



20 April 2018

T&G GLOBAL AND SEEKA REACH AGREEMENT OVER KIWIFRUIT OPERATION AND ASSETS IN NORTHLAND

T&G Global Limited (T&G) has reached an agreement regarding the sale of its Kerikeri-based kiwifruit orchards, packhouse facilities and assets to Seeka Limited (Seeka).

The agreement, valued at approximately \$40 million will see Seeka purchase T&G's post-harvest facilities in Kerikeri for the packing and storing of avocados, kiwifruit and citrus. Additionally, T&G has agreed to sell all its Zespri shares to Seeka, valued at approximately \$2 million.

T&G is also selling approximately 80 hectares of orchards in and around Kerikeri to Seeka on which it currently grows the Hayward, ENZAGold and ENZARed kiwifruit as well as Zespri Sungold varieties. T&G will however remain the trademark owner of the kiwifruit brands. T&G will also have access to fruit grown by Seeka for its existing customer-base here in New Zealand and overseas.

The completion date for the post-harvest sale is expected to be 30 April 2018 and 30 June 2018 for the orchard sale. Seeka will then rename T&G's Kerikeri facilities and operating business entities 'Seeka Kerikeri'.

All staff from T&G's post-harvest and kiwifruit orchard business areas will be retained by Seeka.

T&G's executive general manager, New Zealand, Andrew Keaney says the company is extremely pleased to have secured a positive outcome for its kiwifruit growers and employees in Northland.

"Our staff and grower partners will benefit from being owned and operated by Seeka which has confirmed it will invest for the long-term. The New Zealand avocado, kiwifruit and citrus industries need good fruit processors in Northland such as Seeka and T&G is delighted to have found such a strong partner to take the business forward."

Michael Franks, CEO of Seeka says the company has identified the region as a growth area for both avocados and kiwifruit and establishing a post-harvest hub in Northland has been a priority.

“Seeka has an existing client base of kiwifruit and avocado growers in the area to service and we will continue to offer services and support to growers who have supplied fruit to T&G. The orchards purchased in the agreement secure additional fruit supply to make sure our operations are profitable.”

Mr Franks explains, “With new avocado developments in the area, we are expecting demand for post-harvest facilities to increase. We also anticipate increasing demand for kiwifruit as growing conditions have proven very favourable, particularly for gold varieties and with Seeka providing a new competitive dynamic to the market focusing on quality, price and service.”

Mr Keaney says the sale of T&G’s kiwifruit operation is part of the company’s intention to focus on its core produce categories which will continue to include citrus and berries grown in Northland and other parts of the country.

“Our Northland berry and citrus operations are not included in our sale as we intend investing further in these growth categories. We have land ready for development and will be investing also in crop protection facilities for our existing operation in Kerikeri. We also hope to employ more people through these investments.”

ENDS

For more information please contact:

Joanne Jalfon
Head of Corporate Brand/Communications
T&G Global
Tel: + 64 27 201 2645
Email: joanne.jalfon@tandg.global

Kim McFadden
Marketing/Communications Manager
Seeka
Tel: + 64 27 202 9298
Email: kim.mcfadden@seeka.co.nz