

**20 May 2020**

**Seeka enters into conditional sale and lease back of Australian Kiwifruit Orchards**

Seeka Limited [NZX:SEK] advises that it has entered into a conditional sale and lease back of three of its Australian owned kiwifruit orchards – Austral, Lakes and Hayward. The orchards with a total land area of approximately 199 hectares has sold for AUD\$26.5m subject to the approval of the Foreign Investment Review Board and will be leased back for up to 30 years with two initial terms of 10 years followed by two terms of 5 years. The sale price is for the orchards with a separate additional component to fund and lease water shares.

The sale by Seeka follows its strategy to investigate selling the orchards and leasing back, with the proceeds to be used to repay debt and accelerate further kiwifruit orchard developments in Australia. The properties had been widely advertised publicly in Australia earlier in 2019.

Michael Franks, Seeka Chief Executive advised that Seeka was satisfied with the sale and the project team has done a good job with the sale. The transaction introduces a new partner to the Company and releases cash for debt reduction and to complete further developments. Seeka has not advised the market of the earnings impact from the transaction as the implications of NZ IFRS 16 Leases is still to be considered and would be advised to the market when the sale went unconditional – expected in the second half of 2020.

Release ends:

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