



MARKET UPDATE

18 May 2023

FY 2023 Earnings Guidance Update

Following a comprehensive assessment of the impact of February's Cyclone Gabrielle, the Board of Directors of T&G Global Ltd advises that Group Profit for the 2023 financial year is now forecast to be a loss before income tax of between (\$28.0) to (\$34.0) million. This forecast allows for all known cyclone impacts (including clean-up costs) and includes a provision for the one-off write-down of trees and planting structures devastated by the event.

Significant work continues on the remediation of T&G's impacted orchards in Hawke's Bay, particularly in relation to the removal of silt from around trees. While most of T&G's orchards (comprising both owned and leased orchards) were not impacted by the cyclone, four orchards were severely impacted, representing approximately 13% of T&G's planted hectares in Hawke's Bay. A further 22% of the planted hectares in Hawke's Bay were impacted to a varying extent and are expected to have reduced productive capacity for two-to-three years.

T&G continues to work with its insurers to assess potential recovery.

T&G's New Zealand apple crop has now been fully harvested. While its overall New Zealand supply volumes are down 19% on last year, at this stage the crop is 14% sold, and the pricing outlook appears strong, particularly for T&G's premium variety Envy™. A fast-start marketing campaign has been implemented in Asia to optimise pricing opportunities, supported by an extensive air-shipment programme.

The new automated packhouse in Whakatu, Hawke's Bay, has been successfully commissioned, and is now fully operational as scheduled.

The T&G Fresh business has commenced the year strongly, assisted by higher prices across most fresh produce categories and continued improvements in operational efficiencies.

The cyclone will clearly have a significant impact on T&G's 2023 financial performance. A cost-reduction programme has been implemented in response to the cyclone and is expected to result in material cost savings in 2024 and beyond.

The Board remains confident in T&G's transformation strategy, which is projected to accelerate earnings momentum, particularly as apple volumes increase in line with the maturity profile of its recent significant investments in orchard development notwithstanding the effects of Cyclone Gabrielle.

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For and on behalf of the Board of Directors

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About T&G Global

Our story began 125 years ago as Turners and Growers, and today T&G Global helps grow healthier futures for people around the world. Located in 13 countries, our team of 1,600 people both grow and partner with over 1,000 growers to market, sell and distribute nutritious fresh produce to customers and consumers in over 60 countries. As kaitiaki, we do this guided by kaitiakitanga. For us, this means we treat the land, people, produce, resources, and community with the greatest of respect and care, as guardians of their future. www.tandg.global