

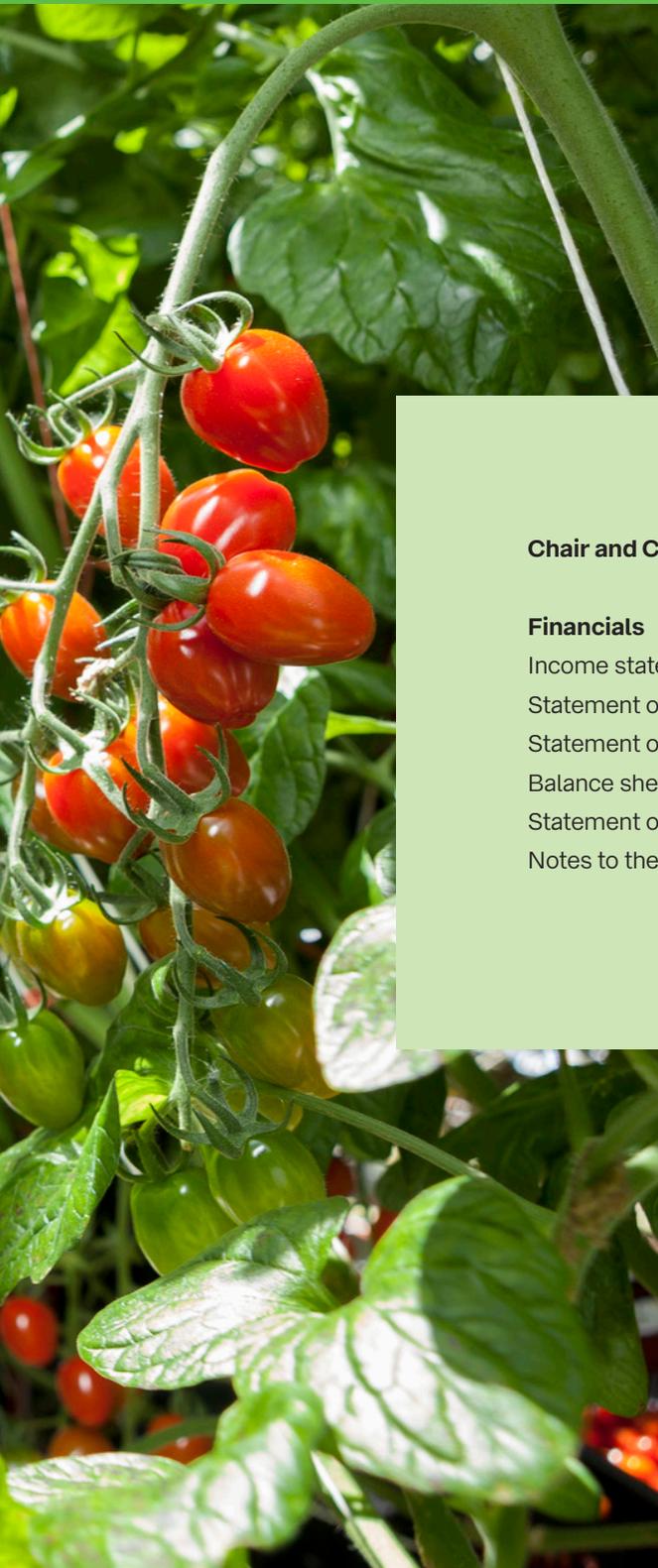


Interim Report

2023



Contents



Chair and CEO review	2
Financials	
Income statement	6
Statement of comprehensive income	7
Statement of changes in equity	8
Balance sheet	10
Statement of cash flows	12
Notes to the financial statements	15

Chair and CEO review

Kia ora,

With the challenges of recent years largely behind us, and strong growth and contingency plans in place, all eyes were focused on 2023 and improved volumes and demand.

Unfortunately, the weather had other ideas, with our half year financial results heavily impacted by Cyclone Gabrielle.

Performance

For the first six months of 2023, total revenue for the Group increased from \$645.5 million to \$765.3 million. Operating profit decreased from \$15.0 million to a loss of \$11.6 million this year and profit before income tax decreased from \$7.8 million to a loss of \$21.4 million.

In our Apples business, revenue increased from \$401 million to \$508 million in 2023, and in T&G Fresh revenue increased from \$185 million to \$208 million this year.

It was a difficult growing season for apples in Aotearoa New Zealand, with heavy rain in Hawke's Bay during the September to December growing phase, followed by Cyclone Gabrielle in February causing devastating damage to parts of Hawke's Bay and Tairāwhiti Gisborne.

Thankfully, our people and growers were safe, although some lost possessions, homes, crops or orchards. The cyclone not only had a significant physical impact on infrastructure but also on the wellbeing and mental health of the community.

For T&G, the cyclone caused minor flooding in our office facilities, packhouses, coolstores and our market and distribution centre. On our apple orchards, the scale and impact varied. While most of our owned and leased orchards were not affected, four orchards were severely impacted, representing about 13% of our planted Hawke's Bay hectares. A further 22% of the planted hectares were impacted to a varying extent and are expected to have reduced productive capacity for two-to-three years.



Five days following the cyclone, once unaffected orchards and post-harvest facilities were assessed as safe and power restored, T&G's harvest resumed, with teams concurrently beginning the process of removing silt and debris and remediating orchards. Restoration will take considerable time and we will not know if we have been successful in saving trees for a few seasons.

While the cyclone reduced apple volumes, the fruit has good colour. However, given the weather, we are seeing an increase in quarantine pests which is impacting volumes entering some key markets, including China and Taiwan. At each step in the supply chain we have implemented robust and stringent quality assessments to monitor the quality and storage of fruit. This will continue throughout the second half of the year.

The 2022/23 North American season produced good quality Envy™ for its domestic and export markets, and we worked hard to sell the crop at a good price in Asia, clearing the way for the arrival of southern hemisphere fruit.

While some shipping delays were experienced at the start of Aotearoa's season, supply chain

reliability continues to improve as we move through the season.

With many global markets experiencing inflationary pressure, economic activity and demand is subdued in some markets, including the United Kingdom and China. Our business model helps us redirect this fruit to better performing markets across Asia.

In T&G Fresh, the business has continued to strengthen, with on-plan performance in tomatoes and continued growth in our Fijian and Pacific Islands export business.

Higher costs remain a challenge across our business. This has been most acute in our domestic transport business, with increased labour costs.

Given the impact of the cyclone and the challenging economic and inflationary conditions, strict financial disciplines are being exercised as we adapt to the changed environment. Capital expenditure has been reprioritised and projects stopped or paused. We have moved to a leaner organisational structure, which is expected to deliver approximately \$7 million in annualised savings from 2024. At the same time, we continue to work through our insurance claim.



Gareth Edgecombe
Chief Executive
Officer (left)

Benedikt Mangold
Chair (right)

Progress made

Despite the impact of the cyclone, we have the right strategy to drive our business forward and realise increased value. In the first half of the year, we continued to make excellent progress in putting in place the building blocks to deliver this.

Having commenced the construction of our new state-of-the-art automated Hawke's Bay packhouse in late 2021, the team did a remarkable job to deliver and commission the first phase of this world-class facility on time and on budget in May 2023, having dealt with labour and material constraints during COVID-19. Costing close to \$100 million, the packhouse integrates leading automation and technology. The first of its planned two 220 metre packing lines enables our Whakatu team to pack 90 to 100 bins per hour on the one line, lifting the productivity rate up to 1 bin per person per hour. When the second line is installed in coming seasons, this will increase to 190 bins per hour with a similar number of people.

In June, we launched Joli™, a new global premium apple variety, which complements T&G's established Envy™ and JAZZ™ brands. Developed in Aotearoa New Zealand, Joli™ is the result of over ten years of innovation and is a productive, large, full-flavoured bright red juicy apple which will appeal to both consumers and growers. With consumers able to purchase the fruit from 2028, we intend to plant 27 hectares on our own orchards and are seeking interest from Aotearoa-based growers to be part of the commercial growing pilot. Over the next five to six years, as additional trees become available, we will extend the opportunity to growers in other countries.

Following twenty years of breeding and scientific development, Tutti™, the world's first specifically bred hot climate tolerant apple variety, was commercially launched in February. Tutti™ is the first apple brand to be commercially released from the Hot Climate Partnership, with our VentureFruit® business responsible for the commercialisation and licensing of all new varieties from the partnership.

Our Queensland joint venture berry farm has begun producing its premium Southern Highbush low chill blueberry varieties. With 8 hectares planted and 14 hectares under development, and a further 15 hectares to be planted in the future, the berries will be marketed under our Orchard Rd brand across Australia.

Early in the year, we exited our Peruvian grape farm, with legal title and full ownership transferred to the new owner.

Progress continues in sustainability, with ambitious emission reduction targets submitted for validation to the Science Based Targets initiative. Climate related risks and opportunities have been refreshed and are forming the foundation of detailed climate scenario analysis.





Outlook

The long-term outlook for fresh produce remains positive. However, in the short term there are challenges as we navigate the economic climate and impact of the cyclone.

At this point in the year there is still a way to go until our Aotearoa New Zealand apple crop is sold. Given the weather conditions the fruit has endured, combined with subdued demand in some markets, we are driving sales and marketing hard and closely watching quality.

Our team are doing this with the full support of our Board and majority shareholder, BayWa Global Produce, who are firmly by our side as we steer this incredible business forward. We have a fantastic and hardworking team at T&G, who everyday demonstrate their resilience, ingenuity, care and drive.

We look forward to seeing the results from their hard work be realised in coming years.

Gareth Edgecombe
Chief Executive Officer

Benedikt Mangold
Chair

Income statement

For the six months ended 30 June 2023

	NOTES	Unaudited 6 months to 30 Jun 2023 \$'000	Unaudited 6 months to 30 Jun 2022 \$'000	Audited 12 months to 31 Dec 2022 \$'000
Revenue from contracts with customers	3	765,267	645,482	1,304,936
Other operating income		13,793	18,730	13,013
Purchases, raw materials and consumables used		(610,943)	(480,545)	(969,319)
Employee benefits expenses		(95,674)	(97,727)	(177,955)
Depreciation and amortisation expenses		(28,880)	(27,481)	(57,643)
Other operating expenses		(55,189)	(43,435)	(92,623)
Operating (loss) / profit		(11,626)	15,024	20,409
Financing income		2,273	1,018	2,383
Financing expenses		(12,403)	(9,275)	(18,705)
Share of loss from joint ventures	7	-	-	(87)
Share of profit from associates	7	378	1,014	1,963
Other income		-	17	-
Other expenses		(8)	-	(9,304)
(Loss) / profit before income tax		(21,386)	7,798	(3,341)
Income tax credit / (expense)	4	5,716	(2,049)	2,480
(Loss) / profit after income tax		(15,670)	5,749	(861)
Attributable to:				
Equity holders of the Parent		(17,726)	2,928	(5,471)
Non-controlling interests		2,056	2,821	4,610
(Loss) / profit for the period		(15,670)	5,749	(861)
Earnings per share (in cents)				
Basic and diluted earnings		(14.5)	2.4	(4.4)

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

Statement of comprehensive income

For the six months ended 30 June 2023

	Unaudited 6 months to 30 Jun 2023 \$'000	Unaudited 6 months to 30 Jun 2022 \$'000	Audited 12 months to 31 Dec 2022 \$'000
(Loss) / profit for the period	(15,670)	5,749	(861)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
(Loss) / gain on revaluation of property, plant and equipment:			
Held by subsidiaries of the Group	(4,300)	(444)	(895)
Deferred tax effect on revaluation of property, plant and equipment	(92)	-	139
Deferred tax effect on sale of property, plant and equipment	957	-	(1,782)
	(3,435)	(444)	(2,538)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	3,823	4,733	3,321
Cash flow hedges:			
Fair value (loss) / gain, net of tax	(8,256)	(18,672)	7,740
Reclassification of net change in fair value to profit or loss	33	3	216
	(4,400)	(13,936)	11,277
Other comprehensive (expense) / income for the period	(7,835)	(14,380)	8,739
Total comprehensive (expense) / income for the period	(23,505)	(8,631)	7,878
Total comprehensive (expense) / income for the period is attributable to:			
Equity holders of the Parent	(26,401)	(11,599)	3,175
Non-controlling interests	2,896	2,968	4,703
	(23,505)	(8,631)	7,878

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

Statement of changes in equity

For the six months ended 30 June 2023

2023

		Unaudited					
	NOTES	Share capital \$'000	Revaluation and other reserves \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 January 2023		176,357	115,221	271,673	563,251	16,917	580,168
(Loss) / profit for the period		-	-	(17,726)	(17,726)	2,056	(15,670)
Other comprehensive income / (expense)		-					
Revaluation of property, plant and equipment		-	(4,300)	-	(4,300)	-	(4,300)
Deferred tax effect on revaluation of property, plant and equipment		-	(92)	-	(92)	-	(92)
Deferred tax on sale of property, plant and equipment		-	957	-	957	-	957
Exchange differences on translation of foreign operations		-	2,988	-	2,988	835	3,823
Movement in cash flow hedge reserve		-	(8,228)	-	(8,228)	5	(8,223)
Total other comprehensive (expense) / income		-	(8,675)	-	(8,675)	840	(7,835)
Transactions with owners							
Dividends	6	-	-	-	-	(3,679)	(3,679)
Investment from non-controlling interest		-	-	-	-	766	766
Total transactions with owners		-	-	-	-	(2,913)	(2,913)
Transfer from asset revaluation reserve due to asset disposal		-	(7,246)	7,246	-	-	-
Balance at 30 June 2023		176,357	99,300	261,193	536,850	16,900	553,750

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

2022

		Unaudited					
	NOTES	Share capital \$'000	Revaluation and other reserves \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 January 2022		176,357	113,112	270,607	560,076	13,528	573,604
Profit for the period		-	-	2,928	2,928	2,821	5,749
Other comprehensive income / (expense)							
Revaluation of property, plant and equipment			(444)	-	(444)	-	(444)
Exchange differences on translation of foreign operations		-	4,586	-	4,586	147	4,733
Movement in cash flow hedge reserve		-	(18,669)	-	(18,669)	-	(18,669)
Total other comprehensive (expense) / income		-	(14,527)	-	(14,527)	147	(14,380)
Transactions with owners							
Dividends	6	-	-	-	-	(4,666)	(4,666)
Movement in equity from sale of shares in subsidiary		-	-	-	-	3,342	3,342
Total transactions with owners		-	-	-	-	(1,324)	(1,324)
Balance at 30 June 2022		176,357	98,585	273,535	548,477	15,172	563,649

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

Balance sheet

As at 30 June 2023

	NOTES	Unaudited 30 Jun 2023 \$'000	Unaudited 30 Jun 2022 \$'000	Audited 31 Dec 2022 \$'000
Current assets				
Cash and cash equivalents		50,770	68,297	58,519
Trade and other receivables		220,547	219,656	168,692
Inventories		138,426	183,961	53,930
Taxation receivable		19,506	16,522	7,556
Derivative financial instruments		1,870	1,548	4,044
Biological assets		10,058	7,688	27,602
Non-current assets classified as held for sale		12,000	13,596	27,150
Total current assets		453,177	511,268	347,493
Non-current assets				
Trade and other receivables		63,998	46,946	71,830
Derivative financial instruments		11,205	3,424	14,570
Deferred tax assets	4	1,471	979	2,027
Investments in unlisted entities		86	86	86
Property, plant and equipment	5	431,503	406,634	401,077
Right-of-use assets		144,276	142,477	136,342
Intangible assets		79,023	75,459	76,738
Investments in joint ventures	7	3,184	3,234	3,142
Investments in associates	7	30,426	31,289	30,048
Total non-current assets		765,172	710,528	735,860
Total assets		1,218,349	1,221,796	1,083,353
Current liabilities				
Trade and other payables		212,419	241,200	161,175
Loans and borrowings		113,500	100,700	26,090
Lease liabilities		24,052	22,698	22,694
Taxation payable		10,452	10,463	1,329
Derivative financial instruments		11,858	17,896	7,218
Total current liabilities		372,281	392,957	218,506

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

Table continues next page

	NOTES	Unaudited 30 Jun 2023 \$'000	Unaudited 30 Jun 2022 \$'000	Audited 31 Dec 2022 \$'000
Non-current liabilities				
Trade and other payables		46	45	279
Loans and borrowings		126,967	88,201	121,388
Lease liabilities		145,058	140,572	135,246
Derivative financial instruments		1,565	8,035	658
Deferred tax liabilities	4	18,682	28,337	27,108
Total non-current liabilities		292,318	265,190	284,679
Total liabilities		664,599	658,147	503,185
Equity				
Share capital		176,357	176,357	176,357
Revaluation and other reserves		99,300	98,585	115,221
Retained earnings		261,193	273,535	271,673
Total equity attributable to equity holders of the Parent		536,850	548,477	563,251
Non-controlling interests		16,900	15,172	16,917
Total equity		553,750	563,649	580,168
Total liabilities and equity		1,218,349	1,221,796	1,083,353

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

Approved for and on behalf of the Board



B.J. Mangold
Director (Chair)
4 August 2023



C.A. Campbell
Director (Chair of Finance, Risk and Investment Committee)
4 August 2023

Statement of cash flows

For the six months ended 30 June 2023

	NOTES	Unaudited 6 months to 30 Jun 2023 \$'000	Unaudited 6 months to 30 Jun 2022 \$'000	Audited 12 months to 31 Dec 2022 \$'000
Cash flows from operating activities				
<i>Cash was provided from:</i>				
Cash receipts from customers		716,193	577,739	1,291,732
Other		546	1,141	1,198
<i>Cash was disbursed to:</i>				
Payments to suppliers and employees		(720,940)	(605,166)	(1,284,298)
Interest paid		(4,598)	(1,738)	(6,100)
Income taxes paid		-	(3,000)	(3,000)
Net cash outflow from operating activities		(8,799)	(31,024)	(468)
Cash flows from investing activities				
<i>Cash was provided from:</i>				
Dividends received from joint ventures and associates		-	-	2,190
External loan repayments from suppliers, customers, associates and joint ventures		365	1,689	3,189
Investment from non-controlling interest		766	-	-
Sale of shares in subsidiary to non-controlling interest		-	3,833	3,678
Sale of other property, plant and equipment		535	1,474	2,892
Sale of non-current assets held for sale		15,150	-	-
Sale of Riwaka orchard		-	-	19,793
Sale of Steiner orchard		-	-	13,000
<i>Cash was disbursed to:</i>				
Purchase of property, plant and equipment	5	(36,698)	(31,300)	(99,951)
Purchase of intangible assets		(3,781)	(2,300)	(6,722)
Loans to suppliers, customers, associates and joint ventures		(302)	(1,840)	(2,717)
Net cash outflow from investing activities		(23,965)	(28,444)	(64,648)

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

Table continues next page

	NOTES	Unaudited 6 months to 30 Jun 2023 \$'000	Unaudited 6 months to 30 Jun 2022 \$'000	Audited 12 months to 31 Dec 2022 \$'000
Cash flows from financing activities				
<i>Cash was provided from:</i>				
Net proceeds from short-term borrowings		14,900	15,000	13,900
Proceeds from long-term borrowings		5,000	55,000	91,638
Proceeds from seasonal funding		75,000	76,000	-
<i>Cash was disbursed to:</i>				
Dividends paid to non-controlling interests	6	(3,679)	(4,666)	(4,991)
Repayment of long-term borrowings		(2,218)	(724)	(1,155)
Repayment of lease liabilities		(16,708)	(16,271)	(33,455)
Seasonal advances to growers		(47,881)	(57,418)	(750)
Bank facility fees and transaction fees		(2,051)	(2,605)	(3,563)
Net cash inflow from financing activities		22,363	64,316	61,624
Net (decrease) / increase in cash and cash equivalents		(10,401)	4,848	(3,492)
Foreign currency translation adjustment		2,652	4,444	3,006
Cash and cash equivalents at the beginning of the year		58,519	59,005	59,005
Cash and cash equivalents at the end of the period		50,770	68,297	58,519

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

Statement of cash flows (continued)

Reconciliation of (loss) / profit after income tax to net cash flow from operating activities

	NOTES	Unaudited 6 months to 30 Jun 2023 \$'000	Unaudited 6 months to 30 Jun 2022 \$'000	Audited 12 months to 31 Dec 2022 \$'000
(Loss) / profit for the period		(15,670)	5,749	(861)
Adjusted for non-cash items:				
Amortisation expense		2,349	2,988	5,666
Depreciation expense		26,531	24,493	51,977
Movement in deferred tax		(7,279)	(1,058)	(6,362)
Movement in expected credit loss allowance		5	(59)	(92)
Revenue from sale of licences		(1,163)	(5,915)	(18,452)
Share of loss of joint ventures	7	-	-	87
Share of profit of associates	7	(377)	(1,014)	(1,963)
Other movements		2,489	3,098	(6,131)
		22,555	22,533	24,730
Adjusted for investing and financing activities:				
Bank facility and line fees		2,050	2,605	3,563
Impairment of assets		-	-	3,238
Loss on sale of apple orchards		-	-	6,066
Loss / (gain) on disposal of other property, plant and equipment	5	8	(17)	(6)
Net loss from property, plant and equipment revaluation through profit and loss		5	-	138
		2,063	2,588	12,999
Impact of changes in working capital items net of effects of non-cash items, and investing and financing activities:				
Increase in debtors and prepayments		(47,211)	(71,274)	(30,838)
Decrease / (increase) in biological assets		17,545	17,441	(2,473)
Increase in creditors and provisions		99,242	135,789	9,955
Increase in inventories		(84,496)	(138,401)	(8,370)
Increase in net taxation receivable		(2,827)	(5,449)	(5,610)
		(17,747)	(61,894)	(37,336)
Net cash outflow from operating activities		(8,799)	(31,024)	(468)

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

Notes to the financial statements

1. Basis of preparation

Reporting entity and statutory base

T&G Global Limited (the Parent) and its subsidiary companies (the Group), are recognised as one of New Zealand's leading growers, distributors, marketers and exporters of premium fresh produce. Key categories for the Group include apples, berries, citrus (lemons, mandarins and navel oranges) and tomatoes.

These unaudited condensed interim financial statements presented are for the Group which comprises the Parent and its subsidiaries, joint ventures and associates as at 30 June 2023.

The Parent is registered in New Zealand under the Companies Act 1993 and is a FMC Reporting Entity under the Financial Market Conducts Act 2013, and the Financial Reporting Act 2013.

The Parent is a limited liability company incorporated and domiciled in New Zealand and is listed on the New Zealand Stock Exchange. The address of its registered office is Building 1, Level 1, Central Park, 660 Great South Road, Ellerslie, Auckland.

BayWa Global Produce GmbH (the Immediate Parent) and BayWa Aktiengesellschaft (the Ultimate Parent) are the parents of the Group and based in Munich, Germany.

Statement of compliance

These unaudited condensed interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP), NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*. The unaudited condensed interim financial statements should be read in conjunction with the annual report for the year ended 31 December 2022 (2022 Annual Report), which has been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable New Zealand Financial Reporting Standards as appropriate for profit-oriented entities, and International Financial Reporting Standards (IFRS). The accounting policies used in the preparation of these unaudited condensed interim financial statements are consistent with those used in the 2022 Annual Report.

These unaudited condensed interim financial statements are expressed in New Zealand dollars which is the presentation currency of the Group. All financial information has been rounded to the nearest thousand (\$'000) unless otherwise stated.

Critical accounting estimates and judgments

The Group makes estimates and judgments concerning the future. The resulting accounting estimates may, by definition, not equal the related actual results. The estimates and judgments used in the preparation of these unaudited condensed interim financial statements are consistent with those used in the 2022 Annual Report.

2. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers have been identified as the Chief Executive Officer, the Chief Financial Officer and the Business Leads of the Group.

The chief operating decision-makers assess the performance of the operating segments based on operating profit, which reflects earnings before financing income and expenses, share of profit from joint ventures and associates, other income, other expenses and income tax expense. Inter-segment pricing is determined on an arm's length basis and segment results include items directly attributable to a segment.

No single external customer's revenue accounts for 10% or more of the Group's revenue.

Notes to the financial statements (continued)

Operating segments

The Group comprises the following main operating segments:

Operating segment	Significant operations
Apples	Growing, packing, cool storing, sales and marketing of apples worldwide.
International Trading	International trading activities other than apples. Major markets are Asia, Australia and the Americas. Product is sourced from New Zealand, Australia, North America, South America and Europe.
T&G Fresh	Growing, trading and transport activities within New Zealand and exports to the Pacific Islands. This incorporates the New Zealand wholesale markets and the tomato and citrus growing operations.
VentureFruit®	VentureFruit® is the Group's global genetics and variety management business. Through its range of services, VentureFruit® identifies, acquires, develops, builds and protects new varieties of fruit. Revenue from the sale of right-to-grow licences is also included in this business division.
Other	Includes property and corporate costs.

Segment information provided to the chief operating decision-makers for the reportable segments is shown in the following tables:

	Apples \$'000	International Trading \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Unaudited six months ended 30 June 2023						
Total segment revenue	575,857	72,227	218,996	20,565	39	887,684
Inter-segment revenue	(68,062)	(28,498)	(10,565)	(15,292)	-	(122,417)
Revenue from external customers	507,795	43,729	208,431	5,273	39	765,267
Purchases, raw materials and consumables used	(433,056)	(37,032)	(135,260)	(5,573)	(22)	(610,943)
Depreciation and amortisation expenses	(14,646)	(901)	(11,864)	(66)	(1,403)	(28,880)
Net other operating expenses	(60,698)	(3,140)	(50,755)	(6,044)	(16,433)	(137,070)
Segment operating (loss) / profit	(605)	2,656	10,552	(6,410)	(17,819)	(11,626)
Financing income						2,273
Financing expenses						(12,403)
Share of profit from associates						378
Net other expense						(8)
Loss before income tax						(21,386)

	Apples \$'000	International Trading \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Unaudited six months ended 30 June 2022						
Total segment revenue	400,824	74,130	193,727	24,668	52	693,400
Inter-segment revenue	-	(25,458)	(8,657)	(13,803)	-	(47,918)
Revenue from external customers	400,824	48,672	185,070	10,865	52	645,482
Purchases, raw materials and consumables used	(311,374)	(44,192)	(119,818)	(5,152)	(10)	(480,545)
Depreciation and amortisation expenses	(13,444)	(341)	(12,159)	(157)	(1,380)	(27,481)
Net other operating expenses	(48,012)	(5,411)	(48,602)	(1,924)	(18,483)	(122,432)
Segment operating profit / (loss)	27,994	(1,272)	4,491	3,632	(19,821)	15,024
Financing income						1,018
Financing expenses						(9,275)
Share of profit from associates						1,014
Net other income						17
Profit before income tax						7,798
Audited year ended 31 December 2022						
Total segment revenue	900,445	158,338	416,087	58,398	76	1,533,344
Inter-segment revenue	(125,798)	(57,676)	(15,608)	(29,326)	-	(228,408)
Revenue from external customers	774,647	100,662	400,479	29,072	76	1,304,936
Purchases, raw materials and consumables used	(597,039)	(100,204)	(262,160)	(9,909)	(7)	(969,319)
Depreciation and amortisation expenses	(27,792)	(1,451)	(25,233)	(315)	(2,852)	(57,643)
Net other operating expenses	(121,983)	(1,575)	(95,332)	(7,833)	(30,842)	(257,565)
Segment operating profit / (loss)	27,833	(2,568)	17,754	11,015	(33,625)	20,409
Financing income						2,383
Financing expenses						(18,705)
Share of loss from joint ventures						(87)
Share of profit from associates						1,963
Net other income						(9,304)
Loss before income tax						(3,341)

Notes to the financial statements (continued)

3. Revenue from contracts with customers

	Apples \$'000	International Trading \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Unaudited six months ended 30 June 2023						
Nature of revenue						
Sale of produce	481,845	43,617	174,258	65	-	699,785
Sale of licences	-	-	-	1,164	-	1,164
Commissions	2,133	-	12,997	1,091	-	16,221
Services	23,638	112	21,169	1,192	39	46,150
Royalties	179	-	7	1,761	-	1,947
Revenue from external customers	507,795	43,729	208,431	5,273	39	765,267
Timing of revenue recognition						
<i>At a point in time</i>						
Sale of produce	481,845	43,617	174,258	65	-	699,785
Sale of licences	-	-	-	1,164	-	1,164
Commissions	2,133	-	12,997	1,091	-	16,221
Services	19,083	112	21,169	1,192	39	41,595
Royalties	179	-	7	1,761	-	1,947
	503,240	43,729	208,431	5,273	39	760,712
<i>Over time</i>						
Services	4,555	-	-	-	-	4,555
	4,555	-	-	-	-	4,555
Revenue from external customers	507,795	43,729	208,431	5,273	39	765,267

	Apples \$'000	International Trading \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Unaudited six months ended 30 June 2022						
Nature of revenue						
Sale of produce	361,523	48,135	142,802	160	-	552,620
Sale of licenses	-	-	-	8,220	-	8,220
Commissions	13,341	110	12,457	883	-	26,791
Services	21,481	427	29,811	50	52	51,821
Royalties	4,479	-	-	1,551	-	6,030
Revenue from external customers	400,824	48,672	185,070	10,864	52	645,482
Timing of revenue recognition						
<i>At a point in time</i>						
Sale of produce	361,523	48,135	142,802	160	-	552,620
Sale of licences	-	-	-	8,220	-	8,220
Commissions	13,341	110	12,457	883	-	26,791
Services	16,301	427	29,811	50	52	46,641
Royalties	4,479	-	-	1,551	-	6,030
	395,644	48,672	185,070	10,864	52	640,302
<i>Over time</i>						
Services	5,180	-	-	-	-	5,180
	5,180	-	-	-	-	5,180
Revenue from external customers	400,824	48,672	185,070	10,864	52	645,482

Notes to the financial statements (continued)

	Apples \$'000	International Trading \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Audited year ended 31 December 2022						
Nature of revenue						
Sale of produce	698,269	100,043	316,302	-	-	1,114,614
Sale of licences	-	-	-	25,052	-	25,052
Commissions	33,169	412	25,000	1,344	-	59,925
Services	35,010	207	59,161	196	76	94,650
Royalties	8,199	-	16	2,480	-	10,695
Revenue from external customers	774,647	100,662	400,479	29,072	76	1,304,936
Timing of revenue recognition						
<i>At a point in time</i>						
Sale of produce	698,269	100,043	316,302	-	-	1,114,614
Sale of licences	-	-	-	25,052	-	25,052
Commissions	33,169	412	25,000	1,344	-	59,925
Services	27,040	207	59,161	196	76	86,680
Royalties	8,199	-	16	2,480	-	10,695
	766,677	100,662	400,479	29,072	76	1,296,966
<i>Over time</i>						
Services	7,970	-	-	-	-	7,970
	7,970	-	-	-	-	7,970
Revenue from external customers	774,647	100,662	400,479	29,072	76	1,304,936

4. Taxation

Current tax

Current tax expense for the interim periods presented is the expected tax payable on the taxable income for the period, calculated as the estimated average annual effective income tax rate applied to the pre-tax income of the interim period and adjusted for any permanent and timing differences.

Deferred tax

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of the assets and liabilities, using the estimated average annual effective income tax rate for the interim periods presented.

5. Property plant and equipment

	Unaudited 6 months to 30 Jun 2023	Unaudited 6 months to 30 Jun 2022	Audited 12 months to 31 Dec 2022
	\$'000	\$'000	\$'000
Asset acquisitions and disposals			
Cost of assets acquired	36,698	31,300	99,951
Net book value of assets disposed	12,176	1,557	42,934
Net (loss) / gain on assets disposed	(8)	17	6

6. Dividends

	Unaudited 6 months to 30 Jun 2023	Unaudited 6 months to 30 Jun 2022	Audited 12 months to 31 Dec 2022	Unaudited 6 months to 30 Jun 2023	Unaudited 6 months to 30 Jun 2022	Audited 12 months to 31 Dec 2022
	\$'000	\$'000	\$'000	Cents per share	Cents per share	Cents per share
Ordinary shares						
Dividends to non-controlling interests in Group subsidiaries	3,679	4,666	4,991	-	-	-
Total	3,679	4,666	4,991			

7. Investments in joint ventures and associates

Set out below are the joint ventures and associates of the Group as at 30 June 2023. The joint ventures and associates have share capital consisting solely of ordinary shares, which are held directly by the Group.

The Group's investments in joint ventures and associates in 2023 and 2022 are:

Name of entity	Place of business and country of incorporation	Ownership interest (%)		
		30 Jun 2023	30 Jun 2022	31 Dec 2022
Joint Ventures				
Growers Direct Limited	United Kingdom	50	50	50
Wawata General Partner Limited	New Zealand	50	50	50
Associates				
Grandview Brokerage LLC	United States of America	39	39	39

Contributions from joint ventures and associates

During the period ended 30 June 2023, contributions from joint ventures and associates include \$0.4 million from Grandview Brokerage LLC (30 June 2022: \$1.0 million; 31 December 2022: \$1.9 million).

Notes to the financial statements (continued)

8. Financial instruments

Financial instruments by category

Financial assets

	Measured at amortised cost \$'000	Fair value through profit or loss (mandatory) \$'000	Derivatives for hedging \$'000	Equity instrument designated at fair value through OCI \$'000	Total \$'000
As at 30 June 2023 (unaudited)					
Cash and cash equivalents	50,770	-	-	-	50,770
Trade and other receivables (excluding prepayments and taxes)	269,038	-	-	-	269,038
Investment in unlisted entities	-	-	-	86	86
Derivative financial instruments	-	121	12,954	-	13,075
Total	319,808	121	12,954	86	332,969
As at 30 June 2022 (unaudited)					
Cash and cash equivalents	68,297	-	-	-	68,297
Trade and other receivables (excluding prepayments and taxes)	247,057	-	-	-	247,057
Investment in unlisted entities	-	-	-	86	86
Derivative financial instruments	-	869	4,103	-	4,972
Total	315,354	869	4,103	86	320,412
As at 31 December 2022 (audited)					
Cash and cash equivalents	58,519	-	-	-	58,519
Trade and other receivables (excluding prepayments and taxes)	211,143	-	-	-	211,143
Investment in unlisted entities	-	-	-	86	86
Derivative financial instruments	-	-	18,614	-	18,614
Total	269,662	-	18,614	86	288,362

Financial liabilities

	Measured at amortised cost \$'000	Fair value through profit or loss (held for trading) \$'000	Derivatives for hedging \$'000	Total \$'000
As at 30 June 2023 (unaudited)				
Borrowings	240,467	-	-	240,467
Trade and other payables (excluding employee entitlements)	201,201	-	-	201,201
Lease liabilities	169,110	-	-	169,110
Derivative financial instruments	-	86	13,337	13,423
Total	610,778	86	13,337	624,201
As at 30 June 2022 (unaudited)				
Borrowings	188,901	-	-	188,901
Trade and other payables (excluding employee entitlements)	229,195	-	-	229,195
Lease liabilities	163,270	-	-	163,270
Derivative financial instruments	-	-	25,931	25,931
Total	581,366	-	25,931	607,297
As at 31 December 2022 (audited)				
Borrowings	147,478	-	-	147,478
Trade and other payables (excluding employee entitlements)	150,597	-	-	150,597
Lease liabilities	157,940	-	-	157,940
Derivative financial instruments	-	280	7,596	7,876
Total	456,015	280	7,596	463,891

Fair value hierarchy

All financial assets and liabilities that use methods and assumptions to estimate fair value at 30 June 2023 are considered to be level 2 in the fair value hierarchy (30 June 2022: level 2; 31 December 2022: level 2).

Valuation techniques used to value financial instruments are consistent with those used in the 2022 Annual Report.

For the six months ended 30 June 2023 and the financial year ended 31 December 2022, the estimated fair values of all the Group's other financial assets and liabilities approximate their carrying values.

Notes to the financial statements (continued)

9. Impact Of Cyclone Gabrielle

On the 13th and 14th of February 2023, New Zealand suffered from a severe weather event in the form of Cyclone Gabrielle. This impacted the Group's operations in the Hawke's Bay where the Group has offices, packhouses, coolstores, a distribution centre, and orchards.

There was minor flooding of the Group's office facilities and the Group's existing packhouses and coolstores and distribution centre. None were majorly impacted, and operations resumed shortly after the cyclone.

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. The Group expects to finalise its provision for the one-off write-down of bearer plants and orchard structures impacted by the cyclone before the end of this financial year.

As at 30 June 2023, the Group has incurred \$5.3 million of costs related to the remediation of impacted orchards and associated clean-up costs. To date, the Group has received \$4 million of insurance proceeds and continues to work with its insurers to assess potential recovery in respect of the affected locations.

10. Contingencies

There has been no material change in contingent liabilities during the period.

11. Capital commitments

As at 30 June 2023, the Group is committed to the following capital expenditure:

	Unaudited 30 Jun 2023	Unaudited 30 Jun 2022	Audited 31 Dec 2022
	\$'000	\$'000	\$'000
Property, plant and equipment	4,223	42,869	3,563
Intangible assets	649	15	88
Total	4,872	42,884	3,651

12. Seasonality of business

The Group's operating segments are subject to seasonal fluctuations. The Apples operating segment generates most of its revenue during the middle of the year and completes its seasonal programmes before the final quarter of the year. The Group's other operating segments are also impacted by the availability of fresh produce which varies during the year.

13. Events occurring after the reporting period

On 3rd August 2023, the Group entered into a loan facility with its parent company BayWa AG. This is an unsecured facility for an initial term of three years for a maximum amount of the lesser of \$24 million and an aggregate sum not exceeding 10% of the Group's average market capitalisation as determined in accordance with NZX Listing Rules. Interest will be charged at the New Zealand Official Cash Rate (adjusted quarterly) plus 4.5%, with repayments to be made only from net profit after tax.

There are no other material events that occurred after the reporting date that would require adjustment or disclosure in these unaudited condensed interim financial statements.

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