

## SEEKA FY21 FULL YEAR RESULT

### Audited results for year ended 31 December 2021 (FY21)

**Listed New Zealand produce handler Seeka Limited, with operations in New Zealand and Australia, has today reported its audited results for the year ended 31 December 2021.**

**\$23.5 million net profit before tax — up 44% on FY20**

**\$0.13 per share dividend payable 23 February 2022**

"Seeka's 2021 financial performance comes from a deliberate strategy to significantly improve Seeka's underlying operating earnings," says Seeka chief executive Michael Franks.

"Revenue is up 23% to a record \$310 million helped by a rebound in Hayward kiwifruit volumes and the ongoing lift in SunGold kiwifruit production. EBITDA is up 32% to \$56.8 million as a tight focus on costs improved Seeka's operating margin, especially following the one-off Covid-19 expenses incurred in FY20. FY21 EBITDA also benefited from a \$7.6 million compensation payment from the Crown's settlement of the Psa kiwifruit class action.

"As we lifted our financial performance, Seeka has also increased its regional service with three major kiwifruit acquisitions. Ōpōtiki Packing and Coolstorage Limited and Kerikeri-based Orangewood Limited were acquired in 2021, and on 2 February 2022 we completed the acquisition of Gisborne-based NZ Fruits Limited. These acquisitions have grown Seeka's market share, and we are planning on handling 26% of the national kiwifruit crop in 2022. The businesses are now fully integrated and are set to deliver significant synergy gains in FY22.

"Post harvest capacity was reviewed and a decision on a greenfield development at Pukenga was deferred in favour of a \$20 million capacity upgrade in the Bay of Plenty. A highly-automated MAF Roda packline is being installed at KKP and new coolstores with environmentally-friendly coolant are under construction at Transcool. These upgrades are expected to deliver sufficient capacity through to 2024.

"Seeka's growth has led to an enlarged, five-bank syndicated facility to fund near-term capacity upgrades. It also provides headroom to continue Seeka's growth strategy.

"As we deliver operational and financial performance, Seeka is also progressing our sustainability initiatives, including how we support our communities and care for our environment. We are measuring and reporting our emissions, and rolling out carbon-reduction initiatives and regenerative horticulture practices to reduce our environmental footprint as we work to provide the world with safe, healthy food."

### Dividend

Having lifted underlying profitability and generated strong cash flows, the Board approved a final dividend of 13 cents for FY21 (fully imputed), to be paid 23 February 2022. Combined with the 13 cents per share interim dividend paid 13 October, this brings the total dividends paid to shareholder relating to the FY21 year to 26 cents per share (FY20 24c).

### Outlook

"The Board and management have enacted Seeka's strategy in 2021, with the Group completing key investments that are positioned to further improve shareholder returns in 2022.

"Seeka is pursuing an active growth strategy through acquisitions to build shareholder value and lift returns on capital employed. By becoming bigger and more diverse, Seeka is building a robust, sustainable business to deliver performance to shareholders, employees and our supply chain partners.

"We are excited by the progress we have made in FY21, which has grown our fruit supply base by more than 25%, and look forward to tangible benefits being generated for stakeholders in FY22."

## Operational performance

The following table outlines Seeka's performance FY21.

New Zealand dollars	FY21	FY20	Change
Total revenue (\$m)	\$ 309.6	\$ 251.5	23%
EBITDA before impairments and revaluations (\$m)	\$ 56.8	\$ 42.9	32%
EBIT (\$m)	\$ 32.2	\$ 24.3	32%
NPBT (\$m)	\$ 23.5	\$ 16.3	44%
NPAT (\$m)	\$ 14.9	\$ 15.2	( 2%)
Net bank debt (\$m)	\$ 100.6	\$ 77.9	29%
Basic earnings per share	\$ 0.43	\$ 0.52	( 17%)
Diluted earnings per share	\$ 0.42	\$ 0.52	( 19%)
Net tangible assets per share	\$ 5.71	\$ 5.20	10%

This announcement should be read in conjunction with Seeka Limited's 2021 annual report (audited). A copy of the 2021 annual report can be found on Seeka's website [www.seeka.co.nz/reports](http://www.seeka.co.nz/reports).

## EBITDA

EBITDA before revaluations and impairments is considered by Seeka's Board to be a key measure of performance and reflection of cash flow generation.

New Zealand dollars (\$000s)	FY21	FY20
<b>Net profit before tax</b>	<b>23,488</b>	<b>16,278</b>
Interest expense	4,082	4,163
Lease interest expense	4,610	3,877
<b>EBIT</b>	<b>32,180</b>	<b>24,318</b>
<i>Impairment charges and revaluations</i>		
Gain on revaluation of land and buildings	-	( 32)
Impairment of property, plant and equipment	1,188	30
Impairment of intangible assets	-	102
Depreciation expense	15,185	11,653
Lease depreciation expense	7,943	6,671
Amortisation of intangible assets	294	204
<b>EBITDA before impairments and revaluations</b>	<b>56,790</b>	<b>42,946</b>

## ENDS

For more information, visit [www.seeka.co.nz](http://www.seeka.co.nz) or please call:

Michael Franks  
*Chief executive*  
 + 64 21 356 516

Stuart McKinstry  
*Chief financial officer*  
 + 64 21 221 5583