



Maungatapere Berries Business plan

2018



162 Pukeatua Road,
RD9, Whangarei 0179

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www.maungatapereberries.co.nz

Executive Summary

Onyx Capital Limited is an integrated horticultural group specializing in growing covered and un-covered horticultural crops in Whangarei.

Maungatapere Berries currently operates from a [Commercial]-hectare site within the [Comm]ha Onyx Capita; orchard property, growing Raspberries Blackberries and Blueberries [Commercial Information]

The objective is to develop this opportunity into a vertically integrated unique horticultural industry, in the Northland region, [Commercial Information]

Since its inception in 2016 Maungatapere Berries has rapidly established itself as the leading industry soft berry brand, winning a highly recommended award in the 2017 NZ Food Awards.

Maungatapere Berries incorporates protected plant genetics, specialized growing systems including hydroponics, proprietary software, temperature controlled packing/distribution as well as sales and marketing through both domestic and export channels.

Highlights

Financial Overview \$m



	Sales	Gross Profit	EBITD
2016	\$ [Commercia]	\$ [merc]	\$ [merc]
2017	\$ [Commercia]	\$ [m e]	\$ [C mme]
2018	\$ [Commercia]	\$ [mmer t]	\$ [mmercia]
2019	\$ [Commercia]	\$ [erc]	\$ [ommer]
2020	\$ [Comme cia In]	\$ [Commerc]	\$ [e la]
2021	\$ [Comme cia In]	\$ [Commercia]	\$ [merc]
2022	\$ [Comme cia In]	\$ [Commercia]	\$ [Commerc]

Objective

The objective is to develop a sustainable, high value capture vertically integrated food supply business operation specializing in berry fruits.

Mission Statement

“ To sustainably produce high quality diverse range of fruits meeting both the customer and market requirements utilizing leading edge and best practice methods of production”

Keys to Success

- Innovative growing techniques
- Focus of quality
- Focus on high value capture product opportunities in market
- Research and development
- Staff training and engagement

Description of Business

Commercial Information

It's here that the family grows berries hydroponically under nearly five hectares of covered tunnels - producing a consistent crop of high quality raspberries for supermarkets and independents nationally including Commercial Information

Maungatapere Berries™ are innovative growers who offer a variety of quality berries as a result of their relentless focus on quality growing techniques

Company Ownership/Legal Entity

Onyx Capital Limited is a family owned company established in 1994. This company 100 per cent owns Maungatapere Berries Ltd and the associated trademark.

Commercial Information

Onyx Capital Ltd and Malley family members also hold a substantial shareholding over Commercial per cent in Dataphyll Limited. Dataphyll is dedicated to developing innovative technology products for the worldwide Food Production/Primary Industries sector, focused on the empowering everyone from growers to consumers with the knowledge that their food is safe, of the highest quality, traceable and residue free. The Dataphyll system, developed for raspberries, blackberries, strawberries and blueberries is currently used by Maungatapere Berries and Commercial Information in Kerikeri. The system achieves increased efficiency, productivity, and demonstrable costing savings through easy to use software, automated data capture, analytical reporting, and improved visibility across company divisions.

Location

Named after nearby Maungatapere mountain, Maungatapere Berries™ is situated on a 30-hectare orchard about 20 minutes' drive to the southwest of Whangarei.

Products

The table below details the historic, current and planned future plantings:

Canopy Hectares

estimates

	2016	2017	2018	2019	2020	2021	2022
Commercial Kiwifruit	Commercial	Commercial	Commercial	Commercial In	Commercial In	Commercial In	Commercial I
Commercial Info Kiwifruit	Commercial	Commercial	Commercial	Commercial	Commercial	Commercial	Commercial
Commercial Information Kiwifruit	Commercial	Commercial					
Commercial Information							
Kiwifruit				Comme	Comme	Comme	Comme
Commercial kiwifruit	Commercial	Commercial	Commercial	Commercial	Commercial	Commercial	Commercial
Raspberries	Comme	Commercial In	Commercial In	Commercial In	Commercial I	Commercial In	Commercial I
Blackberries			Commercial In	Commercial	Commercial	Commercial	Commercial
Blueberries			Commercial	Commercial	Commercial	Commercial	Commercial
	Commercial In	Commercial Info	Commercial Infor	Commercial Info	Commercial Info	Commercial Infor	Commercial Info

All the berries are grown hydroponically under plastic tunnels. About 3.4ha of kiwifruit is also grown under tunnels.

The historic and projected production is illustrated in the table below:

Production

	2016	2017	2018	2019	2020	2021	2022	
Commercial Kiwifruit	Commercial	Commercial Inf	Commercial Inf	Commercial Inform	Commercial Inform	Commercial Inform	Commercial Inform	trays
Commercial Info Kiwifruit	Commercial Inf	Commercial Inf	Commercial Inf	Commercial Info	Commercial Inf	Commercial Info	Commercial Inf	trays
Commercial Information Kiwifruit	Commercial Inform	Commercial Inf						trays

Commercial Information	Kiwifruit	Commercial	Commercial							trays
	Kiwifruit	Commercial Inform	Commercial Inf	Commercial Inf	Commercial Inform	Commercial Inform	Commercial Inform	Commercial Inform	Commercial Inform	trays
	Raspberries	Commercial Inf	Commercial Inf	Commercial Inf	Commercial Info	Commercial Inform	Commercial Inform	Commercial Inform	Commercial Inform	kgms
	Blackberries	Commercial	Commercial	Commercial	Commercial	Commercial	Commercial	Commercial	Commercial	kgms
	Blueberries				Commercial Info	Commercial Info	Commercial Inform	Commercial Inform	Commercial Inform	kgms

Commercial Information. The raspberries are grown for the local market and principally sold as fresh product in 125gm punnets. The second grade product is frozen.

Commercial Information

The blackberries are grown for the local market and sold as fresh product in 125 gm punnets. Current

Commercial Information. Under the accelerated growth plan the biggest planting increase would be in blueberries targeted for the export market.

Growth Plan

The plan is to grow the covered cropping production to meet market demands. Commercial Information

[Redacted]

Commercial Information

[Redacted]

Commercial Information

[Large redacted block]

The current covered cropping of raspberries to grow from Commercial ha to Commercial ha, blackberries with the introduction in 2019 of Commercial Information to grow from Commercial ha to Commercial ha. All targeted varieties that produce superior fruit and Commercial Information

Commercial Information

[Redacted]

Processing

The business has an operating batch IQF (individual quick freeze) machine. This was trialed during the 2017 season and the resultant production is graded fruit crumble. **Commercial Information**

Management

The management team comprises:

Managing Director: Dermott Malley **Privacy of natural persons**
 Plant health Director: Linzi Malley
 New Projects Director: Patrick Malley **Privacy of natu**
 Administration Director: Rebecca Malley **Privacy of natural**
 Human Resources Manager: **Privacy of natural persons**
 Grower Manager: **Privacy of natural persons**

The family members act as trustees for the Trustees support by an external Trustee **Privacy of natural persons**

There is an administration team under Rebecca covering accounting, health and safety and food safety systems and payroll. **Commercial Information**

Reporting to the Grower Manager but interacting with HR Manager are the field leadership team are **Com** team supervisors covering all areas but with special responsibilities:

Commercial Information
Commercial Information
Commercial Information

There is a maintenance team with its own Supervisor. **Commercial Information**

The field teams comprise core staff of up to **Commerc** people and then additional harvest staff made up of **Commercial Infor**

In 2018 and beyond, the management will be assisted through several computerized information systems:
 • **Commercial Inf** for accounting information supported by **Commercial Information** to provide inventory, order and dispatch management
Commercial for HR records staff contracts electronic onboarding and rostering as well as orchard task planning and production recording
Commercial Information from Dataphyll for electronic timekeeping and contract harvest management as well as traceability

Financial Management

Financial management is carried out by the administration team lead by Rebecca Malley. The team use **Commercial Inf** for recording all financial transaction. The accounts are prepared for presentation to IRD and bankers each year by **Commercial Information** the firm's accountants.

Future projections, budgeting and cashflow estimates are carried out by Dermott Malley using Excel.

Marketing

The soft berries will be sold under the Maungatapere Berry ("MB") label throughout NZ. A web site, facebook and twitter page have been setup to support this brand in market. **Commercial Information**
Commercial Information. The key product distinction in market is the quality and taste characteristics of the superior variety genetics selected for production.

Market Analysis

MARKET BREAKDOWN

In the 2017 spring season total production to end of January has been [Commercial Information] kgms versus [Commercial Information] kgms for the same period last year and this has been sold on the following regional breakdown.

The forecast production to end of January was [Commercial Information] Actual production was [Commercial Information]

Region	2017/2018 trays	2017/18	2016/17	2017/2018 plan
Auckland	[Commercial Info]	[Commercial Info] %	[Comme] %	[Comme] %
Christchurch	[Commercial I]	[Commercial Int] %	[Comme] %	[Comme] %
Dunedin	[Comm]			
Hamilton	[Comm]			
New Plymouth	[Comm]			
Palmerston Nth	[Commercial]	[Commercial Int] %	[Com] %	[Commercial] %
Tauranga	[Commerci]	[Commercial] %	[Com] %	
Wellington	[Commerci]	[Commercial] %	[Comme] %	[Comme] %
Whangarei	[Commerci]	[Commercial] %		
Other	[Commerci]	[Commercial] %		
	[Commercial Info]			

[Commercial Information] share of sales has moved from [Comme] % of \$ [Commercial Informati] in 2016/17 to [Comme] % of \$ [Com] in 2017/18.

Commercial Information

The figures have been compared to the percentage sales figures for 2016 provided by [Commercial Information] The returns per kilogram, net of marketing costs, were \$ [Commercial Information] and \$ [Commercial Information] [Commercial Inform]

The table below shows the actual and estimated market volumes for raspberries for the period to 2021.

Raspberry	2017	2018	2019	2020	2021
Industry Value \$	[Commercia]	[Commercial Int]	[Commercial Int]	[Commercial Int]	[Commercia]
Industry Volume	[Commerci]	[Commerci]	[Commercia]	[Commerci]	[Commerci]
Market Share Volume Tonnes	[Comme] %	[Comme] %	[Comme] %	[Comme] %	[Comme] %
Market share value \$	[Comme] %	[Comme] %	[Comme] %	[Comme] %	[Comme] %
Forecast Turnover \$(m)	[Commercia]	[Commercial]	[Commer]	[Commer]	[Commer]
Forecast industry value \$/kg	\$ [Comme]	\$ [Comme]	\$ [Comme]	\$ [Comme]	\$ [Comme]
Forecast value \$/kg	\$ [Comme]	\$ [Comme]	\$ [Comme]	\$ [Comme]	\$ [Comme]
Forecast volume Tonnes	[Comme]	[Comme]	[Comme]	[Commerci]	[Commerci]

CLIENT RELATIONSHIPS

The relationship of direct supply to [Commercial Information] had its first season in 2017.

Commercial Information

Market Segmentation

The market segmentation information is anecdotal. Free and frank opinions

Competition

There are a number of covered cropping competitors as well as field cropping for all berry types. The major competitor would be **Commercial Information**

Pricing

The key expectations about pricing are set out in the attached table. Generally as raspberry and gold kiwifruit volumes increase it is anticipated that market returns will decline. As labour expenses are expected

Pricing

	2016	2017	2018	2019	2020	2021	2022
Commercial Kiwifruit	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial
Commercial Info Kiwifruit	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial
Commercial Information Kiwifruit	\$ Commercial	\$ Commercial					
Commercial Information							
Kiwifruit					\$ Commercial	\$ Commercial	\$ Commercial
Commercial kiwifruit							
Raspberries	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial
Blackberries			\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial
Blueberries			\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial	\$ Commercial

Strategic Initiatives

Strategic Initiatives	2018	2019	2020	2021	2022
Growth	Commercial Information				
New Product Development					
Continuous Improvement					
Research and Development					

	Commercial Information			
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The strategic initiatives for 2018 are

Continuous Improvement

Commercial Information

New Product Development

Commercial Information

Growth initiative

Commercial Information

Research and development

Commercial Information

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