



MARKET ANNOUNCEMENT

5 August 2022

T&G Global reports its 2022 Interim Results

At a glance

- Revenue: \$645.5 million, down from \$652.1 million
- Operating profit: \$15.0 million, up from \$10.9 million
- Net profit before tax: \$7.8 million, up from \$5.1 million
- Net profit after tax: \$5.7 million, up from \$3.4 million
- Net assets: \$563.6 million, up from \$514.9 million

T&G Global today announced its Interim Results for the six months to 30 June 2022, which show in spite of the increasingly volatile and complex environment, the Group has continued to make strong progress on delivering its long-term strategy.

Total revenue for the Group remained largely constant at \$645.5 million, compared to \$652.1 million in the prior year. Operating profit increased 37.6% to \$15.0 million and profit before income tax increased 52.9% to \$7.8 million. T&G's Apples business reported a decrease in revenue to \$401 million, compared to \$421 million in 2021.

T&G Chief Executive Gareth Edgecombe says while it has been a tough start to the year, T&G has improved its financial results and made solid progress in delivering its strategy.

"We're operating in an increasingly volatile environment, with ongoing supply chain disruptions, growing inflationary pressure, rising costs, macroeconomic geopolitical events and COVID-19 continuing to affect some of our key markets," says Mr Edgecombe.

"This is against a backdrop of more frequent adverse weather events, as we saw with the heavy rain at the start of the Hawke's Bay harvest which extended the harvesting window beyond the optimal period. This, together with disruptions in shipping schedules, led to some quality issues and the late arrival of fruit into several markets. This made it a challenging start to the year.

"Over the last four years, we've repurposed \$300 million through property and orchard sales to reinvest in our growth, including our \$100 million state-of-the-art automated packhouse in Hawke's Bay, with the first phase due to be operational for the 2023 apple season. We've continued to make progress on our future-proofed orchard optimisation and improvement plans, including the planting of our premium Envy™ brand on automation-ready 2D structures."

T&G's Aotearoa New Zealand domestic business, T&G Fresh, delivered strong results for the period however its financial performance was impacted by labour constraints and higher associated costs for the period.

"Our team did an outstanding job to ensure fruit and vegetables remained on shelves across Aotearoa New Zealand as COVID-19 spread extensively throughout the country. This saw many of our office-based team stepping in to support their front-line teammates as people isolated and took care of themselves and their families," said Mr Edgecombe.

T&G Chair Benedikt Mangold says despite the complex and challenging environment, T&G has a bright future ahead.

“Over the last six months the team has put in a tremendous amount of effort to tackle the curveballs as they’ve arisen, while at the same time keeping each other safe and putting in place the foundations to deliver our long-term strategy,” says Mr Mangold.

“Our strategy, together with our strong financial discipline, provides a clear pathway to deliver significant future growth and improved financial performance, and this will create a strong and sustainable business for the next generation.”

ENDS

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About T&G Global

Our story began over 125 years ago as Turners and Growers, and today T&G Global helps grow healthier futures for people around the world through fresh fruit and vegetables. Located in 13 countries, our team of 2,000 people both grow and partner with over 1,200 growers to market, sell and distribute nutritious fresh produce to customers and consumers in over 60 countries. As Kaitiaki, we do this guided by Kaitiakitanga. For us, this means we treat the land, people, produce, resources and community with the greatest of respect and care, as guardians of their future.