



NZX/ASX Market Release

22 February 2018

New Plymouth production plant impacted by Ex-cyclone Gita

Tegel Group Holdings Limited (TGH) reports that as a result of Ex-cyclone Gita, areas of the New Plymouth region are without water supply, including the company's processing plant located there. The plant suspended full production yesterday however parts of the production line will resume today and the feedmill is operational. We have been advised by the council that the water main will be reconnected within the next 24 hours. Tegel's New Plymouth Distribution Centre continues to be operational, and the business is working closely with Tegel's processing facilities in Auckland and Christchurch to source product and minimise disruption for our customers.

In addition, there was an ammonia leak from a valve on the chilled water tank at the New Plymouth production facility earlier in the week. The leak was quickly contained and no one was injured as a result of the incident. No production was taking place at the time. While production resumed as usual at the start of the week the company incurred stock losses from the chiller relating to product which was being readied for further processing.

Tegel has the benefit of three independent processing facilities – New Plymouth, Christchurch and Henderson - which have capacity to increase production as required, helping to mitigate any impact of reduced production volumes should there be an incident.

The company is working to quantify the one-off costs relating to the disruptions. At this stage the effect on Net Profit After Tax (NPAT) is estimated to be between NZD\$1.5 million and NZD\$2.0 million.

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About Tegel Group Holdings Limited

Tegel Group Holdings Limited (NZX/ASX: TGH) processes approximately 55 million birds per year, across vertically integrated operations in Auckland, Christchurch and New Plymouth. It is New Zealand's leading poultry producer, processing approximately half of New Zealand's poultry, and also manufactures and markets a range of other processed meat products. Tegel produces a range of products across its core business (e.g. fresh and frozen whole chickens, fillets and portions), and value added convenience products (e.g. fresh value added, cooked and smoked small-goods and frozen further processed products), which are sold through three key sales channels domestically (retail grocery, foodservice / industrial and quick-service restaurants), and in selected channels in international markets. Its brands are Tegel, Rangitikei and Top Hat.

For more information go to: www.tegel.co.nz