New Zealand Eggs - Sector Briefing, Q3 2025 Top-down market sizing · production-system mix in transition · free-range premium dynamics · HPAI status normalised

Executive view We size the NZ retail shell-egg market at approximately NZ$455 million for FY24, applying a top-down build of population (5.22M, NZ Treasury 2024 demographics), per-capita consumption (229 eggs per person per year, EPFNZ), wholesale-to-retail uplift (~30-35%, NZCC 2022 grocery study), and average shell-egg retail unit pricing. On a national-flock basis the official census data (last refreshed in the December 2022 NAWAC layer-hen population survey) places the laying flock at ~3.4-3.5 million hens; producer-level commentary suggests current bottom-up totals run modestly higher (in the 3.7-3.8M range) reflecting flock additions during Phase 2 expansion not yet reflected in the public statistics. Industry revenue is on a mild downtrend - broadly tracking ~-0.7% annualised through 2025-26 on commentary consistent with IBISWorld-style sector tracking - reflecting modestly softer shell-egg unit volumes against partly-offsetting premium-tier price recovery. The sector remains fragmented: top three to four commercial producers account for roughly 50-55% of national volume, with a long tail of family-owned operators and specialty / pasture-raised brands.

Production-system mix The 2022 NAWAC baseline placed the system mix at approximately 33% colony / 33% barn / 34% free-range (December 2022 layer-hen population survey). NAWAC has not refreshed those public statistics since the 2022 census. Current commentary from sector participants suggests free-range has expanded materially under the retailer-driven Phase 2 transition - with anecdotal producer-level reads now nearer to a 40% free-range / 40% colony / 20% barn shape - though this is not yet captured in the official statistical series. Analysts are advised to treat the 2022 baseline as the formal reference and the 40/40/20 reading as an informed market-side estimate carrying the usual caveats of producer self-report.

Cage-free transition: where things stand Phase 1 of NZ's cage-free transition - the elimination of conventional battery cages - was completed by the end of 2022 under the Code of Welfare (Layer Hens) regulatory pathway. Phase 2 is retailer-driven: New Zealand's two dominant grocery chains (Foodstuffs Pak'nSave + New World banners; Woolworths NZ Countdown banner) have publicly committed to packaged shell eggs being cage-free across own-brand and supplier ranges by end-2027. Combined the two retail groups represent approximately 70-80% of NZ grocery volume, materially compressing the practical commercial timeline for remaining colony producers irrespective of regulatory mandate.

Free-range premium dynamics Historically, NZ free-range shell eggs have commanded a retail premium of approximately 25-30% over colony equivalents at the shelf. Recent indicators - consistent with wider AU/NZ supermarket ranging behaviour and producer-level transaction prices - point to premium compression as barn capacity scales into the cage-free transition gap. Pasture-raised remains a distinct premium tier with separate economics. Producers exposed to the conversion timing risk on colony cohorts are simultaneously exposed to compression on the free-range cohort - a two-sided pressure that investors should explicitly model.

HPAI: NZ-specific context Globally, ongoing HPAI pressure across the United States and the European Union has supported elevated egg pricing through 2024-25 on supply-side disruption. New Zealand's exposure to that dynamic

is indirect. The country's single recorded H7N6 detection (Otago, late 2024) was contained to one property and stamped out under MPI biosecurity protocols; NZ resumed HPAI-free status with WOAH self-declaration filed in September 2025. Operating cost overlays from elevated biosecurity protocols persist sector-wide but do not constitute a supply shock at national-flock scale.

Outlook (2025-28) The dominant near-term commercial pressure on NZ shell-egg producers is the Phase 2 cage-free transition timing imposed by the retailer-pledge framework. Producers carrying meaningful colony exposure into 2026 face a compressed window in which to convert capacity, secure day-old chick supply, and avoid range loss on packaged shelf eggs. Free-range premium compression and persistent biosecurity operating costs represent the two secondary themes. The medium-term picture is one of consolidating system mix (free-range / barn dominant; colony residualised) with continuing demand stability on per-capita consumption.

Antipodean Agri Research is an independent sector-research publisher. Sources: NZ Treasury 2024 demographics analytical note; NZCC retail grocery sector study (March 2022); Annual Grocery Report 2024 (NZCC); USDA FAS NZ Retail Foods 2024; WOAH self-declaration (September 2025); NZ MPI Code of Welfare (Layer Hens) 2012; EPFNZ public statements; sector-level transaction-price commentary compiled from publicly disclosed retailer ranging behaviour.