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NZ Shell-Egg Producer Cohort

Competitor Overview & M&A Precedent - Cross-Trade Sector Update

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KEY TAKEAWAYS

- Top-5 NZ shell-egg producers account for ~62% of national volume; the long tail of >30 sub-scale and specialty producers covers the remaining ~20-22% (excluding Aurora).
- Two material control transactions in the past decade: Navis Capital -> Mainland Poultry (2017, ~6.5x EBITDA) and PEP -> Mainland Poultry (2025, ~7.0-7.5x EBITDA).
- Cross-trade global comps - Cal-Maine ~9-11x mid-cycle, Inghams ~8-9x - require scale haircuts when applied to an NZ-only sub-scale platform.
- Phase 2 conversion is a natural rationalisation pressure on the long tail; per-bird capex of NZ$45-65 by end-2027 sets up the platform roll-up window.

Note Scope

Roster overview of NZ shell-egg producers above ~5% national volume share, with company fundamentals (estimated revenue, headcount, ownership), key events timeline, and M&A precedent commentary for institutional valuation work. Aurora Eggs is excluded from this note because the company is privately held and does not appear in our public-data tracking; readers with target-specific information should layer it onto the cohort below.

Methodology

Revenue and headcount estimates derived from Companies Office filings (where available), industry consultant benchmarking, and capacity-implied output. Volume shares per latest industry consultant central case (FY26 base) and reconciled to ~3.75M national flock. Aurora Eggs (estimated 18% volume share, ~610k birds, NZ$84-86M revenue) is privately held and not formally tracked here; deal-team should add Aurora as net-additive to the cohort.

EXHIBIT 1

Table 1 - NZ Egg Producer Fundamentals (estimated FY24)

Producer	Est. Revenue (NZ$M)	Est. Headcount	Volume Share (% national)	Ownership
Mainland Poultry	240	475	27%	PEP (since 2025)
Heyden Farms	108	192	13%	Family (Heyden whanau)
Better Eggs	78	138	9%	Family (Anderson)
Zeagold Foods	62	118	7%	Mainland Poultry (PEP) eggs division
Henergy Cage Free	48	82	6%	Family (Wilson)
Long-tail / specialty	~ 280-330	~ 600-720	20%	Various (>30 producers)

Source: Hartley Pearce Agribusiness Research; Companies Office filings; industry consultant central case (FY26 base); capacity-implied output. Volume shares reconciled to ~3.75M national flock.

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EXHIBIT 2

Key Events Timeline - NZ Egg Sector (2017-2026)

Apr 2017	**Mainland Poultry / Zeagold transaction** Navis Capital Partners acquired a 70% stake in Mainland Poultry, including its Zeagold Foods eggs division, in a single transaction. The deal valued the integrated platform at approximately 6.5x trailing EBITDA. Press release at the time framed the acquisition as a 'strategic platform investment in the NZ-AU consumer-staples sector.'
Mar 2019	**Mainland Phase 1 conversion** Mainland completes first major colony-to-cage-free conversion programme (Phase 1 implementation period). New free-range and barn capacity additions at Waikato sites; reported NZ$45M capex programme.
Sep 2020	**Heyden Farms South Island expansion** Heyden Farms expands South Island operations - new free-range facility commissioned at Christchurch (capacity ~80k birds). First major capex programme since the late-1990s.
Dec 2022	**MPI Phase 1 deadline** MPI Code of Welfare Phase 1 deadline - battery cages illegal in NZ. Industry-wide flock census shows 33/33/34 colony/barn/free-range mix at the deadline.
Jan 2023	**Retailer cage-free commitments** Foodstuffs and Woolworths NZ jointly announce voluntary commitment to be cage-free by end-2027. Pre-empts any regulatory Phase 2.
Aug 2023	**Better Eggs tuck-in** Better Eggs acquires the Smith family farms in Hawke's Bay (~50k birds), consolidating the smaller specialty cohort. Reported as a tuck-in for $7-9M.
Feb 2024	**Henergy free-range expansion** Henergy completes its second large-scale free-range expansion at Cambridge - pure-play free-range positioning continues to differentiate it.
Dec 2024	**H7N6 avian influenza event** H7N6 avian influenza detected at single Otago property (containment confirmed by MPI); WOAH self-declaration mid-2025 confirms outbreak stamped out, NZ resumes HPAI-free status.
Jan 2025	**PEP acquires Mainland Poultry** Pacific Equity Partners (PEP) acquires Mainland Poultry from Navis Capital Partners. Transaction value reportedly NZ$340-380M. Implied EBITDA multiple ~7.0-7.5x. Press materials cite 'investment to accelerate Phase 2 conversion programme and broaden adjacencies.'
Jun 2025	**Zeagold automated grading line** Zeagold Foods commissions its automated grading line at Hamilton - reported as the first vision-graded line in the NZ egg sector.

Q4 2025	**Heyden Farms strategic review** Industry commentary indicates Heyden Farms exploring strategic options - potentially including sale or recapitalisation. Family principal (Patrick Heyden) noted to be approaching retirement; succession unclear. Status unconfirmed publicly.

Source: Hartley Pearce Agribusiness Research; deal press releases; MPI advisories; industry interviews.

M&A Precedent Commentary

The NZ shell-egg sector has had two material control transactions in the past decade: Navis Capital -> Mainland Poultry (2017, ~6.5x EBITDA) and PEP -> Mainland Poultry (2025, ~7.0-7.5x EBITDA). The second transaction reflected post-Phase-1 stabilisation, the run-up to Phase 2, and a more sustainable platform earnings base.

Sub-control / tuck-in transactions in the same period (e.g. Better Eggs / Smith family 2023) have transacted at lower implied multiples (5-6x) on smaller absolute-dollar EBITDA - consistent with the scale-haircut and private-discount factors that institutional buyers apply when sizing platform-vs-tuck-in roles.

Cross-trade global comps trade at higher headline multiples (e.g. Cal-Maine Foods at ~9-11x mid-cycle, recently inflated by a HPAI-driven supply shock cycle in the US; Inghams Group AU/NZ poultry at ~8-9x for the chicken-processing adjacency). Those multiples reflect public-equity liquidity, geographic scale, and category-leadership effects that do not transfer to an NZ-only sub-scale platform; institutional buyers should apply appropriate scale haircuts when using these as anchors.

EXHIBIT 3

Precedent & Cross-Trade Comp Multiples

Date	Target / Asset	Acquirer	Implied Multiple	Type
Apr 2017	Mainland Poultry (70%, incl. Zeagold)	Navis Capital Partners	~6.5x EBITDA	Control - platform
Aug 2023	Smith family farms (~50k birds)	Better Eggs	5-6x EBITDA (est.)	Tuck-in
Jan 2025	Mainland Poultry	Pacific Equity Partners	~7.0-7.5x EBITDA	Control - platform
Mid-cycle	Cal-Maine Foods (NYSE: CALM)	Public-equity comp	~9-11x EBITDA	Cross-trade comp
Mid-cycle	Inghams Group (ASX: ING)	Public-equity comp	~8-9x EBITDA	Cross-trade comp

Source: Hartley Pearce Agribusiness Research; deal press releases; company filings; consensus broker estimates for listed comps.

Producer Profiles

The cohort detail below tracks each of the named producers in Exhibit 1 with a key-facts snapshot and a narrative read on their strategic posture and recent capex history. Aurora Eggs remains excluded for the reasons set out in the Note Scope above.

Mainland Poultry

REVENUE (FY24E)	**NZ$240M**
HEADCOUNT	**~475**
VOLUME SHARE	**27% national**
OWNERSHIP	**PEP (since Jan 2025)**
PRIOR OWNER	**Navis Capital Partners (2017-2025)**

National platform producer and the cohort's scale leader. The 2017 Navis acquisition (70% stake; ~6.5x trailing EBITDA) marked the first institutional entry into the sector; the January 2025 PEP transaction (reportedly NZ$340-380M; ~7.0-7.5x EBITDA) extended the institutional ownership cycle and was framed by PEP press materials as 'investment to accelerate Phase 2 conversion programme and broaden adjacencies.' Mainland completed its first colony-to-cage-free conversion programme in 2019 (NZ$45M capex, new free-range and barn capacity at Waikato). Its sustained Phase 1 capex and PEP's stated Phase 2 commitment position the platform as the cohort benchmark for institutional buyers.

Heyden Farms

REVENUE (FY24E)	**NZ$108M**
HEADCOUNT	**~192**
VOLUME SHARE	**13% national**
OWNERSHIP	**Family (Heyden whanau)**
RECENT CAPEX	**Christchurch FR site, Sep 2020**

Second-largest family-owned producer; South Island anchor. Commissioned a new free-range facility at Christchurch (capacity ~80k birds) in September 2020 - first major capex programme since the late-1990s. Cage-free transition is reportedly behind cohort at ~45-50% cage-free. Industry commentary in Q4 2025 indicated the company is exploring strategic options including sale or recapitalisation; family principal Patrick Heyden is noted to be approaching retirement with succession unclear (status unconfirmed publicly). As a potential platform tuck-in, Heyden adds 12-13% volume share but is family-owned in succession and must be approached delicately.

Better Eggs

REVENUE (FY24E)	NZ$78M
HEADCOUNT	~138
VOLUME SHARE	9% national
OWNERSHIP	Family (Anderson)
RECENT M&A	Smith family farms tuck-in (Aug 2023)

Anderson-family-owned producer with a regional consolidator track record. The August 2023 acquisition of the Smith family farms in Hawke's Bay (~50k birds) consolidated the smaller specialty cohort; press commentary reported the tuck-in value at $7-9M, implying a 5-6x EBITDA range consistent with scale-haircut and private-discount factors. Better Eggs sits as a mid-cohort player with demonstrated willingness to execute small-scale M&A; its scale is below platform but its operational template is informative for any institutionally-funded roll-up.

Zeagold Foods

REVENUE (FY24E)	NZ$62M
HEADCOUNT	~118
VOLUME SHARE	7% national
OWNERSHIP	Mainland Poultry (PEP) eggs division
RECENT CAPEX	Automated grading line (Jun 2025)

Zeagold is the eggs division of Mainland Poultry, supplying retail under the Farmer Brown and Woodland brands. Ownership therefore tracks Mainland: Navis Capital Partners from 2017 and Pacific Equity Partners since the January 2025 take-out. In June 2025, Zeagold commissioned its automated grading line at Hamilton - reported as the first vision-graded line in the NZ egg sector. The automation investment supports unit-cost competitiveness within the Mainland platform and is consistent with PEP's stated Phase 2 capex programme. As a Mainland subsidiary, Zeagold is not separately available in a control transaction over the relevant horizon.

Henergy Cage Free

REVENUE (FY24E)	NZ$48M
HEADCOUNT	~82
VOLUME SHARE	6% national
OWNERSHIP	Family (Wilson)
RECENT CAPEX	Cambridge FR expansion (Feb 2024)

Pure-play free-range producer; positioning continues to differentiate it from the broader cohort. The February 2024 completion of a second large-scale free-range expansion at Cambridge consolidated Henergy's premium-channel posture and leaves it with the cohort's highest free-range mix. The Wilson family's operating posture is long-hold; near-term control availability is considered unlikely absent generational succession dynamics.

Cross-Trade Comp Band

Cross-trade global comps trade at higher headline multiples than NZ sub-scale platform transactions. The two most relevant comp anchors for institutional valuation work are Cal-Maine Foods (NYSE: CALM) - the largest US shell-egg pure-play - and Inghams Group (ASX: ING) for the chicken-processing adjacency.

Cal-Maine has traded in a ~9-11x mid-cycle EBITDA band, recently inflated by a HPAI-driven supply shock cycle in the US flock that materially lifted shell-egg prices. Inghams sits around ~8-9x for the AU/NZ poultry adjacency. Both multiples reflect public-equity liquidity, geographic scale, and category-leadership effects that do not transfer to an NZ-only sub-scale platform; institutional buyers should apply appropriate scale haircuts when using these as anchors. The implication for an NZ-platform transaction is that mid- to high-single-digit multiples remain the realistic central case, with control premia and platform synergies layered on case-by-case.

Sector Roll-Up Considerations

The NZ shell-egg sector is structurally fragmented - top-5 producers account for ~62% of national volume, with a long tail of >30 sub-scale and specialty producers accounting for the remaining ~20-22% of the market (excluding Aurora). Phase 2 conversion creates a natural rationalisation pressure on the long tail: small operators face per-bird capex of NZ$45-65 to convert by end-2027, often without the balance sheet to fund it.

Potential roll-up candidates for an institutionally-funded platform over a 2-4 year horizon:

Heyden Farms - succession question; cage-free transition behind cohort (~45-50% cage-free); would be a true platform tuck-in adding 12-13% volume share. Sub-scale relative to Mainland but comparable to a hypothetical Aurora-owner. Sponsorship sensitivity: family-owned in succession; must be approached delicately.

Specialty / pasture-raised cohort - 5-8 named operators (Hens-on-Pasture, Tasman Egg Co., two Otago specialists, three Waikato boutique operators) - total flock ~150-200k birds combined. Premium-tier positioning, low absolute volume but margin-accretive. Multiple ~5-6x; transactions would be NZ$3-8M each.

Long-tail commercial - 8-12 mid-sized operators in the 30-80k bird range, mostly family-owned, many facing Phase 2 capex without the means. Several are likely to exit the market through sale or wind-down by FY28. A platform with capital to deploy could acquire 3-5 of these sub-scale operations at modest multiples (4-5x) and consolidate flock onto the platform’s existing or expanded sites - procurement synergies in the 4-6% of opex range, manufacturing footprint synergies in the 5-12% range where geography supports plant rationalisation.

Synergy framework note (informational, not deal-specific): institutional buyers in agribusiness typically realise procurement synergies of 4-6% of combined opex within 12-18 months, manufacturing footprint synergies of 5-12% over 24-36 months where geography supports plant rationalisation, and corporate-overhead synergies of 40-60% of acquired G&A. Commercial synergies (shared sales force, category management) typically run 3-5% of combined commercial opex.

About this Note

Hartley Pearce Agribusiness Research provides institutional desk research on Australasian agribusiness and consumer staples. This note is for institutional client use only. Estimates of revenue, headcount, and volume share for privately-held producers are derived from triangulating Companies Office filings, capacity-implied output, and industry consultant benchmarking. Dollar figures should be treated as central-case estimates with ±10-15% uncertainty bands.

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