

5 August 2021

## T&G Global reports its 2021 Interim Results

### At a glance

- Revenue: \$652.1 million, down from \$671.3 million
- Operating profit: \$10.9 million, down from \$19.5 million
- Net profit before tax: \$5.1 million, down from \$13.7 million
- Net profit after tax: \$3.4 million, down from \$9.5 million
- Net assets: \$514.9 million, up from \$479.8 million

T&G Global today announced its Interim Results for the six months to 30 June 2021, which show the Group has not been immune to the pressure of continuing industry-wide challenges.

Total revenue for the Group decreased by 2.9% to \$652.1 million, compared to the same period last year, and operating profit decreased to \$10.9 million from \$19.5 million. Profit before income tax decreased 63% to \$5.1 million, down from \$13.7 million.

Chief Executive Gareth Edgecombe says while COVID-19 continues to impact the business, T&G has stayed absolutely focused on what it can control and its long-term strategic growth plans.

“The first half of the year has been challenging, with ongoing uncertainty and volatility. Our T&G whānau responded strongly to this, supporting each other, delivering on our strategy and keeping fresh produce flowing to consumers and customers around the world. I’m incredibly proud of our people and our growers,” says Gareth.

“Globally, high-quality fresh produce is more in demand than ever before and we’re seeing incredible growth potential for our premium brands. Despite this, continuing international supply chain challenges, including disrupted shipping schedules, had more of an impact than we experienced proportionately last year. This affected our ability to get fresh produce to market on-time. We worked hard to address this, sourcing several charter ships and partnering with other businesses and industries, however these issues contributed to our financial performance.”

T&G’s Apples business reported a decrease in revenue for the period to \$425.0 million, down \$15.5 million from the corresponding 2020 period.

“We had a challenging start to the season for our Apples business, with adverse weather conditions in Nelson impacting a significant portion of our crop and our growers. In addition, the apples ripened early, creating a race to get the fruit off trees with a shortage of skilled workers ready to work in the regions. This meant we saw an unprecedented amount of unpicked fruit.

“We worked hard to address the shortage of skilled and experienced workers, hiring more than 950 New Zealanders throughout the season. We also invested heavily in automation, welcoming eight new state-of-the-art automated picking platforms to increase productivity on our Hawke’s Bay orchards, while also assisting in reducing injuries. Despite these efforts, at the peak of the season we were still short around 300 people per day.

“Looking ahead, we’re well progressed on our pathway to transition to a high-tech, automated growing and post-harvest model, and building capabilities amongst our local workforce, however this is a process which will take years to transition to.”

The company remains firmly committed to investing in its premium Apples business and in particular, growing its Envya™ brand to meet worldwide demand.

“Across our business, we’re focused on harnessing the best genetics, building premium brands and in-market capabilities, and delivering strong sales momentum. To do this, we’re continually optimising our supply chain and are pleased that significant capital investment has been approved by our Board to support our future strategic direction.”

Challenges were also felt by T&G Fresh, T&G’s domestic New Zealand business, as tough trading conditions across the entire primary industry sector were further exacerbated by labour constraints. COVID-related issues and weather also played its part, with early stone fruit adversely affected by hail, complexities with the importing of bananas and the exporting of T&G’s own-grown tomatoes, which, in relation to tomatoes, led to significant price decreases due to an oversupply in the market.

New Chairman, Benedikt Mangold, says despite the financial performance, T&G’s underlying financial strength, combined with its strategy and capabilities, means its well positioned to maximise future global growth.

“In these uncertain times, T&G’s resilience, strategy and team has enabled the company to remain well positioned to meet future growth objectives. The Board is proud of the team’s ability to remain agile and rapidly adapt to its changing operating environment, and I’m confident that we’ll be able to meet the current challenges head on.”

**For further information, please contact:**

Kelly Gunn  
Communications Manager  
Kelly.Gunn@tandg.global  
+64 (0)27 213 5625

Adrienne Sharp  
Head of Corporate Affairs  
Adrienne.Sharp@tandg.global  
+64 (0)27 801 5534

About T&G Global. Our story began over 124 years ago as Turners and Growers, and today T&G Global helps grow healthier futures for people around the world through fresh fruit and vegetables. Located in 13 countries, our team of 2,000 people both grow and partner with over 1,200 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.