.2402*
Zespri Gold3	\$2.1188	\$1.6886	\$2.5073	\$2.6951	\$2.6482	\$2.0378	\$2.2573	No supply

NON-STANDARD SUPPLY - APPROVED PROGRESS PAYMENT 07 JUNE 2024	14	39	46
Zespri Green	No supply	No supply	\$2.4267
Zespri Organic Green	No supply	No supply	\$2.9004
Zespri Gold3	\$3.4363	\$2.6802	No supply
Zespri Organic Gold3	No supply	\$2.4473	No supply
Zespri Red19	No supply	No supply	\$1.4528



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.

**For Class 1 Red Size 30/33 and Class 2 Organic Green Size 42 the final per tray amounts are negative. The total values are (\$727) and (\$1,333) respectively and are primarily due to quality impacts. There is no clawback required at an individual grower level.*

2023/24 FULL YEAR FINAL CLASS 2 AND NON STANDARD SUPPLY FRUIT AND SERVICE PAYMENTS

CLASS 2 RETURNS PER TE	GREEN	GREEN ORGANIC	GOLD3	NON STANDARD SUPPLY RETURNS PER TE
Trays Supplied (000's)	1090.8	42.6	2234.2	448.2
Submit Payment	\$1.40	\$1.40	\$1.40	\$1.60
Service Payments	\$0.12	\$0.19	\$0.12	\$0.24
Fruit Incentives	\$0.00	\$0.00	\$0.00	\$0.00
Progress Payments	\$7.77	\$11.09	\$10.09	\$15.24
Total Fruit and Service Payments	\$9.30	\$12.69	\$11.60	\$17.07

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 2024 approved progress payments on Net Submit trays
Approved per tray progress payments for 7 June 2024:

Class 1	
Zespri Green	\$0.2204
Zespri Organic Green	\$0.4092
Zespri Gold3	\$0.3119
Zespri Organic Gold3	\$0.6952
Zespri Red19	\$0.2028
Zespri Green14	\$0.5324






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 is 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.
- Progress will be paid in the remaining months at levels subject to Zespri Management approval.
- YTD amounts for Pack and Time may move from previous *Kiwifliers* due to SLAs being paid late in a month.

<div> ZESPRI GOLD3 JUNE</div>									<div> ZESPRI ORGANIC GOLD3 JUNE</div>									<div> ZESPRI RED19 JUNE</div>								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD		
Apr-23	\$3.60	\$0.12					\$3.72	20%	\$3.60	\$0.06						\$3.66	18%	\$3.60							\$3.60	16%
May-23		\$0.08					\$3.80	21%		\$0.28						\$3.94	20%								\$3.60	16%
Jun-23		\$0.13					\$3.93	21%		\$0.07						\$4.01	20%								\$3.60	16%
Jul-23		\$0.08		\$0.92	\$2.36		\$7.29	40%		\$0.24		\$1.26	\$2.84			\$8.36	42%		-\$0.09			\$8.21			\$11.72	52%
Aug-23		\$0.37	\$0.52	\$1.29	\$0.14		\$9.61	52%		\$0.30	\$0.50	\$1.68	\$0.15			\$10.98	55%			-\$0.23		\$2.39			\$13.88	62%
Sep-23		\$0.52	\$0.00	\$1.54	\$0.40		\$12.07	66%		\$0.32		\$1.82	\$0.54			\$13.65	68%			\$0.03		\$3.00			\$16.91	75%
Oct-23		\$0.52	\$0.57	\$0.25	\$0.29		\$13.70	75%		\$0.04	\$0.57	\$0.02	\$0.96			\$15.24	76%					\$2.13			\$19.04	85%
Nov-23		\$0.01	\$0.01	\$1.01	\$0.79		\$15.52	84%		\$0.04	\$0.00	\$1.22	\$0.53			\$17.02	85%					\$0.44			\$19.48	87%
Dec-23		\$0.02	\$0.01		\$1.10		\$16.65	91%		\$0.07	\$0.01		\$1.02			\$18.11	91%					\$1.47			\$20.96	94%
Jan-24			\$0.00			\$0.10	\$16.75	91%						\$0.10		\$18.21	91%						\$0.10		\$21.06	94%
Feb-24		\$0.00			\$0.57		\$17.32	94%					\$0.58			\$18.80	94%					\$0.55			\$21.61	96%
Mar-24		\$0.00	\$0.00	\$0.00	\$0.43		\$17.76	97%			\$0.00		\$0.18			\$18.98	95%					\$0.29			\$21.90	98%
Apr-24					\$0.10		\$17.86	97%					\$0.10			\$19.08	96%					\$0.10			\$22.00	98%
May-24							\$17.86	97%								\$19.08	96%								\$22.00	98%
Jun-24					\$0.31	\$0.20	\$18.37	100%					\$0.70	\$0.20		\$19.98	100%					\$0.20	\$0.20		\$22.40	100%
Paid YTD	\$3.60	\$1.85	\$1.11	\$5.01	\$6.19	\$0.10	\$17.86		\$3.60	\$1.41	\$1.07	\$6.00	\$6.90	\$0.10		\$19.08		\$3.60	-\$0.09	-\$0.20	\$0.00	\$18.59	\$0.10		\$22.00	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.31	\$0.20	\$0.51		\$0.00	\$0.00	\$0.00	\$0.00	\$0.70	\$0.20		\$0.90		\$0.00	\$0.00	\$0.00	\$0.00	\$0.20	\$0.20		\$0.40	
Total fruit and service payments - 2023/24 Forecast							\$18.37		Total fruit and service payments - 2023/24 Forecast							\$19.98		Total fruit and service payments - 2023/24 Forecast							\$22.40	

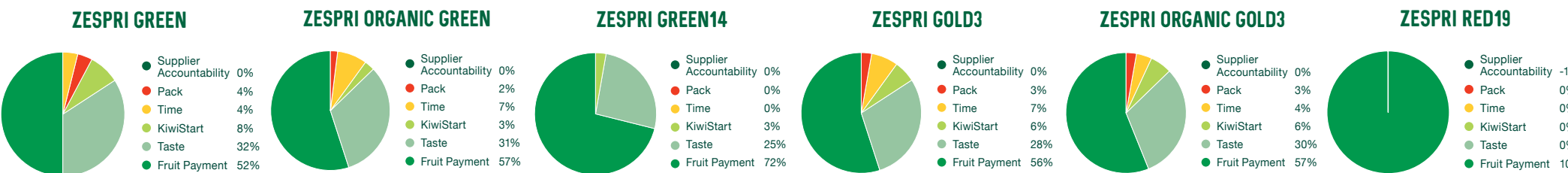
ZESPRI GREEN JUNE									ZESPRI ORGANIC GREEN JUNE									ZESPRI GREEN14 JUNE								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD		
Apr-23	\$2.75	\$0.01					\$2.76	21%	\$2.75							\$2.75	17%	\$2.95							\$2.95	20%
May-23		\$0.16					\$2.92	22%		\$0.04						\$2.79	17%								\$2.95	20%
Jun-23		\$0.08					\$3.00	22%		\$0.04						\$2.84	18%								\$2.95	20%
Jul-23		\$0.05		\$0.56	\$0.98		\$4.59	34%		\$0.14		\$0.57	\$2.22			\$5.77	36%		\$0.00		\$0.80	\$3.23			\$6.97	47%
Aug-23		\$0.21	\$0.42	\$0.95	\$0.30		\$6.48	48%		\$0.23	\$0.23	\$1.18	\$0.30			\$7.71	48%			\$0.19	\$0.80	\$1.00			\$8.96	60%
Sep-23		\$0.28	\$0.00	\$1.67	\$0.05		\$8.47	63%		\$0.40		\$1.70	\$0.21			\$10.02	63%				\$1.38	\$0.86			\$11.20	75%
Oct-23		\$0.25	\$0.57	\$0.21	\$0.05		\$9.55	71%		\$0.46	\$0.29	\$0.38	\$0.05			\$11.20	70%			\$0.19		\$0.60			\$11.99	80%
Nov-23		\$0.01	\$0.01	\$0.86	\$0.58		\$11.01	82%		\$0.02	-\$0.03	\$0.98	\$0.91			\$13.07	82%				\$0.74	\$0.22			\$12.94	87%
Dec-23		\$0.04	\$0.00		\$0.85		\$11.90	89%		\$0.19	\$0.01		\$1.08			\$14.35	90%					\$0.63			\$13.58	91%
Jan-24			\$0.00			\$0.10	\$12.01	90%						\$0.10		\$14.45	90%						\$0.10		\$13.68	92%
Feb-24					\$0.28		\$12.28	92%					\$0.52			\$14.97	93%					\$0.19			\$13.87	93%
Mar-24		\$0.00	\$0.00	\$0.00	\$0.57		\$12.85	96%		\$0.00	\$0.00	\$0.00	\$0.33			\$15.31	96%					\$0.23			\$14.10	94%
Apr-24					\$0.10		\$12.95	97%					\$0.10			\$15.41	96%					\$0.10			\$14.20	95%
May-24							\$12.95	97%								\$15.41	96%								\$14.20	95%
Jun-24					\$0.22	\$0.20	\$13.37	100%					\$0.41	\$0.20		\$16.01	100%					\$0.53	\$0.20		\$14.93	100%
Paid YTD	\$2.75	\$1.09	\$1.01	\$4.24	\$3.76	\$0.10	\$12.95		\$2.75	\$1.52	\$0.50	\$4.81	\$5.72	\$0.10		\$15.41		\$2.95	\$0.00	\$0.38	\$3.71	\$7.06	\$0.10		\$14.20	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.22	\$0.20	\$0.42		\$0.00	\$0.00	\$0.00	\$0.00	\$0.41	\$0.20		\$0.61		\$0.00	\$0.00	\$0.00	\$0.00	\$0.53	\$0.20		\$0.73	
Total fruit and service payments - 2023/24 Forecast							\$13.37		Total fruit and service payments - 2023/24 Forecast							\$16.01		Total fruit and service payments - 2023/24 Forecast							\$14.93	

Note 1: The submit and progress payments detailed in the tables are based on net submit trays. Amounts above are not rounded to two decimal places, therefore rounding differences may apply.

Note 2: Rates per TE of \$0.00 have values of less than \$0.005.

2023/24 SEASON GROWER PAYMENT PORTIONS – TOTAL FRUIT AND SERVICE PAYMENTS

2023/24 ACTUAL



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

Full-Year Return	2023/24 - Actual							2022/23 - Actual						
	Zespri Green	Zespri Organic Green	Zespri Gold3	Zespri Organic Gold3	Zespri Red19	Zespri Green14	All Pools	Zespri Green	Zespri Organic Green	Zespri Gold3	Organic Gold3	Zespri Red19	Zespri Green14	All Pools
Total Forecast:														
Total trays supplied (m)	39.4	2.0	89.2	2.3	0.2	0.1	137.1	58.6	3.1	97.3	3.0	0.1	0.2	165.9
Kilograms supplied (m)	137.8	7.1	310.2	8.0	0.8	0.4	477.5	204.9	10.7	340.0	10.5	0.4	0.7	579.7
Average size per tray	30.4	32.6	25.4	25.6	39.0	34.8		30.5	33.2	27.4	27.9	37.5	35.9	
Fruit payments (\$m)	264.7	18.0	901.2	25.6	5.5	1.1	1,259.9	243.4	18.5	719.8	24.5	2.5	1.7	1,043.5
Fruit incentives (\$m)	206.8	10.8	546.2	16.2	(0.1)	0.4	780.3	246.1	16.0	637.6	23.2	0.0	0.6	923.4
Service costs (\$m)	43.1	3.1	164.7	3.2	(0.0)	(0.0)	214.6	82.9	3.2	135.9	3.4	0.0	-0.0	226.5
Fruit and service payments excl. loyalty premium (\$m)	514.6	31.9	1,612.0	45.1	5.4	1.6	2,254.8	572.4	37.6	1,493.3	51.1	2.5	2.2	2,193.4
Total Forecast per tray (\$):														
Submit payment ¹	2.75	2.75	3.60	3.60	3.60	2.95		2.45	2.45	3.30	3.30	3.30	2.80	
Progress payments	3.98	6.13	6.50	7.59	18.79	7.60		1.71	3.54	4.10	4.86	18.68	5.25	
Total fruit payments per net submit trays	6.72	8.88	10.10	11.19	22.39	10.55		4.16	5.99	7.40	8.16	21.98	8.05	
KiwiStart ²	1.00	0.53	1.10	1.08	0.00	0.38		0.95	0.75	1.13	1.24	0.00	0.43	
Taste Zespri	4.24	4.81	5.01	6.00	0.00	3.71		2.94	4.20	5.15	6.23	0.00	2.29	
KiwiGreen ³	0.00	0.00	0.00	0.00	0.00	0.00		0.26	0.26	0.26	0.26	0.25	0.25	
Supplier Accountability	0.01	-0.03	0.01	-0.01	-0.20	0.00		0.05	-0.03	0.01	0.00	-0.06	-0.19	
Fruit incentives	5.25	5.31	6.12	7.07	-0.20	4.09		4.20	5.18	6.55	7.73	0.19	2.78	
Pack type	0.57	0.35	0.54	0.60	-0.09	0.00		0.45	0.19	0.39	0.45	0.00	0.00	
Time payment	0.53	1.17	1.30	0.81	0.00	0.00		0.97	0.84	1.01	0.68	0.00	0.00	
Service costs	1.09	1.52	1.85	1.41	-0.09	0.00		1.42	1.03	1.40	1.14	0.00	0.00	
Class 1 fruit and service payments per net submit trays	13.07	15.71	18.07	19.68	22.10	14.63		9.77	12.20	15.35	17.02	22.18	10.82	
Loyalty premium	0.30	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	13.37	16.01	18.37	19.98	22.40	14.93		10.07	12.50	15.65	17.32	22.48	11.12	
Less: onshore fruit loss	-0.08	-0.18	-0.29	-0.14	-0.08	-0.07		-0.50	-0.74	-0.90	-0.56	(0.09)	(0.10)	
Fruit loss percentage ⁴	0.60%	1.15%	1.55%	0.70%	0.34%	0.48%		4.97%	5.93%	5.74%	3.25%	0.38%	0.92%	
Class 1 fruit and service payments per gross submit trays	13.29	15.83	18.08	19.84	22.32	14.86		9.57	11.76	14.75	16.76	22.39	11.02	
Plus Class 2 Return ⁵	0.38	0.61	0.20	0.16	1.71	0.00		0.22	0.44	0.10	0.21	0.00	0.06	
Plus Non-Standard Supply (NSS) ⁵	0.01	0.05	0.06	0.09	6.91	0.00		0.01	0.09	0.08	0.18	4.15	0.00	
Plus Other Income (Non dividend) ⁶	0.01	0.01	0.01	0.02	0.03	0.00		0.01	0.00	0.02	0.01	0.00	0.01	
Average revenue per gross submit trays	13.69	16.50	18.35	20.10	30.97	14.86		9.81	12.29	14.94	17.16	26.54	11.09	
LESS: Post-harvest costs deducted ⁷														
Base packing and packaging	-1.95	-1.95	-3.10	-3.30	-3.42	-3.00		-1.79	-1.83	-2.83	-2.95	-3.08	-3.01	
Pack differential	-0.56	-0.35	-0.54	-0.60	0.09	0.00		-0.43	-0.18	-0.37	-0.44	0.00	0.00	
Base cool storage	-1.08	-1.07	-1.07	-1.07	-1.08	-1.06		-0.99	-0.97	-0.98	-0.99	-1.01	-1.01	
Logistics	-0.19	-0.20	-0.20	-0.18	-0.22	-0.17		-0.18	-0.18	-0.17	-0.16	-0.18	-0.20	
Time and CC/RK charges	-0.36	-0.40	-0.53	-0.24	0.00	0.00		-0.65	-0.45	-0.62	-0.34	0.00	0.00	
Total post-harvest costs per gross submit trays	-4.14	-3.97	-5.43	-5.40	-4.63	-4.23		-4.03	-3.61	-4.97	-4.87	-4.27	-4.23	
OGR per gross submit trays	9.55	12.53	12.92	14.71	26.34	10.63		5.78	8.68	9.97	12.28	22.27	6.87	
Average industry yield per productive hectare ⁸	6,879	4,476	11,374	7,715	1,547	4,688		9,976	7,017	13,789	10,871	1,889	6,081	
Number of productive hectares ⁹	5,757	458	7,968	299	159	23		6,180	467	7,486	285	59	34	
OGR per hectare	\$65,717	\$56,086	\$146,987	\$113,449	\$40,741	\$49,841		\$57,636	\$60,912	\$137,524	\$133,548	\$42,063	\$41,761	
Average kilogram per tray ¹⁰	3.50	3.49	3.48	3.48	3.28	3.50		3.50	3.48	3.49	3.50	3.33	3.48	
OGR per kilogram	2.73	3.59	3.72	4.23	8.03	3.04		1.65	2.49	2.85	3.51	6.68	1.97	

Notes:

1. Submit rate presented for Zespri Green reflects Submit rate of \$2.75 for Sizes 18-39, and \$2.55 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 was removed for the 2023/24 season. Incentive was paid at \$0.25/TE on qualifying gross submit.

4. Fruit loss percentage includes ungraded fruit inventory losses.

5. Zespri does not procure Class 2 and 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 March 2024.

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.

9. Productive hectare information is sourced from the Grower Services database and includes all hectares described by growers as producing vines.



10. Average kilograms per tray are derived using the latest Pack Conversion rates.

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 2023/24 Corporate results: Zespri's revenue streams, pool costs, fruit payments to growers, corporate costs and how Zespri distributes the profit made.

GLOBAL REVENUE
\$4.3 BILLION

-  Kiwifruit sales: \$3,988 million
-  Other revenue: \$304 million

NEW ZEALAND KIWIFRUIT	NON-NEW ZEALAND SUPPLY	NEW CULTIVARS	OTHER
\$3,334 m	\$654 m	–	–
\$3 m	\$1 m	\$270 m	\$29 m

Kiwifruit sales globally - \$3,988.5 million from 164.6 million trays supplied. Other revenue driven by SunGold licences released of \$217.1 million and plant variety rights royalties of \$50.8 million, along with external co-funding and interest and rental income.

POOL COSTS \$827 MILLION



\$736 m	\$91 m	–	–
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Includes freight, insurance, duty and customs, logistics and promotion costs.

PAYMENTS FOR FRUIT
INCLUDING LOYALTY
\$2,819 MILLION

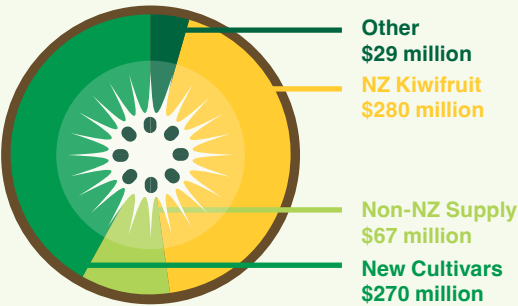


\$2,321 m	\$498 m	–	–
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\$2,321.5 million paid to New Zealand growers for fruit payments (including service and incentive payments) including \$40.3 million for loyalty payments. \$497.8 million paid to Non-New Zealand based growers for fruit purchased.

CORPORATE REVENUE
\$647 MILLION

Included in Global Revenue



\$280 m	\$67 m	\$270 m	\$29 m
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After pool costs and payments for fruit including loyalty, \$280.1 million earned from \$3.3 billion in kiwifruit sales.

\$66.8 million in corporate revenue earned from \$654.2 million in kiwifruit sales.



* \$217.1 million revenue from 199.5 hectares of restricted SunGold licence release (Hayward and Green14 cutover) and 148.8 hectares of unrestricted SunGold, 125.8 hectares of RubyRed licence release, plus other licence income.

* \$50.8 million royalty income from PVR (Plant variety rights) sales.

* \$2.1 million of external research funding received.

Interest income and land and building rental income and other.

CORPORATE COSTS \$393 MILLION

-  Innovation costs: \$41 million
-  Overhead costs: \$352 million

\$19 m	\$1 m	\$21 m	–
\$271 m	\$42 m	\$18 m	\$21 m

PROFIT BEFORE TAX
\$253 MILLION

-\$10 m	\$24 m	\$231 m	\$9 m
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TAXATION
\$80 MILLION

\$80 m

PROFIT AFTER TAX
\$173 MILLION

\$173 m

RETAINED EARNINGS

Profit retained in the business is \$18 million. Earnings reinvested into the business for assets, working capital and financial stability.



DIVIDENDS

Net dividends proposed are \$156 million or \$0.85 per share with 70 per cent imputation. The current dividend policy is 70-90 per cent of the distributable profit (2023/24 = \$173.3 million).



Please note rounding differences may apply to totals.

GLOBAL EXTENSION TEAM UPDATES

THE MONTH AHEAD: JUNE

WINTER
CANOPY

A FOCUS
ON SOIL

PSA AND
THE SEASON
AHEAD

ADDITIONAL
RESOURCES



WINTER CANOPY

Leaf drop sprays: The cooler autumn temperatures and frosts have hastened natural leaf fall. For some orchards, applications of copper sulphate will still be needed to encourage leaf fall. Avoid leaf drop sprays, as they usually include high rates of copper, which is ecotoxic in the soil. To mitigate their effects, only apply copper when leaves are present and rotate the block you start pruning each year. The addition of nitrogen to these sprays is not recommended as it can increase the levels of winter nitrate leaching in light soils.

Winter pruning: To achieve consistent high yields of quality fruit, you will need uniform canopy fill across all bays in your orchard, with the right number of evenly spread winter buds tied down, using the best, most productive wood available. The ideal vine structure is simple and uncluttered, with the leader area open.

High quality canes and spurs can produce three times more flowers per winter bud than poor quality canes and spurs, so careful consistent selection of wood is critical for a successful result.



A FOCUS ON SOIL

Look beyond basic soil tests: Before this year's soil sampling, consider what extra tests to order, such as organic matter and potentially mineralisable nitrogen (PMN, AMN or AN). Check with your fertiliser advisor and see the 'Nutrition for vines' and fruit page on Canopy for tips on creating an efficient nutrient plan that optimises vine and soil health, production and meets GAP requirements.

Take care with compost: Recent research shows that compost nutrient release is driven by rainfall, with 7-30 per cent of total nitrogen content released within a few months of application. To protect local waterways and to harness nutrients for vine use, time compost application closer to budbreak and away from forecasted heavy rain. Remember to include compost in your nutrient budget and GAP required fertiliser records – you'll want a nutrient analysis (NPK) from your supplier or lab for this.



PSA AND THE SEASON AHEAD

With the arrival of winter and cooler temperatures, Psa pressure will start to increase on orchard. Late harvest and winter pruning presents ample opportunities for Psa to spread via both fruit stalk and leaf fall wounds, and cuts. This is just the start of Psa season so consider the steps you'll take going forward to prevent Psa on your orchard.

The *GoldFutures* project was designed to understand why some growers have Psa under better control than others. It compared pairs of orchards where Psa was either challenging or well managed, to see what could be learnt.

The results demonstrated two particular management practices that could take an orchard from being Psa-challenged to Psa-managed: effective and consistent tool hygiene – particularly important at the moment with winter pruning – and a good crop protection programme. This includes regular applications of protectants with multiple modes of action, to complement your other Psa cultural management practices, particularly in response to high risk infection periods such as heavy rain or adverse weather events.

NEED MORE INFORMATION?

You'll find all this information and more on Canopy under the Fruit Production and Tools tab:

[Canopy > Fruit production > Growing fruit > Managing canopy & pruning > Pruning in winter](#)

[Canopy > Tools > Manuals > Grower Manual > Soil and nutrient management](#)

[Canopy > Fruit production > Growing Fruit > Soil, nutrients & water > Nutrition for vines and fruit](#)

[Canopy > Fruit production > Protecting your fruit > Diseases > Psa](#)



2024 NZKGI AGM



This is to advise you of the upcoming Annual General Meeting (AGM) of the members of New Zealand Kiwifruit Growers Inc. (NZKGI).

AGM details:

Date: Wednesday 21 August 2024

Time: 11am

Venue: Mercury Baypark Arena, 81 Truman Lane, Mount Maunganui

The AGM pack will be posted to members in late July.

The NZKGI AGM will be preceded by the KVH AGM at 9am. Between AGMs, one of the primary sector's leading academics Dr Jacqueline Rowarth will speak on the topic of precision breeding. The NZKGI AGM will be followed by the Zespri AGM at 1 pm at the same venue. A bagged lunch will be available to growers between the AGMs.

NZKGI RESPONSE TO EPA HI-CANE DECISION



The Environmental Protection Authority (EPA) announcement that Hi-Cane can continue to be used has saved growers' businesses and the communities that are reliant on our industry from a massive impact.

NZKGI has led the industry to advocate strongly for the retention of Hi-Cane since the EPA's call for information on the chemical in 2019. This great result was a collective response from all types of growers, post-harvest and other businesses to an industry-wide challenge.

Thank you to all who supported NZKGI throughout this arduous process and to those who submitted for the retention of hydrogen cyanamide.

Unfortunately this reassessment has cost NZKGI most of our retained earnings. NZKGI no longer has the financial viability to fight such cases that are beyond our operating expenses in the future. We will be talking to growers in more detail about how we can ensure NZKGI can remain fit for purpose.

PSA STATUS



Growers are reminded to update KVH should the Psa status of your KPIN change from undetected to Psa positive. This allows refresh of industry statistics regarding Psa spread, and supports KVH decisions on the supply of nursery stock, budwood and pollen to new developments and existing Psa undetected blocks.

Controls are in place under the Kiwifruit Pathway Management Plan to provide protection against the full range of biosecurity threats to our industry, including Psa-V and effective movement controls disallow plant material at risk of harbouring Psa to move to undetected sites.

Growers with Psa undetected sites can source fully certified plant material through the Kiwifruit Plant Certification Scheme (KPCS) to ensure freedom from Psa-V and other biosecurity risks. This provides growers

and greenfield developers with confidence of the best possible start for their investment.

KVH is aware that across time, growers may observe Psa-like symptoms on previously undetected blocks, and reminds growers of their responsibility to confirm any new Psa positive status to KVH. Newer growers, or those less familiar with Psa can contact post-harvest technical teams for help with a visual confirmation or assistance in testing for Psa if needed.

If you have developed a new orchard over the last few years, and have noted that Psa is now present, you can contact info@kvh.org.nz to update your KPIN status.

Also, if you are a greenfield developer, you can contact KVH for an ID number so that you can receive nursery plants and budwood for your site.

This ongoing collective management of Psa at orchard, regional and national level helps minimise Psa-impacts for all growers.

SPOTLIGHT SHINES ON SYDNEY



The kiwifruit industry has a new on-screen biosecurity champion in Sydney Hines from Sybton Hort, who features in the industry's latest contribution to the national *Ko Tatou This Is Us* biosecurity campaign.

KVH worked with Sydney to produce the short video, championing biosecurity best practice for our businesses and long-term longevity of production. This is something close to Sydney's heart given she's an orchard manager and grew up on a dairy farm.

"The importance of good biosecurity is always front of mind for me because of my experience with managing Psa in kiwifruit and seeing the impacts of *Mycoplasma bovis* too. By doing everything we can to stop unwanted threats from getting here and establishing, we're protecting our investments and ensuring our industry continues to grow for many generations to come."

Watch the new video on the KVH YouTube channel:
<https://www.youtube.com/@kiwifruitvinehealth-kvh597>



Sydney Hines from Sybton Hort.

2024 NZKGI REGIONAL REPRESENTATIVE ELECTIONS: CALL FOR NOMINATIONS



There are 17 regional representatives on the NZKGI Forum who represent growers from different kiwifruit growing regions across New Zealand. All NZKGI Regional Representative positions have a three-year cycle and will expire this year.

- 17 May – 19 June: Call for nominations
- 19 July – 21 August: Growers vote on nominees in contested regions
- 23 August: Election results announced

NZKGI strongly encourages nominees to gain a strong understanding of the role and responsibilities before applying. Further information on the elections, including details on the role as well as the nomination form, is available on the NZKGI website.

ENSURING WE'RE PREPARED FOR BMSB



KVH have recently taken part in a showcase of research underway to prepare nationally for Brown Marmorated Stink Bug (BMSB).

Team members travelled to the Ministry for Primary Industries (MPI) office in Auckland to attend a joint BMSB Council meeting and take part in field trips where we were fortunate enough to see some new traps in action in our national surveillance network.

These aerodynamic traps are shaped like a windvane which helps the pheromone travel further, attracting more stink bugs to the area. Originally trialled in kiwifruit in Italy through co-funding from the Zespri Biosecurity Innovation portfolio, it was exciting to see this research being implemented to complement our own current surveillance methods.

Next, we travelled to Plant & Food Research (PFR) to see some interesting science that the BMSB Council have been collaborating on with the research organisation and take in the hard work of the Council coming to life and making meaningful steps to increasing our BMSB preparedness.

The BMSB Council is a collaboration between Biosecurity New Zealand and a range of horticultural sectors and continues to run a large research portfolio focussing on readiness and response planning. Proactively preparing and developing our BMSB toolbox during peacetime will give us the best chance at success should we ever find ourselves faced with an incursion.



Erin Lane and Leanne Stewart from KVH join a field trip to see aerodynamic BMSB traps in action.

Q&A

FROM THE FIELD

KEY CONTACTS:

Grower & Industry Relations Manager
Malkit Singh: 027 665 0121

Grower Relations Managers
Sue Groenewald – GRM Red, Athenree, Waihi, Coromandel, Lower North Island: 027 493 1987

Sylvia Warren – Gisborne, Ōpōtiki, Whakatāne, Pukehina, Pongakawa: 022 101 8550

Jemma Pryor – Te Puke: 027 283 6192

Richard Jones – Waikato, Auckland, Northland, Ōropi, Omanawa, Lower Kaimai: 027 255 6497

Brad Ririnui – Tauranga, Paengaroa, Hawke's Bay: 021 757 843

Robin Barker Gilbert – Katikati, Nelson: 027 779 5910

Teresa Whitehead - Organics: 027 257 7135

How much licensed area do I have?

You can check what your licensed area is compared to your planted area for all your KPINs by logging onto the Zespri Industry Portal. The portal contains your details and information on the orchards you own or lease. The portal is only available to existing growers or you can call the Licence Team on 07 572 6440 or email new.cultivars@zespri.com.

I have licence I want to transfer, what is the process?

If the terms of your licence area have been met (planted/grafted and a commercial crop submitted) you may be eligible to transfer this via a sale to another Grower or to another orchard under common ownership. You will need to complete the relevant licence transfer form which can be found on Canopy.

Dealing with questions and due diligence in the early stages of the transaction makes the process smoother for everyone so reach out to the Zespri Licence team on 07 572 6440 or at new.cultivars@zespri.com if there's anything we can help with.

To see what licence is available for trading, please visit the Licence Trading Board on Canopy:

[Canopy > Supply & operations > Your orchard business > Licences > Licence trading board](#)

What is a concurrent planting licence?

With a concurrent planting licence, you can apply to move an area of your licenced variety to a new location (on the same property or another property under common ownership) and concurrently plant both areas for a period of up to one year. You'll need a concurrent planting licence in instances such as (but not limited to), moving an area that may be underperforming, making room for a load out bay, putting in additional drainage or because of changing Council requirements.

To apply, you'll need to send an application form (completed by the licence holder) to us at new.cultivars@zespri.com along with a detailed reasoning for the request and a GPS map showing the proposed areas to move (an estimation may be required).

For further information and the rules for concurrent planting, please refer to the 'Managing your licence' page on Canopy and the concurrent planting application form: [Canopy > Supply & operations > Your orchard business > Licences > Managing your licence](#)

Can I sell my Class 3 SunGold (reject fruit)?

Yes, you have the opportunity to sell your Class 3 SunGold fruit at your orchard gate, roadside stalls or at a farmers' market. You must complete a gate sales agreement form and email this to new.cultivars@zespri.com.

To understand the requirements for gates sales, please refer to the 'Managing your licence' page on Canopy: [Canopy > Supply & operations > Your orchard business > Licences > Managing your licence](#)

Please note, there are currently no gate sales for RubyRed.

I am changing my email address. Who do I need to tell?

If you intend on changing your email address, please ensure you notify us with your updated email address as we use this for important industry updates and communications. To update your new email address in our system, you can do this two ways.

Update your email address via the Industry Portal here: <https://webappssso.zespri.com/launchapp?appid=101> for your personal account and for your account/entity. This option syncs automatically into Zespri's industry database (CRM).

Otherwise, get in touch with the Grower Services Team via email at contact.canopy@zespri.com or call us on 0800 155 355.

How can I update my mail preference?

Your communication preferences can be updated via the Industry Portal here: <https://webappssso.zespri.com/launchapp?appid=101>

Go to My Details > Communications and click 'request update'. From here you can choose to have your communications either emailed or posted.

If you require assistance, please get in touch with the Grower Services Team via email at contact.canopy@zespri.com or call us on 0800 155 355.



UPCOMING EVENTS

JUN
12-15

SEE YOU AT MYSTERY CREEK
FIELDDAYS

This is a great opportunity to connect with the Zespri Executive team, Grower Relations Managers, the Zespri Board, and industry partners. It's also a chance to say goodbye to CEO Dan Mathieson before he departs to join Driscoll's.

The Zespri Executive will present a season update at 12pm, Wednesday to Friday. If you plan to come on Saturday, head to the tent at 10am for brunch with our Grower Relations team.

Find us at our usual spot, site F49. The gates will open daily Wednesday to Friday, 8am to 5pm, and Saturday, 8am to 4pm.

SPEAKER SESSIONS IN THE ZESPRI GROWER TENT

Mike Jones, BNZ Chief Economist: 12 June, 10am-10.30am

Mike Jones will provide economic commentary and insights on the current financial environment. He has previously held roles in central banking at the Reserve Banks of Australia and New Zealand, and as the GM of Treasury at Fonterra, responsible for foreign exchange and interest rate hedging.

Mike Casey, Founder - Forest Lodge Cherry Orchard: 13 June, 10am-10.30am

Mike Casey will discuss New Zealand's electrification tipping point, and what that means for the primary sector. He'll share his story of electrifying Forest Lodge Cherry Orchard, and discuss the electrification pathway for the kiwifruit industry.



To purchase tickets to Fieldays, visit the Fieldays website: www.fieldays.co.nz.

20 JUN
- 5 JUL

ZESPRI SHED TALKS ARE BACK!

Join us as we kick off the 2024 round of Shed Talk grower meetings which are a chance for you to see upcoming initiatives and have your say to shape future thinking.

The sessions will follow the usual format, where you'll 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 proposed initiatives that impact the industry. We want to hear what you think and capture your thoughts and ideas to help us shape our future.

We're planning to have stations covering:

- ZGS expansion:** An overview of why we have Zespri Global Supply
 - Including Zespri's northern hemisphere supply, and how it helps us to strengthen the brand and optimise returns for New Zealand growers as well as the changing competitive environment. A draft proposal for expansion will be shared and we are keen to capture grower input to guide future direction.
- Grower Digital Tools:** Since we launched the new Canopy, we've been working on what comes next for our digital products and we want to share and get feedback on our initial concepts.
- GAP Education:** We understand GAP and compliance can be frustrating. Come talk to us about those pain points and how we can better support you to be GAP compliant, and give you a chance to provide input into the future direction of our Zespri GAP programme.
- The Listening Post:** Your chance to sit down with senior Zespri people and talk about what matters most to you.

These discussions are aimed at all parts of the kiwifruit growing community, including growers, orchard managers, contractors, and service providers. Please register to attend so we can tailor the sessions to the group size (and to make sure we have enough scones).

Date	Time	Location
Thurs 20 June	9.30am-12.30pm	Pongakawa
Fri 21 June	9.30am-12.30pm	Te Puna
Mon 24 June	9.30am-12.30pm	Te Puke
Wed 26 June	10am-1pm	Katikati
Wed 26 June	2pm-4pm	Waihi
Thurs 27 June	9.30am-12.30pm	Tauranga
Mon 1 July	10am-1pm	Whakatāne
Mon 1 July	11am-2pm	Motueka
Tues 2 July	10am-1pm	Ōpōtiki
Tues 2 July	10am-1pm	Auckland
Wed 3 July	10am-1pm	Gisborne
Wed 3 July	10am-1pm	Whangārei
Thurs 4 July	10am-1pm	MKGI Session (Te Puke)
Thurs 4 July	10am-1pm	Kerikeri
Fri 5 July	10am-1pm	Waikato

Register here: <https://zesprievents.eventsair.com/shed-talks-2024/registration/Site/Register>, or on Canopy.

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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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