

CHAPTER FIVE
BUSINESS





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This chapter covers a range of topics that come underneath the commercial umbrella. Firstly, chapter 5.1 examines Zespri's brand and marketing and includes information on the supply and demand of kiwifruit. Chapters 5.2 and 5.3 provide detail around Zespri's unique standards and practices and chapter 5.4 gives readers a lesson on orchard accounting 101.

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5.1 ZESPRI'S ROLE IN THE INDUSTRY: MARKETING AND INNOVATION

Zespri 2030 Strategy Map


Purpose
What We Strive To Be Known For... Zespri helps people, communities, and the environment around the world thrive through the goodness of kiwifruit.

Mission
Why We're in Business... To create sustainable long-term value for kiwifruit growers, by offering consumers the world's leading portfolio of branded kiwifruit 12 months of the year.


Values
What we believe in... Guardianship | Results-Driven | Personal Connections

Strategic Priorities
What we must focus on to achieve our goals and create our future...


Core




Empower People & Culture




Brand-led Demand creation Excellence




Year-round global supply Excellence



Future-led Sustainable Industry



Future-led Innovation portfolio



Future-led digital first operating model

Zespri is acknowledged as a category leader in kiwifruit, managing around 30 percent of globally traded volume. Zespri has built a strong reputation through:

- Delivering high-quality, healthy kiwifruit to consumers around the world.
- A focus on innovation to develop new varieties, increase productivity and introduce new, more sustainable growing techniques.

- Developing advanced supply chain systems to distribute premium quality kiwifruit around the world.
- Researching the health benefits of kiwifruit with credible research partners to better inform consumers and drive sales.
- Establishing strong brand awareness and in-market service.
- Working to understand what consumers want to allow us to make data-driven decisions to meet their needs.
- A commitment to helping people, communities, and the environment to thrive through the goodness of kiwifruit.

Zespri's long-term strategy sits under six pillars that set out the company's enduring strategic priorities. The six priorities are described below:

Growing The Core

- Empower People & Culture
- Brand-led Demand creation Excellence
- Year-round Global Supply Excellence

Creating The Future

- Future-led Sustainable industry
- Future-led Innovation portfolio
- Future-led digital first operating model

5.1.1 Brand

Investment in the Zespri brand and in-market activity is critical in continuing to build demand for our kiwifruit and return more value to growers.

Natural nutrition is at the heart of the Zespri brand. Zespri believes in delivering quality nutrient-rich kiwifruit that fuels healthy lives. Every Zespri Kiwifruit captures the best of what nature provides, supporting wellbeing through essential vitamins and minerals. Our commitment to quality sets the Zespri brand apart, as quality and taste are fundamental entry points that showcase the unique value of Zespri Kiwifruit, inviting consumers to experience nutrient-rich kiwifruits and reinforcing Zespri as a trusted choice they can feel good about.



According to **2024 Brand Tracker** results, Zespri is now the **number 1 fruit brand globally**, based on the weighted average Brand Power score across the 15 core markets. This achievement stands out, especially against brands like Dole, Chiquita, and Del Monte, which have broader retail presence through larger portfolios of fresh and processed fruit products. Zespri's high Brand Power score reflects a strong consumer predisposition to purchase.

This success is part of steady, decade-long growth in key marketing indicators. Alongside Brand Power, unaided brand awareness has more than doubled, rising from 13% in 2014 to 30% in 2024. This increase means that more consumers now recognize the Zespri brand on their own, enhancing the likelihood that they will choose Zespri kiwifruit when making a purchase.

The growth in both predisposition to buy and unaided awareness, reflects a strengthened premium positioning. Since 2020, when the Zespri brand was relaunched with a refreshed brand identity, the 'Worth Paying More' score, has risen from 26.6% to 29.7%, even amid high inflation and pressures on consumer purchasing power.

¹Source: Kantar Brand Tracker, 2024, across our 15 core markets, ranking based on average Brand Power (Global) Weighted average based on country population, CN / US / VN addressable market population

²Source : Annual Zespri Brand Tracker Reports. KANTAR

³Worth paying more is a metric whether consumers see Zespri as high-quality and valuable option, to the point that they're willing to spend a bit more for it compared to other options.

Zespri's marketing activities are driven by the building brand/selling trays approach, blending long-term brand-building with actions that drive immediate sales. This strategy has been embodied by the ongoing evolution of in-market activities, led by the world-famous and award-winning KiwiBrothers campaigns, as of 2024 present in all Zespri's core 15 markets and build markets. The KiwiBrothers have become intuitive key brand assets in multiple markets, have strengthened awareness and affinity while also help drive purchase. Alongside the continuous improvement of its marketing programmes, Zespri has gained recognition for its marketing effectiveness and creativity, winning renowned marketing awards breaking through the confines of the fruit category and standing out amongst much bigger Fast Moving Consumer Goods (FMCG) brands.

Zespri's Head of Global Brand Development, Nikos Patiniotakis, describes Zespri's vision: "We aim to be an iconic brand that creates positive impact by building a healthier planet and society. Delivering exceptional quality for our nutrient rich fruit is central to justifying the premium price consumers are willing to pay."

5.1.2 Marketing

Based in Singapore, the Zespri Centre of Marketing Excellence works with the in-market teams in three territories, Europe and North America, Greater China, Asia Pacific, to build the Zespri brand effectively and efficiently, along three pillars that deliver long term sustainable value to kiwifruit growers in New Zealand.

- **Creating More Demand.** Measured in increase of household penetration
- **Maximise Willingness to Pay.** Measured in increase of the brand premium
- **Optimise Marketing Investment.** Measured as % of A&P on revenue

The in-market teams develop plans that stretch from above the line communication, to below the line events, publicity, collaboration with health care professionals and consumer activations which are tailored to the market's development stage as well as the cultural context.

In newer markets for the brand, such as the United States, Zespri amplifies the more fundamental entry points for the category, emphasising quality and taste, as consumers are less aware both of kiwifruit and of the brand.

Conversely, in markets like Japan - one of the most developed markets for Zespri - it elevates messages on nutrition and how it contributes to a healthier society, positioning the Zespri brand in a leadership position by addressing a world need in a way that builds the business profitably.

In the macro environment, consumers are facing a multicrisis characterized by the high cost of living, climate events, geopolitical conflicts, and stuttering economic growth. At the same time, the fruit category experiences a professionalization of marketing and innovation activities in the fruit bowl and specifically for kiwifruit, with increased spend in marketing activities and increased investment in innovation, with more PVRs been registered.

"We remain committed to evolving our marketing and continuing to pioneer new ways of connecting with our consumers, as we navigate their shifting priorities and behavior amid increasing competition," says Nikos.



The Zespri marketing teams continue to focus on driving efficiency and effectiveness with a focus on implementing fewer, bigger initiatives with quality, and maximizing the utilisation of existing marketing initiatives. In 2024/2025 Zespri completed the rollout of its distinctive brand asset - the KiwiBrothers - to all core markets, with the launch in China and the US raising the number of markets that use the characters in communication to 19, including our core 15 markets.

The positive reception to the KiwiBrothers as they travel across the world to promote healthier eating with Zespri remains encouraging. They embody the Zespri brand, engaging with consumers in a playfully unexpected manner to build brand love.

The Zespri marketing teams continue to deliver high quality in their creative work⁴. In the 2024/25 season, this included:

- **60%** of hero assets scoring above country norms* in branding
- **67%** of hero assets scoring above country norms* in enjoyment
- **67%** of hero assets scoring above country norms* in persuasion

*The country norm in quality measurement of communication assets is defined based on the performance of communication assets across all categories, not only branded fruit.

Understanding Consumers and Health Communications

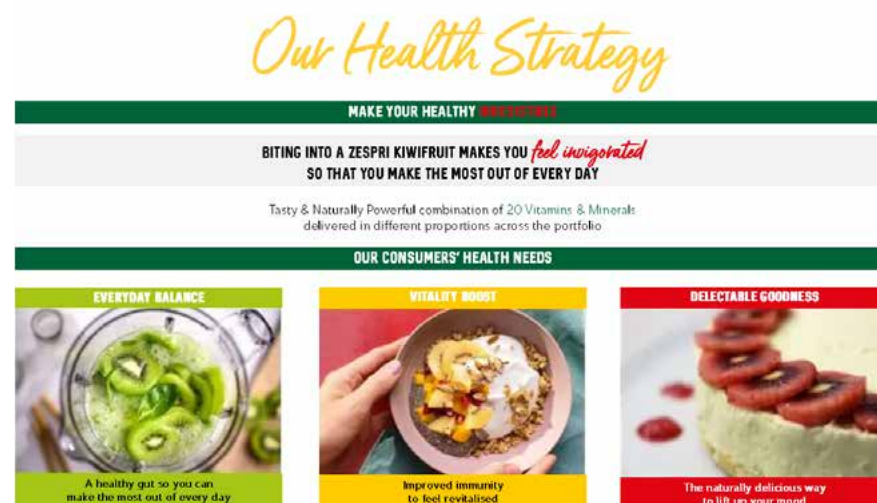


Zespri invests consistently in nutrition research to underpin the natural goodness of kiwifruit and its health benefits to consumers. Its Health Strategy anchors each product variant in a demand space that addresses consumers' health needs namely:

- **Everyday Balance (Zespri Green)**
- **Vitality Boost (Zespri SunGold) and**
- **Delectable Goodness (Zespri RubyRed).**

The diagram below summarises the health benefits Zespri can credibly bring to consumers, backed with scientific evidence and the nutritional composition of each Zespri Kiwifruit. Through distinct propositions and supported by health claims in markets, this positively influences consumers to believe, purchase and consume kiwifruit as part of their healthy daily diet.

Right:
The three health communications pillars within the Zespri Health Strategy



5.1.3 Market Development Strategy

To maximise the results and efficiency of investments across the markets, Zespri created the Market Development Framework. The framework segregates its key markets by their stage of development.

The four stages of development are: Explore, Launch, Establish and Enhance. This helps the business to determine the appropriate level of investment based on the market's stage of development.

At the Explore stage, every market is unique and has different requirements but is generally in the early stages of development. The primary focus is on building distribution and penetration (bringing new users into the category). Zespri selects the most promising markets to promote into the Launch stage and these markets become a priority for the business in terms of supply volume, portfolio split and marketing investment. As markets continue to grow and develop, the focus shifts to increasing penetration and usage (Establish) and emphasizing consumer benefits to enable a greater premium and increase consumption frequency (Enhance).

5.1.4 Supply and Demand of Kiwifruit

Zespri's sales and marketing investment works to create demand ahead of forecast supply. Keeping demand ahead of supply enables Zespri to sustain value at all stages of its value chain. Zespri builds strong 'win-win' relationships with its customers to ensure Zespri product is available in market, with great instore visibility for their consumers to buy. In addition, strong and sustained market returns are essential for growers, postharvest operators, and Zespri in order to support and encourage the collective supply investment required.

Kiwifruit is still an underdeveloped category within the fruit bowl, with less than one percent of the global fruit bowl, but with huge growth potential. This means there are opportunities for growth and advantage to be gained through scale. However, with growth and success also comes competitor risk. Below are some other factors that may affect or impact the supply and demand of kiwifruit:

Supply

- Production of kiwifruit in New Zealand is seasonal, so to maintain market share in an increasingly competitive market Zespri works to ensure 12-month supply by growing fruit in offshore regions such as Italy, Greece, France, Japan and South Korea (Zespri Global Supply or ZGS)
- Improving and maintaining a premium level of fruit quality
- Weather and climate events that have the potential to impact on yields and quality
- Season on season variation which can impact timing of fruit availability
- Labour constraints
- Infrastructure and supply chain capacity constraints, including onshore packing and cool storage capacity, as well as loading and shipping capacity
- Delay in arrival of fruit to market due to supply chain congestion, shortage of vessels, pest issues, or labour shortages, leading to increased fruit loss or decrease in fruit quality to consumers
- Supply is unable to meet the quality and delivery requirements that markets demand, particularly in taste standards and larger size profile that provide points of differentiation
- Significant yield improvement resulting in crop increase in excess of market capacity
- Biosecurity incursions, which could impact on fruit quality and volume as well as New Zealand's reputation and market access

- Regulatory changes which restrict the industry's ability to grow
- Inability to meet target demand due to capacity constraints in New Zealand and inability to plant more offshore
- Food safety/contamination risks
- Reliance on particular suppliers/distributors, which could impact season delivery and returns if a key supplier/distributor was lost
- Share alignment is key to aligning grower/shareholder interests
- War and geopolitical tensions can constrain the flow of commodities and impact costs of inputs such as shipping and energy
- Managing cost increases, including:
 - On-orchard costs
 - Postharvest costs – both operation and investment in further infrastructure/ capacity
 - On and offshore supply chain costs, including increasing costs driven by environmental targets.

Demand

- There are varying levels of economic challenges driven by heightened geopolitical uncertainty, exchange rates and inflationary pressures
- The rising cost of living globally is driving consumers to focus on what 'value' means to them and potentially buying less or looking at cheaper alternatives, requiring Zespri to justify its value by delivering on quality and investing in the health attributes of its fruit and brand strength
- Market access is lost to a significant market
- Market access factors such as economic volatility, inflation, price controls, and foreign government action (including trade embargoes and sanctions, tariffs, subsidies, quotas, price controls, and other non-tariff barriers) could impact kiwifruit sales
- Increasing regulations and customer requirements, including but not limited to environmental regulations/requirements, have the potential to impact on market access if Zespri is unable to not meet them
- Increased competition from competitors trying to leverage the category demand and value space created by Zespri. Competitors' kiwifruit quality and varieties if poor, could turn consumers away from the category, or if the quality of offerings improves, this could reduce the premium pricing Zespri is able to achieve over competitors, particularly on PVR varieties
- New competitive fruit offerings take market share from other fruits, or locally grown kiwifruit being preferred in markets where Zespri sales periods overlap
- Risk of competitors combining to form new consortiums and imitate Zespri's model and taking market share.



Looking Ahead - Opportunities to Increase Demand

Macro population changes - More than half the world's population is now middle class or wealthier. This rise in the middle class is driven by developing markets e.g. China and India, where a rise in demand for premium fruit is noted. More people than ever are living past 60. As they age, their fruit consumption tends to increase, driven by heightened health awareness and dietary needs.

Health and wellness - People are consuming more fruit post the COVID-19 pandemic which led to a marked increase in mental health concerns, a shift towards preventive measures and self-care practices, and a shift from physical health to a better experience of life. There is growing recognition of the importance of nutrition in overall health and disease prevention, emphasising the interconnectedness of dietary habits, and holistic health and wellbeing.

Zespri headroom - Kiwifruit has significant headroom for growth making up less than one percent of the global fruit bowl, but with huge growth potential and rising up the fruit bowl rankings in most of its key markets. Fresh fruit consumption per capita in Zespri's core markets is forecast to grow at a combined annual growth rate of two percent over the next five years, with Zespri Kiwifruit remaining competitive against other fruits and healthy food products. Globally, Zespri has less than 30 percent consumer household penetration.

Zespri's brand offering - Zespri has a strong brand position in the top three fruit brands in 10 out of 15 core markets, continuing to represent a trusted and valued consumer brand through premium quality, great taste and health benefits.

Sales and marketing - Zespri continues to work across the globe and with customers to deliver sales and marketing excellence. It is developing and implementing sales excellence and capability to improve joint business planning, distributor management and in-store execution. On the marketing side, it continues to build and embed capabilities to effectively build the brand and sell more trays in the markets, and to do so consistently and more efficiently as volumes grow.

Zespri Global Supply (ZGS) - ZGS supports New Zealand grower Orchard Gate Return (OGR) by enabling Zespri to demand strong pricing, hold shelf space, build customer loyalty and maximise efficiencies in marketing

spend. It is critical to retaining existing customers and consumers and attracting new ones, and to maintaining its position in an increasingly competitive category.

The Kiwifruit Breeding Centre (KBC) - KBC is focused on developing the highest value, most productive and tastiest, most nutritious kiwifruit. This includes new Green, Red and Gold kiwifruit cultivars by integrating science, digital tools, genomics, sustainable growing practices, and commercial expertise.

Innovation - Work includes exploring future production systems that have the potential to significantly improve orchard productivity, supporting the industry's ability to capture more consumer demand.

The Horizon Programme - The Horizon programme is helping sustain the industry's growth trajectory by updating many of Zespri's core systems to protect its ability to get fruit to market and to bring money home.

Climate change readiness - Zespri's Climate Change Adaptation Plan sets out its strategy to help the kiwifruit industry transition to a low-carbon, climate-resilient future. Preparing for the impacts of climate change is how the industry can continue to thrive.

Zespri's hedging policy - Zespri's foreign exchange hedging programme allows it to take advantage of longer-term foreign exchange rates reducing the impact of currency fluctuations on New Zealand grower returns across seasons.

New Zealand Government and regulatory affairs - Zespri works alongside NZKGI to advocate for growers on any New Zealand legislative changes that impact the industry. This includes topics such as labour, infrastructure, decarbonisation, water, proposed legislative change, and foreign affairs.

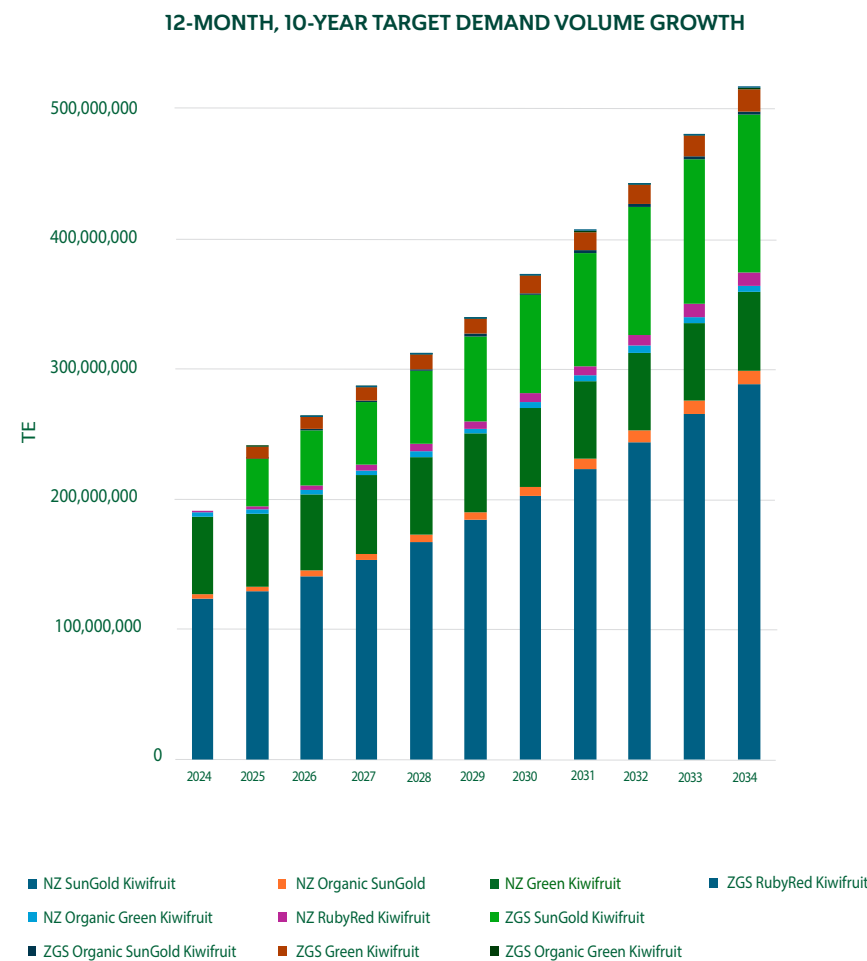
Sustainable packaging - Customer, consumer and regulatory pressures continue with regards to packaging. While Zespri has a way to go to achieve its targets, in some markets it is making strong progress.

India tariff reduction - Work is underway between the New Zealand and India governments to reduce tariffs on the export of New Zealand kiwifruit into India – the world's largest market by population and fastest-growing large economy.

Zespri's 10-year Overview of Supply and Demand

Zespri develops a 10-year view of supply and demand. The purpose is to set out an optimal view of sustainable growth over the long-term, balancing volume growth with preserving value.

Below is a graph demonstrating the level of volume Zespri believes it may achieve over the next 10 years. The graph shows that growth over the next 10 years will continue to be driven by SunGold. It is important to note that the volume growth is subject to change.



5.1.5 Innovation

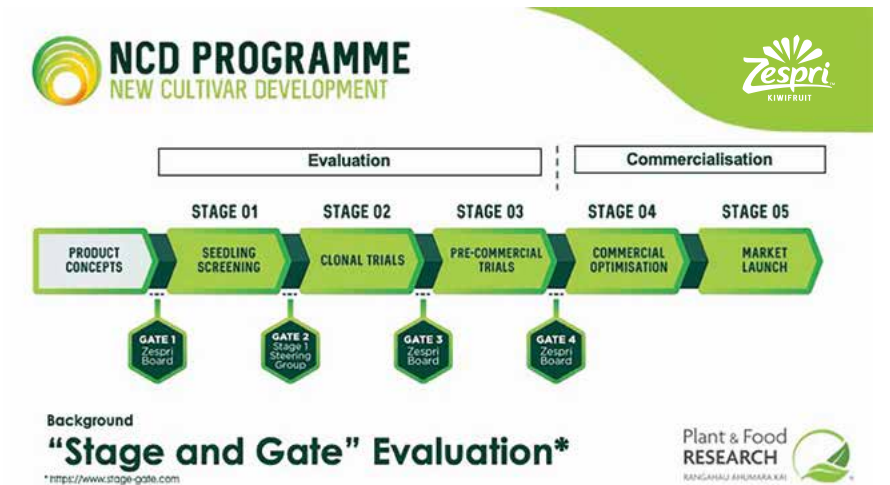
Zespri is committed to creating healthier, better tasting and more sustainable varieties, and extending Zespri's position as the world's most innovative and successful kiwifruit exporter.

Zespri's innovation investment covers five platforms:

- Develop new cultivars – with the intention of developing better kiwifruit cultivars faster
- Protect supply – to deliver sustainable pest and disease control and fruit safe to eat

- Improve sustainable orchard productivity – to produce a premium crop on every orchard
- Optimise sustainable supply chain delivery – to deliver the optimal eating experience
- Create knowledge for value add – increase users and usage in markets through tailored communications e.g., health and nutrition

Right:
Zespri and Plant & Food
Research 'Breeding Pipeline'



Following years of extensive research by Zespri and Plant & Food Research (PFR), along with rigorous trials through orchard, supply chain, and market phases, 2022 saw the launch of Zespri RubyRed kiwifruit in China, Singapore and Japan as well as New Zealand. This was the first new variety to be commercialised and exported since SunGold in 2010.

Interest in the RubyRed variety among growers, customers and consumers is strong with its unique colour profile and berry-like taste. Indications are that it is bringing new and younger consumers into the category. RubyRed has been selling at a premium over Zespri SunGold Kiwifruit in all trial markets. The variety has a shorter shelf life than SunGold or Green, so for now Zespri have prioritised their Asian markets given the shorter shipping times. There is ongoing research to improve RubyRed fruit size, quality, and storage.

There have been increased research efforts into the immunity benefits of SunGold Kiwifruit with two projects underway assessing the beneficial impacts SunGold Kiwifruit have on immune endpoints. They are both human clinical studies that will measure how inclusion of two Vitamin C-rich SunGold Kiwifruit to our diet per day impacts our immune system.

Zespri have made significant investment in a pan-industry, government funded Primary Growth Partnership programme called 'A Lighter Touch'. The objective of this programme is to support agroecological crop protection for the New Zealand horticultural sector which will be a step change in pest management, balancing improved productivity with a lighter touch on the environment. This is well aligned with Zespri's sustainability goals for climate resilience and guardianship of the land for future generations.

Further progress has also been made in the Digital Crop Estimation (DCE) programme with Innovation support to add a fruit sizing component to the crop counting model.



5.2 ZESPRI'S ROLE IN THE INDUSTRY - STANDARDS

Zespri focusses on being able to supply consistently high quality, great tasting fruit throughout the season, in a safe and sustainable way. The size, appearance, and taste of the fruit is driven by what the consumer wants and then what growers are realistically able to achieve through modifying their orchard management practices, underpinned by research. Size and Taste are the key drivers of value for Growers OGR. Zespri sets the standard for each of the quality requirements described in this section:

- Fruit Size (Section 5.2.1)
- Taste (Section 5.2.2)
- Internal Colour (Section 5.2.3)
- Appearance (Section 5.2.4)
- Traceability (Section 5.2.5)
- Chemical Residues (Section 5.2.6)

5.2.1 Fruit Size

Fruit sizes range from size 16 to size 49. "Size" of fruit is relative to weight range which translates into how many fruit fit into an (approximate) 3.6kg tray e.g. size 18 means that 18 fruit can fit into a tray. Gold3 fruit that is smaller than size 36 and Green fruit that is smaller than size 42 is considered to be non-standard supply (NSS). Zespri sources limited volumes of NSS fruit with the remainder of small fruit being sold on the local market, processed or used as animal feed.

It is important that fruit size matches consumer demand. Fruit is sized by weight. The size profile of each cultivar

is quite different. Gold3 tends to grow quite large while Zespri RubyRed is much smaller. Different markets and different customers have different size preferences. It is important that growers produce a range of sizes to meet this demand. Market demand for very large and very small fruit is limited. The table to the left of the page shows the average size of fruit the market prefers for each cultivar.

Zespri continues to stress that for all varieties, especially Gold3, focus must be on taste over yield. In this variety larger fruit from an orchard usually have higher dry matter which means it tastes better. Growers need to be aware that some fruit sizing tools, such as biostimulants, can increase fruit size but tend to lower dry matter and may in fact be counter-productive in improving taste. Market signals are received by growers by the income they receive for their fruit. Growers will modify their orchard management practices to maximise the amount of fruit they produce of the preferred size profile and taste which in turn increases their fruit payments.

Right:
Market size preference for fruit by cultivar in 2022

| Cultivar | Preferred average size |
|-----------------|------------------------|
| Green | 30.5 |
| Organic Green | 33.2 |
| SunGold | 27.6 |
| Organic SunGold | 28.3 |
| Red | 39.0 |

Below:
Sample progress payment to growers based on trays submitted of different sizes

| CLASS 1 - APPROVED PROGRESS PAYMENT 15 FEBRUARY 2021 | AVERAGE ON NET SUBMIT | 16/18/22 | 25/27 | 30/33 | 36 | 39 | 42 |
|--|-----------------------|----------|--------|--------|--------|--------|-----------|
| Zespri Green | \$0.37 | \$0.45 | \$0.45 | \$0.45 | \$0.30 | \$0.30 | \$0.20 |
| Zespri Organic Green | \$0.60 | \$0.50 | \$0.70 | \$0.75 | \$0.60 | \$0.60 | \$0.45 |
| Zespri Gold3 | \$0.55 | \$0.65 | \$0.60 | \$0.55 | \$0.45 | \$0.40 | No supply |
| Zespri Organic Gold3 | \$0.66 | \$0.65 | \$0.70 | \$0.65 | \$0.70 | \$0.55 | No supply |

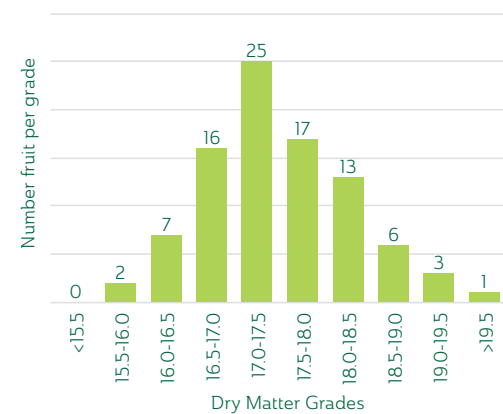
5.2.2 Taste

Taste is primarily driven by the balance of sugars and acids in the fruit. Both are detected by our tongues with sugars providing the 'sweetness' and acids giving the tangy, zesty taste associated with kiwifruit. Volatiles given off by the fruit contribute to the flavour and aroma when they are carried from the mouth onto the sensory receptor in the nose as we chew and swallow food. The volatiles are only present in minute amounts, at parts per million, but have a huge impact on the flavour of kiwifruit.

A significant part of the payment growers receive for their fruit depends on the level of dry matter (DM). This is called the Taste Zespri Programme. This programme was launched in 2001 in an effort to enhance the overall quality of Zespri Kiwifruit, by improving taste consistency. The level of sugar in ripe fruit is determined by the level of starch, or DM in the fruit at harvest. The DM is also a measure of maturity, so Zespri set a minimum level as part of the harvest criteria to ensure fruit will ripen after harvest and reduce the risk of a poor taste experience for consumers. A minimum 90-fruit sample is collected from each orchard before harvest and the percentage dry matter measured (see Chapter 6 for more on this).

Taste Zespri Grade (TZG) was originally based on the premise that Japanese consumers preferred a sweeter tasting kiwifruit and were prepared to pay for it. TZG is a value between 0.0 and 1.0 (or 0.86 for SunGold). TZG is calculated based on a 90-fruit orchard sample for all varieties, and an additional 60 fruit small size targeted sample for Gold3 and Organic Gold3. TZG for Gold3 and Organic Gold3 is calculated and reported by maturity area and fruit size, whereas other varieties are reported on maturity area level only. If multiple samples are completed prior to harvest, the highest TZG calculated from them is used. TZG forms the basis of grower taste payments.

Example: Dry Matter profile of a conventional green (Hayward) orchard for TZG calculation:



- After testing of dry matter, each fruit in the 90-fruit sample is allocated to a dry matter grade (see graph above)
- The number of fruit in a single grade is converted to a percentage of the 90 fruit sample
- Each dry matter grade has a grade value (set by Zespri, differs for each cultivar)
- For each dry matter grade, the %Fruit is multiplied by the grade value.
- Each of these results are then added to give the TZG. In the table below, the values in the first column add to 68% or a TZG of 0.68.

Taste Zespri Grade (TZG) - Green

| %Fruit x Grade Value | Fruit Per Grade (% of the 90-fruit sample) | Fruit Per Grade (from graph above) | Grade Value ¹ | Dry Matter Grade |
|----------------------|--|------------------------------------|--------------------------|------------------|
| 0.0 | 0.0 | 0 | 0 | <15.5 |
| 0.2 | 2.2 | 2 | 0.1 | 15.5-16.0 |
| 1.9 | 7.8 | 7 | 0.25 | 16.0-16.5 |
| 8.0 | 17.8 | 16 | 0.45 | 16.5-17.0 |
| 18.1 | 27.8 | 25 | 0.65 | 17.0-17.5 |
| 16.1 | 18.9 | 17 | 0.85 | 17.5-18.0 |
| 13.0 | 14.4 | 13 | 0.9 | 18.0-18.5 |
| 6.3 | 6.7 | 6 | 0.95 | 18.5-19.0 |
| 3.2 | 3.3 | 3 | 0.97 | 19.0-19.5 |
| 1.1 | 1.1 | 1 | 1 | >19.5 |
| | | 90 | | Fruit Count |
| 0.68 | | | | TZG |

Minimum Taste Standard (MTS)

More recent research has demonstrated that consumers liking for fruit decreases significantly if the taste drops below a certain level. This "Minimum Taste Standard" (MTS) has been determined for each variety by Zespri. Fruit that does not meet the MTS, and is therefore not acceptable for export, is either processed or used as stock food.

Example: In 2021, clearance to harvest a green orchard was granted when 70% of the fruit in the 90-fruit sample had DM \geq 15.5%. The fruit are also allocated into Taste bands when packed to further ensure consistency of taste. There are three Taste bands (Y, T, M), Y representing the highest Taste and M representing the lower or more variable Taste. This ensures that Zespri is able to target high taste fruit to Japan and potentially other markets where there is a strong consumer taste preference for sweeter fruit.

Right:
Taste bands and MTS for green (Hayward), 2021

| Taste band | Hayward |
|------------------------------------|---|
| Y | ≥ 16.6 |
| T | $\geq 16.3 < 16.6$ |
| M | $\geq \text{MTS} < 16.3$ |
| MTS (Minimum Taste Standard) | 15.5% dry matter threshold ⁽¹⁾ |
| Percentage of fruit value to taste | 60% |
| Minimum size for standard supply | 42 ($\geq 74\text{g}$) |

⁽¹⁾ 70% of fruit greater than or equal to the threshold.

Zespri also determines a Maximum Taste Payment (MTP) which is reflective of higher value that consumers place on a superior taste experience. The higher the TZG the grower achieves, the greater proportion of the MTP they will receive. The grower's TZG is multiplied by the MTP to calculate their taste payment. In the 2021/22 season the MTP for Green was \$4.63 per tray whilst SunGold had a MTP of \$7.89 per tray.

As outlined in chapter 3, there are many practices growers can consider throughout the year to increase their dry matter. Including:

- Increasing the temperature of the orchard (by artificial shelter)
- Monitoring crop loads to ensure they are not excessive (thinning)
- Opening up any dark areas of the canopy or areas that may become dark (vine management)
- Summer trunk girdling
- A close root prune on both sides of the vines. This has given, in both scientific and grower trials, a one percent increase in dry matter, on top of a trunk girdle effect
- Monitoring leaf health
- Harvesting later

Right:
Growing Kiwifruit with
Superior Dry Matter (Zespri,
OPC)

Growing Kiwifruit WITH SUPERIOR DRY MATTER

| Practice | Impact | Result |
|---------------------------|------------------------------------|--|
| Recurrent lateral pruning | IMPACT IN: WINTER | Up to 1.3% increase after 3 years |
| Good canopy development | IMPACT IN: EARLY SPRING | |
| Crop load | IMPACT IN: OCTOBER | 0.3% increase for 10 fruit/m ² decrease |
| Summer trunk girdle | IMPACT IN: JAN - FEB | 1% per girdle |
| Pollination | IMPACT IN: SPRING | Up to 0.5% increase/ extra 100 seeds |
| Shade | IMPACT IN: SUMMER | Up to -1.5% decrease |
| Foliar fertiliser | IMPACT IN: SPRING | Variable |
| Root prune | IMPACT IN: 60 DAYS AFTER MID-BLOOM | 0.9% increase |
| Foliar potassium | IMPACT IN: NOV - DEC | Up to 2.9% increase (KNO ₃ and K ₂ SO ₄) |

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5.2.3 Internal Colour

Internal colour must be fully developed and typical of the cultivar (Gold and Red cultivars only – Red criteria are still being developed). Flesh colour is measured using a Chromameter. The clearance criteria requires at least 90% of the fruit to meet the minimum colour standard or colour threshold.

| Cultivar in a 90 fruit sample | Colour Threshold |
|-------------------------------|------------------|
| Gold3 KiwiStart | ≤110.7° |
| Gold3 Advanced Mainpack | ≤108.7° |
| Gold3 Mainpack | ≤106.4° |

Right:
Fruit sample cultivar in 2020

5.2.4 Appearance

Consumers buy with their eyes so appearance is very important. Zespri sets high standards that must be met for fruit to be sold. Fruit that is regular in shape and free from blemish, stain, physical damage, pitting or dehydration will stand out. Consumers keep coming back for more quality Zespri Kiwifruit because they have to meet such high standards.

The following is an example of a Zespri standard:

Cosmetic blemishes such as marks or scars on the skin of the fruit may be caused by:

- Skin rub
- Healed physical damage
- Healed hail damage
- Healed insect damage/cosmetic pests
- Fungal damage
- Skin burn
- Chimera mark

There are allowances for some blemishes in the Zespri Grade Standards Manual as follows:

In all classes blemishes which merge with the colour of the skin are acceptable.

CLASS I - Acceptable blemishes are:

- Superficial
- Light in colour provided they do not affect the general appearance of the fruit
- Total one square centimetre or less in area.

CLASS Family Kiwi™ - Acceptable blemishes are:

- Blemishes which contrast with the colour of the skin and total two cm squared or less in area are acceptable.

Unacceptable in all classes are:

- Black marks
- Significantly deep or raised blemishes
- Cosmetic pests which are less than one mm in diameter but total one cm squared or greater in area.

“Consumers buy with their eyes so appearance is very important. Zespri sets high standards that must be met for fruit to be sold.”

5.2.5 Traceability

Our customers expect Zespri to be able to track the journey of kiwifruit from an orchard to the consumer. This includes what sprays have been applied, when fruit was picked, where and when it was packed, where it has been stored, when it is shipped and where it is stored in market. MPI also expect that fruit in each export consignment can be tracked back to a phytosanitary inspection record during packing. Traceability is maintained at both a consolidated level of a pallet and at the individual pack level and tracked through the supply chain by the use of a European Article Number (EAN) barcode. Each pack has an EAN barcode applied which, when scanned, links to a system where details of the fruits journey can be viewed. This allows Zespri to determine market suitability of any piece of fruit. This is used to prevent fruit being shipped to markets where it doesn't meet their access requirements e.g. a pest has been identified on an orchard so its fruit is banned from a certain country. Electronic capture also allows for rapid response, location and

segregation should it be required at any point. This is particularly critical should a food safety issue ever arise where accurate tracking is vital to minimise the volume of fruit that may need to be recalled and disposed of. Customer food safety programmes all require high levels of traceability: it is fundamental market requirement.

5.2.6 Chemical Residues

Growers need to use agrichemicals to manage pest and disease levels in their crops. However, markets and individual customers set very specific requirements for the level of agrichemical residues they will accept in fruit. The Zespri Crop Protection Standard (CPS) is actively managed to ensure only approved sprays are used and to minimise the presence of any residues. All lines of fruit are residue tested to ensure adherence to the crop protection standard and ensure that individual market access requirements are met. Most Zespri fruit has no detectable residues present at harvest.

“Markets and individual customers set very specific requirements for the level of agrichemical residues they will accept in fruit.”

Right:
Example of product documentation





5.3 ZESPRI'S ROLE IN THE INDUSTRY - PRACTICES

5.3.1 Consistency of Supply

Customers require a regular supply of consistent product to be able to provide consumers with a reliable source of high quality and high taste kiwifruit 12 months of the year. Capturing and keeping shelf space full is key to the customer relationship and maximises the value to all parties while reducing the New Zealand grower's risk of a competitor's fruit replacing Zespri fruit on the retail shelf. Market planning and shipping programmes all attempt to keep supply available for as long as possible. During the early part of the season when supply is limited, markets are only started when there is sufficient fruit to allow for continued supply.

Having a product with a long, reliable storage life greatly assists being able to provide consumers with a good eating experience over a long selling season. Sales to customers may continue 6-7 months from harvest and final retail sales can extend for another month after that. For both New Zealand growers and for in-market customers having practically all the volume consolidated through one seller in Zespri provides a mechanism to give a high level of assurance of consistent supply.

Zespri uses fruit sourced in the northern hemisphere to supply customers when New Zealand fruit is no longer available.

5.3.2 In-Market Distribution

Zespri sell into more than 50 different countries worldwide and work with distribution customers and partners, who buy fruit from Zespri and get the product into wholesale markets and onto the supermarket shelves. From the wharf, the fruit goes into dedicated coolstore distribution centres and on to thousands of wholesale and retail outlets. Zespri serve distribution and retail customers with the optimal balance of Green, Gold and Organic products.

Zespri is dedicated to its customers and is focused on consistently providing excellent product and excellent service. The Zespri System, the integrated production and distribution system used to deliver the world's best kiwifruit to consumers worldwide, is one of the foundation blocks of the Zespri brand. It is the culmination of many years of scientific, technical and practical developments and an uncompromised commitment to continual improvement.

The Zespri System recognises that quality has many components, but they all rely on a combination of best practice, excellent product and documented assurance to provide customer confidence. It has been developed in recognition of customers' needs for a comprehensive assurance that fruit has been grown and handled safely with:

- A strong focus on good agricultural practice
- Environmental and economic sustainability including the efficient use of natural resources

- Integrated pest management
- Orchard to retail traceability
- A socially responsible approach to workers and the communities it supports, practices that maximise fruit quality, taste and storage potential of the fruit
- Leading edge good manufacturing practice throughout the postharvest and distribution sectors of the industry
- An understanding of current and future market and customer needs
- World class quality management systems
- Certified food safety and Good Agricultural Practice (GAP) systems
- Quality specification and measurement throughout the supply chain
- Comprehensive feedback systems to ensure that customer feedback drives continual improvement

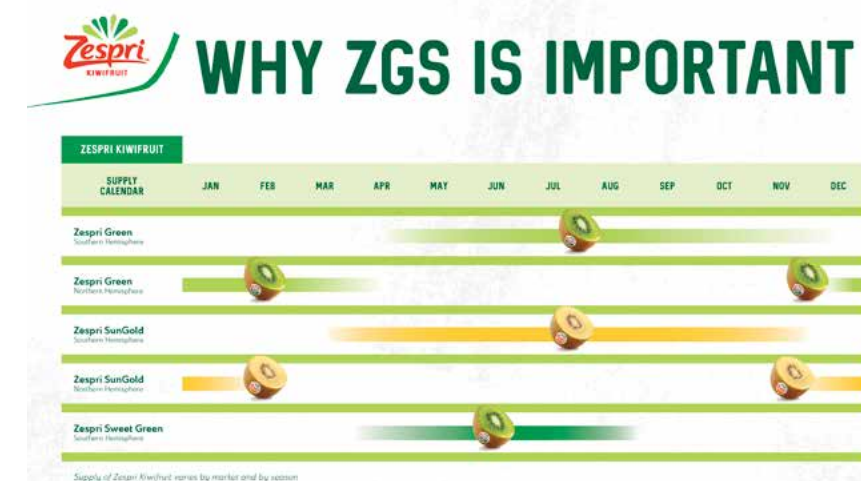
Watch:
<https://www.youtube.com/watch?v=Utlwp6DsfXg>



Visit:
<https://www.freshfacts.co.nz/>



<https://www.zespri.com/en-NZ/publications/annualreports>



5.3.3 Integrated Supply System

The development of Zespri's supply chain and service offering is a key focus. Supply chain efficiency is expected to unlock significant value for the industry in future years; many opportunities exist in the supply chain design space with the application of new supply chain management processes and technologies for improving product quality attributes.

The Zespri System is an Integrated System Underpinned by Continuous Improvement



Above:
The Zespri System

Zespri Global Supply (ZGS) business is a source of Zespri's competitive advantage and a key part of Zespri's "category management" work stream. Non-New Zealand supply is poised for strong growth in the five year planning horizon, driven predominately by Gold3 development in Italy, and ability to procure Zespri Green from Italy to meet rising global demand.

The strategic focus of ZGS is to consolidate non-New Zealand supply as a fundamental pillar of Zespri's competitive strength, underpinning its position as a leader in the global fruit industry. Zespri's aim is to unlock value in the business by leveraging the brand, intellectual property and supply chain expertise.

12 Month Supply

12 month supply refers to the procurement and marketing of northern hemisphere kiwifruit (when New Zealand fruit is not available in market) to complement the sale of New Zealand kiwifruit. 12 month supply is an important part of Zespri's business strategy and a key source of Zespri's competitive advantage. Specifically it strengthens Zespri's New Zealand kiwifruit business by continually building the brand and strengthening global relationships.

Zespri has partnered with northern hemisphere growers in Italy, France, Japan and South Korea for nearly two decades to provide its customers with premium Zespri Kiwifruit in the three-to-four months a year where New Zealand kiwifruit is not available.

The Benefits of Zespri Offering 12 Month Supply in a Market are:

1. To partner with our distributors in kiwifruit 12 months of the year and demonstrate consistent quality and standards, irrespective of origin, to support their strategic objectives and add value to their businesses
2. To maintain shelf space 12 months of the year – ideally to be the kiwifruit category manager, by offering confirmed volumes and quality for the full year, as opposed to seasonal competitors from other countries who cannot provide such reliability. This allows more flexibility for volumes of New Zealand kiwifruit to be placed in the best position to maximise returns
3. To maintain brand presence 12 months of the year such that when New Zealand kiwifruit comes into markets, it is not fighting for shelf space with earlier seasonal produce or seeking to displace other produce that is available 12 months of the year
4. To grow branded products over 12 months rather than just in the New Zealand supply window. This is critical from a category growth perspective, i.e. apples, tomatoes, and bananas are all available 12 months of the year
5. In growing regions, having a local presence enables Zespri to better manage the pressures placed on distributors and retailers to support local product, by supporting the domestic kiwifruit community, which in most cases are not competitive to Zespri's New Zealand supply windows; further this enables Zespri to maintain the quality standards for the category as a whole in that market

In Addition, There are Other Benefits to the New Zealand Grower as well Outside of the Market Benefits, such as:

1. Growing in both the Southern and Northern Hemisphere locations allows the New Zealand industry to learn and innovate at twice the pace. This benefit was very evident during the height of Psa where time was against the industry and the learning's needed to be adopted as quickly as possible
2. ZGS is a "stand alone" business unit that is allocated a portion of overhead costs from other business units, thus allowing for better utilisation of corporate overhead spend
3. By having activity across 12 months of the year creates a platform to retain core staff; seasonal roles can create staff turnover and an associated loss of experience within the organisation
4. Developing strong relationships with kiwifruit growers in a range of other countries

As other kiwifruit brands begin to build momentum and aim for 12 month supply, Zespri needs to maintain a continuous supply strategy and build brand awareness or risk losing future market share to emerging brands. With the plethora of new cultivars grown globally by competitors, it is imperative Zespri retains a strong presence in the market place 12 months of the year to position New Zealand kiwifruit strongly and retain strong customer and distribution relationships. Zespri 12 month supply enhances consumer loyalty and strengthens the position of key distribution partners, when increasingly competitive alternatives are emerging. Therefore, as Zespri Northern Hemisphere supply volumes grow the benefit to New Zealand growers is also increasing.

5.3.4 Variety Licences

Zespri owns the plant variety rights (PVR) for SunGold Kiwifruit, as well as RubyRed. This means growers must purchase a licence to be able to grow Zespri's proprietary varieties and are bound by a Zespri Kiwifruit Variety Licence which gives growers the right to acquire plant material for growing a variety within the licensed area.

Since 2018, Zespri has licensed between 250 and 750 hectares of SunGold in New Zealand each year (including up to 55ha of Organic SunGold License). Growers bid for a licence in an ascending price auction, where all successful bidders pay the same price for a licence. Zespri review the market demand for SunGold annually before making an announcement on licence availability for the following year.

The quantity of SunGold Kiwifruit licence to be released in 2025 will be 400 hectares, 150 hectares of which will be reserved for Hayward or Green14 growers only. There will be no release of Zespri RubyRed Kiwifruit licence. As has been consistent since 2022, there will be no release of Zespri Organic SunGold Kiwifruit licence in 2025, as current supply predictions will satisfy target market demand.



5.4 ORCHARD ACCOUNTING 101

Monitoring of Kiwifruit Orchard Profitability

The monitoring of profitability is an important review of the financial performance of an orchard.

There are numerous orcharding activities that give rise to both income and costs on an orchard and growers give much time and thought into delivering the successful production of their crops.

Monitoring and review of the financial performance of an orchard should be viewed as the financial result of that time. It is this result that demonstrates financial success and the meeting of grower expectation or not.

Please see diagram 1 (Hayward) & diagram 2 (SunGold) for an example of a simple orchard profit and cash-flow report.

There are four key areas that will be covered:

1. Seasonal timing of orchard income and costs
2. The concept of orchard gate return
3. Orchard financial reporting
4. Collection of financial data

Seasonal Timing of Orchard Income and Costs

The orcharding cash cycle of setting up an orchard in preparation for harvest and receiving the final income for that same harvest is spread over twenty-four months.

The kiwifruit orcharding year begins with winter pruning around July and continues through to harvest. Harvest is typically conducted during the months of April and May. Throughout this growing period numerous orcharding costs are incurred as the new crop is setup and tended (such as pruning, pollination, fertiliser etc.).

Following harvest and the successful submit of fruit into Zespri inventory; net income is returned to the grower. Final net income is not received by the grower until June of the year following harvest.

The Concept of Orchard Gate Return

Net Income received by a grower is referred to as *Orchard Gate Return* or OGR.

In simple terms, Zespri receive money (gross income) from export customers. This is then distributed through to Registered Suppliers, and onto growers. The reason Orchard Gate Return is referred to as a Net Income is because the gross income received by Zespri is offset by various costs and incentives including postharvest costs such as packaging and logistics.

These costs and incentives are outlined in the contractual arrangement a grower has with their postharvest partner and in the Supply Agreement signed by Registered Suppliers and Zespri.

A grower's preferred format for illustrating Orchard Gate Return for a full year is as follows:

| | 2023 Green Harvest (\$ are for example only) | 2023 Gold Harvest (\$ are for example only) |
|---|---|--|
| Income from Zespri | | |
| Zespri Fruit Return | 55,075 | 111,296 |
| Plus Taste Income | 38,028 | 88,945 |
| Plus Early Start Income | 5,841 | 13,778 |
| Plus Loyalty Income | 3,576 | 4,593 |
| Total Income from Zespri | 102,521 | 218,613 |
| Cost of Postharvest | | |
| Time Incentive Income | 15,855 | 22,964 |
| Less Fruit Loss Costs | -1,907 | -4,899 |
| Less Time Costs | -6,080 | -6,736 |
| Plus/Less Intercheck | 954 | 919 |
| Net Time Incentive | 8,822 | 12,247 |
| Less Packing & Harvest Costs | -24,676 | -48,376 |
| Less Coolstore Costs | -11,325 | -14,544 |
| Less Logistics Costs | -1,669 | -2,296 |
| Less Other | 2,027 | 1,684 |
| Total Cost of Postharvest | -35,644 | -63,532 |
| Total Net Income (Orchard Gate Return) | 75,698 | 167,327 |

Above:
Table showing Orchard Gate Return for a full year

It is noteworthy to mention that Orchard Gate Return is not the complete measurement of orchard performance as it does not take into consideration orcharding costs such as pruning, pollination, fertiliser etc. Therefore, Orchard Gate Return is not the final formulation of orchard profitability.

Orchard Financial Reporting

The preparation of a financial report of the performance of an orchard is a tool a grower will use to measure the profitability of an orchard. It also forms part of the analysis in which to measure the financial viability of that orchard along with a grower's financial expectation and objective.

Table 1 (Hayward) & Table 2 (SunGold) provide examples of a simple orchard net profit and cash-flow report. The format works through:

- Net Income (OGR)
- less Orcharding costs
- Net Profit from Orcharding
- less Capital expenditure
- Net Cash Inflow/Outflow

Net Profit from Orcharding shows the profitability of all income derived from each harvest less all direct costs that are incurred in delivering that same harvest.

Net Cash Inflow/Outflow provides useful analysis of the net cash proceeds received from the orchard by considering capital expenditure such as setting up a new overhead artificial canopy.

It is noted that repairs and maintenance and capital expenditure have been left blank in these tables, as this is a discretionary spend that will vary between orchards. Nevertheless, there would be some repairs and maintenance each year that would need to be budgeted for along with any capital expenditure required.

Typically, such a report would be reviewed on a monthly basis and annually.

These tables include columns for each month that Net Income (OGR) is received. This example is based on 1 canopy hectare. Generally, an orchard would not be exactly one canopy hectare so an additional column would be included to show the income or cost into a Per Canopy Hectare basis.

This Per Canopy Hectare calculation is the most common and important metric used by a grower to benchmark the financial performance of their orchard against industry averages and prior historical information.

As the orcharding year progresses a grower will find it necessary to understand the costs they incur on a 'per hectare basis'. Often piecemeal rates charged by suppliers and contractors are also based on a 'per hectare basis', such as winter pruning and girdling.

Collection of Financial Data

Collating this data into a user-friendly format such as in Table 1 & 2, must be simple and readily available.

There are a variety of means available to a grower to prepare such a report and often it is prepared with support from the grower's Chartered Accountant.

Financial reporting has come a long way in recent years and apart from simple spreadsheets, there are a number of web-based financial software tools available to growers to draw financial information from, such as Xero.

**KIWIBOP ORCHARD
KIWIFRUIT ORCHARD PROFITABILITY**

KPIN:
LOCATION:
HARVEST YEAR: 2023
VARIETY: HAYWARD Conventional

| Key inputs | |
|------------|-------------------|
| CAN/HA | FVINES M/VINES |
| 1.00 | |

[NUMBERS ARE FOR EXAMPLE ONLY]

Trays: 11,921 **Diagram 1**

| | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Total Per CAN/HA |
|---|--------|---------|----------|----------|----------|----------|---------|----------|----------|----------|----------|----------|----------|----------|----------|---------------------|
| Net Income | | | | | | | | | | | | | | | | |
| Net fruit payments (Orchard Gate Return) | 3,785 | 757 | 6,056 | 5,299 | 3,785 | 10,598 | 12,869 | 15,897 | 757 | 3,028 | 6,813 | 757 | 3,785 | 3,785 | 75,698 | |
| ORCHARD COSTS | | | | | | | | | | | | | | | | |
| Harvesting costs | | | 7,749 | | | | | | | | | | | | | 7,749 |
| Orchard Production | | | | 7,300 | | | | | | | | | | | | 9,300 |
| Winter pruning | | | | | | | | 3,000 | | | | | | | | 3,000 |
| Male pruning | | | | | | | 1,000 | 1,750 | 2,750 | | | | | | | 5,500 |
| Summer pruning | | | | | | | | 470 | 4,230 | | | | | | | 4,700 |
| Thinning | | | | | | | | 250 | | 250 | | | | | | 500 |
| Girdling | | | | | | | | | | 1,000 | 250 | 1,250 | | | | 5,000 |
| Spraying (materials & application) | | 650 | 350 | 1,000 | 1,000 | | | | | 400 | 400 | | | | | 2,000 |
| Fertiliser (materials & application) | | | | | | | | | | 250 | | | | | | 800 |
| Weed control (materials & application) | | | | | | | | | | 625 | | | | | | 250 |
| Pest monitoring | | | | | | | | | | 625 | | | | | | 1,250 |
| Soil tests/leaf samples | | | | | | | | | | 3,500 | | | | | | 3,500 |
| Pollination | | | | | | | | | | | | | | | | 600 |
| Mowing & Mulching | | 150 | | | 150 | | | | | | | | | | | 500 |
| Shelter trimming | | | | | | | | | | | | | | | | 500 |
| Global gap/compliance | | | | | | | | | | | 450 | | | | | 450 |
| Repairs & maintenance | | | | | | | | | | | | | | | | - |
| Management | 750 | | | | | | | | | 750 | | | | | | 3,000 |
| Total orchard production | 900 | - | 1,275 | 8,200 | 1,850 | 1,000 | 900 | 7,025 | 3,250 | 5,220 | 3,250 | 5,480 | - | - | - | 40,350 |
| Net Profit from Orcharding | -900 | 3,785 | -8,267 | -2,144 | 3,449 | 2,785 | 9,698 | 5,844 | 12,647 | -2,949 | -222 | 1,333 | 757 | 0 | 3,785 | 27,599 |
| Capital expenditure | | | | | | | | | | | | | | | | - |
| NET CASH INFLOW/(OUTFLOW) | -\$900 | \$3,785 | -\$8,267 | -\$2,144 | \$3,449 | \$2,785 | \$9,698 | \$5,844 | \$12,647 | -\$2,949 | -\$222 | \$1,333 | \$757 | \$0 | \$3,785 | \$29,599 |
| YTD NET CASH INFLOW/(OUTFLOW) | -\$900 | \$2,885 | -\$5,382 | -\$7,526 | -\$4,077 | -\$1,292 | \$8,406 | \$14,249 | \$26,896 | \$23,947 | \$23,725 | \$25,057 | \$25,814 | \$25,814 | \$29,599 | \$29,599 |

**KIWIBOP ORCHARD
KIWIFRUIT ORCHARD PROFITABILITY**

KPIN:
LOCATION:
HARVEST YEAR: 2023
VARIETY: SunGold Conventional

| Key inputs | |
|------------|-------------------|
| CAN/HA | FVINES M/VINES |
| 1.00 | |

[NUMBERS ARE FOR EXAMPLE ONLY]

Trays: 15,309 **Diagram 2**

| | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Total Per CAN/HA |
|---|--------|----------|-----------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------------------|
| Net Income | | | | | | | | | | | | | | | | |
| Net fruit payments (Orchard Gate Return) | 10,040 | | 15,059 | 31,792 | 28,446 | 21,753 | 23,426 | 15,059 | 1,673 | 8,366 | 8,366 | 1,673 | 1,673 | 1,673 | 167,327 | |
| ORCHARD COSTS | | | | | | | | | | | | | | | | |
| Harvesting costs | | | | | | | | | | | | | | | | 9,951 |
| Orchard Production | | | | 10,000 | | | | | | | | | | | | 10,000 |
| Winter pruning | | | | | | | | 2,500 | | | | | | | | 3,000 |
| Male pruning | | | | | | | | 2,000 | 7,750 | 3,500 | 3,500 | | | | | 9,000 |
| Summer pruning | | | | | | | | | | | | | | | | 15,500 |
| Thinning | | | | | | | | | | | | | | | | 750 |
| Girdling | | | | | | | | | | | | | | | | 6,000 |
| Spraying (materials & application) | | 780 | | 420 | 1,200 | 600 | | | | 1,200 | 300 | 1,500 | | | | 3,600 |
| Fertiliser (materials & application) | | | | | | | | | | | | | | | | 800 |
| Weed control (materials & application) | | | | | | | | | | | | | | | | 250 |
| Pest monitoring | | | | | | | | | | | | | | | | 1,250 |
| Soil tests/leaf samples | | | | | | | | | | | | | | | | 3,500 |
| Pollination | | | | | | | | | | | | | | | | 600 |
| Mowing & Mulching | | 150 | | | 150 | | | | | | | | | | | 500 |
| Shelter trimming | | | | | | | | | | | | | | | | 450 |
| Global gap/compliance | | | | | | | | | | | | | | | | - |
| Repairs & maintenance | | | | | | | | | | | | | | | | 3,000 |
| Management | 750 | | | | | | | | | 750 | | | | | | 3,000 |
| Total orchard production | 900 | - | 1,405 | 10,900 | 2,720 | 1,200 | 3,225 | 11,425 | 8,125 | 6,700 | 9,600 | 1,500 | - | - | - | 58,200 |
| Net Profit from Orcharding | -900 | 10,040 | -11,356 | 4,159 | 29,072 | 27,246 | 18,528 | 12,001 | 6,934 | -5,027 | -1,234 | 6,866 | 1,673 | 0 | 1,673 | 99,176 |
| Capital expenditure | | | | | | | | | | | | | | | | - |
| NET CASH INFLOW/(OUTFLOW) | -\$900 | \$10,040 | -\$11,356 | \$4,159 | \$29,072 | \$27,246 | \$18,528 | \$12,001 | \$6,934 | -\$5,027 | -\$1,234 | \$6,866 | \$1,673 | \$0 | \$1,673 | \$99,676 |
| YTD NET CASH INFLOW/(OUTFLOW) | -\$900 | \$9,140 | -\$2,216 | \$1,943 | \$31,015 | \$58,261 | \$76,788 | \$88,789 | \$95,724 | \$90,697 | \$89,463 | \$96,330 | \$98,003 | \$98,003 | \$99,676 | \$99,676 |

