



Interim Report

2024

Contents



Chair and CEO review 4

Financials

Income statement 8

Statement of comprehensive income 9

Statement of changes in equity 10

Balance sheet 12

Statement of cash flows 14

Notes to the financial statements 17

Chair and CEO review



Kia ora and welcome to T&G's six month update to 30 June 2024.

Over the first half of the year we made solid progress delivering our strategy and navigating and adjusting to the market and macro-economic conditions as we continue to recover from the impact of Cyclone Gabrielle.

The investment and mahi put in over the last five years to build the foundations for our growth has set us up well and we are seeing the benefits of this in our Apples and T&G Fresh businesses. We are very pleased with the performance of our new state-of-the-art Hawke's Bay packhouse and our Queensland berry farm in this financial period and look forward to them delivering increased returns going forward.

It has however been a slower than expected start to the year due to the lingering impacts of the cyclone, which has reduced our Hawke's Bay apple volumes. We have also experienced weak fruit and vegetable pricing in the domestic market due to plentiful supply coupled with current economic conditions. This impacted our financial results for the period.

Total revenue for the Group was \$820.1 million, an increase of 7% from \$765.3 million in the comparable half year. Operating loss was \$2.6 million, compared to a loss of \$11.6 million in 2023, and there was a loss before income tax of \$8.2 million compared to a loss of \$21.4 million in the year prior.

Net loss after tax for the period was \$18.6 million, including a tax expense of \$10.4 million. Tax expense as of 30 June 2024 includes a one-off, non-cash adjustment for deferred tax on buildings of \$12.7 million. This relates to the New Zealand Government enacting changes to local tax legislation to remove the ability for entities to depreciate commercial buildings with a useful life over 50 years for tax deduction purposes.

Apples performance

Revenue in our Apples business increased 14% to \$589 million, compared to \$518 million in 2023.

This season's Aotearoa New Zealand-grown apples are high quality, with the fruit flavour profile and storability among the best we have seen in a number of years. Fruit colour is generally good, although some Hawke's Bay

ENVY™ apples did not develop their full colour. However, as noted, commensurate with the industry-wide experience, our Hawke's Bay crop is smaller in size and our packout subsequently reduced. Following last year's launch of our premium JOLI™ apple, we have begun developing 20 hectares of our Hawke's Bay orchards. This year, six hectares will be put in the ground, with further plantings over the next few years.

It is the first full season for both our new Whakatu packhouse and Kotahi leading the procurement of our ocean freight services. The packhouse is operating at planned efficiency levels, and continues to improve. We expect it to be a strong contributor to profitability in the coming years as volumes increase. Working with Kotahi has enabled us to realise cost savings and logistical efficiencies, and with this year's disruptions in the Red Sea and Panama Canal, it has helped minimise the impact on us and our growers.

With the high quality 2023/2024 North American ENVY™ apple crop, the brand is holding up exceptionally well in the challenging domestic market. Despite increased price and competition pressures accompanying the large volumes in the United States, ENVY™ apples are out-performing other premium brands in both pricing and sales.

In Asia, the North American crop experienced strong export sales. Having now transitioned to supplying the region with Aotearoa New Zealand-grown apples, we expect this momentum to continue throughout the season.

The reduced volumes out of Aotearoa New Zealand have further increased our focus on optimising efficiencies across our Apple operations. As part of this, we have made improvements in our inventory management and market planning, and we expect to see the financial benefits flow through in the second half of the year.

We continue to work through our Cyclone Gabrielle insurance claim and expect to have this resolved within the financial year.

T&G Fresh performance

T&G Fresh, our Australasian business, saw its revenue decrease to \$218 million, compared to \$232 million in the prior year.

Despite our Fijian and Pacific Islands business continuing to trade well, weak consumer sentiment in Aotearoa New Zealand – coupled with abundant produce given favourable growing conditions – means it has been a difficult trading period in Aotearoa New Zealand, with soft prices. In addition, our tomato volumes were reduced, largely due to the impact of whitefly.

As part of our fresh produce category strategy, in February we signed an agreement to acquire some of the assets of Hintons Orchard in Central Otago. This includes leasing 159 hectares of cherry, apricot, nectarine, peach, plum and peacharine trees, as well as their packhouse, with the summerfruit being sold domestically and in Asia. The transaction takes effect on 1 August, in time for the 2024/2025 season.

Initial production from our Queensland berry farm, which currently consists of 20 planted hectares, is coming online. At this point in the season, indications are good for a high yield and strong prices and we look forward to

the new plantings further contributing to this. The entire farm is planted with unique blueberry varieties licensed by VentureFruit®, which are outstanding performers in terms of size, flavour, colour and shelf life.

This year we are expanding the farm and planting an additional 20 hectares of tunnel and netted plantings. The project is progressing well and we expect it to be completed by year end.

Our T&G Fresh business, as with all parts of our business, is also continuing to focus on maximising operational efficiencies to reduce its cost-to-serve.

VentureFruit® performance

VentureFruit® continues to explore opportunities globally to license and sell its unique apple, pear, berry and grape varieties. Revenue in the first half of the year was \$4 million, compared to \$5.3 million in the comparable 2023 period. While licensing revenue is down given the macro-economic environment, new licensed plantings in Aotearoa New Zealand, the United States and China demonstrate continued strong demand for our premium ENVY™ and JOLI™ apples.



Outlook

Our strategy is set and over the last few years we have invested significantly to set the foundations for our growth. Our focus is now on execution to drive performance and growth into the future.

At this point in the season, the 2024/2025 North American apple crop looks to be good quality, with fruit developing well despite low water supply. It's estimated our volumes will be around 5.5 million TCEs, a 17% increase on the prior year.

It is encouraging to see the early signs of easing inflation, which will have a consequential impact on interest rates. Not only will this help ease our own cost pressures, but it will benefit many New Zealanders. From this, we would expect to see improved consumer demand and prices.

Last year's cyclone and this year's reduced apple volumes – in spite of a largely favourable growing season – have highlighted the need to continue to develop resilience across our business. This will put T&G in a strong position, regardless of external factors.

We have a great team and they have responded strongly, looking for opportunities to reduce costs, continually optimise efficiencies and grow revenue, and develop pathways to help achieve our Kaitiakitanga sustainability targets to ensure we meet our medium-term strategic and financial objectives.

We look forward to seeing the outcome of this mahi in delivering our growth aspirations.

Benedikt Mangold
Chair (left)

Gareth Edgecombe
Chief Executive Officer (right)



Income statement

For the six months ended 30 June 2024

	Notes	Unaudited 6 months to 30 Jun 2024 \$'000	Unaudited 6 months to 30 Jun 2023 \$'000	Audited 12 months to 31 Dec 2023 \$'000
Revenue from contracts with customers	3	820,080	765,267	1,334,338
Other operating income		6,918	13,793	13,749
Purchases, raw materials and consumables used		(642,381)	(610,943)	(1,007,373)
Employee benefits expenses		(101,851)	(95,674)	(182,974)
Depreciation and amortisation expenses		(30,464)	(28,880)	(58,629)
Other operating expenses		(54,933)	(55,189)	(144,690)
Operating loss		(2,631)	(11,626)	(45,579)
Financing income		3,096	2,273	4,090
Financing expenses		(17,661)	(12,403)	(28,924)
Share of loss from joint ventures	7	-	-	(39)
Share of profit from associates	7	1,145	378	1,206
Other income		7,829	-	17,359
Other expenses		-	(8)	(12,362)
Loss before income tax		(8,222)	(21,386)	(64,249)
Income tax (expense) / credit	4	(10,413)	5,716	17,654
Loss after income tax		(18,635)	(15,670)	(46,595)
Attributable to:				
Equity holders of the Parent		(21,426)	(17,726)	(51,155)
Non-controlling interests		2,791	2,056	4,560
Loss for the period		(18,635)	(15,670)	(46,595)
Earnings per share (in cents)				
Basic and diluted loss		(17.5)	(14.5)	(41.7)

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

Statement of comprehensive income

For the six months ended 30 June 2024

	Unaudited 6 months to 30 Jun 2024 \$'000	Unaudited 6 months to 30 Jun 2023 \$'000	Audited 12 months to 31 Dec 2023 \$'000
Loss for the period	(18,635)	(15,670)	(46,595)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Loss on revaluation of property, plant and equipment:			
Held by subsidiaries of the Group	(1,085)	(4,300)	(21,128)
Deferred tax effect on revaluation of property, plant and equipment	304	(92)	3,824
Deferred tax effect on sale of property, plant and equipment	-	957	(201)
	(781)	(3,435)	(17,505)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	1,970	3,823	5,834
Cash flow hedges:			
Fair value (loss) / gain, net of tax	(9,111)	(8,256)	3,823
Reclassification of net change in fair value to profit or loss	98	33	673
	(7,043)	(4,400)	10,330
Other comprehensive expense for the period	(7,824)	(7,835)	(7,175)
Total comprehensive expense for the period	(26,459)	(23,505)	(53,770)
Total comprehensive expense for the period is attributable to:			
Equity holders of the Parent	(29,660)	(26,401)	(56,945)
Non-controlling interests	3,201	2,896	3,175
	(26,459)	(23,505)	(53,770)

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

Statement of changes in equity

For the six months ended 30 June 2024

2024

Notes	Unaudited					
	Share capital \$'000	Revaluation and other reserves \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 January 2024	176,357	100,296	227,764	504,417	17,471	521,888
(Loss) / profit for the period	-	-	(21,426)	(21,426)	2,791	(18,635)
Other comprehensive income / (expense)						
Revaluation of property, plant and equipment	-	(1,085)	-	(1,085)	-	(1,085)
Deferred tax effect on revaluation of property, plant and equipment	-	304	-	304	-	304
Exchange differences on translation of foreign operations	-	1,561	-	1,561	409	1,970
Movement in cash flow hedge reserve	-	(9,014)	-	(9,014)	1	(9,013)
Total other comprehensive (loss) / income	-	(8,234)	-	(8,234)	410	(7,824)
Transactions with owners						
Dividends	6	-	-	-	(2,948)	(2,948)
Investment from non-controlling interest	-	-	-	-	522	522
Total transactions with owners	-	-	-	-	(2,426)	(2,426)
Transfer from asset revaluation reserve due to asset disposal	-	(11,675)	11,675	-	-	-
Balance at 30 June 2024	176,357	80,387	218,013	474,757	18,246	493,003

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

2023

Notes	Unaudited					
	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 (loss) / 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.

Balance sheet

As at 30 June 2024

Notes	Unaudited 30 Jun 2024 \$'000	Unaudited 30 Jun 2023 \$'000	Audited 31 Dec 2023 \$'000
Current assets			
Cash and cash equivalents	53,431	48,242	30,508
Term deposits	3,417	2,528	2,277
Trade and other receivables	236,958	220,547	196,810
Inventories	164,916	138,426	67,640
Taxation receivable	13,286	19,506	9,737
Derivative financial instruments	3,656	1,870	7,110
Biological assets	14,007	10,058	28,249
Non-current assets classified as held for sale	8,280	12,000	11,100
Total current assets	497,951	453,177	353,431
Non-current assets			
Trade and other receivables	38,974	63,998	44,610
Derivative financial instruments	9,396	11,205	13,268
Deferred tax assets	1,370	1,471	2,574
Investments in unlisted entities	79	86	92
Property, plant and equipment	394,519	431,503	401,007
Right-of-use assets	159,032	144,276	148,592
Intangible assets	78,374	79,023	79,692
Investments in joint ventures	2,945	3,184	2,927
Investments in associates	30,164	30,426	29,019
Total non-current assets	714,853	765,172	721,781
Total assets	1,212,804	1,218,349	1,075,212
Current liabilities			
Trade and other payables	221,299	212,419	171,644
Loans and borrowings	111,200	113,500	34,294
Lease liabilities	22,621	24,052	22,051
Taxation payable	7,715	10,452	3,161
Derivative financial instruments	1,974	11,858	955
Total current liabilities	364,809	372,281	232,105

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

Notes	Unaudited 30 Jun 2024 \$'000	Unaudited 30 Jun 2023 \$'000	Audited 31 Dec 2023 \$'000
Non-current liabilities			
Trade and other payables	44	46	43
Loans and borrowings	181,916	126,967	163,144
Lease liabilities	162,864	145,058	151,816
Derivative financial instruments	735	1,565	234
Deferred tax liabilities	9,433	18,682	5,982
Total non-current liabilities	354,992	292,318	321,219
Total liabilities	719,801	664,599	553,324
Equity			
Share capital	176,357	176,357	176,357
Revaluation and other reserves	80,387	99,300	100,296
Retained earnings	218,013	261,193	227,764
Total equity attributable to equity holders of the Parent	474,757	536,850	504,417
Non-controlling interests	18,246	16,900	17,471
Total equity	493,003	553,750	521,888
Total liabilities and equity	1,212,804	1,218,349	1,075,212

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)
9 August 2024



C.A. Campbell
Director (Chair of Finance, Risk and Investment Committee)
9 August 2024

Statement of cash flows

For the six months ended 30 June 2024

Notes	Unaudited 6 months to 30 Jun 2024 \$'000	Unaudited 6 months to 30 Jun 2023 \$'000	Audited 12 months to 31 Dec 2023 \$'000
Cash flows from operating activities			
<i>Cash was provided from:</i>			
Cash receipts from customers	791,647	716,193	1,348,709
Cash receipts from insurance proceeds	1,781	-	4,060
Other	2,332	546	2,320
<i>Cash was disbursed to:</i>			
Payments to suppliers and employees	(801,269)	(720,940)	(1,317,715)
Interest paid	(6,521)	(4,598)	(11,751)
Income taxes paid	(1,095)	-	(60)
Net cash outflow / (inflow) from operating activities	(13,125)	(8,799)	25,563
Cash flows from investing activities			
<i>Cash was provided from:</i>			
Cash receipts from insurance proceeds	5,976	-	1,355
Dividends received from joint ventures and associates	-	-	2,235
External loan repayments from suppliers, customers, associates and joint ventures	461	365	481
Investment from non-controlling interest	522	766	1,158
Sale of other property, plant and equipment	429	535	767
Sale of Pukekohe property	10,799	-	-
Sale of non-current assets held for sale	-	15,150	-
Sale of Palmerston North property	-	-	12,000
<i>Cash was disbursed to:</i>			
Purchase of property, plant and equipment	(11,347)	(36,698)	(68,510)
Purchase of intangible assets	(517)	(3,781)	(7,560)
Loans to suppliers, customers, associates and joint ventures	(200)	(302)	(302)
Current term deposits	(1,140)	(1,418)	(1,167)
Net cash inflow / (outflow) from investing activities	4,983	(25,383)	(59,543)

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

Notes	Unaudited 6 months to 30 Jun 2024 \$'000	Unaudited 6 months to 30 Jun 2023 \$'000	Audited 12 months to 31 Dec 2023 \$'000
Cash flows from financing activities			
<i>Cash was provided from:</i>			
Net proceeds from short-term borrowings	5,200	14,900	9,400
Proceeds from long-term borrowings	13,000	5,000	30,000
Proceeds from seasonal funding	73,000	75,000	-
Proceeds from Ultimate Parent borrowings	6,000	-	11,000
<i>Cash was disbursed to:</i>			
Dividends paid to non-controlling interests	(2,948)	(3,679)	(5,668)
Repayment of long-term borrowings	(620)	(2,218)	(1,018)
Repayment of lease liabilities	(19,854)	(16,708)	(37,383)
Seasonal advances to growers	(42,293)	(47,881)	-
Bank facility fees and transaction fees	(1,892)	(2,051)	(4,348)
Net cash inflow from financing activities	29,593	22,363	1,983
Net increase / (decrease) in cash and cash equivalents	21,451	(11,819)	(31,997)
Foreign currency translation adjustment	1,472	2,652	5,096
Cash and cash equivalents at the beginning of the year	30,508	57,409	57,409
Cash and cash equivalents at the end of the period	53,431	48,242	30,508

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

Statement of cash flows (continued)

Reconciliation of loss after income tax to net cash flow from operating activities

	Notes	Unaudited 6 months to 30 Jun 2024 \$'000	Unaudited 6 months to 30 Jun 2023 \$'000	Audited 12 months to 31 Dec 2023 \$'000
Loss for the period		(18,635)	(15,670)	(46,595)
Adjusted for non-cash items:				
Amortisation expense		2,229	2,349	4,736
Depreciation expense		28,235	26,531	53,893
Movement in deferred tax		5,219	(7,279)	(19,413)
Movement in expected credit loss allowance		(6,185)	5	16,142
Revenue from sale of licences		(199)	(1,163)	(493)
Share of loss of joint ventures	7	-	-	39
Share of profit of associates	7	(1,145)	(377)	(1,206)
Other movements		(8,221)	2,489	(9,795)
		19,933	22,555	43,903
Adjusted for investing and financing activities:				
Bank facility and line fees		1,892	2,050	4,349
Fair value adjustment of asset held for sale		-	-	870
Impairment of loan		-	-	5,205
Loss on assets damaged from Cyclone Gabrielle		-	-	12,362
(Gain) / loss on disposal of other property, plant and equipment	5	(62)	8	(238)
Net loss from property, plant and equipment revaluation changes through profit and loss		-	5	253
Insurance proceeds		(5,976)	-	(1,355)
		(4,146)	2,063	21,446
Impact of changes in working capital items net of effects of non-cash items, and investing and financing activities:				
Increase in debtors and repayments		(20,432)	(47,211)	(15,875)
Decrease / (increase) in biological assets		14,242	17,545	(646)
Increase in creditors and provisions		92,184	99,242	37,388
Increase in inventories		(97,276)	(84,496)	(13,709)
Decrease / (increase) in net taxation receivable		1,005	(2,827)	(349)
		(10,277)	(17,747)	6,809
Net cash (outflow) / inflow from operating activities		(13,125)	(8,799)	25,563

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 2024.

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 are 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 2023 (2023 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 policy information used in the preparation of these unaudited condensed interim financial statements are consistent with those used in the 2023 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 2023 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 Executive team 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.

During the period, the Group reorganised its operating segments leading to the International Trading segment being aggregated into the Group's remaining operating segments. The aggregation was based on similarities of economic characteristics, particularly the similarities of long-term gross profit margins, nature of the products and services, methods of distribution of products and provision of services to customers, and markets involved.

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. Includes international trading activities in Asia and North America.
T&G Fresh	Growing, trading and transport activities within New Zealand and Australia, and exports to the Pacific Islands, Australia and Asia. This incorporates the New Zealand wholesale markets and the tomato, citrus and berry growing operations. This includes international trading activities in Australia.
VentureFruit®	Variety management including identification, acquisition, development and protection of new varieties of fruit. Revenue from the sale of right-to-grow licenses is included in this business division.
Other	Includes non-Apple related international trading activities in Asia, 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	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Unaudited six months ended 30 June 2024					
Total segment revenue	661,955	226,927	24,230	8,809	921,921
Inter-segment revenue	(72,966)	(8,597)	(20,278)	-	(101,841)
Revenue from external customers	588,989	218,330	3,952	8,809	820,080
Purchases, raw materials and consumables used	(469,682)	(156,451)	(5,213)	(11,035)	(642,381)
Depreciation and amortisation expenses	(16,504)	(12,614)	(104)	(1,242)	(30,464)
Net other operating expenses	(79,047)	(60,555)	(2,063)	(8,201)	(149,866)
Segment operating profit / (loss)	23,756	(11,290)	(3,428)	(11,669)	(2,631)
Financing income					3,096
Financing expenses					(17,661)
Share of profit from associates					1,145
Net other income					7,829
Loss before income tax					(8,222)

	Apples \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Unaudited six months ended 30 June 2023¹					
Total segment revenue	590,280	270,673	20,566	10,207	891,726
Inter-segment revenue	(72,103)	(39,064)	(15,292)	-	(126,459)
Revenue from external customers	518,177	231,609	5,274	10,207	765,267
Purchases, raw materials and consumables used	(439,271)	(154,658)	(5,573)	(11,441)	(610,943)
Depreciation and amortisation expenses	(14,707)	(12,703)	(66)	(1,404)	(28,880)
Net other operating expenses	(61,763)	(52,552)	(6,044)	(16,711)	(137,070)
Segment operating profit / (loss)	2,436	11,696	(6,409)	(19,349)	(11,626)
Financing income					2,273
Financing expenses					(12,403)
Share of profit from associates					378
Net other income					(8)
Loss before income tax					(21,386)

	Apples \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Audited year ended 31 December 2023¹					
Total segment revenue	968,160	577,467	41,376	21,114	1,608,117
Inter-segment revenue	(148,274)	(93,133)	(32,372)	-	(273,779)
Revenue from external customers	819,886	484,334	9,004	21,114	1,334,338
Purchases, raw materials and consumables used	(639,902)	(335,989)	(11,526)	(19,956)	(1,007,373)
Depreciation and amortisation expenses	(29,939)	(25,859)	(140)	(2,691)	(58,629)
Net other operating expenses	(140,035)	(112,481)	(12,004)	(49,395)	(313,915)
Segment operating profit / (loss)	10,010	10,005	(14,666)	(50,928)	(45,579)
Financing income					4,090
Financing expenses					(28,924)
Share of loss from joint ventures					(39)
Share of profit from associates					1,206
Net other income					4,997
Loss before income tax					(64,249)

1. Prior period segment results have been re-presented to ensure consistency in the composition of business segments to reflect the Group's internal reporting. This has no impact on the income statement or other primary statements with the only impact being in the 2023 segment information presentation.

Notes to the financial statements (continued)

3. Revenue from contracts with customers

	Apples \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Unaudited six months ended 30 June 2024					
Nature of revenue					
Sale of produce	549,158	181,272	96	8,620	739,146
Sale of licences	-	-	1,550	18	1,568
Commissions	9,600	12,541	991	149	23,281
Services	30,060	24,517	153	22	54,752
Royalties	171	-	1,162	-	1,333
Revenue from external customers	588,989	218,330	3,952	8,809	820,080
Timing of revenue recognition					
<i>At a point in time</i>					
Sale of produce	549,158	181,272	96	8,620	739,146
Sale of licences	-	-	1,550	18	1,568
Commissions	9,600	12,541	991	149	23,281
Services	23,725	24,517	153	22	48,417
Royalties	171	-	1,162	-	1,333
	582,654	218,330	3,952	8,809	813,745
<i>Over time</i>					
Services	6,335	-	-	-	6,335
	6,335	-	-	-	6,335
Revenue from external customers	588,989	218,330	3,952	8,809	820,080

	Apples \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Unaudited six months ended 30 June 2023²					
Nature of revenue					
Sale of produce	492,227	197,543	66	10,166	700,002
Sale of licences	-	-	1,164	-	1,164
Commissions	2,133	12,781	1,091	-	16,005
Services	23,638	21,278	1,192	41	46,149
Royalties	179	7	1,761	-	1,947
Revenue from external customers	518,177	231,609	5,274	10,207	765,267
Timing of revenue recognition					
<i>At a point in time</i>					
Sale of produce	492,227	197,543	66	10,166	700,002
Sale of licences	-	-	1,164	-	1,164
Commissions	2,133	12,781	1,091	-	16,005
Services	19,083	21,278	1,192	41	41,594
Royalties	179	7	1,761	-	1,947
	513,622	231,609	5,274	10,207	760,712
<i>Over time</i>					
Services	4,555	-	-	-	4,555
	4,555	-	-	-	4,555
Revenue from external customers	518,177	231,609	5,274	10,207	765,267

2. Prior period segment results have been re-presented to ensure consistency in the composition of business segments to reflect the Group's internal reporting. This has no impact on the income statement or other primary statements with the only impact being in the 2023 segment information presentation.

Notes to the financial statements (continued)

	Apples \$'000	T&G Fresh \$'000	VentureFruit® \$'000	Other \$'000	Total \$'000
Audited year ended 31 December 2023³					
Nature of revenue					
Sale of produce	742,403	411,036	103	18,603	1,172,145
Sale of licences	-	-	2,662	-	2,662
Commissions	17,523	25,794	1,828	-	45,145
Services	51,171	47,497	1,464	2,511	102,643
Royalties	8,789	7	2,947	-	11,743
Revenue from external customers	819,886	484,334	9,004	21,114	1,334,338
Timing of revenue recognition					
<i>At a point in time</i>					
Sale of produce	742,403	411,036	103	18,603	1,172,145
Sale of licences	-	-	2,662	-	2,662
Commissions	17,523	25,794	1,828	-	45,145
Services	43,561	47,497	1,464	2,511	95,033
Royalties	8,789	7	2,947	-	11,743
	812,276	484,334	9,004	21,114	1,326,728
<i>Over time</i>					
Services	7,610	-	-	-	7,610
	7,610	-	-	-	7,610
Revenue from external customers	819,886	484,334	9,004	21,114	1,334,338

3. Prior period segment results have been re-presented to ensure consistency in the composition of business segments to reflect the Group's internal reporting. This has no impact on the income statement or other primary statements with the only impact being in the 2023 segment information presentation.

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.

Income tax (expense) / credit

Income tax expense at 30 June 2024 comprises of:

	Unaudited 6 months to 30 Jun 2024 \$'000	Unaudited 6 months to 30 Jun 2023 \$'000	Audited 12 months to 31 Dec 2023 \$'000
Income tax credit	2,262	5,716	17,654
Deferred tax expense on buildings	(12,675)	-	-
Income tax (expense) / credit	(10,413)	5,716	17,654

On 28 March 2024, the New Zealand Government enacted changes to the tax legislation to remove the ability to depreciate buildings with a useful life over 50 years for tax deduction purposes. For the Group the application of this taxation change under NZ IAS 12 Income Taxes creates a tax carrying value of nil from 1 April 2024 onwards for these New Zealand buildings. This increases the deferred taxation liability by \$12.7 million and creates a one-off, non-cash accounting adjustment to the taxation expense for deferred tax on buildings for the period ended 30 June 2024 of \$12.7 million.

The application of NZ IAS 12 which creates this large deferred taxation liability does not reflect taxation payable if the assets were sold.

5. Property, plant and equipment

	Unaudited 6 months to 30 Jun 2024 \$'000	Unaudited 6 months to 30 Jun 2023 \$'000	Audited 12 months to 31 Dec 2023 \$'000
Asset acquisitions and disposals			
Cost of assets acquired	11,347	36,698	68,510
Net book value of assets disposed	1,154	12,176	42,934
Net gain / (loss) on assets disposed	62	(8)	238

Notes to the financial statements (continued)

6. Dividends

	Unaudited 6 months to 30 Jun 2024 \$'000	Unaudited 6 months to 30 Jun 2023 \$'000	Audited 12 months to 31 Dec 2023 \$'000	Unaudited 6 months to 30 Jun 2024 cents per share	Unaudited 6 months to 30 Jun 2023 cents per share	Audited 12 months to 31 Dec 2023 cents per share
Ordinary shares						
Dividends to non-controlling interests in Group subsidiaries	2,948	3,679	5,668	-	-	-
Total	2,948	3,679	5,668	-	-	-

7. Investments in joint ventures and associates

Set out below are the joint ventures and associates of the Group as at 30 June 2024. 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 2024 and 2023 are:

Name of entity	Place of business and country of incorporation	Ownership interest (%)		
		30 Jun 2024	30 Jun 2023	31 Dec 2023
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 2024, contributions from joint ventures and associates include \$1.1 million from Grandview Brokerage LLC (30 June 2023: \$0.4 million; 31 December 2023: \$1.2 million).

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 \$'0000	Equity instrument designated at fair value through OCI \$'000	Total \$'000
As at 30 June 2024 (unaudited)					
Cash and cash equivalents	53,431	-	-	-	53,431
Term deposits	3,417	-	-	-	3,417
Trade and other receivables (excluding prepayments and taxes)	256,614	-	-	-	256,614
Investment in unlisted entities	-	-	-	79	79
Derivative financial instruments	-	2	13,050	-	13,052
Total	313,462	2	13,050	79	326,593
As at 30 June 2023 (unaudited)					
Cash and cash equivalents	48,242	-	-	-	48,242
Term deposits	2,528	-	-	-	2,528
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 31 December 2023 (audited)					
Cash and cash equivalents	30,508	-	-	-	30,508
Term deposits	2,277	-	-	-	2,277
Trade and other receivables (excluding prepayments and taxes)	217,132	-	-	-	217,132
Investment in unlisted entities	-	-	-	92	92
Derivative financial instruments	-	-	20,378	-	20,378
Total	249,917	-	20,378	92	270,387

Notes to the financial statements (continued)

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 2024 (unaudited)				
Borrowings	293,116	-	-	293,116
Trade and other payables (excluding employee entitlements)	207,945	-	-	207,945
Lease liabilities	185,485	-	-	185,485
Derivative financial instruments	-	155	2,554	2,709
Total	686,546	155	2,554	689,255
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 31 December 2023 (audited)				
Borrowings	197,438	-	-	197,438
Trade and other payables (excluding employee entitlements)	159,390	-	-	159,390
Lease liabilities	173,867	-	-	173,867
Derivative financial instruments	-	49	1,140	1,189
Total	530,695	49	1,140	531,884

Fair value hierarchy

All financial assets and liabilities that use methods and assumptions to estimate fair value at 30 June 2024 are considered to be level 2 in the fair value hierarchy (30 June 2023: level 2; 31 December 2023: level 2).

Valuation techniques used to value financial instruments are consistent with those used in the 2023 Annual Report.

For the six months ended 30 June 2024 and the financial year ended 31 December 2023, the estimated fair values of all the Group's other financial assets and liabilities approximate their carrying values.

9. Contingencies

During the period ended 30 June 2024, the Group provided a \$3.3 million (30 June 2023: nil; 31 December 2023: nil) guarantee to Blueberry Prop Pty Ltd in relation to the lease obligations of T&G Berries Australia Pty Ltd, a 85% owned subsidiary of the Group.

There were no other changes in contingent liabilities during the period.

10. Capital commitments

As at 30 June 2024, the Group is committed to the following capital expenditure:

	Unaudited 30 Jun 2024 \$'000	Unaudited 30 Jun 2023 \$'000	Audited 31 Dec 2023 \$'000
Property, plant and equipment	1,993	4,223	1,222
Intangible assets	324	649	-
Total	2,317	4,872	1,222

11. 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.

12. Events occurring after the reporting period

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

**Building 1, Level 1, Central Park
660 Great South Road, Ellerslie
Auckland 1051, Aotearoa New Zealand**

**+64 9 573 8700
info@tandg.global**

