Zespri KIWIFRUIT

# ZESPRI FIVE-YEAR OUTLOOK


2025/2026

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# INTRODUCTION

## THIS OUTLOOK PRESENTS AN OVERVIEW OF ZESPRI'S FIVE-YEAR PLAN, WHICH IS UPDATED AND REVIEWED BY THE ZESPRI BOARD ANNUALLY. THIS EDITION COVERS THE PERIOD FROM THE 2025/26 HARVEST SEASON TO 2030/31.

The Outlook provides growers, industry, and shareholders with a summary of how Zespri's medium-term strategy will be implemented by category, and sets out some of the key challenges and opportunities ahead.

It does rely on several assumptions and the further out it looks, the less certain the assumptions, with the plan becoming more directional.

Our intent with this Outlook is to provide key information to growers and industry stakeholders to help inform business decisions. It is designed to be read in conjunction with other key corporate documents including without limitation the annual independent valuation released every May, and Zespri's *Continuous Product Disclosure Statement*, published in November.

Key assumptions within this Outlook include the following:

- Forecasts within this Outlook are based on existing cultivars that Zespri has commercialised
- New cultivars within the breeding programme not yet commercialised are excluded from forecasts
- Potential impacts on yields, size and quality from limited trials of Plant Growth Regulators in New Zealand during 2026 or on-orchard innovation which may improve productivity are not factored into this Outlook.

Yield assumptions that have been used, based on existing growing practices and methods, are as follows.

### NZ SUPPLY

| Fruit Group | Yield assumption | 2026 Yield | 2030 Yield* |
|---|---|---|---|
| Zespri SunGold™ Kiwifruit | Year 4+ | 15,550 | 15,550 |
| Zespri Organic SunGold™ Kiwifruit | Year 4+ | 11,700 | 11,700 |
| Zespri Green Kiwifruit | Average** | 10,850 | 10,850 |
| Zespri Organic Green Kiwifruit | Average** | 7,100 | 7,100 |
| Zespri RubyRed™ (Red19) Kiwifruit | Year 4+ | 7,600 | 8,850 |
| Zespri RubyRed™ (Red80) Kiwifruit | Average yields expected to reach 10,250 by 2035 | N/A | N/A |

**Future yields (2030) are based off a five-year rolling average, which excludes 2023 yields, and do not incorporate potential yield improvements from growth regulator innovations.*

***An 'average' yield assumption has been used for Green and Organic Green Kiwifruit as these are largely mature orchards. In comparison, a Year 4+ yield assumption has been used for Zespri SunGold and RubyRed Kiwifruit given the 'average' is brought down by new hectares still being planted.*

### ZGS SUPPLY

| Fruit Group | Yield assumption | 2026 Yield | 2030 Yield |
|---|---|---|---|
| Zespri SunGold™ Kiwifruit - Italy | Year 4+ | 7,850 | 9,250 |
| Zespri SunGold™ Kiwifruit - France | Year 4+ | 5,600 | 7,000 |
| Zespri SunGold™ Kiwifruit - Korea | Year 4+ | 8,600 | 9,800 |
| Zespri SunGold™ Kiwifruit - Japan | Year 4+ | 6,000 | 7,000 |

# KEY POINTS

## THIS DOCUMENT CONSIDERS THE MEDIUM AND LONGER-TERM RISKS AND OPPORTUNITIES AHEAD OF THE INDUSTRY.

The demand outlook for Zespri Kiwifruit is positive, built on a high-quality, great-tasting product, sustained investment in sales and marketing activities, outstanding supply chain execution and continued promotion of the health and nutritional benefits of our kiwifruit. Our focus, as we look ahead, is to build brand-led demand, transform our global supply chain and create the product portfolio of the future so we can continue to deliver strong value to growers and the wider industry.

To do this, we must also continue to meet customer and consumer demands by giving the market what it wants, including 12-month supply. We are operating in an increasingly competitive and complex marketplace and our ability to maximise returns is subject to maintaining our category leadership position, including being able to hold shelf space year round.

Further details on these opportunities and the potential risks we face are outlined on pages 10-13.

## MARKET TRENDS AND INDUSTRY CONTEXT

While this Outlook acknowledges the nature of our current operating environment and the rapidly intensifying competition in the market, what hasn't changed are the following general points:

- Zespri is a premium brand with a strong demand outlook.
- Consistent outstanding taste, quality and nutrition, powered by our brand purpose, engagement, recognition and trust among consumers, are key to Zespri staying ahead of the competition, delivering great value to consumers and commanding a premium price. The Zespri brand is now a top three fruit brand in 11 out of our 15 core markets.
- There is strong demand for our fruit, helping us exceed our longstanding goal of $4.5 billion in global sales revenue in 2025, with Zespri focused on ensuring we have a winning 2035 strategy that captures demand and delivers strong value to growers, shareholders and our wider industry.
- We're operating in a complex geopolitical and economic environment with heightened geopolitical tensions impacting on the global economic slowdown, with the impact and unpredictability of the US, including tariffs, playing a role.
- The volatility and uncertainty of the global economy and the high cost of living continue to put pressure on premium fruit pricing, requiring brands to work harder to drive share of mouth and wallet.
- The industry is facing cost and growing regulatory pressures, along with industry capacity challenges which we need to respond to.
- The increasing focus of consumers globally on their health and wellness will continue to drive fruit consumption, with a growing focus also on eating well, self-care practices and eating well to prevent poor health outcomes.
- The rise of the middle class in developing markets where demand for premium fruit is most noticeable including in China, India and Vietnam.
- There is more competition in the kiwifruit category, particularly in Europe and China, and in the wider fruit category too.
- There is heightened demand in some markets for locally-grown produce with lower environmental impacts and associated food miles in some markets in Europe.
- Sustainability pressures from regulators and customers are increasing, with European markets leading the way on carbon regulations, sustainable packaging and climate reporting disclosures. Zespri must continue to meet these rapidly evolving requirements to keep up with best practice, maintain market and customer access and remain relevant.
- We continue to respond and adapt to future climatic conditions, and we're developing a Climate Change Transition Plan, which outlines Zespri's response to increasing climate risks.

## CATEGORY UPDATES

- Zespri Green remains a vital part of our portfolio and central to delivering our 2035 strategy. In 2025, the category was strengthened by the new EU-authorised digestive-health claim. Continued improvements in fruit quality, market mix, and supply–demand balance are driving value in key markets, while our focus on yield and cost efficiency in New Zealand ensures Zespri Green delivers strong, sustainable returns for growers. Looking ahead, our priority remains enhancing efficiency and quality while investing in innovation to future-proof the portfolio and defend Zespri Green's core role.

- Zespri SunGold Kiwifruit continues to be the cornerstone of Zespri's branded kiwifruit portfolio, with consistently strong demand across our core markets driving future volume and revenue growth. This sustained demand and considerable increase in yield has enabled Zespri to deliver record per-hectare returns for SunGold growers, with forecasts for 2025/26 exceeding last year's record levels. The profitable growth generated by our SunGold brand creates a positive cycle of value creation, allowing for continued investment in building Zespri's brand strength, supporting our broader fruit portfolio, increasing our resilience towards pricing fluctuations and helping build a strong reputational foundation for other Zespri brand categories including Zespri Green and Zespri RubyRed Kiwifruit.

- The Zespri Organic portfolio allows us to meet the needs of health and eco-conscious consumers with a range of organically-grown kiwifruit. To deliver super-premium returns to our organic growers, we adopt a targeted approach to reaching organic consumers through the right markets and channels and ensuring the right placement and visibility in store. While the organic category has slowed since the covid-era surge, demand for Zespri Organic remains strong and we have seen rapid growth, particularly in the USA, where sales of Zespri Organic SunGold Kiwifruit and Zespri Organic Green increased 50 percent and 20 percent respectively from 2024. This demand continued despite the implementation of tariffs, which had a proportionally higher impact on the organic portfolio given the USA is our largest organic market.

- As the newest addition to our portfolio, Zespri RubyRed Kiwifruit continues to drive novelty as we expand presence across our markets. In an increasingly competitive marketplace, it is helping attract new consumers to kiwifruit through its vibrant red colour, distinctive berry flavour and serving a different consumer need to that of Zespri Green and SunGold Kiwifruit. This helps provide broader incremental sales opportunities for Zespri. However, the current short storage window of Red19 limits both its on shelf availability and our ability to supply all of our core markets. To help grow the value of our RubyRed category and ensure high-quality fruit is available in our core markets for as long as possible, our Red19 variety has been commercialised in Italy in 2025 to help build a presence in Europe. An additional variety - Red80 - which is later to harvest and longer storing, has also been commercialised in New Zealand, with licence available from 2026. These initiatives are aimed at helping grow demand, unlocking additional markets and delivering enhanced value to all RubyRed Kiwifruit growers.

## 2035 STRATEGY – THE WORLD'S HEALTHIEST FRUIT BRAND

Having exceeded our longstanding goal of $4.5 billion in global fruit sales by 2025, our focus has turned to the next 10 years and ensuring we have the right strategic drivers in place through our 2035 Strategy to deliver value to growers, shareholders and our wider industry stakeholders over the next decade.

This strategy builds on the fundamentals that have underpinned our success, while positioning us to thrive in a more competitive, complex, and rapidly changing global environment.

At the heart of our 2035 Strategy is a bold ambition - to become the World's Healthiest Fruit Brand.

It will require us to be first for consumers, first for growers, and first for our people – delivering the healthiest products, building the healthiest brand, developing the healthiest supply chain and partnerships, and fostering the healthiest people and culture.

We'll measure this through metrics including our brand performance across our top 15 global markets, Grower Net Satisfaction and being the Employer of Choice for our people.

These are all critical to our ability to deliver the healthiest returns to our growers and shareholders.

Our approach will be built around three key strategic drivers, designed to respond to the key global macro-trends shaping our industry and ability to unlock new value:

1. Unleashing brand-led demand
2. Transforming our global supply, and
3. Creating the product portfolio of the future.

We will focus on Zespri Kiwifruit's nutritional benefits and highlight our fruit's positive societal impact, with our teams continuing to embrace world-leading marketing campaigns to promote our brand and drive demand. This will include the adoption of new technologies such as artificial intelligence within our marketing campaigns, helping us reach more consumers and igniting demand through new and existing channels. This will help forge deeper emotional connections with consumers.

We'll build more agility and resilience into our global supply chain and optimise our cost to serve, as we seek to enhance our capacity to deliver an efficient and reliable fruit supply and to maximise the value returned to growers. We're well positioned with our New Zealand and Zespri Global Supply helping keep our fruit on shelves for 12 months of the year and the ongoing supply chain improvements we're making.

Innovation will be critical to our ability to create the product portfolio of the future. We'll be accelerating the delivery of high-value varieties including an improved green and extending the season for our red kiwifruit, as well as innovating for new consumer demand spaces. There will also be work on new high-performance growing systems and tools so we are well placed to address challenges like climate change and productivity improvement.

# OVERVIEW OF DEMAND AND SUPPLY

This Five-Year Outlook sees New Zealand supply increase from 214 million trays in the 2025 harvest season to 236 million trays in 2030 (10 percent volume growth).

In recent years, slowing down the release of Gold3 licence has allowed the industry to consolidate and build capacity off the back of the COVID pandemic and more challenging seasons impacted by adverse weather events. This has helped restore grower confidence in our ability to pursue the opportunity in market.

As we look forward, we are confident in our ability to unlock more of that valuable consumer demand. Accordingly, we have increased our licence release range from previous indications to signal the potential to lift the volume of licence release to meet more demand.

Through this period, we are forecasting per tray Orchard Gate Return (OGR) ranges of:

- Zespri Green Kiwifruit: $9.00 to $11.00
- Zespri Organic Green Kiwifruit: $12.50 to $14.50
- Zespri SunGold Kiwifruit: $11.00 to $14.00
- Zespri Organic SunGold Kiwifruit: $13.50 to $16.50
- Zespri RubyRed™ Kiwifruit: $12.50 to $16.50*

These ranges reflect both upside and downside opportunities and risks over the five-year period.

**Zespri Green Kiwifruit**

- Forecasts indicate a gradual reduction in the New Zealand supply of conventional Zespri Green Kiwifruit from approximately 65.3 million trays in 2025/26 to around 56 million trays by 2030, driven by orchard conversions, returns and natural yield variability.
- This moderation in supply along with our ability to deliver optimal size and quality are critical enablers to maximise Zespri Green returns in the future.

**Zespri Organic Green Kiwifruit**

- New Zealand supply of Zespri Organic Green is expected to remain stable at 3.6 million trays through to 2030, based on current yield estimates.
- At this volume, we have been able to extract strong value from demand for green kiwifruit among organic consumers.

**Zespri SunGold Kiwifruit**

- New Zealand supply of Zespri SunGold Kiwifruit is expected to increase from 139.5 million trays in 2025/26 to 163.5 million trays supplied in 2030. This is equivalent to 17.2 percent volume growth, representing 4 percent compound annual growth (CAGR).
- As part of the 2026 licence release programme, the Zespri Board intends to release 400 hectares of Gold3 licence through the existing unrestricted pool. With Green supply levels now largely aligned with target demand at levels that will likely deliver sustainable returns to Green growers, the former Hayward/Green14 cutover pool for Gold3 licence will not be offered in 2026 or beyond.

*NB – this range includes both Red19 and Red80 cultivars.*

**Zespri Organic SunGold Kiwifruit**

- Based on current yield estimates and expected conversions to organic growing, we expect there will be approximately 6 million trays of New Zealand supply of Zespri Organic SunGold Kiwifruit by 2030.
- With 4.7 million trays delivered in the 2025/26 season, a key focus continues to be on building demand for Organic SunGold Kiwifruit in order to drive long-term value.

**Zespri RubyRed Kiwifruit**

- Red remains an exciting category, adding novelty and interest to the beginning of the New Zealand sales season and helping bring new consumers to the category.
- We're continuing to deepen our understanding of how to optimise growing, size, storage and handling of Zespri RubyRed Kiwifruit - building confidence on how to drive run-rates and stay longer on shelf as supply continues to ramp up.
- As part of the efforts to extend RubyRed presence on-shelf, Zespri has developed a complementary later-harvest cultivar, Red80, to join Red19 under the Zespri RubyRed Kiwifruit trademark and extend the commercial window.
- Building on best practices in fresh produce, Zespri's strategy is to build agility and resilience for its products through diversifying the cultivars that deliver the consumer propositions, under each trademark. The Zespri Board intends to release 100 hectares of Red80 licence in 2026, of which 50 hectares will be in an unrestricted pool and 50 hectares in a restricted cutover pool for Red19 growers, recognising the role of Red19 in establishing the RubyRed category.
- New Zealand supply of Zespri RubyRed Kiwifruit is expected to increase from 3 million trays in 2025/26 to 7.4 million trays supplied in 2030. This growth accounts for the complementary use of Red19 and Red80.

## ZESPRI GLOBAL SUPPLY (ZGS)

- Following strong industry support for the expansion of ZGS in a Producer Vote in late 2024, Zespri allocated an additional 420 hectares of new plantings across Northern Hemisphere growing locations in 2025. This included:
  - 300 hectares in Italy
  - 40 hectares in France
  - 70 hectares in Greece
  - 10 hectares in Korea

  An additional 420 hectares of new plantings across Northern Hemisphere growing locations have been approved for 2026, including:
  - 260 hectares in Italy
  - 40 hectares in France
  - 120 hectares in Greece

  These new plantings, in addition to existing ZGS approvals of 5,000 hectares of SunGold Kiwifruit, procurement of up to 20 million trays of Green and 1,000 hectares of new varieties, means we expect non-New Zealand supply of around 50 million trays for Green and SunGold Kiwifruit by 2030.
- In total, Producers approved an additional 2,520 hectares of SunGold Kiwifruit to be allocated in ZGS regions over six years in the November 2024 Producer Vote. Supply is expected to grow from within ZGS regions to around 41 million trays of SunGold Kiwifruit by 2030 and 60 million trays by 2035/36 - meeting 58 percent of demand by 2035/36, rather than 43 percent from the previously approved 5,000 hectares.
- By 2035, forecasts indicate there will be demand for an additional 43 million trays on top of our current supply for non-New Zealand SunGold Kiwifruit, providing the opportunity for Zespri to capture more demand and if we don't, a risk that competitors fill the supply gap.

# KEY PRIORITIES

## PERFORMANCE AND EFFICIENCY

A key priority will be simplifying our processes and narrowing our focus so that we're concentrating on the areas that will deliver strong value to our stakeholders. This includes managing our costs, with a particular focus on managing the cost of quality, and delivering efficiencies as part of our ongoing efforts to reduce our cost to serve.

## BRAND DEVELOPMENT

In a more competitive environment, we will continue to invest in evolving the Zespri brand so that we stand out as a globally iconic brand that consumers love. This will include providing natural nutrition and wellness for society, and accelerating our innovation programmes so that we can deliver leading cultivars that support our future brand positioning, and maintain our position as the category leader.

## SHARE OWNERSHIP

Lifting grower share ownership of Zespri remains a key priority for growers and Zespri. Stronger grower ownership of Zespri helps us to maintain grower control of the industry, strengthen industry unity and the Single Desk, remain market-led, and make decisions to maximise grower returns. Strengthening grower ownership of Zespri has been a key focus with Loyalty as Shares (LaS) and Dividends as Shares (DaS) helping to lift grower ownership from 48 percent to 65 percent, with 327 new grower shareholders as a result of the 2025/26 LaS offer. We're currently exploring additional options to further improve alignment and to future proof these improvements.

## INTELLECTUAL PROPERTY PROTECTION

Protecting the investment the industry has made in the Zespri brand, our product trademarks (Zespri SunGold™ and Zespri RubyRed™ Kiwifruit), and in our Plant Variety Rights remains a critical focus.

This includes our ongoing work to address Gold3 plantings in China. Our latest estimate indicates that there are approximately 7,500 hectares in the ground, producing an estimated total of 39 million trays. Indications are that around 25 million trays, or 65 percent, of this fruit are likely to be equivalent to Zespri Class 1 standard. While the rate of planting appears to have slowed, overall production is increasing as more of the planting reaches maturity. Locally-grown Gold3 fruit is being sold in China and in neighbouring markets in south-east Asia.

We have successfully used legal channels in China to prosecute individuals, including the decision in October 2025 that a grower had infringed Zespri's IP rights. The decision, which ordered the defendant to remove 260 hectares of Gold3 plant material and pay compensation equivalent to NZD $1.28 million, demonstrates the increasing protection for plant variety rights. While this decision has been appealed by the defendant, there are many other indications of stronger recognition of plant variety rights in China, which provide support for our ongoing enforcement efforts. These include changes to China's Seed Law in 2022, several landmark decisions by China's Supreme People's Court, the introduction of punitive damages for wilful infringement and an essentially derived varieties (EDV) system, five-year term extensions for new PVRs, stronger administrative enforcement, and significantly higher compensation.

We have also worked with local authorities to take enforcement action against counterfeit operations, and Zespri is using an origin testing programme of the chemical fingerprint of fruit to ensure that China-grown Gold3 is not blended with genuine Zespri fruit in our high value customer channels. We will continue to work with the industry to find a constructive solution to the continuing changes seen in China associated with unauthorised Gold3 plantings in order to strengthen grower value and protect our IP.

Zespri has also commenced a formal opposition process to the PVR application lodged with the New Zealand Intellectual Property Office for the variety known as E2. Our formal opposition is based on our belief that the E2 fruit is either Gold3, or has been bred from it, is indistinct and potentially infringing our plant variety right. We anticipate this process could take 18 months or more.

# MARKET TRENDS & INDUSTRY CONTEXT

## OPPORTUNITIES

Opportunities which support our confidence in the future include:

**Macro population changes:**

- The **rise of the middle class** in developing markets, including China, India and Vietnam, where demand for premium fruit is most noticeable. Note, in some of our more mature markets, middle-class spending power is declining due to inflation pressures and ageing populations with less income.
- **Ageing populations** is a universal trend globally and a driver of fruit consumption growth, due to the heightened health awareness and dietary needs of the elderly. In some of our markets, but not all, the higher fruit intake is forecast to outweigh population decline and ageing populations.

**Headroom for growth:** Zespri's kiwifruit portfolio reached over 100 million households globally in 2025, with affluent household penetration in our core markets tracking at ~31 percent. The category remains significant but still under-penetrated, with the global kiwifruit market size in the range of $USD 10-11 billion in 2025 and forecast to grow at ~8-9 percent compound annual growth through to 2034, highlighting both the scale and growth opportunity.

**Health and wellness:** People are placing greater importance on living healthier lives and focusing on their overall wellbeing. There is a growing interest by consumers in products, services, and experiences that make it easier and more enjoyable to make positive, proactive choices for health. Nutritionally, kiwifruit continues to stand out: one medium-size fruit delivers a high proportion of daily Vitamin C and fibre, making it a go-to for health-focused consumers.

**Sales and marketing:** We're continuing to work with our customers to deliver sales and marketing excellence. This includes deepening joint business planning, strengthening distributor partnerships, and raising our in-store excellence and sales conversion. From a marketing perspective, we're embedding a consumer insight engine which assists us in better understanding consumers' changing needs, and scaling brand-led demand through proven creative platforms and retail media, so that we can grow the brand and sell more trays - consistently and efficiently - as volumes rise.

**Zespri Global Supply (ZGS):** Zespri Global Supply (ZGS) is central to our strategy of delivering premium Zespri Kiwifruit to customers year-round, meeting strong market demand and supporting the value we return to New Zealand growers. By working with the top growers in the Northern Hemisphere, ZGS ensures our brand remains visible and relevant throughout the year, maximises the impact of our marketing investment, and helps us respond to evolving consumer needs. This approach not only protects and grows returns for New Zealand growers, but also positions Zespri to lead the category into the future.

**Kiwifruit Breeding Centre (KBC):** KBC is exploring new ways of producing the most nutritious, tastiest, productive, climate-resilient, highest-value kiwifruit. This includes exploring new kiwifruit cultivars (including new Green and Red cultivars) by integrating science, digital tools and genomics.

**Innovation:** Innovation is central to our 2035 strategy, driving productivity, sustainability, and long-term value for growers. We're investing in new production systems, advanced technologies, and partnerships that help future-proof orchards and enable us to meet evolving consumer needs. By embedding innovation across our business, we're ensuring Zespri remains at the forefront of an increasingly competitive marketplace, and well positioned for growth.

**The Horizon Programme:** The Horizon programme is helping sustain our industry's growth trajectory by updating many of Zespri's core systems to protect our ability to get fruit to market and ensure Zespri can operate efficiently, scale globally and be fit to compete in the future. Over the past year, this has included the continued rollout of Clarifresh for in-market fruit inspection, an Enhanced Customer Claims Portal for streamlining the fruit claims process, the near completion of the Global Market Allocation Plan, and updating sustainability reporting and analytics. Work is also underway updating Zespri's Grower Portal to provide a modern, secure, and simplified experience for growers. Looking ahead, systems that engage growers and those connecting with post-harvest suppliers will be updated as we continue to replace constrained legacy systems and manual processes, mitigate operational risk, protect market access, and embed scalable, secure, and resilient technologies, including AI to position the industry for success over the next decade.

**Climate change readiness:** With more significant weather events and shifting climate patterns affecting producers across the horticulture sector, climate change is reshaping global supply chains, driving new regulations and influencing consumer expectations. Today, consumers are increasingly supporting companies that not only provide great products, but that act responsibly for people and the planet. As part of Zespri's commitment to sustainability, we are continuing to transition to a low-emissions future while adapting to the impacts of climate change across our supply chain. This is critical to continue delivering premium-quality Zespri Kiwifruit to global markets, while meeting evolving regulatory standards and customer expectations.

**Zespri's hedging policy:** Zespri's foreign exchange hedging programme allows us to take advantage of longer-term foreign exchange rates, reducing the impact of currency fluctuations on New Zealand grower returns across seasons. More than one billion dollars have been delivered back to the New Zealand kiwifruit industry over the past two decades through the programme.

**Sustainable packaging:** Customer, consumer and regulatory pressures continue with regards to packaging. Zespri has made good progress towards the targets we set in 2020, including the adoption of fully home compostable fruit labels across all of our fruit and trials of alternative packaging materials that meet our food safety and quality requirements. In light of the logistical challenges associated with the need for better recycling systems and more affordable sustainable materials, we are updating our packaging strategy, identifying new targets that we will work towards in the coming years.

**India tariff reduction:** Work continues to reduce tariffs on the export of New Zealand kiwifruit exports to India – the world's largest market by population and fastest-growing large economy.

## CHALLENGES AND RISKS

While our future is positive, growers and investors should also consider the risks of growing and exporting kiwifruit from New Zealand.

Risks and uncertainties which may impact Zespri's performance include:

**Loss of single desk status:** The Kiwifruit Export Regulations 1999 give Zespri the sole right to export kiwifruit from New Zealand, other than to Australia, alongside approved collaborative marketing programmes to other offshore markets. If the Regulations were amended to remove or reduce this status, then Zespri's current structure and operations could be significantly disrupted. Zespri continues to prioritise the importance of Industry Alignment to ensure growers, shareholders and our industry partners support the single desk status and future opportunities to unlock more value.

**Fruit quality:** Maintaining a high level of fruit quality is critical to protecting our brand and to maximising the value we can return to growers. In recent years, the industry has embraced a number of initiatives designed to improve fruit quality through best-practice kiwifruit growing and harvesting, strengthened onshore quality assurance programmes, and rebalanced commercial incentives. This has been supported by greater visibility of real-time data through system upgrades as part of the Horizon Programme. A continued focus on quality will help reduce fruit waste and ensure more kiwifruit is able to be exported or new sources of value created.

The quality strategy review is currently underway to ensure full alignment with Zespri's 2035 strategy. This review will identify opportunities to strengthen fruit quality across the supply chain while actively working towards reducing the cost of quality. It will look to embed global best practices to enhance consistency, optimise quality assurance processes to improve fruit quality outcomes, and leverage data-driven insights for continuous improvement. Additionally, this is being supported by the Global Soft Fruit Trial, which aims to improve our understanding of global variation and enhance market-specific outcomes.

**Market conditions:** An increasingly complex geopolitical environment is likely to affect market conditions. In China, recent higher levels of consumer uncertainty following a longer-than-expected period of slower economic growth has made for a more difficult market environment. We have also seen tariff uncertainty in the United States impact market conditions, alongside ongoing global conflicts and disruption – particularly throughout Europe – and a more challenging economic and political environment in key Asian markets such as Japan, Korea and Taiwan.

**Ongoing cost pressures:** More than half of consumers have struggled with rising living costs since 2020. Higher interest rates over this time (tightening monetary policy) have contributed to increased costs and a more challenging recent environment in some of our mature markets. This has seen consumers focus on what 'value' means to them, with some buying less or looking at cheaper alternatives. As a premium fruit, Zespri must justify our value more than ever by delivering on quality and investing in our brand strength and promoting the health benefits of our fruit.

**Increased competition:** The competitive environment for fresh produce generally, and kiwifruit in particular, continues to become more challenging as competitors try to leverage the category demand and value space created by Zespri, particularly in Europe and China. This includes a larger volume of competitor red, green and yellow kiwifruit being available on shelves, especially during the northern hemisphere supply window to fill demand in the New Zealand counter season, as well as increasing numbers of kiwifruit plant variety rights applications globally. Competitors are increasingly seeking to replicate Zespri's 12-month supply strategy, supported by proprietary products and competing brands underpinned by investment in marketing and in-store activities. At a production level, Greece's kiwifruit production has surged by more than 50 percent in the last five years to be nearing New Zealand's total producing hectares, while China has 45,000 hectares of reds and around 7,500 hectares of Unauthorised Gold3. More broadly, fruits such as berries, cherries and durian are also capturing more of the premium fruit market in Asia which has potential to dilute Zespri's ability to stand out as a uniquely branded product within the fruit basket.

**Maintaining price-premium:** Rising cost and competition mean we need to work harder to maintain our price-premium. In China premium fruit pricing declined on average by 13 percent in the past year, although Zespri's SunGold pricing to customers was not as severely impacted with a -5 percent pricing decline in 2025. We're forecasting 3 percent annual pricing growth for SunGold Kiwifruit in China in the coming years.

**Geopolitical, trade and economic risks:** Policy issues such as price controls, trade embargoes and sanctions, tariffs, subsidies, quotas and other non-tariff barriers could impact kiwifruit sales. Other factors such as war and geopolitical tensions can constrain the flow of goods and impact costs of inputs such as shipping and energy, with forecasts anticipating an unsettled global outlook over the next decade. Market access can be impacted by several factors including phytosanitary, regulatory, food safety, biosecurity, compliance changes and broader global trade relations and geopolitics. Zespri is working to mitigate this risk by maintaining a broad demand base and faster development of large volume markets, close monitoring of our environment, strong government relations and adherence to robust supply protocols. This is combined with a risk management framework and risk mitigation strategies for various scenarios, and a commitment to deepening our presence in existing markets while exploring new markets to ensure we maintain a diversified approach.

**Environmental pressures:** Increasing environmental regulation and customer requirements could impact Zespri's market access if we do not meet new requirements. To protect our value in market, we will need to continue to address the circularity of our packaging, as well as addressing the environmental challenges we contribute to and are affected by, such as greenhouse gas emissions, water, biodiversity and impacts from climate change. Our customers are increasingly looking to market assurance schemes, such as GLOBALG.A.P, to ensure environmental standards are being met.

**Climate change impacts:** Preparing for the impacts of climate change is core to ensuring the industry is climate resilient and can continue to thrive. Zespri is reviewing our climate targets set back in 2020. This includes developing a Climate Change Transition Plan and exploring a practical, accountable pathway to a low emission, climate resilient future for Zespri and our industry. The Plan outlines Zespri's updated climate risks and opportunities, alongside focus areas for decarbonisation and adaptation actions such as continued work on future growing systems and the development of new varieties of kiwifruit that are climate tolerant.

**Cost of carbon:** The cost of carbon trading and taxes is expected to rise as existing global carbon prices increase and countries consider introducing new taxes or trading schemes. This includes a higher cost from international shipping being phased into the EU Emissions Trading Scheme, which translates into direct cost for the industry. The International Maritime Organisation has delayed its decision on introducing a shipping emissions pricing scheme until 2026. If voted in, the scheme would be introduced in 2027.

**Reliance on particular suppliers/distributors:** If distributors in key markets were lost, Zespri might not be able to immediately efficiently reallocate supply or find an alternative distributor, impacting season delivery and returns. Zespri believes its current business split of distributors is appropriate and has proven no significant risk for many years. Zespri has also been working to reshape its relationships with distributors from traders to strategic partners through joint business planning, longer term contracts, and by joint value creation to develop stronger loyalty and certainty.

**IT systems and infrastructure:** Zespri relies on the performance of its own and its suppliers' technology across the full supply chain. If Zespri's IT was interrupted, compromised or damaged, depending on the issue it could result in fruit loss, revenue loss, reputational damage and/or significant costs to restore functionality. Zespri continues to invest in IT infrastructure to try and ensure its systems are robust and secure. Operational disruptions and cost-overruns are further risks that may arise in connection with any IT system upgrade or significant maintenance event.

**Supply chain capacity and pace of growth:** Having sufficient capacity to pack and store fruit in New Zealand and in-market continues to be a critical enabler to achieving our strategy. We continue to monitor forecast New Zealand industry capacity and send clear signals to our post-harvest partners on future supply volumes, as well as procurement and shipping phasing, so that they can plan potential investment to support expected crop volume increases. Growers are encouraged to ensure that for any development of orchards there are strong associated partnerships with a post-harvest company to make sure there is capacity to pack and store the fruit. We're also continually updating our end-to-end supply chain scenario modelling to ensure we have access to sufficient shipping capacity and in-market cool storage to successfully deliver the best quality product to our customers in a timely manner.

**Biosecurity:** Unwanted pests and disease could impact crop quality and volume, as well as New Zealand's reputation and market access. For example, the high risk and potential consequences of a Brown Marmorated Stink Bug incursion have made it a priority for biosecurity readiness and response for both the industry biosecurity organisation, Kiwifruit Vine Health (KVH), and the Ministry for Primary Industries, and the industry remains alert to potential fruit fly and other pest incursions.

**Non-compliance and brand risk:** Consumers, regulators and communities are increasingly concerned about compliance issues and brands being good members of their communities, resulting in a higher level of scrutiny on industries like ours. Any issues like worker exploitation, water quality, water use, or poor spray management could attract negative attention, impact on our reputation, our social licence, and our ability to operate without greater regulatory constraints, and to attract the value enabled by being a premium brand. Zespri will continue to work with the industry so that we can protect the value we have created together.

**Regulation:** Ensuring ongoing compliance within an increasingly complex regulatory environment, where numerous markets are introducing regulatory frameworks to drive both operational risk mitigation and reporting requirements around areas such as supply chain transparency/due diligence, sustainability, privacy, artificial intelligence, and other demands of their respective populations. Expanding into new markets will add to the complexity of understanding the similarities and differences between these regulatory frameworks and the resulting implications for our supply chain and growers.

**Technology advancements:** Technologies such as Artificial Intelligence ("AI"), Robotics and Gene Editing are moving and improving at a rapid pace. If applied appropriately, these technologies, can drive real value, but can also pose challenges. AI is changing the way consumers shop, from the guided, personalised marketing messages they receive and the online channels in which they shop. Research suggests people will continue buying fresh produce in traditional channels, however online channels are forecast to grow at a fastest compound annual growth rate of 6 percent vs 4.2 percent for the total grocery market, with digital sales particularly strong in Korea, China and the Netherlands. Monitoring channel growth in markets and adapting Zespri's sales and marketing to meet consumers across these channels will be critical to growing household penetration and keeping ahead of competitors.

**China supply risk:** Unauthorised G3 fruit being grown in China is reaching our sales channels at the end of the New Zealand sales window, with signs of this being seen in the neighbouring markets of Hong Kong, Vietnam and Thailand.

# CATEGORY UPDATES

# ZESPRI GREEN KIWIFRUIT (HAYWARD)

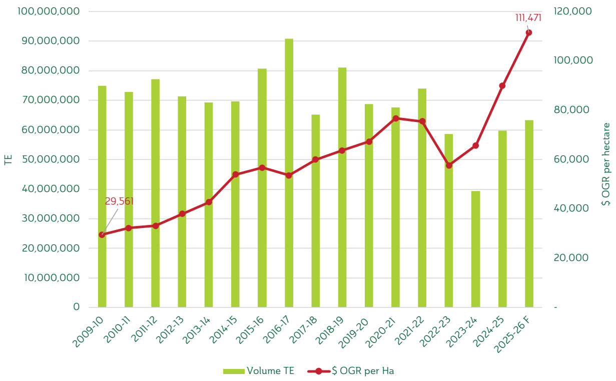
## SITUATION AND CHALLENGES

Zespri Green Kiwifruit continues to command a strong premium over competition, supported by our ability to deliver superior quality, preferred size profiles and great taste under the trusted Zespri brand. Category performance remains underpinned by Zespri's strong sales and marketing capabilities, cohesive portfolio strategy and the 12-month supply model that secures premium shelf space and visibility. In 2025, Zespri Green achieved a significant milestone with the official European Commission approved health claim confirming its role in supporting normal bowel function. This is the result of a 15-year research journey and multinational clinical studies, helping generate strong momentum across European markets through widespread media coverage, increased consumer awareness and notable retailer-led sales uplift.

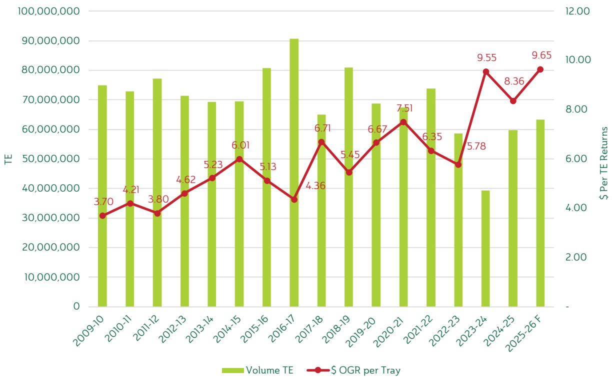
Recent OGR guidance indicates per tray returns of approximately NZ$9.65+ and per-hectare returns of NZ$109,000–$114,000 for 2025/26, reflecting meaningful value potential despite continued sector volatility. The supply–demand balance for Green remains more sensitive than for other varieties, with fluctuations in global volumes and rising competitive pressures influencing annual performance. Our key challenge is maintaining an optimal volume that supports high returns while protecting a justified premium, ideal size profile and brand integrity in an evolving and increasingly contested marketplace.

Green remains the dominant varietal in the global kiwifruit category and continues to show strong underlying demand, yet its premium position faces increasing pressure from lower-priced competitors, inconsistent quality performance and limited trademark protection. Maintaining leadership will require Zespri to defend market share, manage costs and continue elevating product performance. Given the value in kiwifruit, we are seeing a significant increase in plantings by competitors, including in Chile. This additional volume will see more fruit available in market, and potentially put pressure on pricing. There remains an opportunity for Green to strengthen its role within Zespri's future portfolio through targeted innovation, improved supply resilience and continued investment in product differentiation.

**GREEN VOLUME VS OGR PER HECTARE RETURNS**




**GREEN VOLUME VS $ PER TE RETURNS**



## MARKETING AND MARKET DEVELOPMENT

The core objective of market development is to build demand ahead of supply, and for Green this means strengthening the Zespri brand premium while driving clear Green-specific purchase intent. Our focus is on ensuring Zespri Green remains relevant to consumer needs through strong health credentials and meaningful product differentiation. Momentum continues to build following the recent EFSA approval and the official European health claim secured in August 2025, confirming Green's role in supporting normal bowel function. This milestone has sparked widespread media attention, rising consumer awareness and strong early sales lifts across Europe, reinforcing the fruit's functional benefits and further entrenching our premium health positioning.

Building demand also requires driving awareness and trial through robust global marketing programmes that highlight Green's digestive health benefits, nutritional credentials and superior quality. Market teams continue to strengthen retailer partnerships, invest in brand and channel development, and optimise in-store execution, supported by ready-to-eat and trial-driving initiatives designed to get more consumers experiencing Zespri Green at its best. Ensuring a consistently enjoyable eating experience remains fundamental to defending our premium, with an emphasis on delivering top-quality fruit, optimising taste and size profiles and allocating supply accurately across markets to maintain brand integrity in the face of lower-priced competition.

Europe will continue to take the largest share of Green supply over the next five years, with the new health claim unlocking further value in this key region. As global volumes fluctuate, greater allocation to high-return markets such as Japan, China, Taiwan and Korea –alongside growth markets including North America and Vietnam – will support stronger overall returns. Long-term, our focus remains on sharpening Zespri Green's differentiation, maintaining year-round availability and continuing to innovate with new tools and cultivar varieties that strengthen supply resilience, enhance grower agronomics and enable the reliable delivery of premium-grade fruit at scale. These actions together will help sustain our justified premium and reinforce leadership in an increasingly competitive global market.

## POINTS AHEAD

Green kiwifruit remains a vital variety with strong health-led consumer demand, but it stands at a strategic turning point. New Zealand supply of classic Green is projected to contract, while global competition continues to improve and intensify. Although Hayward remains the predominant green cultivar worldwide, emerging competitor greens are gradually strengthening their consumer appeal and may, over time, achieve the storage, yield and supply-chain consistency required to challenge Hayward's leadership. This elevates the importance of Zespri continuing to innovate - both to protect today's premium and to secure long-term relevance in an increasingly contested category. The downside risk is that Green becomes under-represented, margin diluted and strategically less meaningful; the upside is that, with the right supply strategy, continued brand strength and targeted product innovation, Green can maintain premium returns and remain a leading global variety over the next decade.

From a Zespri perspective, our strategy centres on three priorities:

- **Continually improving Hayward:** Enhancing product quality, taste, storability and yield to sustain strong consumer preference and support long-term grower value
- **Strengthening product and grower resiliency:** Developing new cultivars suited to climatic variability and investing in tools and systems that enable consistent quality, reliable supply and stronger agronomic performance
- **Innovating to elevate a future point of difference:** Breeding and commercialising a next-generation green with superior consumer appeal and a differentiated value proposition worth paying more for.

In the near term, this involves a replacement green with strong yield and resilience; in the longer term, it focuses on a truly differentiated cultivar that unlocks future growth and cements Zespri's competitive edge. These actions – expanding resilient supply, maintaining premium quality, differentiating the offering and ensuring Green retains meaningful share within the broader portfolio - are essential to protecting the category's scale and margin. With continued innovation across tools, supply systems and cultivar development, Zespri is well-positioned to deliver the best Green kiwifruit at scale and to sustain leadership in the global green kiwifruit category.

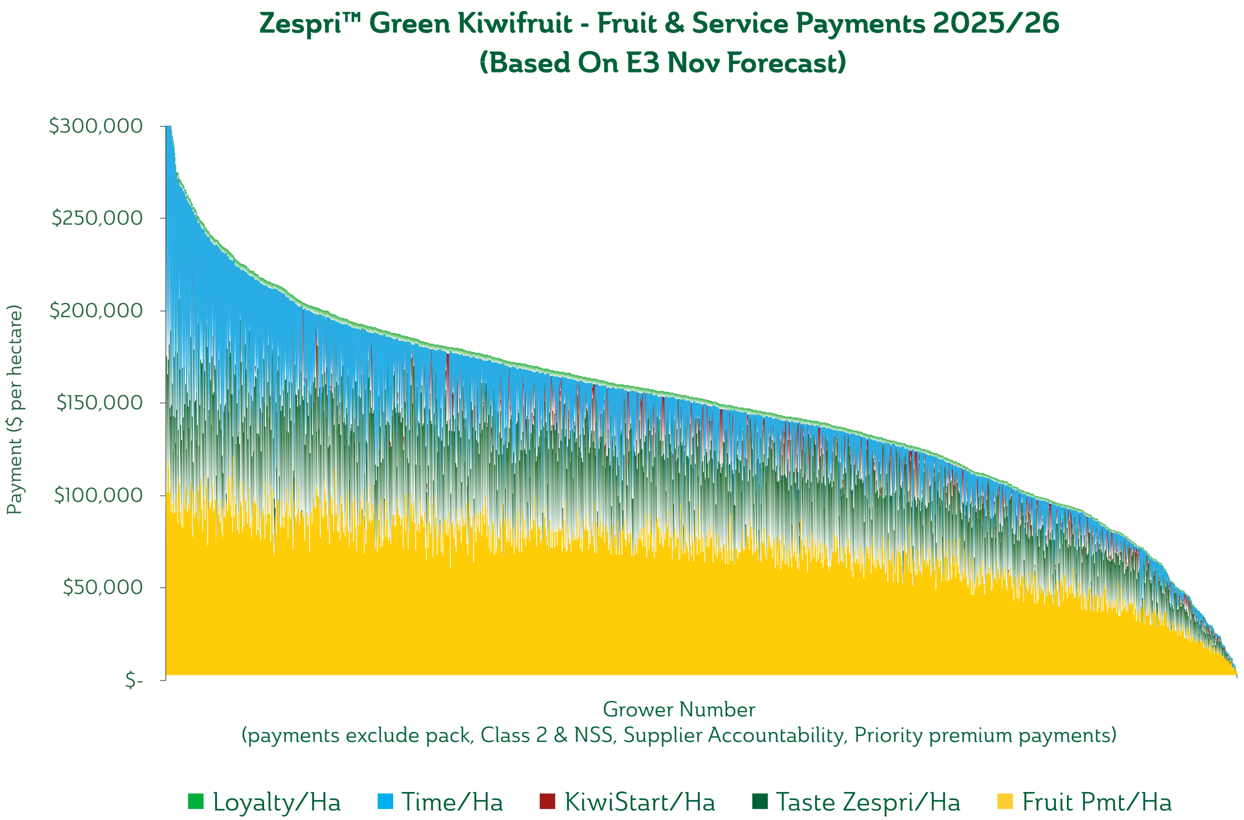
## ZGS VIEW

Zespri Green, though currently a smaller part of the portfolio and global supply, offers strong growth potential through focused supply management and cost efficiency. By improving quality consistency - especially during the Northern Hemisphere season - we can strengthen our competitive position and expand market presence. Optimising the procurement model will further enhance supply chain resilience and reduce vulnerabilities. Given that the majority of Green competition sits in the northern hemisphere supply window, it will be a key battleground for Zespri Green to defend its share of the market with more PVR protected volume and improved quality consistency.

# DISTRIBUTION OF PERFORMANCE ACROSS ORCHARDS

Based on the November forecast for the 2025/26 season, the average Fruit and Service Payment, including loyalty, paid per hectare is $151,000. The average yield is 11,551 trays per hectare which is up from 10,737 trays per hectare in 2024/25. This includes orchards that are not yet fully mature. The average size per tray is 31.9, compared with 34.3 for the previous season.

Typically, the largest portion of the Fruit and Service Payment (excluding loyalty) is fruit payments (43 percent) which comprises a submit payment of $2.75 per tray (Size 42 is $2.55) and progress payments of $2.90 per tray. The Taste Zespri Grade contributed $4.37 per tray on average, and taste contributed 33 percent of the overall Fruit and Service Payment (excluding loyalty).



# ORCHARD GATE RETURN

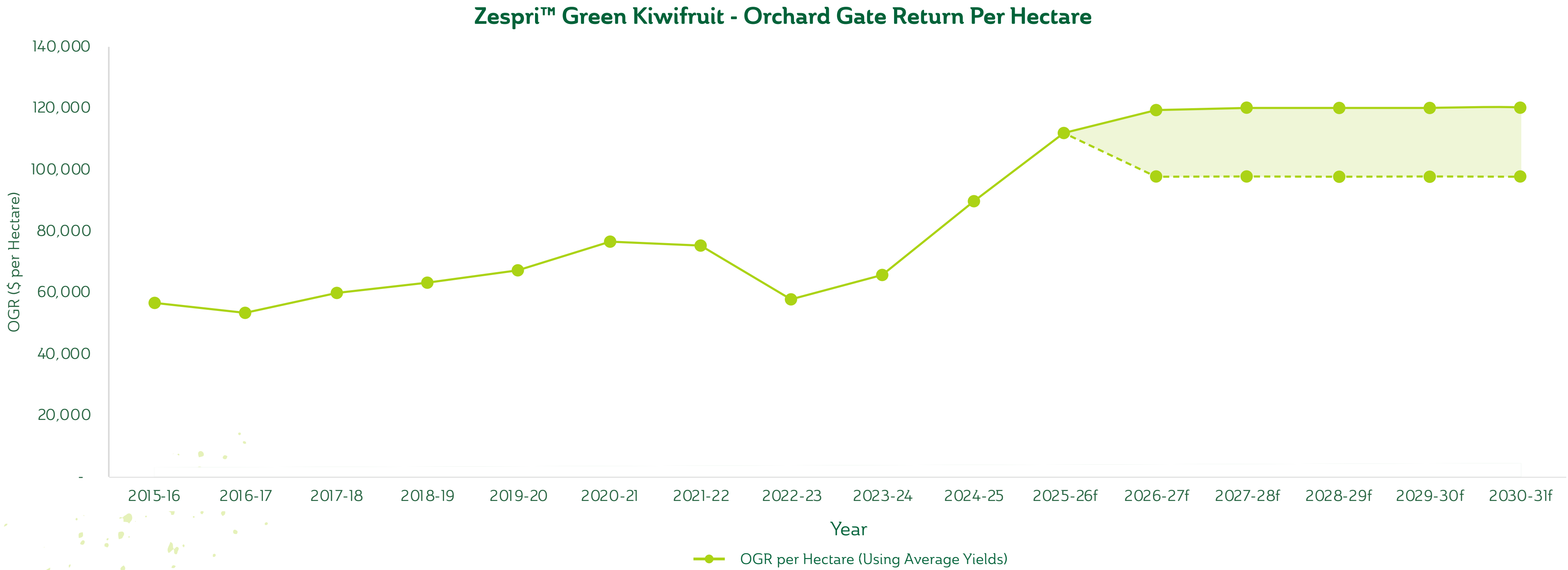
The November 2025/26 forecast shows the Green average OGR per hectare at $111,471, which is up from $89,783 in the 2024/25 season. The OGR is the average amount received by each orchard or part orchard after Zespri and post-harvest costs are deducted.

For the 2025/26 season we are forecasting average per tray OGRs of NZ$9.40–$9.90 and NZ$109,000–$114,000 per hectare, reflecting improvements in yield and market performance.

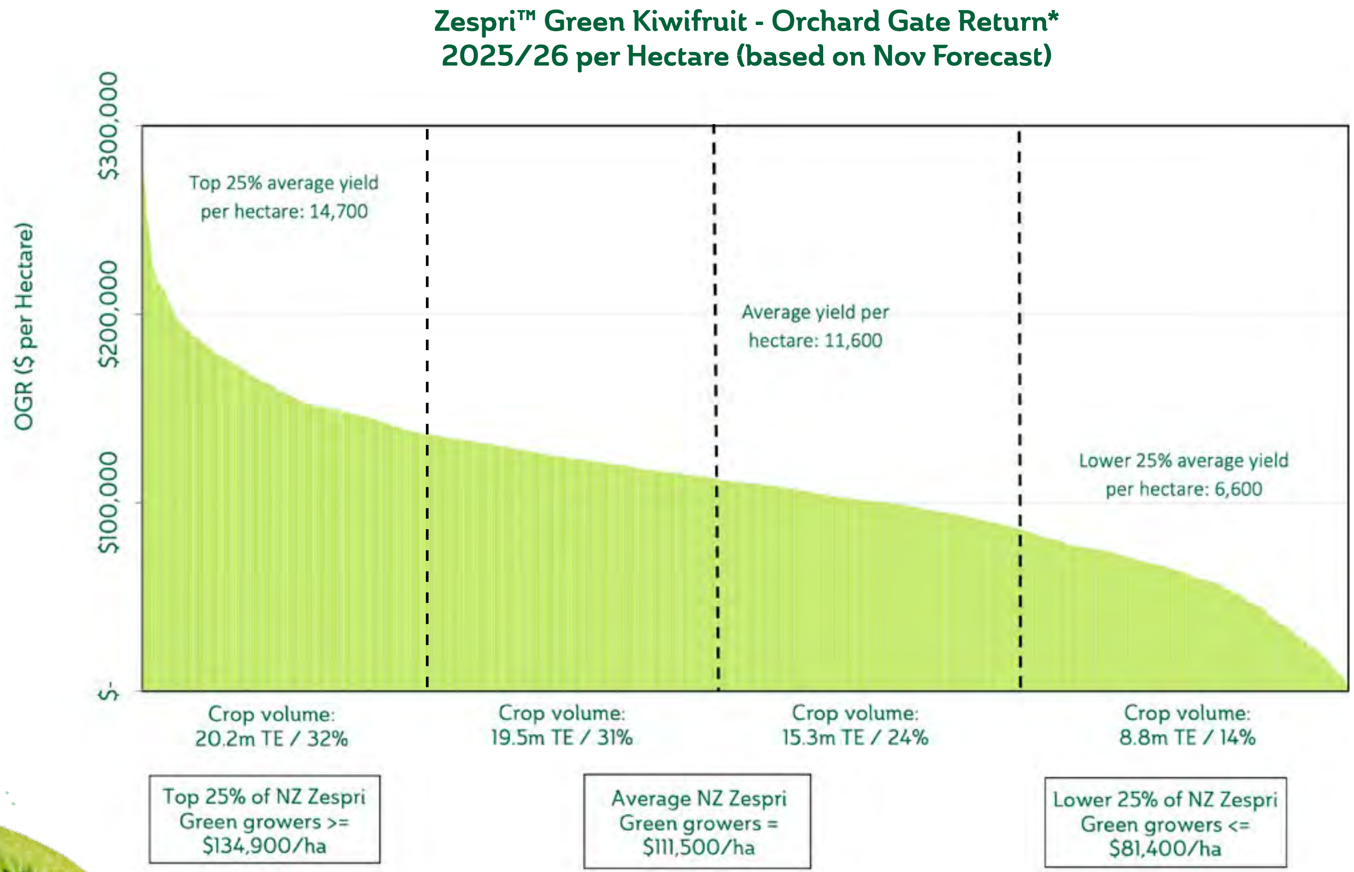
The graph below shows the projected OGR range per hectare. Based on Zespri's Five-Year Plan horizon (2026-2030) this sits between $97,800 and $119,500.

On-orchard costs are not provided in this chart, and we note costs can vary quite significantly from orchard to orchard. Growers will know their costs best from their own experience and data.

The second graph shows the distribution of expected 2025/26 orchard gate returns across KPINs (as opposed to weighted volume average) based on the November forecast for 2025/26. In this case, an average of $4.02 per tray for post-harvest costs was used. It does not show net orchard return, which factors in average on-orchard costs.



# ORCHARD GATE RETURN




*Some payments are not allocated at an individual grower level and are excluded or estimated in this analysis.


# ZESPRI SUNGOLD KIWIFRUIT

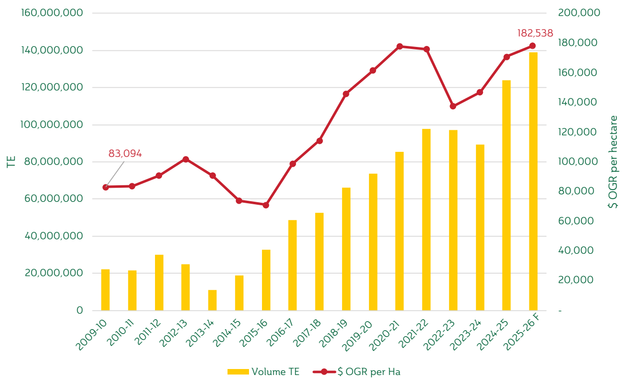
## SITUATION AND CHALLENGES

Zespri SunGold Kiwifruit continues to be the cornerstone for Zespri's growth in the next five years, with sustained signals of robust demand growth, especially in core and developing markets. With increasing competition and consumer uncertainty index at significantly higher levels than through the pandemic period (*Source: World Uncertainty Index 2025*), expectations of demand growth, while strong, have cooled slightly.

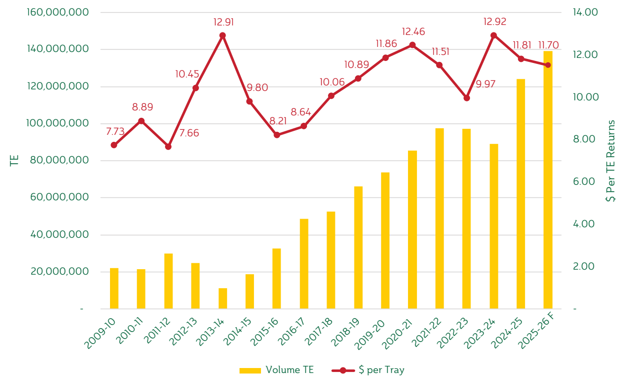
Based on information currently available, we believe we can grow Class 1 conventional SunGold demand across all markets to surpass 250 million trays by 2030, nearly 75 percent of which is in our NZ supply sales window. This means that our markets have the potential to grow demand for NZ SunGold by between 10-12 million trays per year through to 2030. Following Zespri's annual review, the forecast supply of NZ Class 1 conventional Zespri SunGold Kiwifruit is 163 million trays in 2030/31. The Outlook takes into account existing plantings coming into full production and Zespri's decision to extend Gold3 licence release to 2030. Similar to 2025, 400 hectares of Gold3 licence will be released in 2026, but there will be no Hayward and Green14 cutover pool. While 400 hectares sets the base for further releases in the next five years, there is the potential for this to increase up to 650 hectares subject to demand patterns, to be reviewed annually.

Though sufficient for the next five years, packing and cool storage capacity constraints remain a point of attention to review annually with post-harvest in line with the growth of producing hectares. Continued investment will be required to manage expected crop volume increases in the short and long term, as we consider how to future proof our industry's ability to continue to efficiently deliver high quality fruit which underpins the Zespri brand.

### GOLD CONVENTIONAL VOLUME VS PER HECTARE RETURNS




### GOLD CONVENTIONAL VOLUME VS $ PER TE RETURNS



## MARKETING AND MARKET DEVELOPMENT

While market demand for Zespri SunGold remains strong and well-grounded in increasing consumer interest in health, wellness and nutrition, there is a consistent slower pace of economic growth that, when combined with increasing competition from other fruits including other gold kiwifruit, is setting a more challenging context.

China in particular, although representing one of the largest opportunities for SunGold with target demand exceeding planned allocations, has seen an economic slowdown in 2025 and continues to exhibit some of the highest risks in respect to geopolitical and market access volatility.

With a strategy to de-risk market volatility, North America is expected to be the fastest growing market for SunGold with an estimated compound annual growth rate of just under 14 percent between 2025 and 2030. China will continue to play a significant role, contributing around 30 percent of the total NZ SunGold volume. Asia Pacific's contribution is expected to near 30 percent, with India and Vietnam playing the role of growth engines, with the remaining volume distributed between Europe and North America.

Consumer confidence remains relatively low, which we expect to see lead to more conservative choices in spending and a quest for greater value. In this context, as a premium product, SunGold may be exposed to consumers trading down to lower quality products. It is critical Zespri upholds its unparalleled fruit quality, great taste, and health credentials as fundamental elements to support the SunGold value proposition to consumers.

## POINTS AHEAD

Zespri's strong brand is a core competitive advantage. With G3 being a proprietary cultivar with very strong agronomical and consumer performance, SunGold Kiwifruit is well positioned to take advantage of this growth. We will need to continue building our perceptions of worth, demonstrating to consumers that SunGold is unique and fulfils valuable needs and consumption occasions.

Competition is increasing in the yellow-fleshed kiwifruit category, with a proliferation of brands that are increasingly expanding their portfolio of kiwifruit across the three main varieties of green, yellow and red. The offering is not only increasing, but quality and the ability to stay longer on shelf is developing quickly. This is also true for unauthorised G3 in China, as mentioned earlier in this document, particularly as the supporting supply chain capabilities strengthen. Beyond kiwifruit, there are also other high quality local fruits that, while in season, can present themselves as more affordable alternatives. This is particularly evident in the northern hemisphere, putting pressure on Zespri to be visible and available on shelf all year round. A gap in supply exposes the brand to competition, making it harder to take back the position with customers once a competitor product with reasonable quality has been on shelf.

With SunGold being a growth driver that is reaching maturity stage as a product towards the end of the outlook period, achieving economies of scale and controlling costs in our value chain will be critical to sustaining the high levels of profitability this product has delivered so far.

## ZGS VIEW

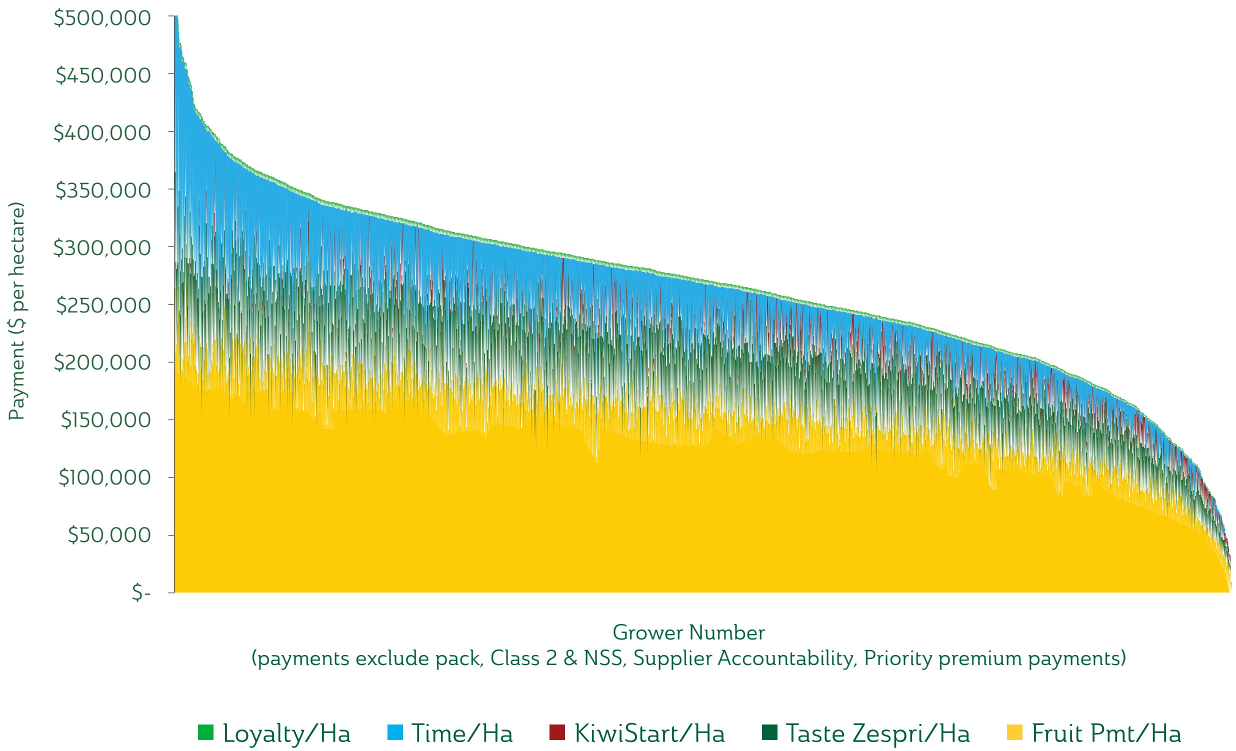
Zespri is growing Gold3 Kiwifruit in five countries outside of New Zealand (Italy, France, Greece, Japan, and Korea). The approved production expansion of an additional 2,520 hectares has strengthened Zespri's ability to compete by ensuring more volume is available to close off the gap that NZ supply cannot currently meet. With 25 percent of the 2030 target demand falling in the Northern Hemisphere season, this is an essential pillar to the SunGold long-term strategy.

# DISTRIBUTION OF PERFORMANCE ACROSS ORCHARDS

Based on the November forecast for the 2025/26 season, the average Fruit and Service Payment, including loyalty, paid per hectare is $266,500. The average yield is 15,605 trays per hectare which is up from 14,469 trays per hectare in 2024/25. This includes orchards that are not yet fully mature. The average size per tray is 27.2, compared with 27.7 for the previous season.

Typically, the largest portion of the Fruit and Service Payment (excluding loyalty) is fruit payments (55 percent) which comprises a submit payment of $3.60 per tray and progress payments of $5.89 per tray. The Taste Zespri Grade contributed $3.90 per tray on average, and taste contributed 23 percent of the overall Fruit and Service Payment (excluding loyalty).

**Zespri™ SunGold Kiwifruit - Fruit & Service Payments 2025/26 (Based On E3 Nov Forecast)**



# ORCHARD GATE RETURN

The November 2025/26 forecast shows the SunGold average OGR per hectare at $182,538, which is up from $170,933 in the 2024/25 season.

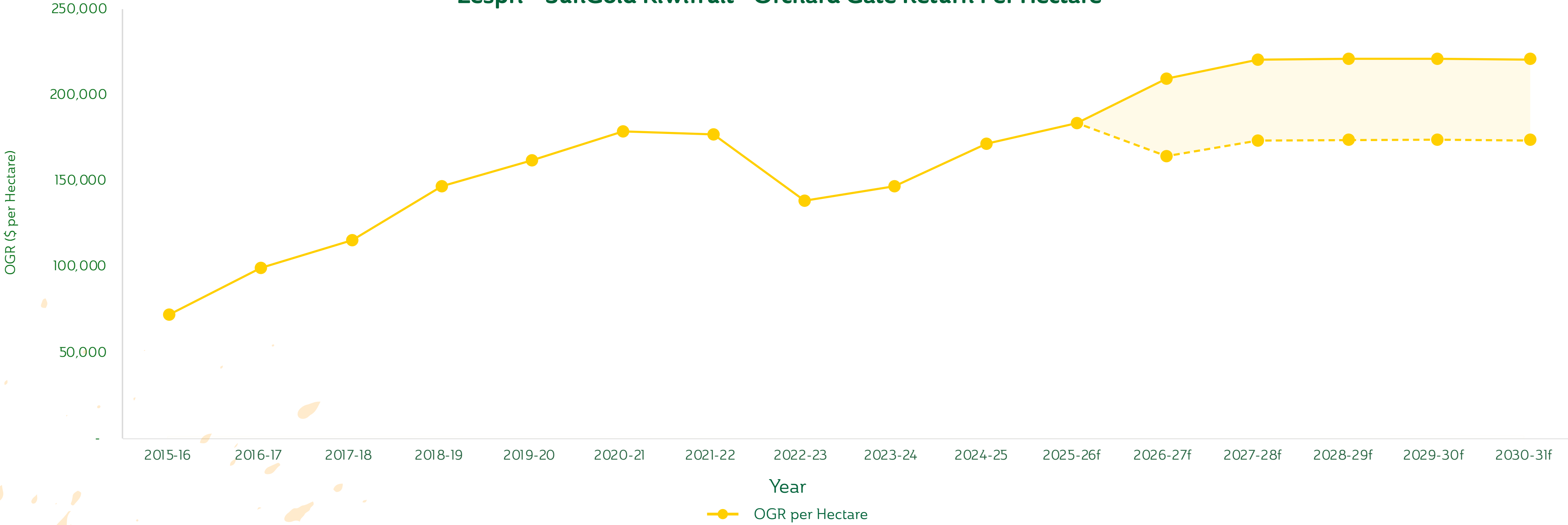
For the 2025/26 season we are forecasting average per tray OGRs of NZ$11.45–$11.95 for SunGold, and NZ$179,000–$186,000 per hectare at an average yield of close to 15,600 trays.

The Orchard Gate Return by hectare graph below shows the projected OGR range per hectare. Based on Zespri's Five-Year Plan horizon (2026-2030) this sits between $173,300 to $220,500.

On-orchard costs are not provided in this chart, and we note costs can vary quite significantly from orchard to orchard. Growers will know their costs best from their own experience and data.

The second graph shows the distribution of expected 2025/26 orchard gate returns across KPINs (as opposed to weighted volume average) based on the November forecast for 2025/26. The OGR is the average amount received by each orchard or part orchard after Zespri and post-harvest costs are deducted. In this case, an average of $5.80 per tray for post-harvest costs was used. It does not show net orchard return, which factors average on orchard costs.

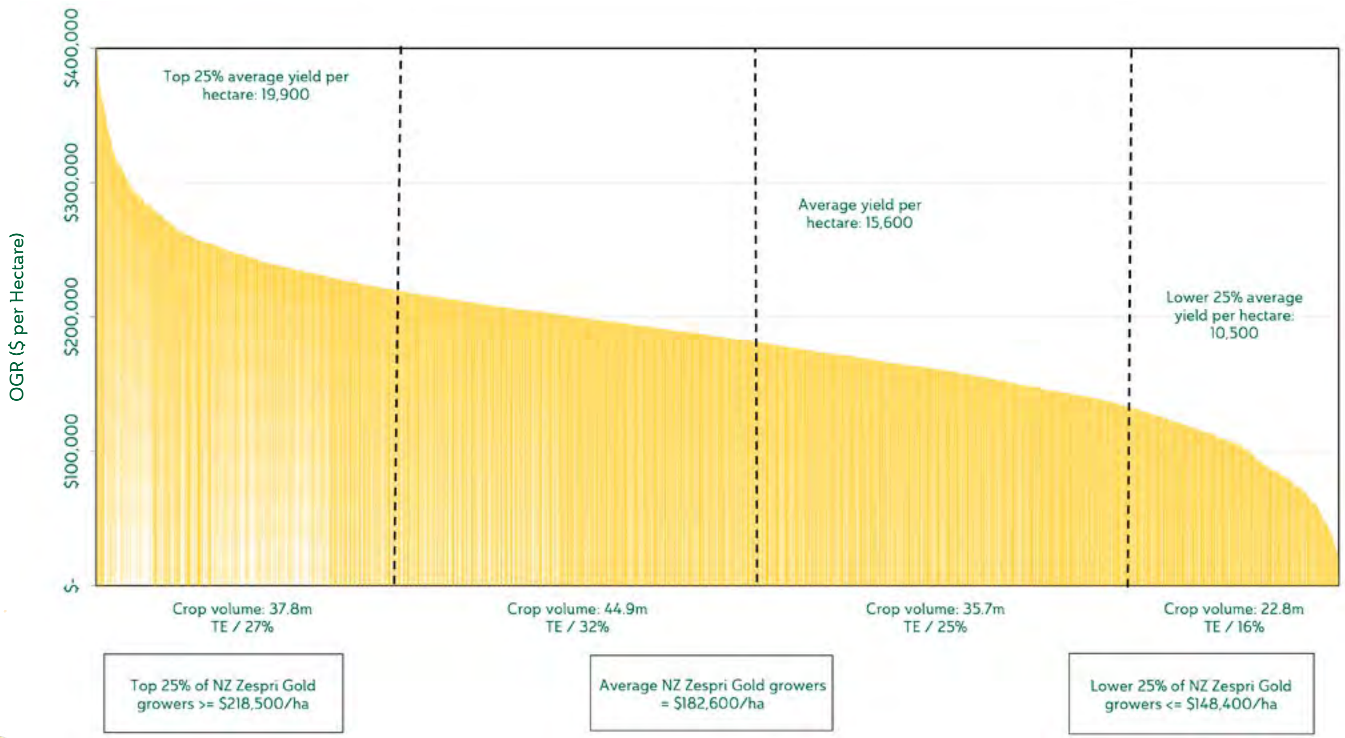
**Zespri™ SunGold Kiwifruit - Orchard Gate Return Per Hectare**




*Returns are based off both historical Hort16A figures and more recent SunGold returns. 2020-21f and forward reflects SunGold conventional only (with SunGold Organic moving into a separate pool in the 2020 season). Forecast using Year 4+ Yields.*

# ORCHARD GATE RETURN

**Zespri™ SunGold Kiwifruit - Orchard Gate Return***
**2025/26 per Hectare (based on Nov Forecast)**




*Some payments are not allocated at an individual grower level and are excluded or estimated in this analysis.

# ZESPRI ORGANIC KIWIFRUIT

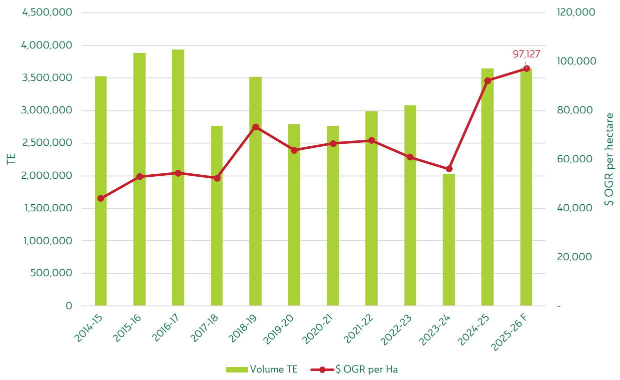
## SITUATION AND CHALLENGES

After a COVID-era surge, demand for organic fruit cooled as consumers faced higher living costs and adjusted their spending habits by seeking out cheaper alternatives such as conventional or own label organic produce. In 2024, we saw a rebound in the growth of the organic fruit category and the outlook is for positive growth.

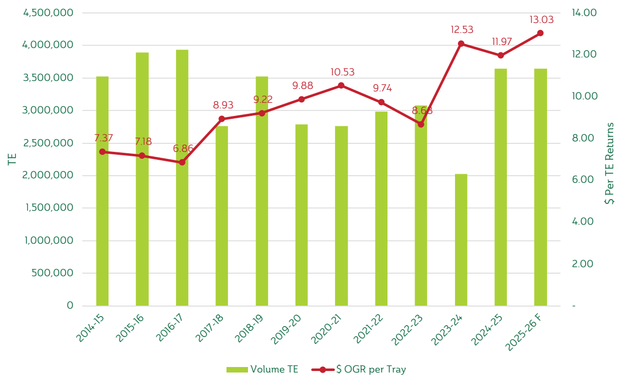
With less than 1 percent share of the organic fruit bowl, organic kiwifruit has significant headroom to increase its share and is expected to grow at a faster rate than the dominant organic apples and organic bananas categories.

Despite the macro challenges, Zespri Organic has performed well, riding the health and wellbeing tailwinds to deliver value ahead of volume gains.

### ORGANIC GREEN VOLUME VS OGR PER HECTARE RETURNS




### ORGANIC GREEN VOLUME VS $ PER TE RETURNS



## MARKETING AND MARKET DEVELOPMENT

Given the challenges the organic category has faced, it has been a focus to stand-out in the category and engage organic consumers with our distinctive growing story.

To do this, a suite of new assets have been developed for Zespri Organic Kiwifruit, conveying the Zespri Organic grower mindset and how these growers work alongside, evolve and adapt to nature's challenges to grow.

We continue to adopt a targeted, efficient approach to finding organic consumers by ensuring we are in the main organic markets and then building distribution in organic channels such as organic stores, e-commerce and securing shelf space and visibility in the organic section.

## POINTS AHEAD

While we have observed a slowdown in the organic category in recent years, the category is expected to grow steadily at 6.8 percent compound annual growth between 2024 and 2029, with growth coming from the main organic regions of the USA and Europe.

In the USA, growth will be fuelled by the younger generations, Millennials and Gen Z, who grew up eating organics and are heavily committed and willing to pay a premium for organic produce. As a result, we expect the USA to increase its share of Zespri Organic Green and Zespri Organic SunGold to over 20 percent and over 30 percent respectfully, underlining the importance of this market.

Europe continues to play a critical role for the portfolio with growth driven by the main organic markets of France, Germany, plus Austria and Switzerland. Japan remains a strategic market delivering over 20 percent of the total volume for both Organic Green and Organic SunGold and we also continue to capture small, yet valuable, growth from niche organic markets like South Korea and China.

With significant headroom to grow our share of the organic fruit bowl, Zespri Organic is well positioned to capture growth by:

- Leveraging our ability to consistently deliver health, quality and taste
- Building desirability and expanding distribution in growth markets
- Maintaining organic market access and simplifying SKUs for operational agility.

## ZGS VIEW

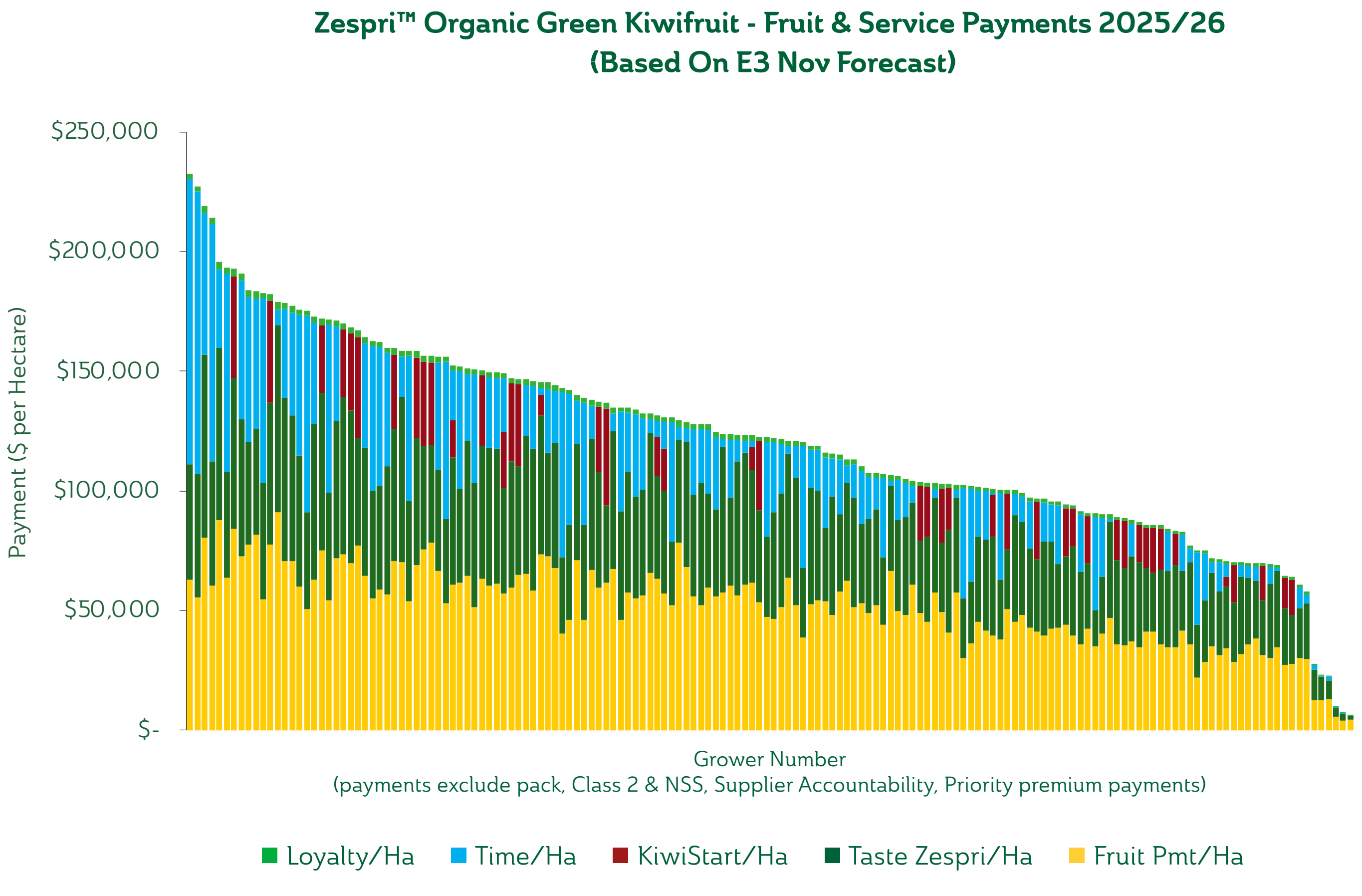
ZGS in Europe plays a strategic role in helping us fulfill demand amongst organic consumers and retaining shelf space. Having European supply also plays an important role in fulfilling organic consumers preference for 'local' produce. As such we expect procurement of Zespri Organic Green and supply of Zespri Organic SunGold to increase to 2030 to enable us to meet organic consumer needs.

# DISTRIBUTION OF PERFORMANCE ACROSS ORCHARDS

## ZESPRI ORGANIC GREEN

Based on the November forecast for the 2025/26 season, the average Fruit and Service Payment, including loyalty, paid per hectare is $120,300. The average yield is 7,455 trays per hectare which is slightly down on last year's 7,712 trays per hectare. This includes orchards that are not yet fully mature. The average size per tray is 33.9, compared with 34.9 for the previous season.

Typically, the largest portion of the Fruit and Service Payment (excluding loyalty) is fruit payments (42 percent) which comprises a submit payment of $3.00 per tray and progress payments of $3.81 per tray. The Taste Zespri Grade contributed $5.47 per tray on average, and Taste contributed 34 percent of the overall Fruit and Service Payment (excluding loyalty).



# ORCHARD GATE RETURN

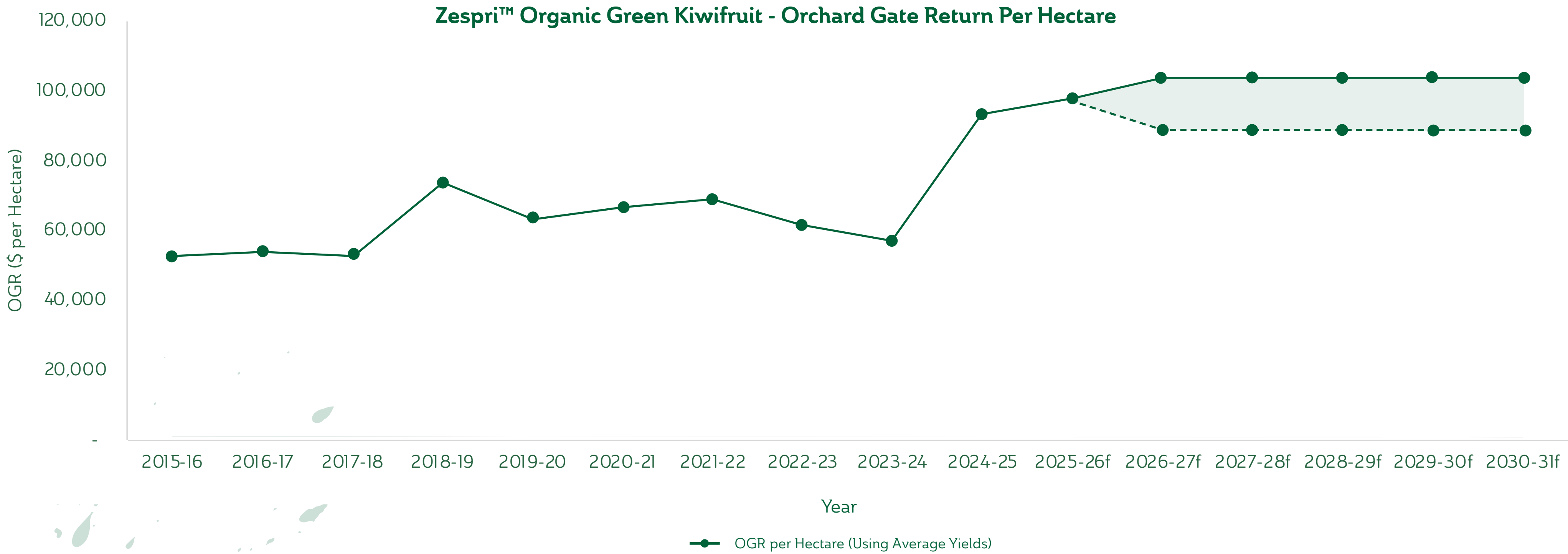
The November 2025/26 forecast shows the Zespri Organic Green average OGR per hectare at $97,127, which is up from $92,303 in the 2024/25 season. The OGR is the average amount received by each orchard or part orchard after Zespri and post-harvest costs are deducted.

For the 2025/26 season we are forecasting an average per tray OGR range of NZ$12.80-$13.30 and NZ$95,000–$99,000 per hectare, reflecting improvements in yield and market performance.

The graph below shows the projected OGR range per hectare. Based on Zespri's Five-Year Plan horizon (2026-2030) this sits between $88,650 and $102.850.

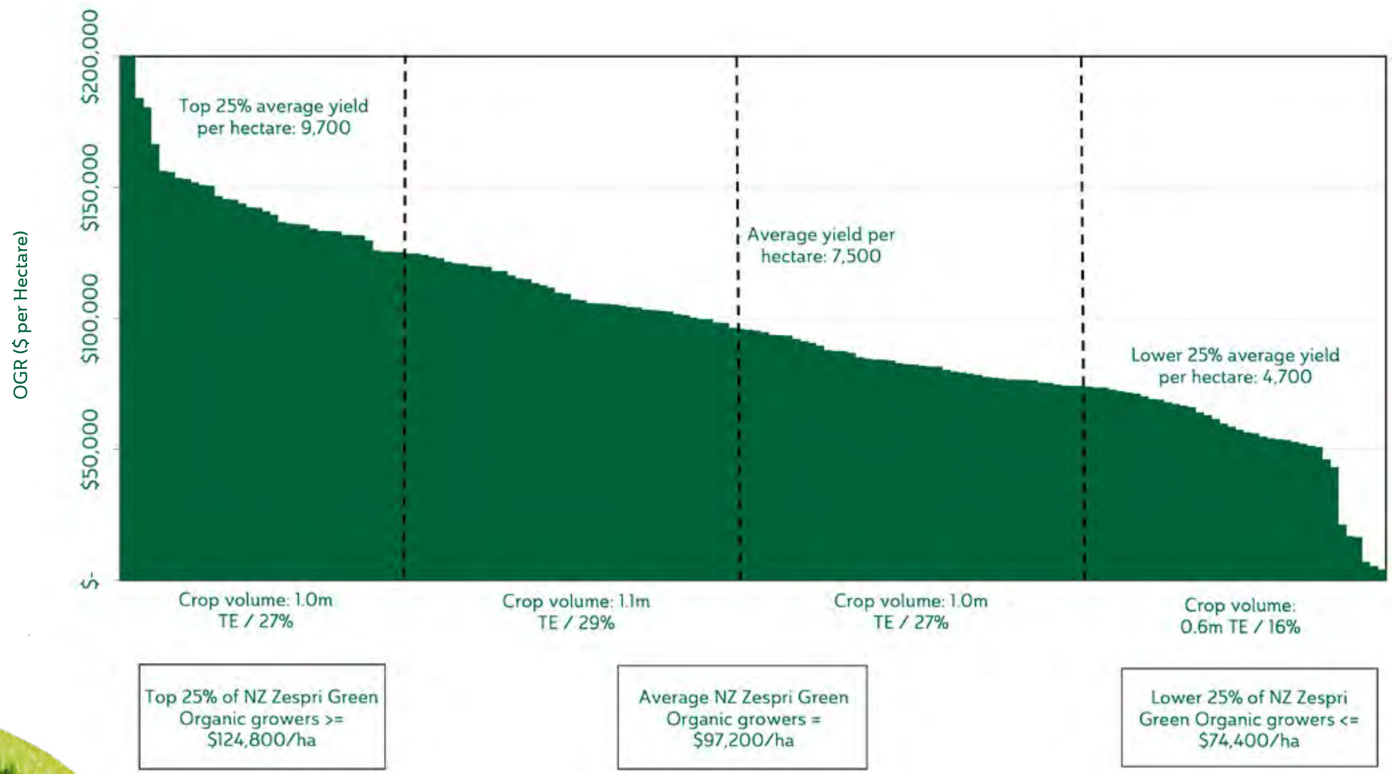
On-orchard costs are not provided in this chart, and we note costs can vary quite significantly from orchard to orchard. Growers will know their costs best from their own experience and data.

The second graph shows the distribution of expected 2025/26 orchard gate returns across KPINs (as opposed to weighted volume average) based on the November forecast for 2025/26. In this case, an average of $3.94 per tray for post-harvest costs was used. It does not show net orchard return, which factors in average on-orchard costs.



# ORCHARD GATE RETURN

## Zespri™ Organic Green Kiwifruit - Orchard Gate Return* 2025/26 per Hectare (based on Nov Forecast)




*Some payments are not allocated at an individual grower level and are excluded or estimated in this analysis.

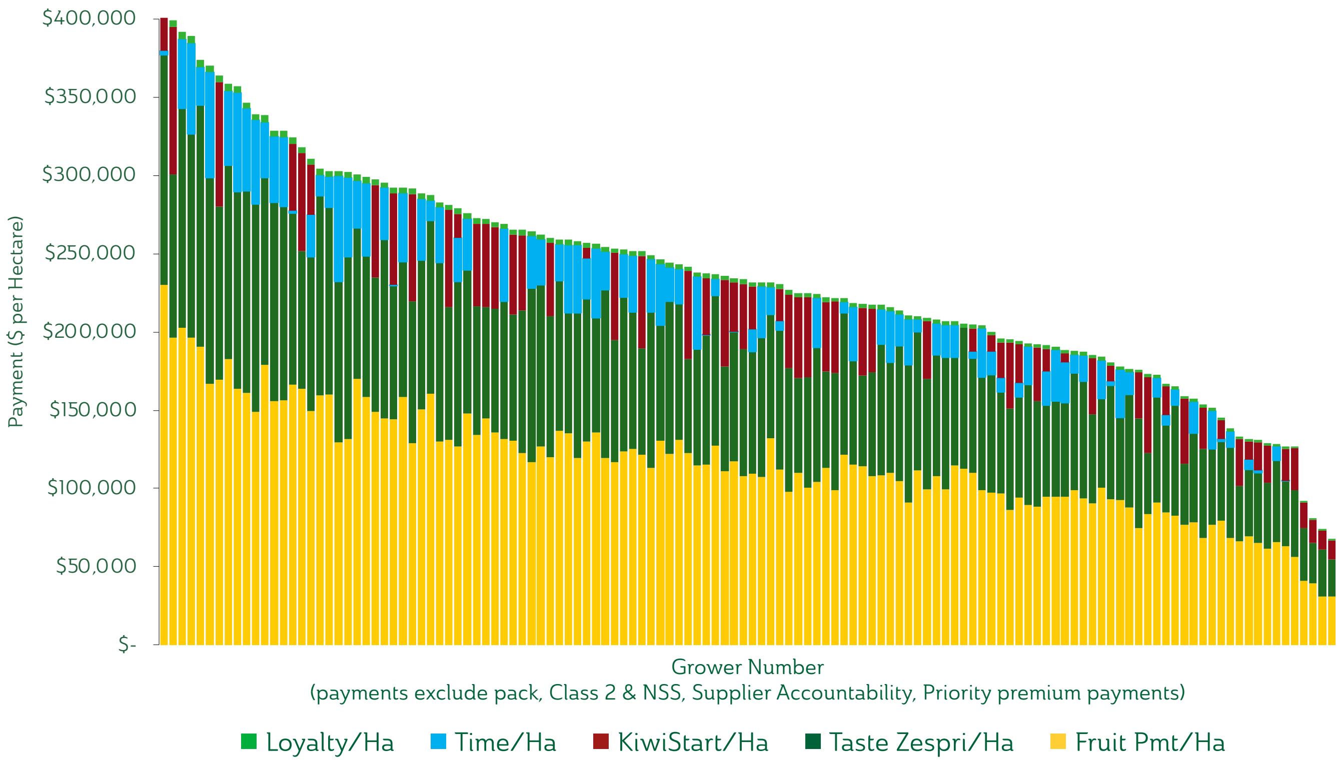
# DISTRIBUTION OF PERFORMANCE ACROSS ORCHARDS

## ZESPRI ORGANIC SUNGOLD

Based on the November forecast for the 2025/26 season, the average Fruit and Service Payment, including loyalty, paid per hectare is $234,800. The average yield is 11,431 trays per hectare which is up on last year's 10,286 trays per hectare. This includes orchards that are not yet fully mature. The average size per tray is 27.3, compared with 28.3 for the previous season.

Typically, the largest portion of the Fruit and Service Payment (excluding loyalty) is fruit payments (51 percent) which comprises a submit payment of $3.95 per tray and progress payments of $6.38 per tray. The Taste Zespri Grade contributed $7.14 per tray on average, and taste contributed 34 percent of the overall Fruit and Service Payment (excluding loyalty).

**Zespri™ Organic SunGold Kiwifruit - Fruit & Service Payments 2025/26 (Based On E3 Nov Forecast)**



# ORCHARD GATE RETURN

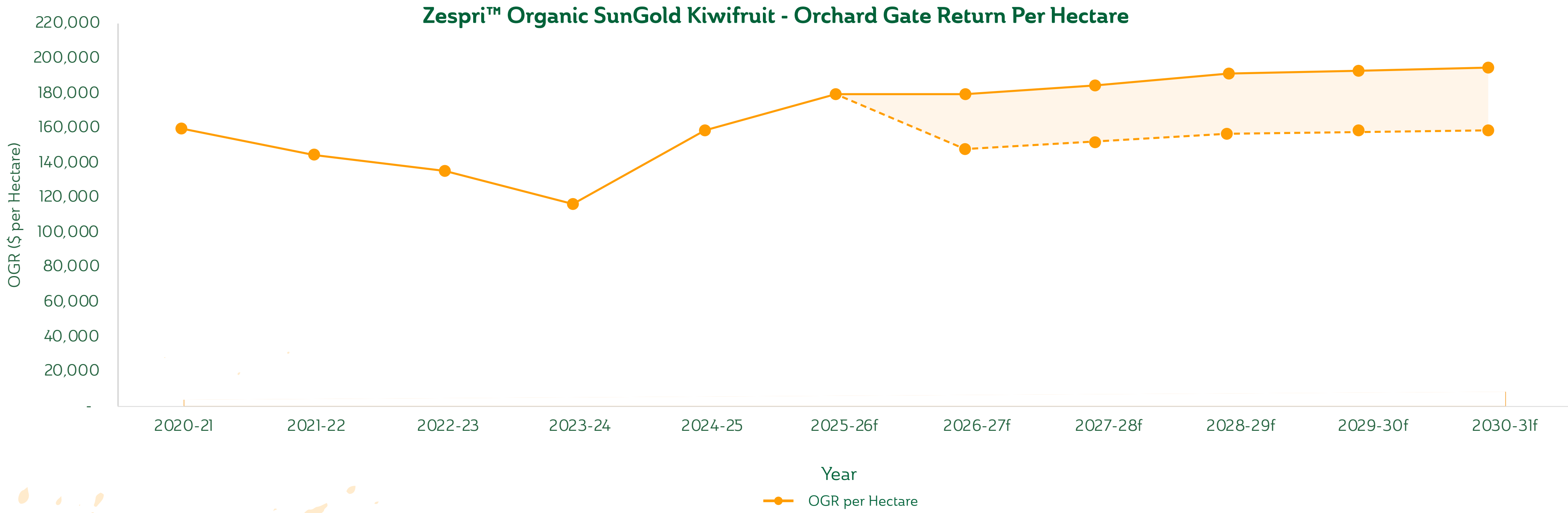
The November 2025/26 forecast shows the Organic SunGold average OGR per hectare is $176,777, which is up from $156,395 in the 2024/25 season.

For the 2025/26 season we are forecasting average per tray OGR ranges of NZ$15.20–$15.70, and NZ$174,000–$179,000 per hectare at an average yield of close to 11,400 trays.

The Orchard Gate Return by hectare graph below shows the projected OGR range per hectare. Based on Zespri's Five-Year Plan horizon (2026-2030) this sits between $145,000 to $191,200.

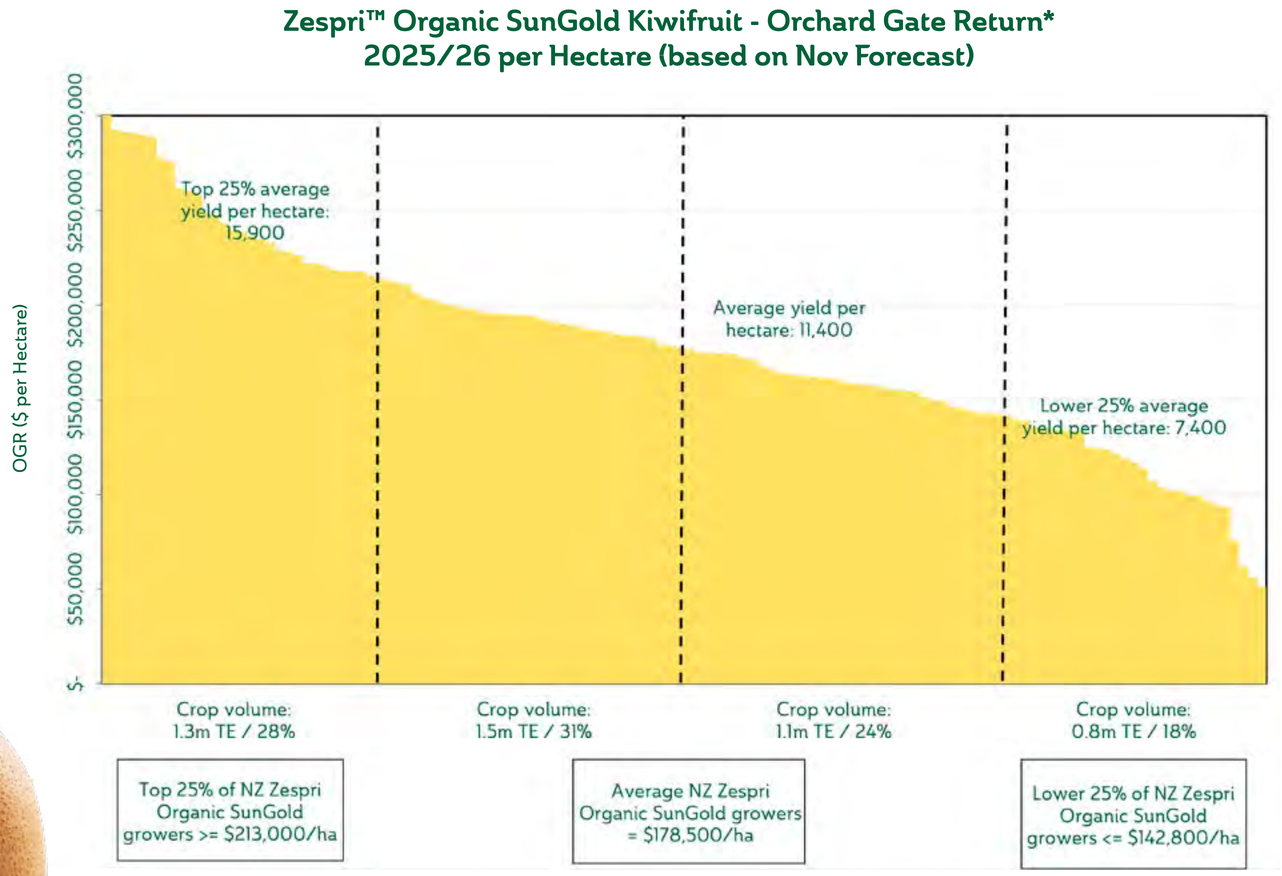
On-orchard costs are not provided in this chart, and we note costs can vary quite significantly from orchard to orchard. Growers will know their costs best from their own experience and data.

The second graph shows the distribution of expected 2025/26 orchard gate returns across KPINs (as opposed to weighted volume average) based on the November forecast for 2025/26. The OGR is the average amount received by each orchard or part orchard after Zespri and post-harvest costs are deducted. In this case, an average of $5.60 per tray for post-harvest costs was used. It does not show net orchard return, which factors average on-orchard costs.




*Returns are based off Organic SunGold returns. Prior to 2020/21, Organic SunGold was pooled with SunGold Conventional, but has moved into a separate pool in the 2020 season. Forecast using Year 4+ Yields.*

# ORCHARD GATE RETURN




*Some payments are not allocated at an individual grower level and are excluded or estimated in this analysis.

# ZESPRI RUBYRED KIWIFRUIT

## SITUATION AND CHALLENGES

As competition in the fruit bowl intensifies, branded kiwifruit players are presenting a full portfolio of kiwifruit to secure greater brand recognition. This is particularly evident in Europe, but brands from Korea and China are emerging in different markets across Asia. Red kiwifruit is increasingly part of these branded portfolios.

Commercialised in December 2019 as an exclusive variety to Zespri, Red19, sold under the Zespri RubyRed™ trademark, was Zespri's first step into the red kiwifruit category. Unlike Zespri SunGold Kiwifruit, Red19 was not the first red kiwifruit commercialised in most of our core markets. However, its distinctive vibrant red colour that spreads from the centre to the outer pericarp is a differentiated and unique attribute versus other existing varieties that only exhibit red colour at the centre, providing a unique competitive advantage to Zespri.

RubyRed represents a proposition that is anchored on sensorial experience, delivering differentiated health benefits, and complementing Zespri's core products of Green and SunGold.

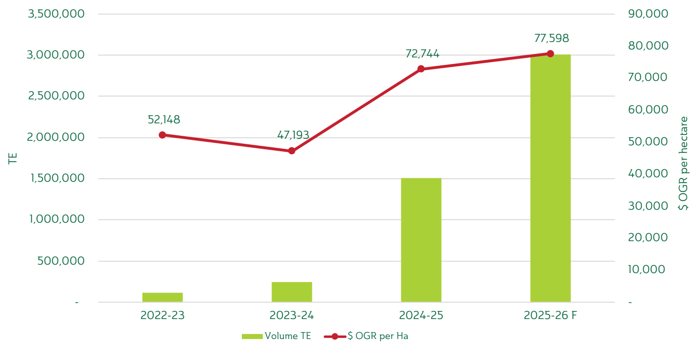
The red kiwifruit category is small in the context of the global kiwifruit market, but it is growing. In China, over 800 million trays of kiwifruit are produced each year and red-fleshed kiwifruit represents about ten percent of this volume. In Europe, it is estimated that red kiwifruit orchards represent just one percent of the total volume of kiwifruit produced, although volumes are growing at over 10 percent.

Production challenges are evident, with volumes of Italian red kiwifruit growing only 10 percent between 2024 and 2025, despite the overall production area expanding just over 20 percent. Information from China also indicates that red variants have an overall lower yield than gold and green fleshed kiwifruit. Small fruit size and shorter storage seem to be common characteristics, however in China some competitors now offer red kiwifruit for as long as five months of the year.

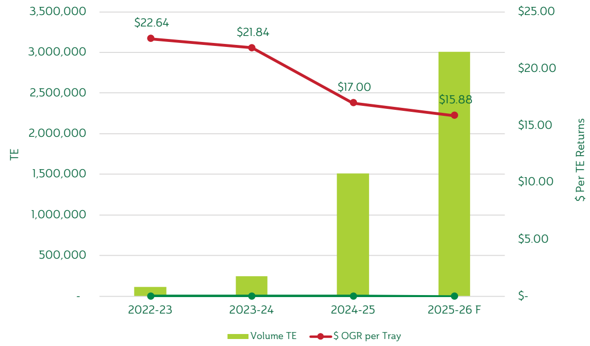
Despite the challenges, red appeals to producers partly because of its high value in the market. In China, retail prices can reach a premium of up to 150 percent over local gold kiwifruit. Italian red kiwifruit, sold mostly in Europe, achieves an average retail price of 15 percent above gold varieties. With growing interest in the category and increased volumes, it is not yet clear if these premium prices can be sustained.

For a leading fruit brand like Zespri, this opens the opportunity to leverage our marketing capabilities to create differentiated branded propositions, aligned to the emerging and growing consumer needs that create consumer value amidst volume growth. Furthermore, extending the presence of RubyRed on the shelf will allow us to build more habitual relationships with our consumers, as well as create more impact and efficiency for our promotional efforts behind the trademark.

### RED VOLUME VS OGR PER HECTARE RETURNS




### RED VOLUME VS $ PER TE RETURNS



## MARKETING AND MARKET DEVELOPMENT

Zespri's market research shows that RubyRed's vibrant red flesh and berry-like sweetness are recruiting new consumers to the kiwifruit category. This is helping expand Zespri's ability to grab a bigger share of consumer spend, lifting our footprint on shelf, and ultimately driving our ability to increase our industry's share of the global fruit bowl.

Global demand is expected to grow, supported by health and wellness trends and the rising middle class in key markets, even as the product faces headwinds from competition and the challenges of establishing a new variety.

RubyRed's timing in the market calendar is a natural tailwind. It is on shelves in the early spring/early kiwifruit season, ahead of the arrival of summer fruits and in a period with reduced competition from other fruits, capturing consumer's attention. It also arrives ahead of peak SunGold Kiwifruit volume, allowing Zespri to start the New Zealand kiwifruit season earlier in the year. Retailers welcome RubyRed as it extends the kiwifruit season – keeping the category active year-round - and appreciate having a new product to maintain excitement on shelves before summer fruits dominate.

Zespri's portfolio approach (Green, SunGold, RubyRed) means each variety addresses different consumer needs: Green for value and digestive health, SunGold for sweet tropical flavour and Vitamin C, and RubyRed for novelty berry-like indulgence and antioxidants. They complement more than they compete, which means we see opportunity to extend the RubyRed sales window with minimal cannibalisation among the three products. This synergy also allows Zespri to pitch a "complete category" solution to retailers, strengthening its overall shelf positioning.

Consumer feedback and interest on the product remain positive, with smaller fruit size being the least liked attribute, particularly in China where the premiums for big size fruit are highest.

## POINTS AHEAD

Zespri's geographical expansion for RubyRed has been phased, as production volumes increased. In 2025, it reached a dozen markets (including China, Japan, and the U.S. for the first time in 2025). In 2024, the Board approved the commercialisation of Red19 in Italy and Europe has kicked off small pre-commercial volume sales programmes with the ambition to reach 1 million trays by 2035. The objective is to establish Zespri's presence in the red kiwifruit category across all our core markets in the next few seasons.

RubyRed is in its infancy, and we see room to improve and optimise delivery across the value chain.

On the supply side, Zespri is actively taking steps to address RubyRed's initial limitations, which if successful will amplify demand. We continue to look for opportunities to improve size profile, with significant efforts from innovation and our Red19 growers to optimise the cultivar. The short shelf-life of the original Red19 variety and its tendency towards smaller fruit size were identified constraints. In response, Zespri's innovation team has invested in modified atmosphere packaging and other post-harvest technologies.

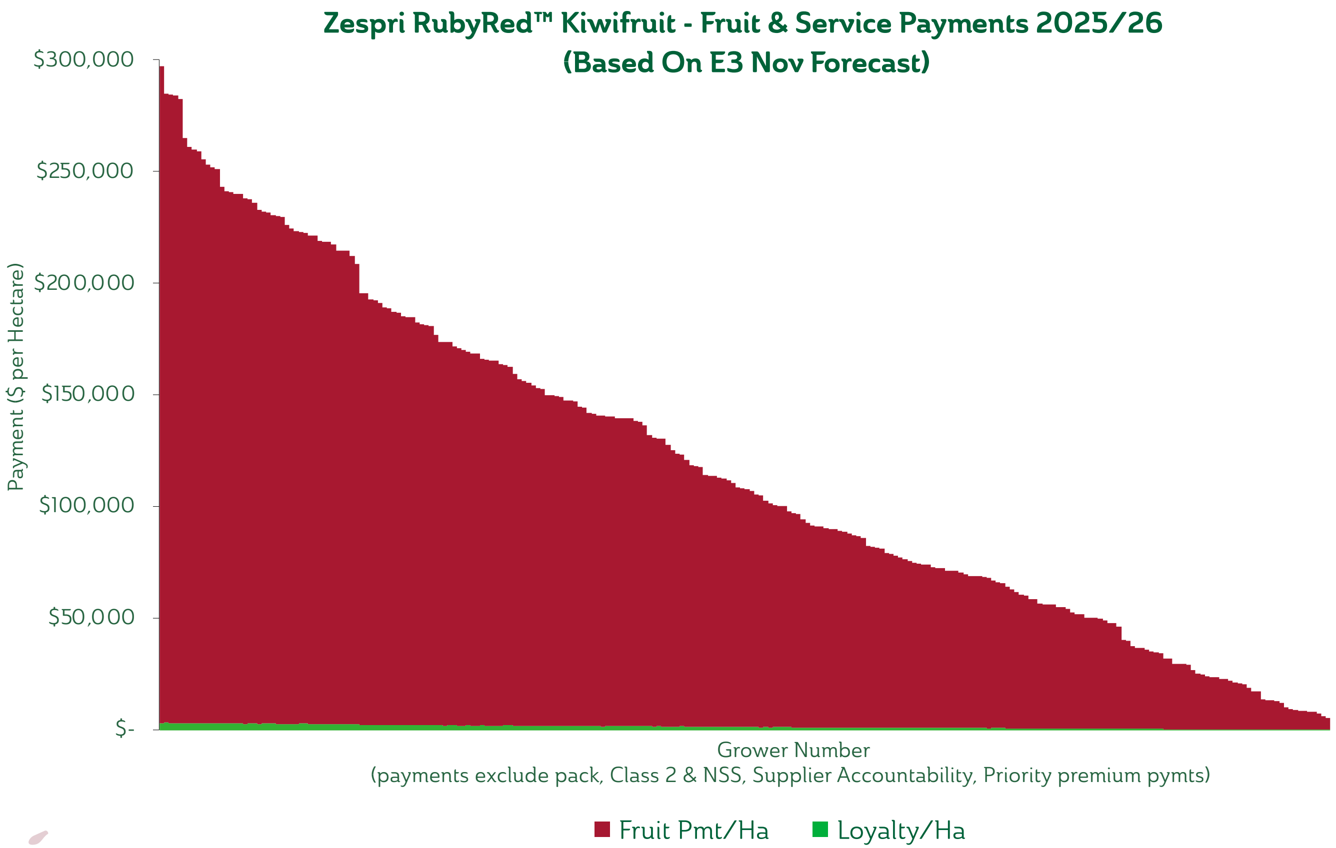
In addition, in December 2025 the Board agreed to commercialise a new red cultivar **(Red80)** which based on trials to date is expected to reach harvest three to four weeks later, deliver two additional weeks' storage and a slightly larger size profile. The first release of Red80 licence will take place in 2026, with commercial volumes expected from 2028. Red80 is expected to be complementary to Red19, and due to its later harvest and longer storage may provide the opportunity to extend the selling window for RubyRed from 8 weeks (limited to Red19 storage capacity) to 14 weeks. While Red80 has a slightly bigger size profile than Red19, the two cultivars are similar enough from a consumer perspective to allow for marketing under the one RubyRed trademark. The longer selling window creates further opportunity for consumers to enjoy our novelty variety, building habitual purchases and ultimately increasing demand. Target demand in the NZ supply season for 14 weeks of RubyRed is forecast to grow to around 12.5 million trays by 2035.

Considering the forecast supply and demand, as well as quality data, we have assessed the appropriate mix of Red19 and Red80 to fill the 14-week sales window, and in 2026 plan to release 100 hectares of Red80 licence. Of this, 50 hectares will be made available for existing Red19 growers as part of a cutover pool, recognising the role of Red19 in establishing the RubyRed category. At this stage, no further licence of Red19 hectares will be made available; however, Red19's earlier harvest means Red19 continues to play an important role in starting the New Zealand season early, ahead of Red80 being available in the markets so it is critical to maintain supply of good-quality early season fruit.

In 2027, we intend to release 100 hectares of Red80 licence, of which 50 hectares may be made available to cutover from Red19, subject to review. From 2028-2030, the indicative view is to provide up to 125 hectares per annum of Red80, of which a portion may be made available to cutover from Red19, pending the demand trajectory and balance between early and later season.

In total, we expect to supply around 6.2 million trays of Red19 and 1.2 million trays of Red80, by 2030/31.

# DISTRIBUTION OF PERFORMANCE ACROSS ORCHARDS




**DISTRIBUTION OF PERFORMANCE ACROSS ORCHARDS**

Based on the November forecast for the 2025/26 season, the average Fruit and Service Payment, including loyalty, paid per hectare is $98,650. The average yield is 4,887 trays per hectare which is up on last year's 4,280 trays per hectare. This includes orchards that are not yet fully mature. The average size per tray is 39.7, compared with 36.8 for the previous season.

# ORCHARD GATE RETURN

Financial modelling has been completed for potential returns for the next five years, based on three years of commercial production. These potential returns are inherently uncertain and have been completed using several assumptions, including without limitation:

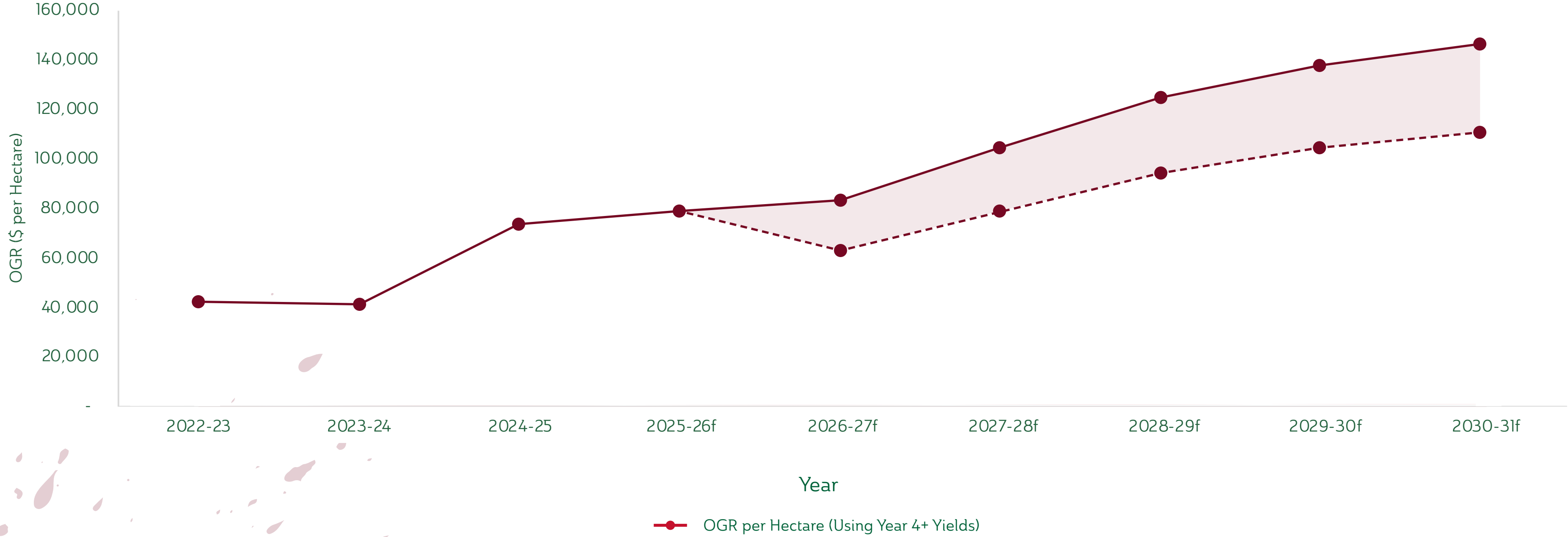
1. Customer demand is as anticipated in all markets
2. Five-year effective exchange rates have been used
3. Limited direct competition for the product during its normal sales season
4. Post-harvest costs do not exceed forecast levels
5. Returns are not impacted by unforeseen risks such as excessive fruit loss, significant market access issues, or biosecurity and crop protection issues
6. Size 46s are included in the OGR estimates in this section for 2024 and 2025 only.

Depending on market demand and further performance of small-sized fruit in market after 2025, Size 46s will be considered for acceptance as non-standard supply on a season-by-season basis.

Please note, these forecast returns are indicative only. This reflects the high level of uncertainty still associated with this variety while we build towards commercial volumes.

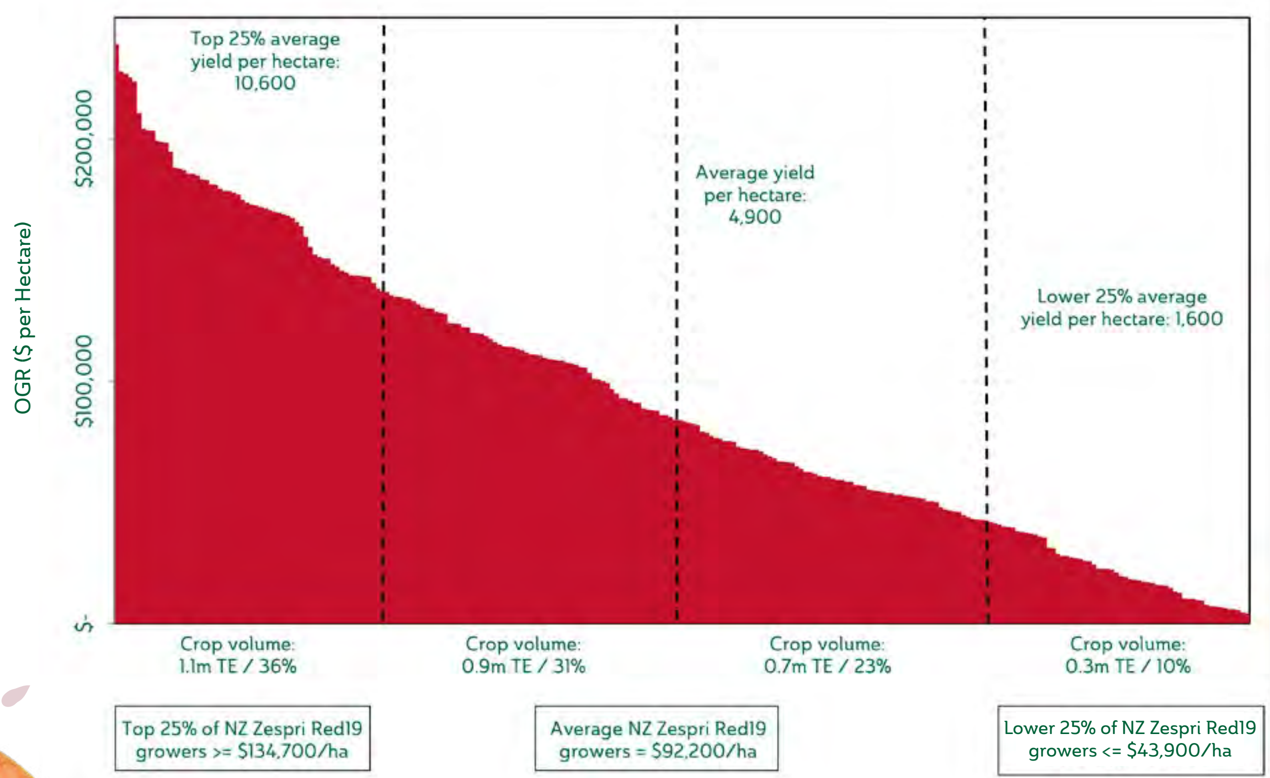
OGR per hectare is dependent on orchard yield, and it is expected it will take growers differing times to achieve full production. For example, assuming an orchardist who grafted in 2022 to Red19 can achieve a full crop at an average of around 9,000 trays per hectare by 2025, an OGR per hectare of between $103,000 and $149,000 is forecast. Further information is available in the *Red19 New Variety Information Guide (NVIG)* available on Canopy.

**Zespri RubyRed™ Kiwifruit - Orchard Gate Return Per Hectare**



# ORCHARD GATE RETURN

**Zespri RubyRed™ Kiwifruit - Orchard Gate Return***
**2025/26 per Hectare (based on Nov Forecast)**




*Some payments are not allocated at an individual grower level and are excluded or estimated in this analysis.

# BEYOND 2030

# A 10-YEAR OVERVIEW OF DEMAND AND SUPPLY

## IN ADDITION TO THE FIVE-YEAR OUTLOOK FOR THE INDUSTRY, ZESPRI ALSO 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.

The information provided in the 10-Year Plan is assumptions-based, directional only and provides a view of how strong demand could be and potential implications for the supply side of the industry.

Since the previous industry outlook, the challenging global economy continues to impact on the 10-year demand outlook, albeit in the long-term we expect the global economy to rebound. From a New Zealand supply perspective, the total volume is forecast to increase versus the *2024 Five-Year Outlook*, as a result of slightly higher licence release assumptions for Gold3, additional licensing for Red19/Red80 Kiwifruit, and marginally higher yield assumptions for some fruit groups.

We continue to see strong demand from the markets for Northern Hemisphere fruit to support a 12-month supply strategy. As a result of the successful 2024 Producer Vote, Zespri is forecasting to meet 60 percent of target demand in the 2035/6 counter-season.

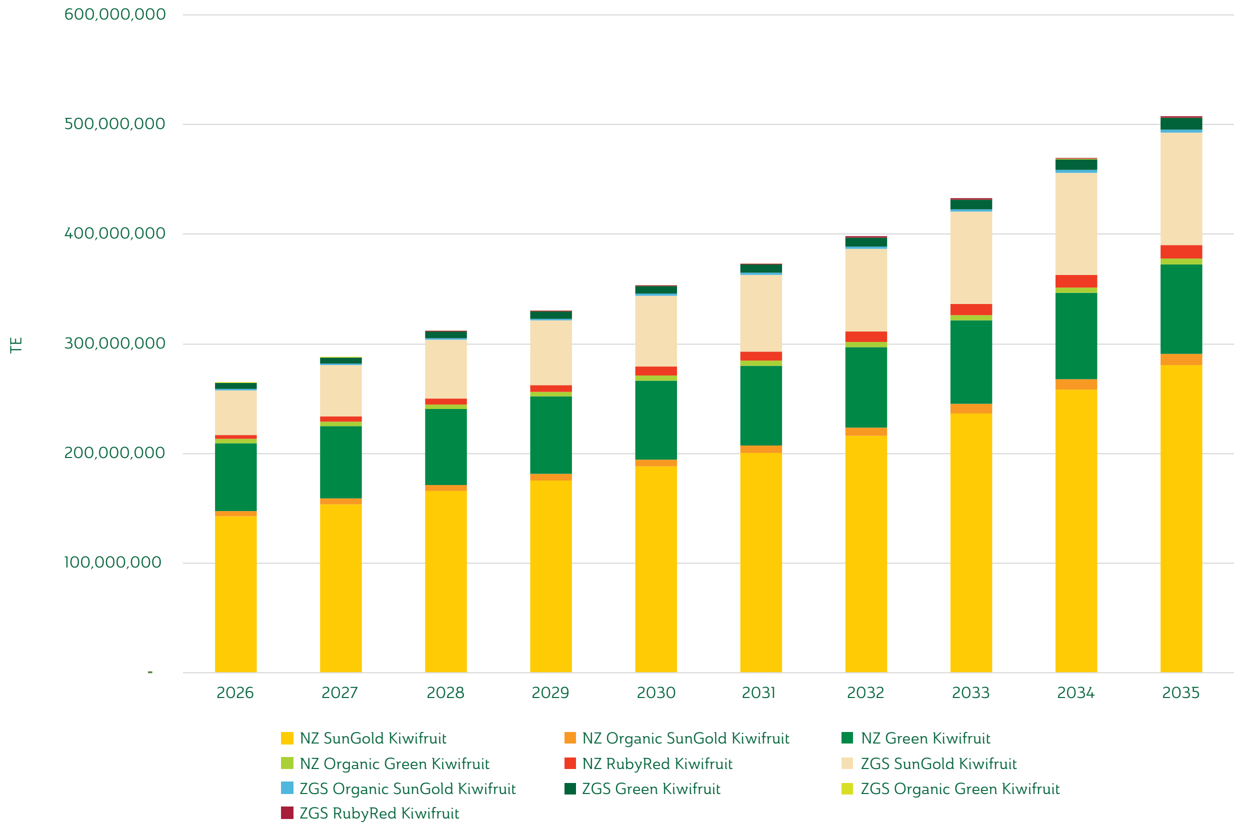
Having achieved and surpassed our goal to grow global sales revenue to $4.5 billion by 2025, Zespri has set our new ambition to be the World's Healthiest Fruit Brand by 2035. From a consumer and grower standpoint, this means bringing the best branded kiwifruit portfolio to the world and delivering the best returns back to our growers and shareholders.

## DEMAND OUTLOOK

Our current view is that further investment in markets has the potential to activate sustainable average returns across all fruit groups, arising from 12-month target demand of up to 335 million trays by 2030 and up to 511 million trays by 2035. This is subject to further licensing releases, efficient production costs, and overcoming supply chain capacity constraints, as well as individual orchard performance.

While the plan does not consider new varieties not yet commercialised, Zespri and the Kiwifruit Breeding Centre (KBC) are working hard to innovate new cultivars to support Zespri's mission to offer consumers the world's leading portfolio of kiwifruit 12-months of the year. KBC's focus includes innovating new varieties in our existing core product spaces of Gold, Green and Red, and new cultivars to meet new consumer needs, all with a targeted focus on natural nutrition. We are excited by the cultivars coming through the innovation pipeline in the coming 5 and 10-year horizon and will continue to work with growers, industry and markets to test their commercial viability to inform commercialisation decisions.

Growth over the next 10 years will continue to be driven by SunGold, with supply from New Zealand estimated to reach up to 188 million trays by 2035, based on the current licence release plans for the next 5 years. Northern hemisphere (ZGS) supply of SunGold is forecast to grow to 60 million trays by 2035, driven by the plantings of the additional 2,520 approved ZGS hectares. With SunGold Kiwifruit target demand in the New Zealand sales window forecast to reach 280 million trays by 2035 and 102 million trays by 2035 in the Northern hemisphere sales window, there remains significant opportunity for further expansion.



Zespri is actively reviewing the strategy beyond our current Gold3 Plant Variety Rights, which expire in NZ in 2039 and sooner in some of our markets; the first being the US in 2030. Several scenarios are being considered, ranging from a world where we continue to market only G3 under the SunGold Kiwifruit trademark, to a world where we have innovated and commercialised at least one new Gold cultivar that complements G3.

Demand for RubyRed is forecast to reach 14 million trays by 2035 in the New Zealand season and 1 million trays in the Northern Hemisphere season, with potential for additional growth if we can grow demand further and/or extend the selling window such as by improving storage and/or introducing new varieties.

Taking the top end of the 5-year licensing plan for Red80 and the forecast supply of Red19, total RubyRed supply from New Zealand is forecast to reach between 11-14 million trays by 2035. In the Northern Hemisphere season, we are forecasting to supply a minimum of 1 million trays of Red19 by 2035. From a value perspective, Zespri's long-term aim for RubyRed Kiwifruit returns continues to be achieving a 15 percent OGR premium over SunGold, assuming innovation and growing practices help to reduce the small size profile of Red19, and the sales window in our markets can be extended beyond the current 8 weeks, through the later harvest of Red80 and/or storage innovation.

From a mid-term perspective, with the right new varieties complementing Hayward, we are forecasting that demand for the Green category could grow to around 80-100 million trays. However, unlocking this level of demand will be dependent on having more profitable, higher yielding and consumer-differentiated offerings.

Supply of Green from New Zealand is expected to decline throughout the 10-year forecast, due to a working assumption that a small portion of Gold3 (unrestricted) licence may go to Hayward and Green14 cutover (based on the 2025 licence release). The current forecast is that Green volumes will likely stabilise to around 56 million trays in the next few years.

We currently have a number of higher-yielding Green cultivars in stage 3 trials, with further work required over the next season to validate their readiness for commercialisation, including sales trials to inform future positioning and pricing alongside our existing Green products; which will better inform the implications for supply and demand.

There is a strong imperative to bring through a new, improved Green as soon as possible, due to the highly competitive market we are operating in with other Hayward and non-Hayward competitor Green offerings on the market.

The earliest timeframe for a new Green commercialisation decision in the New Zealand season is 2026, with the timeframe to commercialise a new Green expected to be longer in the ZGS season, as Stage 3 innovation trials have only just begun. However, there is a strong focus on commercialising a new Green in the ZGS season as soon as possible, given the high level of competition and lack of differentiation in the markets today with Hayward. In the longer term, Zespri, through our partnership with the KBC, will continue to innovate for a differentiated green variety that unlocks a higher consumer willingness to pay and sets us apart from competition.

Demand for Organics continues to remain positive in the long-term with opportunity for growth of close to 10 million trays of Organic SunGold in the NZ season and close to 3 million trays in the Northern Hemisphere season by 2035. For Organic Green, target demand is forecast at 5 million trays in the NZ season by 2035. While limited headroom remains for Organic SunGold in the next 3-4 years as a result of demand running very close to supply, there may be opportunity for further licence release in future years.

The 10-year outlook licence release is tempered due to industry capacity constraints as well as the current limit on how much we can expand ZGS production to complement New Zealand supply given current grower approvals via producer vote.

## RISKS

The risks to supply and demand over the next 10 years are expected to be similar to those highlighted earlier in this document in discussing our five-year outlook, but with higher levels of uncertainty in the long-term.

### Out of scope assumptions

The following considerations are not yet included in our 10-year outlook, as the full extent of impact and timing is yet to be fully understood:

- Beyond the licence release of the Red80 variety from 2026, no commercialisation of any other new Zespri or third party PVRs, and their impact on existing demand
- Any new growing systems and other innovations which may impact on yields and size, noting that such innovation are under development by Zespri, but further steps are still required ahead of commercialisation readiness
- Costs of carbon in relation to industry targets.
- Further regulatory change.

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