



SHAREHOLDER ALIGNMENT

A POCKET GUIDE TO LAS AND DAS

Loyalty as Shares (LaS): Where eligible growers will have an opportunity to receive their June loyalty payment (relating to our 2024 harvest season) as shares.

Dividends as Shares (DaS): Where eligible growers will have an opportunity to reinvest all or a proportion of their dividend payment as shares.

INTRODUCING OUR FIRST SHARES INITIATIVES



TRACY MCCARTHY

Dear Growers,

Back in April 2000 when Zespri was corporatised as part of the introduction of new regulations, all growers agreed and voted that they should have ownership of their marketer.

As a result, all growers were issued shares in proportion to their production. Today, only around 48% of growers own Zespri shares. We believe lifting this number to align the commercial interests of growers is crucial for several reasons. It helps us make more positive decisions that create value for growers, respond faster to challenges, and ensure that more growers have a say in the direction of Zespri and the industry. This alignment is essential for keeping the industry together and ensuring that the Single Desk continues to work for all growers.

Only producers (owners or lessees of land in New Zealand on which kiwifruit is grown for supply to Zespri) may purchase Zespri shares. As we're a company and not a co-operative, it is not compulsory for producers to own shares or for non-producers to sell their shares.

We've heard from many growers that they would like to buy shares, and that we need to do a better job of making purchasing shares as easy as possible by providing options that aren't compulsory and that don't require growers to make a significant one-off cash payment.

That feedback directly led to the development of the LaS and DaS initiatives that we're launching this year. These give you as growers the option to divert money owed to you by Zespri into Zespri shares, eliminating the need to make significant cash payments, go through lengthy AML processes to open accounts with brokers or find an off-market seller.

This document is designed to provide a quick overview of our LaS and DaS initiatives. Offer documents supporting these options are now available so please ensure you read these along with the Product Disclosure Statement for an offer of ordinary shares in Zespri Group Limited, which is also available on Canopy. As always, we encourage you to seek independent professional advice as you consider whether you wish to opt-in to either LaS and/or DaS.

We believe these initiatives will strengthen our industry and ensure that we can continue to secure value for growers and shareholders in the years ahead.

Looking at other options to lift the number of growers owning Zespri shares will also continue to be a conversation for our industry. Later this year we'll be seeking your views on what other options we may wish to consider so please do get in touch with us if you want to start that conversation.

Thank you for your continued support and engagement.

Tracy McCarthy
Executive Officer, Grower and Industry



LAS AND DAS - THE ESSENTIALS



Work is continuing as we prepare for the roll-out of the first two shareholder alignment initiatives designed to help improve grower ownership of Zespri. These will be available for the first time from May 2025.



Loyalty as Shares (LaS): Eligible growers will have an opportunity to receive their June loyalty payment (relating to our 2024 harvest season) as shares.



Dividends as Shares (DaS): Eligible growers will have an opportunity to reinvest all or a proportion of their dividend payment as shares.

These initiatives will be available from 22 May 2025 and are designed to provide growers with an opportunity to become a shareholder or increase their shareholding without requiring significant one-off payments. This is done by giving growers the option to divert money owed to them by Zespri into Zespri shares.

To assist in achieving Zespri's alignment aspirations and to reduce the dilutionary effect of LaS and DaS on shareholders, Zespri intends to return some or all funds raised under LaS and DaS to shareholders periodically. This may be via a share buy-back or other appropriate form of capital return.

Any decision to proceed with a buy-back will depend on the level of uptake for new shares through the LaS and DaS initiatives. A decision on whether we proceed with a buy-back will be made in late June 2025 once the final LaS and DaS share issue numbers are confirmed, as these initiatives provide the funds required to undertake a buy-back. Only then will we be able to confirm whether a buy-back will take place and the terms of the buy-back offer. Should this proceed, it would most likely take place between late August and September this year.

What is the process for valuing the company as part of these initiatives?

The 'strike price' is the ex-dividend price that Zespri shares will be bought and sold for under LaS and DaS. This price will be set by the Zespri Board after receiving an independent share valuation by a third party valuer - Northington Partners.

What about GST – will it be included as part of LaS?

The final instalment of the loyalty payment received by growers is actually made up of two parts: the loyalty payment itself, and GST. Under LaS, only the loyalty payment component is used to buy Zespri shares. This allows the grower to receive the GST component in cash, which in most cases will then need to be paid to the IRD (although this depends on the grower's own circumstances).





ELIGIBILITY CRITERIA

To be able to participate in either LaS or DaS, you must firstly meet the below criteria to be eligible to purchase Zespri shares:

- ✓ Be a current producer (owner or lessee of land in New Zealand on which kiwifruit is grown for supply to Zespri).
- ✓ Be resident in New Zealand.
- ✓ Have a valid lease with at least 12 months to expiry (if a leaseholder arrangement is in place) and have provided a copy to Zespri.
- ✓ Have the available headroom to acquire more shares.

Additionally, to participate in the 2025 **LaS** scheme, you must have:

- Supplied Zespri with a 2024 crop as per your Schedule 5 Supply Agreement (been the titleholder of the fruit).
- Be due the June loyalty payment.

Additionally, to participate in the 2025 **DaS** scheme, you must be:

- A Zespri shareholder at the time you opt-in to DaS.
- A Zespri shareholder at the record date.





OPTING-IN FOR LAS AND DAS

Offer documents for both the LaS and DaS initiatives are now available to view on the Canopy website. All current Zespri shareholders have also received a 60-day notice (including the offer documents) from Computershare Investor Services which was sent to the communication preference held by Computershare. Zespri has also communicated with non-shared growers to provide them with the same information which was sent directly from Zespri rather than Computershare.

The Zespri Board will be announcing the indicative share price range on 21 May 2025, the day before the offer period opens. Once the offer period opens, applications to opt-in to LaS and DaS will need to be submitted online via the Industry Portal. **The offer period will be open from 8.00 am Thursday 22 May until 5.00 pm Friday 6 June 2025.**



To help growers through the application process, we have developed user guides which take you through the step by step process of how to navigate and apply through the Industry Portal. These user guides are currently available in the Additional Resources section on the Share Alignment Page of Canopy.

What if I have multiple grower numbers?

Because we pay the loyalty at a Grower number level, we use this same mechanism for who can opt-in into the LaS scheme. If you are due the final instalment loyalty payment because you submitted Zespri with the 2024 crop, your entity (if still meeting the eligibility criteria) will have the option to take that money owed as shares. This allows some growers who have multiple KPINs and/or multiple grower numbers the option to opt-in all or only some of their grower numbers providing them flexibility of choice.

Do I need to opt-in to these initiatives every year?

No. Once you choose to opt-in to LaS or DaS you will remain opted-in to the scheme until you choose to opt-out, or until you are no longer eligible to participate in the schemes. If your grower number changes (even to reflect a change in your Registered Supplier), then you will need to opt-in the new grower number.

Will the shares that are issued under the LaS and DaS in July be eligible for the 2025 Dividend?

No. Shares issued under LaS and DaS will not be receiving the 2025 Dividend (the share price you pay for LaS and DaS reflects the ex-dividend strike price).

Can I mix between having some of my dividend as a cash payment, and some as shares?

Yes. If you are eligible to participate in DaS, you can choose to partially opt in by selecting to have either 25%, 50%, 75% or 100% of your net dividend returned as shares. The remaining component (if any) will then be paid as a normal dividend payment. For example, if you choose to participate and opt-in 75% of your net dividend as Dividend as Shares, the other 25% will be issued as a cash dividend payment.

How is the amount of Dividends as Shares I'll receive calculated?

Those eligible and participating in DaS will receive a whole number of shares based on the after tax dividend amount calculated by Computershare, multiplied by the participation percentage (either 25% / 50% / 75% / 100%) selected during the DaS opt-in process (or adjusted during the opt-out window), divided by the strike price. Any part rounding for the DaS scheme is managed and carried forward by Computershare.

The selected opt-in participation percentage may be adjusted down by Zespri on a pro-rata basis across all applicants if scaling is required to reduce the total number of shares issued under the DaS scheme to a level determined by the Zespri Board.





LOYALTY AS SHARES EXAMPLE



2024 Season Submit Trays of Production	Loyalty Second Instalment (15c per tray used as example only)	Loyalty GST (at 15%)	Second loyalty payment due to Grower	Strike Price (example only)	Loyalty Amount (no GST) used to purchase shares	# shares (rounded down) issued for LaS on 11th July
20,100	\$3,015	\$452.25	\$3,467.25	\$6	\$3,015	502

$\$3,015/\6
= 502 shares

Notes:

- Rounding of \$3.00 and GST of \$452.25 will be paid separately as cash on or around 30 June 2025.
- Growers cannot select to part-participate in LaS, once opted in at a grower number level. The full second instalment loyalty amount excluding GST will be applied for LaS.



DIVIDEND AS SHARES EXAMPLE



Cash Dividend Declared (per share)	Number of Shares currently held	Dividend paid by Zespri to Computershare	Tax Deducted after imputation credits applied (in this example 20%)	Net Dividend	\$ DaS chosen by this grower*	Amount converted to shares	Strike Price (example only)	# shares (rounded down) issued for DaS on 18th July
\$0.80	1000	\$800	\$160	\$640	50%	\$320	\$6	53

$\$320/\6
= 53 shares

* Grower selected participation percentage may be reduced as a result of scaling.

Notes:

- Rounding of \$2.00 would be carried forward by Computershare to be added to next dividend payment.

LAS AND DAS - KEY DATES



1 MAY 2025

60-day notice sent to Shareholders and offer documents available on Canopy.



21 MAY 2025

Board announces indicative share price range based on independent valuation.



8AM, 22 MAY - 5PM, 6 JUNE 2025

Zespri LaS/DaS offer period. Applications open via the Industry Portal. Eligible growers may opt-in to LaS and/or DaS.



13 JUNE 2025

Loyalty Payment 2 (cash payment for those not opting into LaS).



18 JUNE 2025

Strike price announcement date based on independent valuation.



8AM, 19 JUNE - 5PM, 26 JUNE 2025

Opt-out window - Growers can opt-out of the LaS and/or DaS if they have opted in previously but don't like the strike price, or if they wish to leave LaS and/or DaS for any other reason.



30 JUNE 2025

Loyalty payment (cash payment for those that have opted into and then opted out of LaS). The GST component and rounding remainder will also be paid on this date for those that have opted-into LaS.



LATE JUNE 2025

Decision on whether to proceed with a buy-back once LaS and DaS share numbers are confirmed



5PM, 4 JULY 2025

Dividend record date (2 weeks prior to dividend payment). This is a snap shot in time of the Zespri share register which determines eligibility for the dividend.



11 JULY 2025

Zespri issues shares under LaS to those who have opted-in



18 JULY 2025

Zespri issues shares under DaS to those who have opted-in and pays cash dividend to those who haven't opted-in.



BETWEEN LATE AUGUST AND SEPTEMBER 2025

Proposed time range for buy-back to take place.

Note: These dates are current as at the date of publication but could change.



CHAT TO OUR ZESPRI SHARES TEAM

If you have questions about how to buy shares, your eligibility, or LaS and DaS, please email shares@zespri.com or call the Zespri shares team on **07 572 6402**.