Seeka
SELECT EXCELLENCE

INTERIM REPORT

JUNE 2024

Contents

Welcome to our Condensed Interim Report where we detail our financial and operational performance for the six months to 30 June 2024.

The best way to view this integrated report is with Adobe Acrobat Reader. To navigate, click the section headers listed above. You can also click any light blue text for direct links to additional information. To return to a contents page, click the navigation header at the top of each page.

Chair and Chief Executive's report

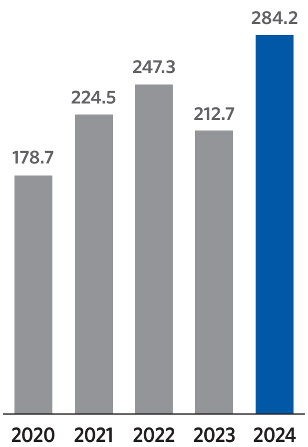
We are pleased to report on a much-improved six month result, with a significant increase in kiwifruit yield and volumes in both New Zealand and Australia, and a focus on cost-out and operational efficiency delivering a very pleasing return to profit before tax of $45.0m.

Much improved weather and growing conditions in all key kiwifruit regions benefitted growers in New Zealand and Australia. Kiwifruit yields rebounded after low yields in 2023. Seeka's New Zealand volumes in 2024 were up 44% to 43.0m class 1 trays (2023 - 29.8m trays), and Australia up 164% to 2.3m kilograms (2023 - 0.9 kgs).

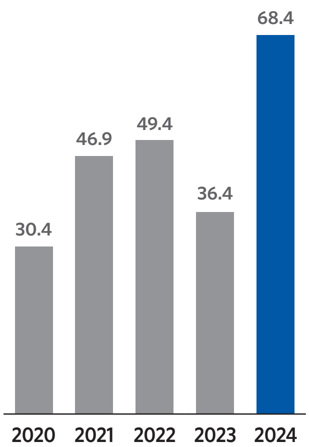
The following table outlines Seeka's financial performance for six months ending 30 June 2024 (1H24).

New Zealand dollars	6 months to June 2024	6 months to June 2023	Percent increase
Total revenue	$ 284.2 m	$ 212.7 m	34 %
EBITDA - IFRS 16	$ 68.4 m	$ 36.4 m	88 %
EBITDA - pre IFRS 16	$ 60.2 m	$ 28.3 m	112 %
Net profit before tax	$ 45.0 m	$ 13.6 m	230 %

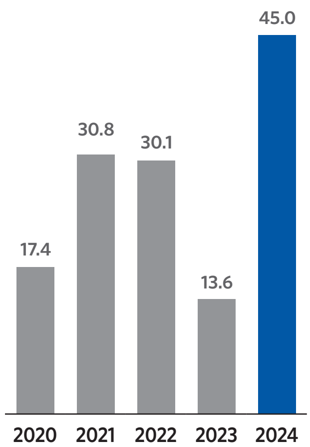
Group revenue
6 months to 30 June
NZD Millions



Group EBITDA
6 months to 30 June
NZD Millions



Group net profit before tax
6 months to 30 June
NZD Millions



Seeka's revenue for the six months ended 30 June 2024 (1H24) totalled $284.2m (1H23: $212.7m), an increase of 34%.

Following on from the poor 2023 harvest, our focus has been on delivering operational excellence and providing outstanding service with resolute attention to cost control and earnings to improve profitability and reduce debt when grower advances are repaid. Previous investments in automation performed well delivering efficiencies, packing capacity and financial return.

Seeka restructured in 2023 to create a leaner organisation and implemented innovative cost saving mechanisms. This includes a captive insurance structure with the business moving 100% of its material damage and business interruption policies directly into the international insurance market. This has lowered insurance premiums and avoided inflationary increases.

Prudent financial management together with a fruit volume increase resulted in a satisfying improvement in financial performance, with profit before tax up 230% to $45.0m (1H23: $13.6m).

Profit after tax of $17.1m compares very favourably against $10.5m in the prior year, also noting the one-off impact of the removal of the tax deductibility of building depreciation creating a non-cash adjustment to the deferred tax liability of $13.9m.

The Company has focused on prudent debt management including improving utilisation of existing facilities and holding capital investment to maintenance levels. Additionally, an extensive review was undertaken to identify material damage risk to all key assets which is driving a programme of investment and renewal of core infrastructure to mitigate these risks. Seeka continues to review the asset mix and consider opportunities to sell and lease back facilities in appropriate circumstances.

Seeka remains focused on improving profitability and directing cash flow to debt reduction while sustainably investing in its long term future.

Improved growing conditions

In New Zealand, yields bounced back and total volumes increased. Growing conditions across all regions were significantly better in 2024, although lingering water stress issues were experienced in Northland, Coromandel, Gisborne and the Hawke's Bay. Growers in these regions are switching to rootstocks that perform better in wet conditions to increase resilience.

In the Te Puke, Ōpōtiki and wider Bay of Plenty region where Seeka sources 85% of its kiwifruit, growing conditions were much better and yields excellent. Some localised wind damage was experienced by the industry in the Katikati region, however, outside of that, growing and harvest conditions were good.

The Australian results have also improved, with Seeka's Australia operations benefitting from the combination of better growing conditions along with a new crop protection programme incorporating new sprays that better protect kiwifruit in a Psa environment. Overall, Seeka Australia produced 2.3m kilograms of kiwifruit – up 164% on prior year. The new crop protection programme will likewise benefit the Australian kiwifruit orchards in development which are forecast to come into production starting from 2026.

Operational excellence

All aspects of Seeka's operations performed well. The detailed and disciplined planning process undertaken by Seeka together with full labour supply ensured all fruit was packed and stored efficiently and timely in accordance with operational protocols.

A high proportion of growers delivered excellent quality fruit, enabling efficient and timely processing. Labour supply constraints have eased with the industry benefitting from an increased supply of workers for growing, harvesting and post-harvest operations. All post-harvest shifts were fully staffed across all regions for the first time in five years. The KKP automated packing machine continued to deliver incremental performance improvements.

Our mix of automated and manual packlines gives Seeka the flexibility to efficiently handle variable fruit quality at harvest. Quality lines with low rejects can be quickly and efficiently processed on Seeka’s highly automated packing machines, while orchards with compromised fruit can be cared for with intensive manual grading. This mix of packing technology allowed Seeka to provide a timely harvest to all supplying growers including those that experienced difficult growing conditions.

Seeka’s continuing focus on quality has again delivered low onshore fruit loss and excellent offshore quality in the 2024 season to date. New Zealand fruit loss at the six month mark is currently half the 2023 rate, which in itself was an excellent result.

Capacity

Capacity has not been stretched in the year, positioning the Company well for future volume increases. Forward capacity planning remains key, and we are carefully planning and navigating for future crop in all growing regions.

Seeka has made significant investments in capacity and automation, with upgrades at both Oakside and Seeka Gisborne enhancing capacity and throughput. We were set to undertake controlled atmosphere for SunGold at Oakside, but decided against it due to the available packing capacity.

We continue to investigate and implement automation innovation that delivered payback and capacity gains.

Seeka continues to invest in quality accommodation for seasonal workers. The new accommodation facilities at Sharp Road called Turanga Whetu (“Star Base”) have been completed and are being actively marketed for sale and lease back.

Dividends

The Board has determined it is not appropriate to pay a dividend at this time. The Board will consider dividends later in the year on confirmation of full year guidance.

Forward focus

Your Company has been through an extended period of challenges, with last year's volumes, in particular, impacting Company profitability. We have successfully managed through these challenges and come out stronger, with this year's record crop of 43m class 1 trays restoring profitability.

Seeka operates in a seasonal industry, with a significant portion of our earnings delivered in the first six months of the year. Given the strong interim result, we expect a return to full year profitability, with profit before tax expected to be in the range of $17.0m to $21.0m compared to a loss of $21.0m in the prior year.

While it is too early to make a reliable prediction on the 2025 crop, winter chill units in 2024 are currently better than at the same point last year in all regions lifting the probability of a good budbreak. The Indian Ocean Dipole remains in the neutral phase, which means a change to La Niña from El Niño will not be known until later this year.

Your Company and its people have worked hard to deliver an important turnaround in results. We remain focused and committed to continuing improvements.

We thank our people, stakeholders and growers for their hard work and continuing support.

Fred Hutchings
Chair

Michael Franks
Chief executive

Condensed interim financial statements

Six months to June 2024

Condensed statement of profit or loss

For the six months ended 30 June 2024

New Zealand dollars	Notes	6 months to June 2024 Unaudited $000s	6 months to June 2023 Unaudited $000s	12 months to December 2023 Audited $000s
Revenue		284,196	212,670	300,920
Cost of sales		186,472	147,915	252,194
(Reduction) in fair value of biological assets - crop	7	(18,684)	(16,329)	-
Gross profit		**79,040**	**48,426**	**48,726**
Other income		160	343	3,270
Share of profit of associates		-	-	282
Other costs		10,816	12,344	26,290
Earnings (EBITDA) [1]		**68,384**	**36,425**	**25,988**
Depreciation expense	5	8,183	7,695	15,520
Lease depreciation expense	8	5,514	5,250	10,462
Impairments	5	-	547	3,465
Loss on revaluation of property plant and equipment	5	-	959	294
Amortisation of intangible assets	6	143	180	365
Earnings (EBIT) [2]		**54,544**	**21,794**	**(4,118)**
Interest expense		7,103	5,751	12,028
Lease interest expense		2,435	2,408	4,842
Net profit / (loss) before tax		**45,006**	**13,635**	**(20,988)**
Income tax charge / (benefit)		10,495	2,430	(8,264)
Deferred tax charge		3,560	731	1,742
Tax charge of removal of tax on buildings [3]		13,899	-	-
Total tax charge / (benefit)		**27,954**	**3,161**	**(6,522)**
Net profit / (loss) attributable to equity holders		**17,052**	**10,474**	**(14,466)**
Earnings per share for profit attributable to the ordinary equity holders of the Group during the year				
Basic earnings / (loss) per share before removal of tax on buildings [3]		$ 0.74	$ 0.25	($ 0.34)
Basic earnings / (loss) per share		$ 0.41	$ 0.25	($ 0.34)
Diluted earnings / (loss) per share		$ 0.41	$ 0.25	($ 0.34)

1. EBITDA, a non-GAAP measure, is earnings before interest, tax, depreciation, amortisation, impairments and revaluations, see note 1.
2. EBIT, a non-GAAP measure, is earnings before interest and tax.
3. Legislation enacted 26 March 2024, relating to the removal of deductibility of tax depreciation on non-residential buildings, had the effect of increasing Seeka's deferred tax liabilities, which resulted in a one-off $13.9m deferred tax charge in the condensed statement of profit or loss.

The accompanying notes form an integral part of these condensed interim financial statements

Condensed statement of comprehensive income

For the six months ended 30 June 2024

New Zealand dollars	6 months to June 2024 Unaudited $000s	6 months to June 2023 Unaudited $000s	12 months to December 2023 Audited $000s
Net profit / (loss) for the period	17,052	10,474	(14,466)
Items that will not be reclassified to profit or loss - net of tax			
(Loss) / gain on revaluation of land and buildings	-	(9,014)	7,466
(Loss) on revaluation of water shares	-	(99)	(2,756)
Total items that will not be reclassified to profit or loss	-	(9,113)	4,710
Items that may be reclassified subsequently to profit or loss, net of tax			
Movement in cash flow hedge reserve	393	(151)	(1,576)
Movement in foreign currency translation reserve	(111)	(4)	3
Movement in foreign currency revaluation reserve	283	366	216
Total items that may be reclassified subsequently to profit or loss	565	211	(1,357)
Total net profit / (loss) for the period attributable to equity holders	17,617	1,572	(11,113)

The accompanying notes form an integral part of these condensed interim financial statements

Condensed statement of financial position

As at 30 June 2024

New Zealand dollars	Notes	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Equity				
Share capital		162,896	162,807	162,865
Reserves		59,382	45,494	58,790
Retained earnings		55,346	64,275	38,294
Total equity		277,624	272,576	259,949
Current assets				
Cash and cash equivalents		4,117	5,182	5,207
Trade and other receivables	9	111,140	94,304	32,604
Biological assets - crop	7	3,082	2,079	21,766
Inventories	10	20,996	14,684	10,640
Irrigation water rights		-	20	231
Assets classified as held for sale	4	8,884	3,096	3,205
Tax assets		-	-	369
Total current assets		148,219	119,365	74,022
Non current assets				
Trade and other receivables	9	6,195	6,377	3,367
Property, plant and equipment	5	383,173	364,563	387,710
Intangible assets	6	24,206	26,805	24,239
Right-of-use lease assets	8	48,975	54,961	50,507
Investment in associates and joint arrangements		6,022	5,952	4,639
Derivative financial instruments		1,796	3,227	1,249
Investment in financial assets		1,261	1,424	1,261
Deferred tax assets		5,732	-	1,817
Total non current assets		477,360	463,309	474,789
Total assets		625,579	582,674	548,811
Current liabilities				
Tax liabilities		5,339	1,889	-
Trade and other payables	11	57,169	35,243	25,278
Lease liabilities	8	10,317	9,659	9,941
Interest bearing liabilities	12	46,567	53,721	49,291
Total current liabilities		119,392	100,512	84,510
Non current liabilities				
Interest bearing liabilities	12	128,420	128,471	128,292
Lease liabilities	8	52,667	59,556	54,821
Deferred tax liabilities		47,476	21,559	21,239
Total non current liabilities		228,563	209,586	204,352
Total liabilities		347,955	310,098	288,862
Net assets		277,624	272,576	259,949

On behalf of the Board.

F Hutchings
Chair

S Cresswell
Director

Dated: 22 August 2024

The accompanying notes form an integral part of these condensed interim financial statements

Condensed statement of changes in equity

For the six months ended 30 June 2024

New Zealand dollars	Notes	Share capital $000s	Cash flow hedge reserve $000s	Foreign currency revaluation reserve $000s	Foreign currency translation reserve $000s	Share reserve $000s	Water share revaluation reserve $000s	Land and buildings revaluation reserve $000s	Retained earnings $000s	Total $000s
2023										
Equity at 1 January 2023 (audited)		162,746	2,476	(2)	(161)	-	2,756	50,368	52,760	270,943
Net profit		-	-	-	-	-	-	-	10,474	10,474
Foreign exchange movement		-	-	366	(4)	-	-	-	-	362
Other comprehensive income / (loss)		-	(151)	-	-	-	(1,140)	(9,014)	1,041	(9,264)
Total comprehensive income / (loss)		-	(151)	366	(4)	-	(1,140)	(9,014)	11,515	1,572
Transactions with owners										
Employee share scheme receipts		61	-	-	-	-	-	-	-	61
Total transactions with owners		61	-	-	-	-	-	-	-	61
Equity at 30 June 2023 (unaudited)		162,807	2,325	364	(165)	-	1,616	41,354	64,275	272,576
2024										
Equity at 1 January 2024 (audited)		162,865	900	214	(158)	-	-	57,834	38,294	259,949
Net profit		-	-	-	-	-	-	-	17,052	17,052
Foreign exchange movement		-	-	283	(111)	-	-	-	-	172
Other comprehensive income		-	393	-	-	-	-	-	-	393
Total comprehensive income / (loss)		-	393	283	(111)	-	-	-	17,052	17,617
Transactions with owners										
Employee share scheme receipts		31	-	-	-	-	-	-	-	31
Movement in employee share entitlement reserve		-	-	-	-	12	-	-	-	12
Movement in grower share entitlement reserve		-	-	-	-	15	-	-	-	15
Total transactions with owners		31	-	-	-	27	-	-	-	58
Equity at 30 June 2024 (unaudited)		162,896	1,293	497	(269)	27	-	57,834	55,346	277,624

The accompanying notes form an integral part of these condensed interim financial statements

Condensed statement of cash flows

For the six months ended 30 June 2024

New Zealand dollars	Notes	6 months to June 2024 Unaudited $000s	6 months to June 2023 Unaudited $000s	12 months to December 2023 Audited $000s
Operating activities				
Cash was provided from:				
Receipts from customers		235,900	176,236	304,715
Interest and dividends received		10	35	44
Insurance proceeds		-	427	1,002
Cash was disbursed to:				
Payments to suppliers and employees		(175,702)	(162,669)	(287,264)
Interest paid		(7,280)	(7,177)	(12,847)
Lease interest paid		(2,435)	(2,408)	(4,842)
Income taxes (paid) / refunded		(41)	37	1,863
Net cash flows from operating activities	3	**50,452**	**4,481**	**2,671**
Investing activities				
Cash was provided from:				
Sale of property, plant and equipment		319	418	460
Distributions and share buy backs from investments		28	-	475
Proceeds from sale of assets classified as held for sale		-	4,890	5,266
Repayment of grower or grower entity advances		2,247	1,998	22,462
Cash was applied to:				
Purchase of property, plant, equipment and intangibles		(8,395)	(10,966)	(16,574)
Development of bearer plants		(4,134)	(2,912)	(6,162)
Acquisition of associate		(1,412)	-	(100)
Advances to growers or grower entities		(32,033)	(21,278)	(22,462)
Net cash flows (used in) investing activities		**(43,380)**	**(27,850)**	**(16,635)**
Financing activities				
Cash was provided from:				
Proceeds of non-current bank borrowings		20,000	30,000	38,000
Proceeds of current bank borrowings		57,019	60,257	119,919
Proceeds from employee and grower loyalty share scheme		31	61	119
Cash was applied to:				
Principal lease payments		(5,733)	(5,677)	(10,814)
Repayment of non-current bank borrowings		(20,000)	(18,000)	(38,000)
Repayment of current bank borrowings		(59,819)	(41,505)	(93,445)
Net cash flows from financing activities		**(8,502)**	**25,136**	**15,779**
Net (decrease) / increase in cash and cash equivalents		**(1,430)**	**1,767**	**1,815**
Effect of foreign exchange rates		340	(139)	(162)
Opening cash and cash equivalents		5,207	3,554	3,554
Closing cash and cash equivalents		**4,117**	**5,182**	**5,207**

The accompanying notes form an integral part of these condensed interim financial statements

Notes to the condensed interim financial statements

For the six months ended 30 June 2024

This section contains the notes to the condensed consolidated financial statements for Seeka Limited, its subsidiaries and associates. To give stakeholders a clear insight into how Seeka organises its business, the note disclosures are grouped into five sections.

Basis of preparation

This section sets out the Group's accounting policies that apply to the condensed consolidated interim financial statements for the interim reporting period ended 30 June 2024. Accounting policies which are limited to a specific note are described in that note.

Reporting entity and statutory base

The condensed interim financial statements presented are those of the condensed consolidated Seeka group. Seeka Limited is referred to as Seeka Limited or the Company. The group is referred to as the Group, Seeka, or Seeka Group.

Seeka Limited is a profit-orientated company registered in New Zealand under the Companies Act 1993 and a Financial Markets Conduct (FMC) Reporting Entity for the purposes of the FMC Act 2013. Seeka Limited is listed and its ordinary shares are quoted on the NZX main board equity security market (NZX Main Board).

Nature of operations

Seeka is a produce business operating in New Zealand and Australia.

In New Zealand the Group provides orchard management, orchard leasing, post-harvest and retail services to New Zealand's kiwifruit, avocado, citrus, persimmon, and Kiwiberry industries. Seeka manufactures and sells the Kiwi Crush™ and Kiwi Crushies product range along with avocado oil. The Group also provides retail and ripening services for imported tropical produce, and operates a wholesale market.

In Australia, Seeka owns, leases and operates orchards and associated post-harvest assets, making the Group one of the largest producers and suppliers of Australian kiwifruit and nashi pears, a major supplier of European pears, plus other fruits, including plums and jujube dates.

Statement of compliance and basis of preparation

Group condensed consolidated interim financial statements for the interim reporting period ended 30 June 2024 have been prepared in accordance with New Zealand Generally Accepted Accounting Principles (NZ GAAP) and comply with the New Zealand International Financial Reporting Standards (NZ IFRS) and other reporting standards as applicable to profit-oriented entities. Specifically, Group condensed interim financial statements have been prepared in accordance with NZ IAS 34, Interim Financial Reporting. This condensed consolidated interim financial information does not include all of the information required for the full annual audited financial statements and should be read in conjunction with the annual audited financial statements for the year ended 31 December 2023, which have been prepared in accordance with NZ IFRS.

The significant accounting policies applied in the preparation of the condensed financial statements are set out below.

The condensed financial statements were approved by the Board of Directors (the Board) on 22 August 2024. The Directors do not have the authority to amend the condensed financial statements after issue.

Summary of significant accounting policies

Other than detailed above, the accounting policies applied are consistent with those of the annual audited financial statements for the year ended 31 December 2023, as described in those annual financial statements.

Where a change in the presentational format of the financial statements has been made during the period, comparative figures have been restated accordingly.

Going concern assumption

The condensed financial statements have been prepared on a going concern basis.

The Directors have considered the ability of the Group to operate as a going concern for at least the next 12 months from the date of signing these condensed financial statements.

The Directors have concluded that the Group will continue to operate as a going concern and the condensed financial statements are prepared on that basis.

Seasonal nature of Group operations

Seeka's core business is providing supply chain services to New Zealand and Australia's horticulture industries. A high proportion of Group revenue is generated and cost of sales incurred in the autumn when produce is harvested and prepared for market. Correspondingly, approximately 80% to 100% of Group gross profit is recorded in the condensed interim report. Seasonal fluctuations impact the timing of gross profit, particularly the amount and quality of kiwifruit inventory remaining in store at 30 June.

Goods and services tax (GST)

The condensed statement of profit and loss and condensed statement of comprehensive income have been prepared so that all components are stated exclusive of GST. All items in the condensed statement of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

Impact of standards issued but not yet applied by the entity

There are no new standards, amendments or interpretations that have been issued and are effective that are expected to have a significant impact on the Group.

Performance

This section focuses on the Group's financial performance and details the contributions made from the individual operating segments.

1. Segment information

The Group's operating segments engage in business activities that earn revenues, incur expenses and are reported in a manner consistent with the internal reports provided to the chief decision makers, being the Directors, who regularly evaluate the allocation of resources alongside operational outcomes, such as EBITDA and EBIT, and are responsible for setting strategic direction.

The Group has five operating segments:

- Four New Zealand segments express the range of complementary services delivered to New Zealand's produce industries and the retail sector.
- A single Australian operating segment covers the integrated supply chain service for the Group's Australian-grown fruit.

Direct segment revenues and operating costs are allocated to each segment. Administration costs, overheads, grower service costs and other income from the sale of assets recorded in the condensed statement of profit or loss are allocated to all other segments. Transactions between segments are conducted at arm's length and are eliminated on consolidation.

Segment information is prepared on the same basis as the annual audited financial statements for the year ended 31 December 2023.

New Zealand segments

Orchard operations

The Group provides on-orchard management services to orchard owners who produce kiwifruit, avocado, citrus and Kiwiberry crops.

The Group produces kiwifruit, avocado, citrus and Kiwiberry from:

- Short term leased orchards (typically three-year rolling contracts) whereby the Group recovers costs and shares any profits with the orchard owners.
- Long term leased land which the Group has developed into productive orchards, pays all development and production costs, owns all crops for the term of the lease, and shares profit with the landowner after all costs are recovered from crop proceeds.
- Owned orchards whereby the Group incurs growing and harvest costs and receives all orchard income from crop sales.

Post harvest operations

The Group provides post-harvest services to the kiwifruit, avocado, citrus and persimmon industries. This includes all crops from the Group's orchard management and lease operations, plus crops from independent orchard owners.

Retail service operations

The Group provides fruit marketing services in New Zealand and internationally, particularly in the Australian and Asian markets. This includes fruit from the Group's New Zealand based orchard and post-harvest operations. In New Zealand the Group also provides retail and ripening services for imported fruit, and operates a wholesale market.

Retail service operations include the production and selling of Kiwi Crush™, Kiwi Crushies and avocado oil to the retail sector and hospitals, along with post-harvest services for Kiwiberry.

All other segments - New Zealand

This represents the Group's aggregated administration, grower services and overhead sections recorded in the condensed statement of profit or loss, and impairment and revaluations of other assets not attributed directly to any other segment. It also includes the gain on sale from assets that had been classified as held for sale, and are not attributed directly to any other segment.

Australian operations

The Group grows, provides post-harvest services, and retails all produce from orchards the Group owns or leases in Australia. The main products are kiwifruit, nashi pears, European pears, jujubes and plums which are primarily sold in Australia.

EBITDA and EBIT

EBITDA is earnings before interest, tax, depreciation, amortisation, impairments and revaluations. EBITDA is an indicator of profitability and reflects operating cash flow generation.

EBIT is earnings before interest and tax; an indicator of profitability that excludes interest and income tax expenses.

Non-GAAP financial information does not have a standard meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. The Board considers EBITDA and EBIT as useful measures of financial performance for both investors and management as they are indicators of the Group's operating profitability that remove the impact of tax and the interest expenses associated with debt and leases (EBIT), along with depreciation, amortisation, impairment and revaluation expenses associated with the Group's large investments in fixed and leased assets (EBITDA).

The following table details the operating segments at balance date.

New Zealand dollars	New Zealand Orchard operations $000s	New Zealand Post harvest operations $000s	New Zealand Retail service operations $000s	New Zealand All other segments $000s	Australia Australian operations $000s	Group Total $000s
June 2024						
Income statement						
Turnover [1]	56,895	193,933	23,059	519	19,468	**293,874**
Gross segment revenue	57,002	197,324	13,381	519	19,468	**287,694**
Eliminations	(107)	(3,391)	-	-	-	**(3,498)**
Total segment revenue	**56,895**	**193,933**	**13,381**	**519**	**19,468**	**284,196**
EBITDA [2]	3,231	69,268	1,104	(10,074)	4,855	**68,384**
Depreciation expense [4]	(646)	(6,059)	(150)	(806)	(522)	**(8,183)**
Lease depreciation expense [5]	(801)	(3,178)	(327)	(757)	(451)	**(5,514)**
Amortisation of intangible assets	-	-	-	(143)	-	**(143)**
EBIT [3]	**1,784**	**60,031**	**627**	**(11,780)**	**3,882**	**54,544**
Lease interest expense [5]	(415)	(1,032)	(130)	(450)	(408)	**(2,435)**
EBIT [3] (after lease interest expense)	**1,369**	**58,999**	**497**	**(12,230)**	**3,474**	**52,109**
Interest expense [6]						**(7,103)**
Tax charge on profit						**(27,954)**
Profit after tax						**17,052**
Balance sheet						
Segment assets	100,955	397,627	13,573	49,721	63,703	**625,579**
Total assets	**100,955**	**397,627**	**13,573**	**49,721**	**63,703**	**625,579**
Segment liabilities	54,066	168,592	10,965	67,918	46,414	**347,955**
Total liabilities	**54,066**	**168,592**	**10,965**	**67,918**	**46,414**	**347,955**
June 2023						
Income statement						
Turnover [1]	39,936	151,073	26,907	200	11,646	229,762
Gross segment revenue	39,961	152,919	9,815	200	11,646	214,541
Eliminations	(25)	(1,846)	-	-	-	(1,871)
Total segment revenue	**39,936**	**151,073**	**9,815**	**200**	**11,646**	**212,670**
EBITDA [2]	(1,946)	47,381	1,669	(11,553)	874	36,425
Depreciation expense [4]	(408)	(5,820)	(151)	(762)	(554)	(7,695)
Lease depreciation expense [5]	(759)	(3,455)	(326)	(288)	(422)	(5,250)
Impairment of property, plant and equipment	-	(121)	-	-	(426)	(547)
Loss on revaluation of property, plant and equipment	-	(959)	-	-	-	(959)
Amortisation of intangible assets	-	-	-	(180)	-	(180)
EBIT [3]	**(3,113)**	**37,026**	**1,192**	**(12,783)**	**(528)**	**21,794**
Lease interest expense [5]	(320)	(1,068)	(154)	(429)	(437)	(2,408)
EBIT [3] (after lease interest expense)	**(3,433)**	**35,958**	**1,038**	**(13,212)**	**(965)**	**19,386**
Interest expense [6]						(5,751)
Tax charge on profit						(3,161)
Profit after tax						**10,474**
Balance sheet						
Segment assets	75,876	397,779	15,157	39,752	54,110	582,674
Total assets	**75,876**	**397,779**	**15,157**	**39,752**	**54,110**	**582,674**
Segment liabilities	48,872	177,708	14,043	33,436	36,039	310,098
Total liabilities	**48,872**	**177,708**	**14,043**	**33,436**	**36,039**	**310,098**

1. Turnover is a non-GAAP measure, see calculations in note 2.
2. EBITDA, a non-GAAP measure, is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.
3. EBIT, a non-GAAP measure, is earnings before interest and tax.
4. Depreciation includes the depreciation of fixed assets.
5. Lease interest and lease depreciation are as a result of *NZ IFRS 16 Leases*, see note 8.
6. Interest includes finance costs for borrowings.

The following table reconciles segment EBITDA before and after applying *NZ IFRS 16 Leases*.

New Zealand dollars	New Zealand Orchard operations $000s	Post harvest operations $000s	Retail service operations $000s	All other segments $000s	Australia Australian operations $000s	Group Total $000s
June 2024 - EBITDA						
EBITDA pre NZ IFRS 16	1,896	65,488	625	(11,575)	3,782	60,216
Capitalised lease costs	1,335	3,780	479	1,501	1,073	8,168
EBITDA after applying NZ IFRS 16	3,231	69,268	1,104	(10,074)	4,855	68,384
June 2023 - EBITDA						
EBITDA pre NZ IFRS 16	(3,334)	42,899	1,260	(12,305)	(180)	28,340
Capitalised lease costs	1,388	4,482	409	752	1,054	8,085
EBITDA after applying NZ IFRS 16	(1,946)	47,381	1,669	(11,553)	874	36,425

2. Turnover

The following table reconciles turnover to revenue.

New Zealand dollars	6 months to June 2024 Unaudited $000s	6 months to June 2023 Unaudited $000s	12 months to December 2023 Audited $000s
Turnover	293,874	229,762	343,018
Value of sales made as agent	(9,678)	(17,092)	(42,098)
Revenue	284,196	212,670	300,920

Turnover

The Board considers turnover a useful measure of the Group's operating activity as it represents the total transactional value of goods and services provided to external customers during the year. As such turnover includes the value of fruit sales made on behalf of growers and suppliers where the Group acts as the agent, and is considered the supplier by the purchasing party. This includes all produce sales both local and export.

3. Reconciliation of net operating surplus after taxation with cash flows from operating activities

New Zealand dollars	6 months to June 2024 Unaudited $000s	6 months to June 2023 Unaudited $000s	12 months to December 2023 Audited $000s
Net operating surplus after taxation	17,052	10,474	(14,466)
Add / (less) non cash items:			
Depreciation	8,183	7,695	15,520
Lease depreciation	5,514	5,250	10,462
Impairments	-	547	3,465
Loss on revaluation of property, plant and equipment	-	959	294
Revaluation of employee share scheme	12	-	-
Revaluation of grower share scheme	15	-	-
Movement in deferred tax	22,322	(1,245)	(3,382)
Movement in fair value of biological assets - crop	18,684	16,329	(3,358)
Amortisation of intangible assets	143	180	365
	54,873	29,715	23,366
Add / (less) items not classified as an operating activity:			
Gain on sale of property, plant and equipment	(154)	(28)	(16)
Gain on sale of assets classified as held for sale	-	-	(1,833)
(Decrease) / increase in current water allocation account	-	48	(170)
	(154)	20	(2,019)
(Increase) in working capital:			
Increase / (decrease) in accounts payable	13,262	4,995	(3,261)
(Increase) in accounts receivable / prepayments	(29,591)	(42,163)	(887)
(Increase) / decrease in inventory	(10,517)	(2,955)	1,260
Increase / (decrease) in taxes due	5,527	4,395	(1,322)
	(21,319)	(35,728)	(4,210)
Net cash flow from operating activities	50,452	4,481	2,671

Accounting policies

Cash flows statements are prepared using the direct approach. Cash and cash equivalents are shown exclusive of GST.

Assets

This section focuses on how the Group manages its assets to generate revenues and deliver benefits to stakeholders.

Disclosures are made on additions, disposals, revaluations, depreciation, impairments and amortisation.

4. Assets classified as held for sale

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Opening balance at 1 January	3,205	6,293	6,293
Net transfers from property, plant and equipment	5,627	-	-
Costs incurred	27	-	-
Development costs incurred	25	86	264
Sales settled by third parties at carrying value	-	(3,283)	(3,352)
Total assets classified as held for sale	8,884	3,096	3,205

The following table details the assets classified as held for sale by asset class.

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Asset class			
Land and buildings	8,884	943	874
Property, plant and equipment	-	380	380
Intangible assets	-	500	500
Bearer plants	-	1,273	1,451
Total assets classified as held for sale	8,884	3,096	3,205

At 30 June 2024, Seeka classified the RSE accommodation Turanga Whetu, and adjoining coolstore facility, workshop and offices, as held for sale. Turanga Whetu is Seeka's newly-completed, 140 bed accommodation complex at Sharp Road, Katikati, New Zealand. Construction was completed in 2024 and the property has been actively marketed since May 2024. It is available for immediate sale in its present condition and is expected to sell in the next 12 months.

At 30 June 2024, no Northland orchards (Jun 2023 - 16.6 hectares) owned by Seeka were classified as held for sale. At 30 June 2024, the remaining orchard was unsold and does not meet the criteria for being classified as held for sale and therefore was transferred to property, plant and equipment while further development is undertaken and until such time as a sale is highly probable. Seeka is committed to the sale of this orchard and as the property is being actively marketed and is available for immediate sale in its present condition, a sale is still possible.

All assets classified as held for sale at 30 June 2024 are included in the "All other segments" segment. At 30 June and 31 December 2023, all assets classified as held for sale were included within the Orchard operations segment.

5. Property, plant and equipment

New Zealand dollars	Land and buildings $000s	Plant and equipment $000s	Motor vehicles $000s	Bearer plants $000s	Assets under construction $000s	Total $000s
At 1 January 2024						
Cost or valuation	306,804	161,087	2,928	42,160	9,085	522,064
Accumulated depreciation and impairment	(35,960)	(91,402)	(1,504)	(5,093)	(395)	(134,354)
Net book amount	270,844	69,685	1,424	37,067	8,690	387,710
Six months ended 30 June 2024						
Opening net book amount	270,844	69,685	1,424	37,067	8,690	387,710
Additions and transfers - net	3,284	5,323	-	1,523	(1,230)	8,900
Depreciation	(3,078)	(4,674)	(112)	(319)	-	(8,183)
Disposals	-	(165)	-	-	-	(165)
Transfers - Asset Categories	(1)	488	-	(1)	(486)	-
Reclassification to assets classified as held for sale	(2,223)	(4)	-	3,229	(6,629)	(5,627)
Foreign exchange	202	55	3	273	5	538
Closing net book amount	269,028	70,708	1,315	41,772	350	383,173
At 30 June 2024						
Cost or valuation	308,066	166,784	2,931	47,184	745	525,710
Accumulated depreciation and impairment	(39,038)	(96,076)	(1,616)	(5,412)	(395)	(142,537)
Net book amount	269,028	70,708	1,315	41,772	350	383,173

Assets under construction are assets that are yet to be capitalised and are not depreciated. When the asset is ready for use it is transferred to the appropriate asset class.

Land and buildings

Land and buildings are revalued to their estimated market value on at least a three-year rolling cycle (excluding assets under construction), plus any subsequent additions at cost, less subsequent depreciation for buildings. In New Zealand valuations are undertaken by CBRE Group Inc., independent registered valuer.

In Australia valuations were last completed at 31 December 2022 by Opteon (Goulburn North East Vic) Pty Ltd, independent valuers based in Victoria, Australia.

As at 30 June 2024, the Directors believe there are no indicators that would suggest that the carrying value of land and buildings differs materially from their fair value and as a consequence there is no need to revalue this class of assets at 30 June 2024.

Impairment

In the six months to 30 June 2024, no assets have been impaired. In the six months to 30 June 2023, $0.43m of hail netting assets in Australia and $0.12m of fixed electrical assets were impaired.

Critical accounting estimates and judgements

At 31 December 2023, 52% (Dec 2022 - 42%) of Seeka's New Zealand land and building portfolio was externally revalued in line with policy. Additionally, 25% were adjusted based on a desktop fair value calculation. Valuations for land and buildings have remained stable in the six months to June 2024, and have remained consistent with the fair values recognised at 31 December 2023.

In Australia valuations were last completed at 31 December 2022 by Opteon (Goulburn North East Vic) Pty Ltd, independent valuers based in Victoria, Australia.

Sensitivity analysis suggests the remaining properties that were not revalued in 2023 could have caused a movement in land and buildings of between 0.82% and 3.79%. This was not considered a material movement in land and building values.

Independent valuations will be obtained at 31 December 2024 in line with the accounting policies of the Group.

6. Intangible assets

New Zealand dollars	Software $000s	Goodwill $000s	Water shares $000s	Other intangibles $000s	Total $000s
At 30 June 2024					
Cost	4,523	20,181	3,036	377	**28,117**
Accumulated amortisation and impairment	(3,896)	-	-	(15)	**(3,911)**
Net book amount	**627**	**20,181**	**3,036**	**362**	**24,206**

The following table details the key assumptions used for value-in-use calculations and the recoverable amount.

Group cash generating units	Operating segment	Goodwill carrying amount $000s	Pre tax discount rate	EBITDA growth rate 1-5 years	Terminal growth rate
June 2024					
Post harvest	Post harvest operations	20,181	9.4%	0% - 10%	2.0%

Impairment tests for goodwill

At 30 June 2024, indicators of impairment existed, including Seeka's market capitalisation being less than net assets. In response the Group has performed impairment tests on all cash generating units (CGUs), in addition to CGUs with goodwill balances to ensure that future cash flows of the CGUs and the Group support the fair value of the assets.

The impairment tests have been performed using a value in use calculation model. No impairment was identified.

The recoverable amount is based on the net present value of the five-year after-tax cash flow projection (value-in-use), with a terminal value beyond five years. Cash flows beyond the five year period are extrapolated using estimated growth rates and discount rates stated in this note. The assumptions used for the analysis of the net present value of forecast gross margins for the cash generating units are determined based on forecast crop volumes, past financial performance and the Board's expectation of future market dynamics, plus the Group's current year forecasts and five year financial plans.

The impairment tests have a conservative forward looking growth profile of kiwifruit volumes over the five years, however the 2024 harvest was significantly better than the previous two years for Seeka, with a 44% increase in packed trays in New Zealand, 164% increase in kiwifruit volumes in Australia, and earnings guidance of between $17m and $21m, a significant increase on the $21m net profit before tax loss in the 12 months ending 31 December 2023.

The Goodwill and asset value allocated to the post harvest CGU is supported by historical profitability, increasing volume forecasts, and forecast growth of the kiwifruit industry and returns. The headroom in the post harvest CGU has increased from December 2023, with working capital peaking in June but forecasts increasing the calculated Value in Use to a greater degree.

The impact of climate change has been incorporated to the extent that it impacts the forecasts and considered as part of scenario planning from an operational capacity planning perspective.

Seeka has a long history of adapting to the environment, such as when Psa arrived in New Zealand and the industry pivoted to the SunGold variety, alongside past climatic events such as droughts, hail, and floods. The business will continue to adapt to the changing environment.

Critical accounting estimates and judgements

The goodwill impairment tests require judgement to determine the appropriate forecast cash flows and inputs into the calculations. The primary estimates relate to the forecast EBITDA growth rates, discount rates, WACC and terminal growth rates.

7. Biological assets - crop

Crops growing on bearer plants are classified as biological assets and measured at fair value.

Crop assets are kiwifruit, nashi pears, Packham pears, Corella pears, other pears, avocado, citrus, jujube, and plum crops growing on leased and owned orchards and yet to be harvested at balance date.

The following table reconciles beginning balances to end balances for biological assets crop.

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Carrying amount at beginning of period	**21,766**	**18,408**	**18,408**
Crop harvested during the period			
Fair value movement from the beginning of the period to point of harvest	14,905	3,126	12,427
Fair value when harvested	(36,671)	(21,534)	(30,835)
Crop growing on bearer plants at end of period			
Crop at cost	3,082	2,079	21,531
Crop at fair value	-	-	235
Carrying value at end of period	**3,082**	**2,079**	**21,766**

The following table reconciles fair value movement of biological assets - crop.

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Movement in carrying amount	(18,699)	(16,328)	3,310
Exchange differences	15	(1)	48
Net fair value movement in crop	**(18,684)**	**(16,329)**	**3,358**

The following table details the classification of biological assets - crop.

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Australia - all varieties	998	737	5,179
New Zealand - kiwifruit crop	1,655	1,127	16,134
New Zealand - other crop (avocado, citrus, Kiwiberry)	429	215	453
Carrying value at end of period	**3,082**	**2,079**	**21,766**

8. Right-of-use lease assets and lease liabilities

The Group reports all leases on the balance sheet where it has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of the lease, with the exception of low value leases or leases less than 12 months.

The following table details leases where the Group is a lessee.

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Right-of-use lease assets			
Land and buildings	29,073	32,706	29,824
Orchard leases	15,186	16,764	16,117
Equipment	2,181	2,437	1,907
Motor vehicles	2,535	3,054	2,659
Total right-of-use lease assets	48,975	54,961	50,507
The movements for the period are:			
Opening balance	50,507	55,805	55,805
Additions and renewals	3,972	4,584	6,220
Disposals, reclassifications and early terminations	(5)	(313)	(984)
Impairment of onerous lease	-	-	(90)
Exchange rate differences	15	135	18
Depreciation	(5,514)	(5,250)	(10,462)
Closing balance	48,975	54,961	50,507
The classification for depreciation of right-of-use lease assets is as follows:			
Land and buildings	2,460	2,189	4,467
Orchard leases	913	887	1,771
Equipment	1,079	1,082	1,914
Motor vehicles	1,062	1,092	2,310
Total depreciation of right-of-use lease assets	5,514	5,250	10,462

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Lease liabilities			
Current	10,317	9,659	9,941
Non-current	52,667	59,556	54,821
Total lease liabilities	62,984	69,215	64,762
The liabilities are classified as:			
Lease liabilities			
Land and buildings	34,345	37,770	35,045
Orchard leases	23,746	25,633	24,731
Equipment	2,119	2,529	2,139
Motor vehicles	2,774	3,283	2,847
Total lease liabilities	62,984	69,215	64,762
The movements for the period are as follows:			
Lease liability movements			
Opening balance	64,762	70,065	70,065
Additions and renewals	3,696	4,653	6,289
Disposals, reclassifications and early terminations	(5)	(166)	(829)
Exchange rate differences	264	185	51
Principal lease payments	(5,733)	(5,522)	(10,814)
Closing balance	62,984	69,215	64,762

Additions
During the period ended 30 June 2024, the Group renewed $0.70m of leases relating to post harvest coolstorage facilities and $0.30m of leases relating to retail service facilities, entered $0.66m of leases relating to accommodation or other building leases, and entered or renewed $2.36m of leases relating to vehicles and equipment leases.

Working capital

This section focuses on how the Group manages inventories, accounts receivable and accounts payable to ensure an appropriate level of working capital is available to operate the business, deliver benefits to stakeholders and generate revenues.

9. Trade and other receivables

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Current trade receivables (net of provision for doubtful debts)	49,959	42,698	22,298
Prepayments	7,655	7,424	5,593
Prepaid deposits	608	608	255
GST refund due	-	-	405
Accrued income and other sundry receivables	52,918	43,574	4,053
Current trade and other receivables	111,140	94,304	32,604
Non current trade receivables	6,195	6,377	3,367
Non current trade and other receivables	6,195	6,377	3,367
Total trade and other receivables	117,335	100,681	35,971

Current trade receivables include temporary advances to Seeka kiwifruit grower pools of $29.79m (Jun 2023 - $19.28m). These advances are fully paid in July 2024.

Accrued income and other sundry receivables includes $22.04m (Jun 2023 - $12.27m) of income for kiwifruit harvested and delivered to Zespri from Seeka's New Zealand orchards, $22.89m (Jun 2023 - $27.81m) for New Zealand post harvest operations, and $7.94m (Jun 2023 - $1.78m) of income for kiwifruit and pears harvested in Australia.

Non-current trade receivables includes $0.99m losses carried forward on short term leased orchards to be recovered in a future period (Dec 2023 - $1.81m). Non current receivables also include $4.29m (Dec 2023 - $1.56m) of long term receivable balances with agreed long-term payment terms. The remaining balance of non-current trade receivables relates to debtors secured against crop supply commitments with repayment terms of up to five years and is considered recoverable.

10. Inventories

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Crop inventories	13,988	5,057	-
Total packaging at cost	3,413	6,169	7,062
Other inventories at cost	3,595	3,458	3,578
Total inventories	20,996	14,684	10,640

Fruit inventories relate to kiwifruit harvested from New Zealand and Australian orchards and held in coolstores at balance date. Fruit inventory from fruit harvested from the Group's Australian orchards is based on actual and forecast market returns for each variety.

At balance date, $39.31m (Jun 2023 - $28.53m) of packaging inventory costs were expensed to cost of sales in the condensed statement of profit and loss. There were no material inventory write downs (Jun 2023 - Nil).

11. Trade and other payables

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Trade payables	20,719	16,074	6,050
Accrued expenses	19,192	11,839	11,948
Employee expenses	9,271	6,169	7,140
GST payable	7,414	1,002	-
Other payables	573	159	140
Total trade and other payables	57,169	35,243	25,278

Trade payables includes $8.41m (Jun 2023 - $3.60m, Dec 2023 – Nil) of packaging costs relating to post harvest operation and Nil (Jun 2023 - $0.12m, Dec 2023 – Nil) of packhouse automation costs.

Accrued expenses includes $8.74m (Jun 2023 - $2.96m) relating to profit share payments due to New Zealand kiwifruit growers, relating to kiwifruit grown on orchards managed or leased by the Group.

Interest bearing liabilities, dividends, share capital and fair value

This section focuses on how the Group funds its operations, pays dividends to grow shareholder returns, manages its share capital, and determines the fair value of its financial assets, securities and liabilities so it can deliver benefits to stakeholders.

Disclosures are made on the Group's bank facilities, dividends paid to shareholders, share capital, and other disclosures.

12. Interest bearing liabilities

New Zealand dollars	June 2024 Unaudited $000s	June 2023 Unaudited $000s	December 2023 Audited $000s
Current secured			
Interest bearing liabilities	46,896	53,889	49,597
Capitalised loan fees to be amortised in the next 12 months	(329)	(168)	(306)
Total current interest bearing liabilities	**46,567**	**53,721**	**49,291**
Non current secured			
Interest bearing liabilities	128,603	128,514	128,322
Remaining capitalised loan fees to be amortised	(183)	(43)	(30)
Total non-current interest bearing liabilities	**128,420**	**128,471**	**128,292**
Total interest bearing liabilities	**174,987**	**182,192**	**177,583**
Analysis of movements in borrowings:			
At 1 January	177,583	150,942	150,942
Cash flow - additional borrowings	77,019	90,257	157,919
Cash flow - repayment of borrowings	(79,819)	(59,505)	(131,445)
Capitalised loan fees - amortised over the life of the loan	(176)	107	(17)
Exchange differences	380	391	184
At balance date	**174,987**	**182,192**	**177,583**
Analysis of total facilities:			
Drawn	174,987	182,192	177,583
Available	46,180	18,859	23,205
Total facilities	**221,167**	**201,051**	**200,788**

New Zealand dollars	Balance due $000s	Interest rate	Maturity
Term loans as at 30 June 2024			
AUD $17m	18,603	7.49%	31 January 27
NZD $40m	40,000	8.00%	31 January 26
NZD $50m	50,000	8.19%	31 January 27
NZD $20m	20,000	8.38%	31 January 26

The Board has assessed the fair value of the term loans as the outstanding balance at balance date.

At 28 June 2024, Seeka extended 69% of the facilities to 31 January 2026, and 31% to 31 January 2027. The 30 June 2024 and 31 December 2024 banking covenants are set on a "step down" basis to enable Seeka to reach its long-term covenants of 3.25x for the net leverage ratio and 2.00x for the interest cover ratio. Seeka remains committed to reducing debt and building headroom into its banking covenants.

On 5 February 2024, an additional $20m credit line was secured through to 16 July 2024. Following this facility being fully repaid on 15 July 2024, Seeka's total available facility decreases to $201 million.

Seeka's $201 million banking facility is provided as a Sustainability-Linked Loan that incentivises Seeka to reduce greenhouse gas emissions, increase solar energy generation capacity, and improve health and safety across its workforce. Seeka will pay a lower interest rate for achieving annual sustainability targets, and a higher interest rate if they are not met.

13. Dividends

In the last 12 months, no dividends were paid (prior 12 months - Nil).

Seeka's dividend policy is to declare and distribute dividends between 65% and 75% of Net Profit After Tax (NPAT) annually in conjunction with the release of the half year and full year results subject to due consideration of the Board.

14. Share capital

During the period to 30 June 2024, $0.03m (Jun 2023 - $0.06m) was received in relation to shares issued under the employee share scheme established in 2019 (including funds from the vesting of the schemes).

On 6 May 2024, 623,000 shares were issued at $2.8679 per share for the Seeka Employee Share Scheme offer dated 19 April 2024.

On 20 May 2024, 898,659 shares were issued at $2.5444 per share for the Seeka Grower Share Scheme offer dated 19 April 2024.

15. Determination of fair values of financial assets and liabilities

The following table analyses financial assets and liabilities carried at fair value as at 30 June 2024.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Instruments in level 1 are comprised of water shares and irrigation water rights.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability that have to be developed to reflect the assumptions that a market participant would use when determining an appropriate price.

New Zealand dollars	Level 1 $000s	Level 2 $000s	Level 3 $000s	Total $000s
Land	-	-	46,928	**46,928**
Buildings	-	-	222,100	**222,100**
Other financial assets	-	-	653	**653**
Derivatives used for hedging - assets	-	1,796	-	**1,796**

The following table shows the valuation techniques used in the determination of fair values within level 3 of the hierarchy, as well as the key unobservable inputs used in the valuation models.

Type	Fair value	Method	Key unobservable inputs	How unobservables impact estimated fair value
Land and buildings	$ 269.03 m	An annual revaluation is used to estimate fair value, which is performed on at least one third of land and buildings on a rolling 3-year cycle by an independent valuer using three different approaches; sales approach, investment approach and discounted cash flow approach. See accounting policies and note 5 for further details.	Comparative market rents and applicable discount rate. Comparative market sales. Current level of building costs.	Increases with market rental, and lower discount rates. Increases with market sales. Increases with building costs.
Other financial assets.	$ 0.65 m	Calculating the present value of expected cash flows using contractual interest rates, expected repayment dates and discount rate.	Repayment dates. Discount rates.	Increases with an earlier repayment date. Increases with a lower discount rate.

16. Related party transactions

The Group undertakes transactions with Seeka Growers Limited (SGL), a related party which administers all kiwifruit revenues received for the New Zealand business on behalf of supplying growers. In the current period the Group received $148.01m (Jun 2023 - $189.58m) for the provision of services to SGL.

17. Capital commitments

As at 30 June 2024 the Group was not committed to incur any capital expenditure (Jun 2023 - $1.92m; Dec 2023 - $4.06m), nor any investments in associates (Jun 2023 - $0.46m, Dec 2023 - $1.41m).

18. Events occurring after balance date

There are no other events occurring subsequent to balance date requiring adjustment to or disclosure of in the condensed financial statements.

Directory

Board of directors

Fred Hutchings – Chair

Hayden Cartwright

Sharon Cresswell

Peter Ratahi Cross

Stewart Moss

Cecilia Tarrant

Ashley Waugh

Audit and risk committee

Sharon Cresswell – Chair

Hayden Cartwright

Ashley Waugh

Sustainability committee

Cecilia Tarrant – Chair

Peter Ratahi Cross

Fred Hutchings

Remuneration committee

Fred Hutchings – Chair

Stewart Moss

Cecilia Tarrant

Company officers

Michael Franks

Chief Executive Officer

Nicola Neilson

Chief Financial Officer and Company Secretary

Senior management team

Michael Franks

Chief Executive

Nicola Neilson

Chief Financial Officer

Kate Bryant

GM Grower Relations and Corporate Services

Paul Crone

GM Post-Harvest

Barry Penellum

GM Orchards

Jonathan van Popering

GM Australian Operations

Jim Smith

GM New Business and Marketing

Registered office

Seeka Limited

34 Young Road, RD9, Paengaroa 3189

PO Box 47, Te Puke 3153

Seeka.co.nz

Auditor

Grant Thornton New Zealand Limited

Auckland

www.grantthornton.co.nz

Bankers[1]

Westpac New Zealand Limited

Auckland

www.westpac.co.nz

Westpac Banking Corporation

Melbourne

www.westpac.com.au

ASB Bank Limited

Auckland

www.asb.co.nz

Bank of New Zealand

Auckland

www.bnz.co.nz

Coöperatieve Rabobank U.A. (Rabobank)

Wellington

www.rabobank.co.nz

1. All banks are lenders under a syndicated facilities agreement with Westpac New Zealand as the sustainability-linked loan coordinator and the agent.

Share register

Link Market Services Limited

Auckland

www.linkmarketservices.co.nz

NZX

www.nzx.com

Legal advisors

Harmos Horton Lusk Limited

Auckland

www.hhl.co.nz

Tompkins Wake

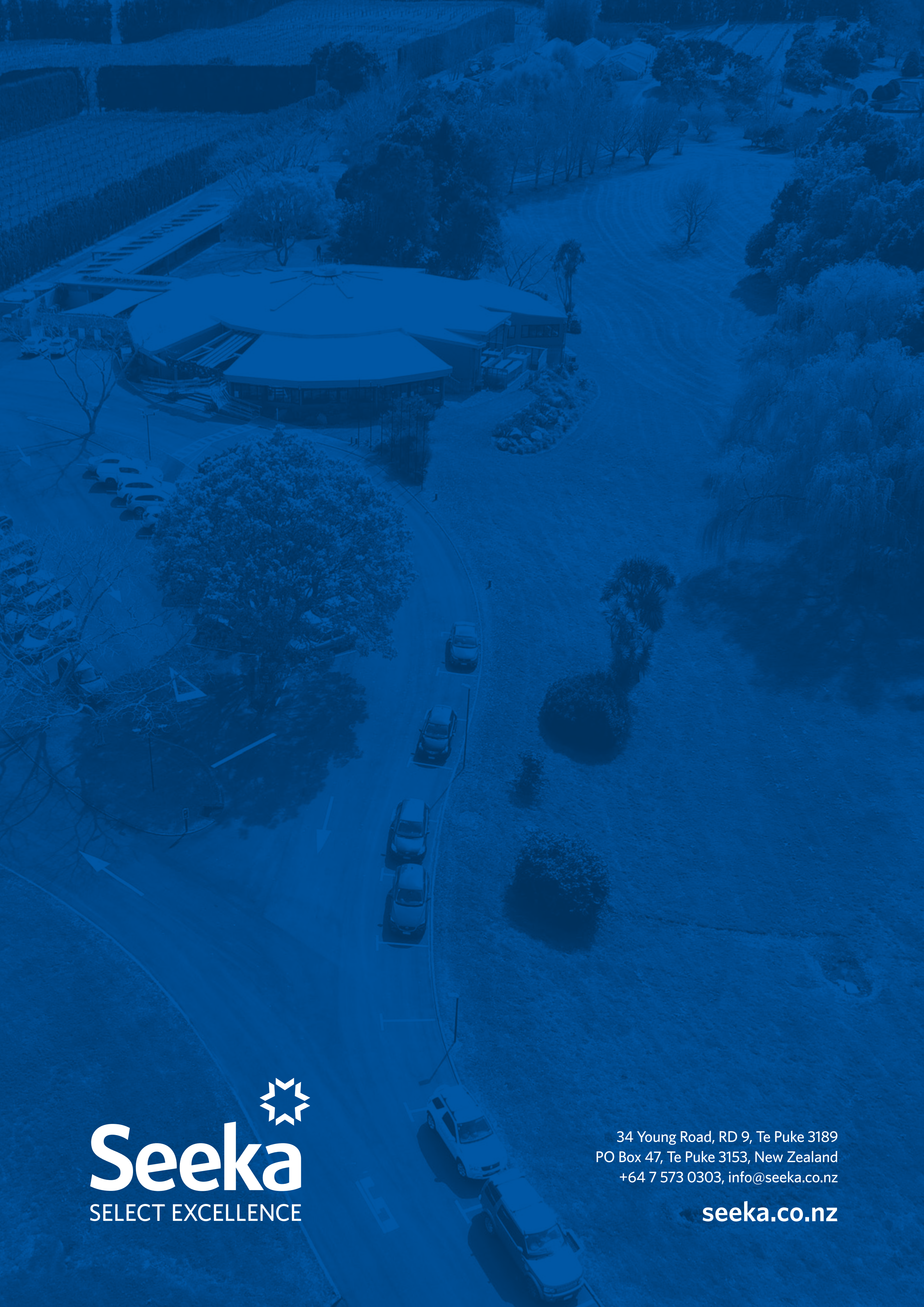
Tauranga

www.tompkinswake.com

Mayne Wetherell

Auckland

maynewetherell.com



Seeka
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