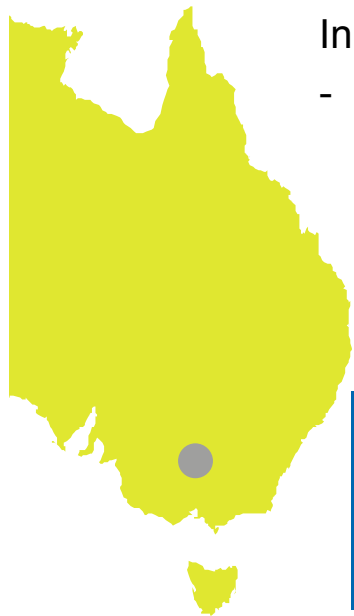


# Seeka Limited

Retail Investor – 14 March 2019

# Orchard-to-market excellence

Seeka is an international fresh produce business



## In Australia

- Grow, process and market
  - Kiwifruit
  - Nashi pears
  - European pears

Largest grower of  
kiwifruit in New Zealand  
and Australia

Australia's largest  
nashi grower

## In New Zealand

- Grow, process and market<sup>1</sup>
  - Kiwifruit <sup>2</sup>
  - Avocado
  - Kiwiberry
- Develop, lease and manage orchards
- Manufacture
  - Kiwi Crush, avocado oil
- Import, ripen and supply
  - Bananas, tropical fruit
- Wholesale
  - Seasonal produce



1. Also process citrus and berries

2. New Zealand kiwifruit mainly marked by Zespri

# Seeka's key investment attributes and strategy for growth

- 1 A premium produce company with the strategy to become New Zealand's leading orchard-to-market business
- 2 An investment entry point to New Zealand kiwifruit and avocados
  - Targeted varieties - kiwifruit, avocados, nashi, pears
  - Geographical reach
  - Integrated service from orchard to retail
- 3 Capital already invested to increase supply and fruit handling capacity
- 4 Reliable cash-flow, now positioned for further growth

# 2018 Highlights

Financial year ending 31 December - audited

## Financial

- \$203.7m total revenue – up 9% on pc<sup>1</sup>
- \$7.4m profit after tax – up 27% on pc
- \$0.37 earnings per share – up 16% on pc
- \$26.2m EBITDA – up 13% on pc

## Performing for our growers

- 31.4m trays of New Zealand kiwifruit harvested and packed – up 23% on pc

## Growth

- Acquired T&G Horticulture's post harvest business and kiwifruit orchards for \$42.1m<sup>2</sup>
- Developing Australian orchards
- Investing in New Zealand post-harvest infrastructure

## Recapitalised

- Fully-subscribed rights issue raised \$47.9m

1. Pc is previous corresponding period to 31 December 2017

# Four operating segments capture the value chain

## ■ **Orchard operations, New Zealand**

Growing kiwifruit, avocado and kiwiberry

## ■ **Post harvest operations, New Zealand**

Picking, packing and coolstoring fruit

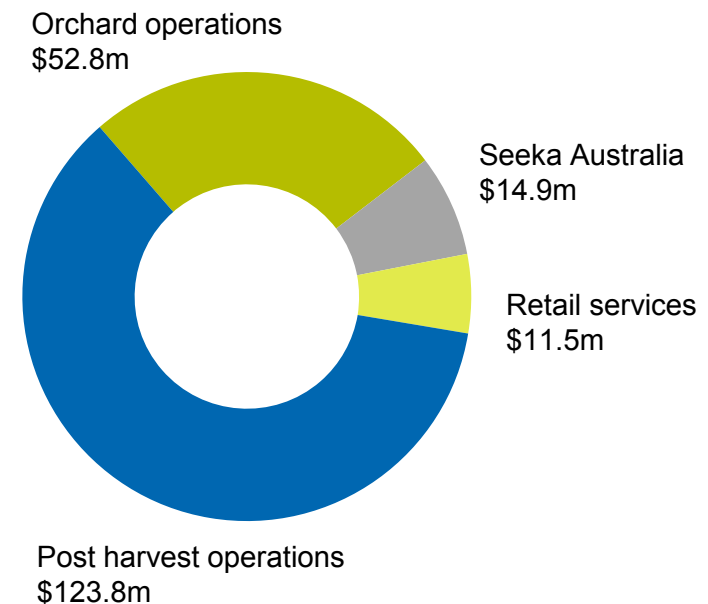
## ■ **Retail services, New Zealand**

Marketing local and imported produce in NZ, exports to Australia, manufactures functional foods

## ■ **Seeka Australia**

Owns orchards and post harvest facilities

Revenue by operating segment FY2018<sup>1</sup>



1. 31 December balance date

# Operating segment performance



	FY16A	FY17A	FY18A
<b>NZ KIWIFRUIT VOLUME</b> (Millions Class 1 & 2 trays)	32.4m	25.7m	31.4m
<b>EBIDTA (NZDm)</b>			
Post harvest operations	26.8	22.0	32.1
Orchard operations	5.6	6.4	3.4
Retail services	1.9	2.9	1.6
Seeka Australia	1.0	2.3	(0.1)
Other	(10.6)	(10.4)	(10.8)
<b>Total</b>	<b>24.8</b>	<b>23.1</b>	<b>26.2</b>

## Post harvest operations in action



# Seeka innovation

Our technology delivers a competitive edge



- Seeka app
  - Live orchard performance reporting
- 100% Seeka bins
- Post-harvest automation
  - Better, faster service. Lower labour costs
- AIMS Advanced Inventory Management System
  - Prioritises load outs, generates higher market returns
- Kiwi Crush
- GEM avocados

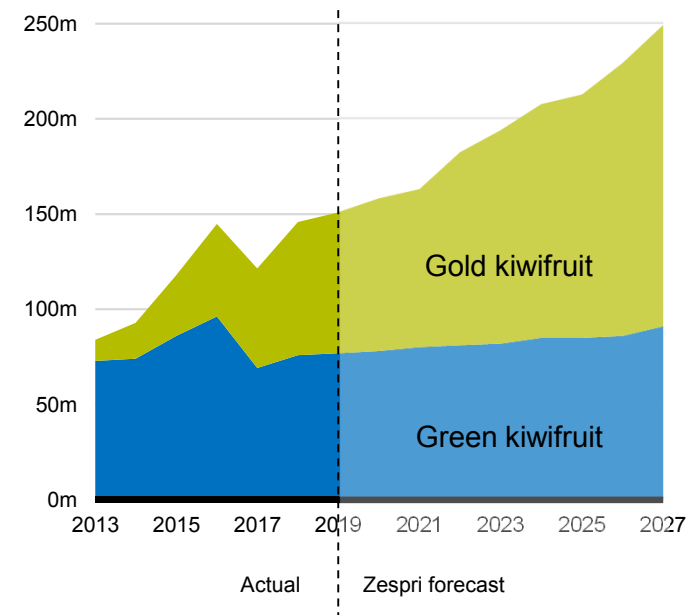


# Seeka operates in growth industries

\$100m invested in the last 5 years to handle increasing volumes

- New Zealand kiwifruit volumes growing strongly
  - Strong global consumer demand
  - Seeka had 20% market share in 2018
  - Seeka benefits from higher volumes
- Export value of NZ avocados growing strongly
  - Nearly doubled in the last 5 years over the pcp<sup>2</sup>
  - Seeka had 10% market share of avocado handling and marketing in 2017/18

**New Zealand kiwifruit exports**  
Millions of class 1 trays<sup>1</sup>



1. Zespri 5 Year Outlook, November 2017. Note in 2018, Zespri completed the first of its 5-year plan to sell 750 hectares of licences per year

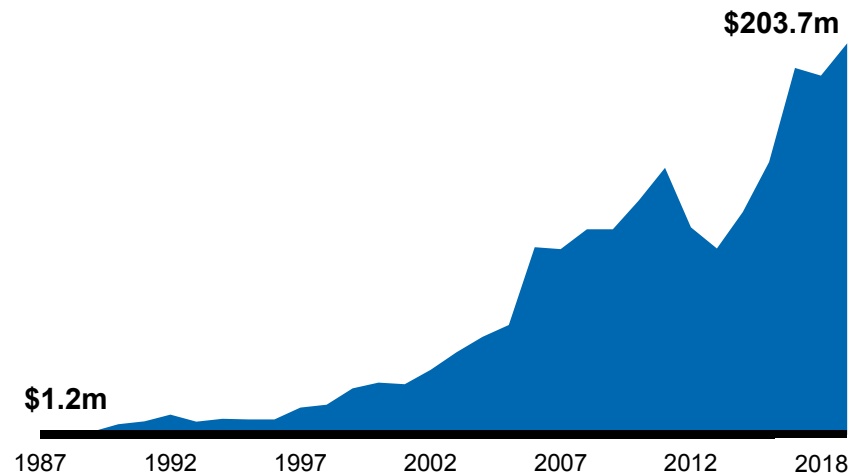
2. New Zealand Avocado Annual Report 2018, p22

# Seeka is a growth company

## Increasing revenue

Expansion through product portfolio, geographical reach and value chain

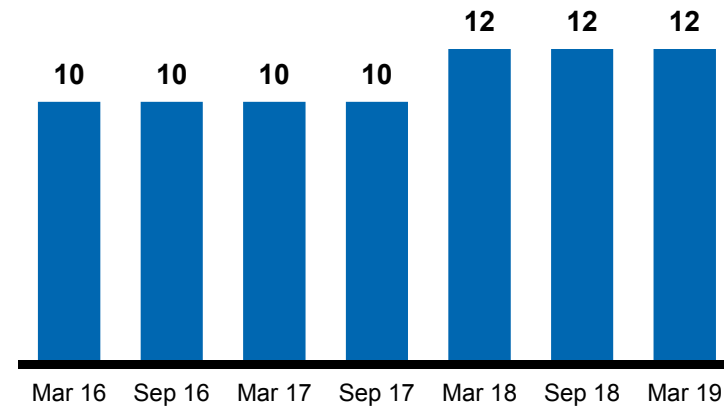
### Revenue



## Delivering value to shareholders

24 cents in the last 12 months

### Cash dividend Cents per share<sup>1</sup>



1. Fully imputed

# Latest announcements

## **Updated EBITDA guidance**

- FY2019 to a range of between \$36.5m to \$37.5m, from the previous guidance of between \$27.5m and \$28.5m. The increase is the result of:
  - Northland Orchard sales process – gain of \$4.2m
  - Effect of accounting standard changes – gain of \$5.6m
  - Kiwifruit volumes increasing to 32.1m trays

## **Seeka continues its heartland growth story**

- Purchase of Aongatete Coolstores Limited for \$25m

Analyst Briefing Pack is available at [seeka.co.nz](https://seeka.co.nz) for further information

