



**NZX Announcement
20 April 2018**

**T&G GLOBAL LIMITED ANNOUNCES SALE OF
KIWIFRUIT OPERATION AND ASSETS**

The Board of T&G Global Limited (T&G) has announced the sale of its Kerikeri-based kiwifruit orchards, post-harvest facilities and business assets (together the “Kiwifruit Kerikeri Business”) to Seeka Limited (“Seeka”).

The transaction with Seeka, valued at approximately \$40 million will consist of two parts;

- i) the sale of T&G’s post-harvest facilities in Kerikeri for packing and storing avocados, kiwifruit and citrus valued at \$8.58 million. Seeka will continue to pack and store citrus for T&G’s citrus business in Northland.
- ii) the sale of 80 hectares of kiwifruit orchards on which T&G grows Hayward, ENZAGold, ENZARed and Zespri Sungold varieties, valued at \$31.6 million.

Additionally, Seeka will acquire all of T&G’s Zespri shares, currently valued at approximately \$2 million.

T&G will remain the trademark owner of the ENZAGold, ENZARed and Hayward kiwifruit brands as well as the ENZARed and ENZAGold varieties worldwide, with Seeka able to grow and market the fruit in New Zealand and Australia.

T&G will retain and continue to receive royalty income from licensed growers in New Zealand and overseas. T&G will also market a proportion of ENZAGold and ENZARed kiwifruit grown in Australia and New Zealand under an agreement with Seeka.

Seeka will offer employment to all of T&G’s post-harvest and orchard business employees.

The transaction will give rise to an estimated one-off gain on the sale of these assets of \$7.4 million. There are several completion stages to the transaction which may result in a portion of the gain on sale not recognised until 2019.

T&G's chief strategy officer, Tim Clarkson says the sale is in line with T&G's strategy of focusing on its core produce categories.

"The sale does not include our citrus and berry operations in Northland which remain key categories - and an important region - for T&G with continued investment planned."

The completion date for the post-harvest sale is expected to be 30 April 2018 and 30 June 2018 for the orchard sale. The transaction will be subject to Overseas Investment Office approval.

For more information please contact:

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