

In spite of the immense challenges faced by the industry this season, Zespri's 2021/22 Financial Results show total global revenue generated by fruit sales reached NZ\$4.03 billion (US\$2.26 billion), up 12 percent on the previous year.

Including its license sales, the company's total global operating revenue up by 15 percent to NZ\$4.47 billion. Global sales volumes also increased 11 percent on the previous year to 201.5 million trays.

The results saw direct returns to the New Zealand industry increase to a record NZ\$2.47 billion including loyalty payments, despite the considerable uncertainty generated by the COVID-19 pandemic and cost increases across the supply chain. Earnings were again spread through regional communities including within the Bay of Plenty, Northland, Nelson, Gisborne, and the Waikato.

Grower returns remained strong in a challenging season, with per hectare returns representing our second best on record across all varieties:

- The average return for Zespri Green per tray was NZ\$6.35, with the average return per hectare reaching NZ\$75,494.
- Zespri Organic Green reached an average return per tray of NZ\$9.74, with the average per hectare return increasing to NZ\$67,752.
- The average return for Zespri SunGold Kiwifruit was NZ\$11.51 per tray, and the average return per hectare was NZ\$176,026.
- Zespri Organic SunGold Kiwifruit saw a per tray return of NZ\$12.61, with the average per hectare return NZ\$143,772.
- Zespri Sweet Green achieved an average return per tray of NZ\$7.82 and an average return per hectare of NZ\$54,609.
- Zespri's Non-New Zealand Supply sales increased to NZ\$536.9 million while Zespri's net profit after tax is NZ\$361.5 million, a record result and up from the 2020-21 restated profit of NZ\$277.1 million, led by an overall strong performance and by the continued demand for Zespri SunGold license.

Zespri Chairman Bruce Cameron says the results reflect an incredible effort across the industry to continue to operate safely throughout the challenges presented by the pandemic.

"This was an extraordinary season where the industry faced some considerable headwinds in market, throughout the supply chain and on orchard, yet collectively we found a way to tackle the challenges and to continue to succeed.

“Most pleasingly, not only have we delivered strong returns for growers including our second-highest per hectare returns, we’ve strengthened our partnerships across our global supply chain, continued to make positive contributions to our communities and made decisions as an industry to set ourselves up for sustained success,” Mr Cameron says.

Zespri Chief Executive Officer Dan Mathieson says the results reflect the ongoing focus on investment in the Zespri brand, an ability to build demand ahead of supply to create value and the long-term relationships which have helped the industry overcome challenges and continue to move forward.

“This is a really pleasing result given how significant the challenges we faced in the 2021/22 season were. These included the pandemic and ongoing supply chain disruption, shifting weather patterns, tightening regulations, changes to fruit flows, increasing competition in the market, labor shortages, late season fruit quality issues, significant cost increases and international trade challenges,

Mathieson says importantly this growth wasn’t just in New Zealand, with Zespri’s offshore growing operations continuing to perform strongly.

“We saw ZGS financial performance reaching new levels, despite some weather-related challenges in Europe, with volumes of around 26.5 million trays and a contribution to fruit and services payment of around NZ\$410 million,” he added.

“The growth of our offshore production remains critically important, boosting our efforts to serve our consumers year round, helping to hold our shelf space, make our marketing investment more efficient and to maintain commercial partnerships to allow us to launch our New Zealand sales season,” Mathieson said

“As a result, we are able to maximize the benefit from the increased international demand we’re creating, delivering stronger returns to growers in New Zealand and around the world.”

A more sustainable future

Zespri has also continued to embrace more sustainable practices, making solid progress towards our long-term sustainability goals.

“We’ve outlined a range of long-term targets which reflect our commitment to address areas that our consumers and customers have indicated should be a priority for a business like ours”,

“Our climate change strategy, for example, sets out how we will work with the industry to help lead the transition to a low-carbon, climate-resilient future. We’re also continuing to move towards our goal of having 100 percent reusable, recyclable or compostable packaging by 2035 and to strengthen our efforts to create an industry where our people are well supported.”

Mathieson said Zespri had maintained its focus on investing heavily in its communities throughout 2021/22 to ensure the benefits of the industry’s growth are shared.

“Whether it’s creating healthy communities or supporting those in need, our focus on being led by our values continues to allow us to create value for growers and our communities and we will maintain our commitment to this moving forward.”

2022/23 Season Outlook

The industry is continuing to work hard to ensure it can deliver the remainder of the 2022/23 season’s crop which has lower volumes than initially forecast. This year’s SunGold Kiwifruit and Zespri RubyRed Kiwifruit harvest are now complete and Green packing is in full swing.

Mathieson says that challenges remain in the current season, with the pandemic continuing to impact the global supply chain, particularly shipping networks.

“We know the current season is a tougher scenario but the industry continues to adapt and work together to make sure we’re meeting the growing demand for our fruit, managing the uncertainty and challenges and working towards another strong result.