



1 March 2021

T&G reports its 2020 Annual Results

At a glance

- Revenue: \$1.4 billion, up from \$1.2 billion
- Operating profit: \$32.4 million, up from \$16.5 million
- Net profit before tax: \$22.0 million, up from \$10.3 million
- Net profit after tax: \$16.6 million, up from \$6.6 million
- Net assets: \$520 million, up from \$474 million

T&G Global today announced its financial results for the year ending 31 December 2020, which show the Group delivered strong growth in a year of uncertainty.

Chief Executive Gareth Edgecombe says the results are a credit to the team's hard work and the ongoing transformation to improve T&G's underlying performance.

"It's been a year of extraordinary challenges, with the COVID-19 pandemic creating uncertainty and volatility around the world. International lockdowns and changes to operating procedures affected the day-to-day running of our business, with other setbacks such as the closure of some international wholesale markets and complexities around the import and export of produce, providing other challenges for T&G. Despite this, our team showed a huge amount of resilience and adaptability, uniting under difficult and uncertain circumstances. The result is testament to their hard work.

"The results also follow a concerted transformation over the past few years to become customer-led, deliver value from our intellectual property and build a high-performance culture. While we still have a way to go, our strong underlying results demonstrate our strategy and performance is delivering," says Gareth.

T&G's apples business had an outstanding year, improving its operating profit by 56 percent, from \$33.5 million in FY19 to \$52.1 million in FY20. A 23 percent increase in the sales of T&G's New Zealand Envy™ apples saw the crop sell out prior to the arrival of northern hemisphere fruit, thanks to strong consumer demand. A sustained focus on harnessing the best genetics, building premium brands, delivering strong sales momentum in Asia and continually optimising its supply chain, all contributed to the strong result.

The acquisition and integration of Freshmax New Zealand's fresh produce division in April 2020 saw the creation of T&G Fresh, with the strengths and cultures of both businesses combining to deliver a revenue increase of \$75.0 million, to \$357.7 million in 2020. The company is committed to playing a leadership role in creating a strong, sustainable, customer-led sector in Aotearoa.

Furthermore, to help fund further growth initiatives, including investment back into the T&G business, the company closed the year out strongly with the sale and leaseback of its Nayland Road post-harvest facility in Nelson for \$50.5 million.

T&G Global Chairman Prof. Klaus Josef Lutz says despite the pervasive challenges faced this year, the company successfully built on the foundations laid over the last two years to deliver a strong profit result.

“In the context of so much uncertainty, and the impact of various one-off and climate-related factors, it is very pleasing to see a substantial improvement in T&G’s underlying financial performance,” says Prof. Lutz.

“It shows the business has the resilience, systems, strategy and people to be able to respond to challenges, and that we are well positioned to build on this solid momentum in 2021.”

Gareth says as well as further strengthening T&G’s overall strategy, the company has also reset its sustainability framework - *Kaitiakitanga*. “Kaitiakitanga is integral to how we do business, ensuring we balance the needs of our people, place and produce, alongside all economic decisions,” he says.

“Despite a challenging year, the care our people showed for each other and their focus on delivering excellent customer service so we could continue to provide top quality, fresh produce to people all over the world, was fantastic to see, and this strong financial result is a credit to them.

“As a business we’ve sharpened our global strategy and we’re clear on where we need to focus moving forward. With our key focuses on growing great brands, winning in key global markets, and leading Aotearoa’s fresh produce future, we’re going in to 2021 and beyond with real momentum and determination,” says Gareth.

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About T&G Global. Our story began over 122 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 2,500 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.