



ASX ANNOUNCEMENT

11 July 2022

Market Update

Half Year results

Ahead of the release of half year results, Costa notes its operations performed well in 1HCY2022 and unaudited results are anticipated to be in line with the Company's expectations. The International and Domestic produce segments are both expected to finish the half year ahead of the corresponding prior half year (1HCY2021).

Further detailed information will be provided at the 1HCY2022 results release on 26 August 2022.

Citrus season progress update

Across the portfolio the citrus season has seen strong demand and pricing, with fruit continuing to be successfully exported to China and other key Asian markets, with an improvement in shipping services versus the prior year, albeit transit times and service performance are still not at pre pandemic levels.

The 2PH business is predominantly operating in line with pre-acquisition expectations with volumes above forecast, however some quality issues have been encountered due to weather events occurring over recent weeks. Certain varieties have been affected, and at this stage of the harvest this has resulted in a lower percentage of first grade product versus the prior year.

Whilst we are currently approximately halfway through the 2PH harvest season, given the first four months of the year are non-sales period, the majority of 2PH earnings are in the second half of the year.

The Riverland and Sunraysia crops are circa one third through the season as at the beginning of July, and demand for all varieties remains strong with increased pricing versus the prior year. However, weather events have also resulted in some quality issues which have become evident as the season has progressed, most notably with Navels, and more so in Sunraysia than the Riverland. This has impacted pack out rates versus the prior year. Similar to 2PH, the Riverland and Sunraysia operations earnings are predominantly recognised in the second half of the year.

The full impact of these quality issues across the citrus portfolio on final pricing outcomes and second half earnings cannot be determined until the citrus season is further progressed. With the benefit of the season being more advanced, a more fulsome update will be provided at the investor briefing following the 1HCY2022 results release on 26 August 2022.



Investor briefing

An investor briefing will be held at 10.00am (AEST) on Friday 26 August 2022 following the release of the 1HCY2022 results. The briefing is a webcast and will be accessible via the investor centre on our website at www.costagroup.com.au

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Authorised by David Thomas, Company Secretary, Costa Group Holdings Limited.

About Costa (ASX:CGC) - *Costa is Australia's leading grower, packer and marketer of fresh fruit & vegetables and operates principally in five core categories: berries, mushrooms, glasshouse tomatoes, citrus and avocados. Operations include approximately +7,000 planted hectares of farmland, 40 hectares of glasshouse facilities and three mushroom growing facilities across Australia. Costa also has strategic foreign interests, with majority owned joint ventures covering six blueberry farms in Morocco and four berry farms in China, covering approximately 740 planted hectares.*

For further information contact:

Michael Toby –
Group Corporate Affairs Manager T: +613 8363 9071