

TRANSCRIPTION

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Operator: Thank you for standing by and welcome to the New Zealand King Salmon FY20 H1 results announcement. All participants are in a listen-only mode. There will be a presentation followed by a question and answer session. If you wish to ask a question, you'll need to press the star key, followed by the number one on your telephone keypad. I would now like to hand the conference over to Mr. Grant Rosewarne, chief executive officer. Please go ahead.

Grant Rosewarne: Good morning, everybody. I've got Andrew Clark with me here today, our CFO, and as usual, we'll split the presentation between us. Firstly, I'd like to say that we're very pleased with our first half result and I'd like to set the scene for you. So as you all know, last summer we had a poor outcome due to the high temperatures, but we still achieved the lower end of the guidance that we gave. So as a result of that, we've had to slow and ration our product. So this does two things. It sort of evens out our volume across the years, but more importantly it creates more biomass. So when we have less fish because of the summer events, we grow the remaining fish larger, and in that way we partially compensate for the loss of biomass. And we've certainly done that this year. So when we slow styles, we do that by rationing, but also by increasing the price.

And we try and do that in a coordinated, sensible way. For us, this is a one-way value creation. So when we take our price up, we don't see that we have a need to bring it down when volume does come back online. And the reason for that is, instead of doing that, we still profit our sales, marketing efforts, and we expand our geographic base. And when I say that, that's a city by city expansion, not a country by country expansion. So that sets the theme for the remainder of the presentation. So as I said, we're pleased with our results. You see our price up \$1.50 per kilo, and that's going to move closer through to \$2.00 by the completion of the full financial year. You see our volume restrain from where it was, down to 3,442 metric tonnes for the reasons that I've outlined.

This of course affects our revenue, so a revenue of 84.2 million, down from 87.8 due to the reduced volume partially offset by the higher value. A pro forma operating EBITDAR of 16.5 compares reasonably well with 17.3 in the prior half, and our pro forma net profit after tax was 8.7 million, compared to 9.7 in the prior half. Our statutory net profit after tax was that 5.7 million at 20.8 million compared to 15.1. We have our new aquaculture model in place



and we are pleased with the way that's been implemented and what it's doing for us. We have a fully punitive final dividend of two cents per share declared and paid on the 20th of March 2020. Our guidance remains exactly where it was, reaffirmed by our board yesterday with an operating EBITDAR somewhere between 25 and 28.5 million dollars.

Then flipping over the page, this shows graphically some of the things I've spoken to, so you see our pro forma operating EBITDAR in a half on half comparison for the last three years. You see that coming down, and that's all volume related. You see our gap EBITDAR going in the opposite direction. That's with us creating more value. Then you see a geographic spread and that's quite topical at the moment. You see that we have a relatively small commitment to China. Commitment is the wrong word. They have a small amount of volume in China. China probably has as much potential as the USA, but that's over the long, long term. Takes a long time to develop that market. I'd say Europe has the same potential as the USA and would be available now if we had the volume.

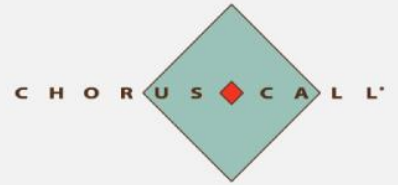
Grant Rosewarne: We've got Southeast Asia there at about 6%, equal to Australia. Again, probably has about half the potential of the USA. Japan, we used to sell 100% of our product to Japan, it's down to 4%, and in a still strong potential there but not, it will never be what it used to be to us. The other important factor here is not only do we have a geographic spread, we have a channel spread. So we have a mix between retail and through service and we can flex in and out of those. So if people died out less, we can ramp up our retail sales. Now let's hand over to Andrew Clark.

Andrew Clark: Thanks, Grant. So moving now to slide number five, health safety and wellness. Health and safety's job number one and we're not satisfied with our current performance. We continue to focus on critical risks and have seen the long term injury, right? Generally being of a more minor nature, so slips and strains and so on. And we're also seeing some pleasing results from early intervention, hitting off an LTI in the first place.

Moving on to number seven, sustainability. We continue to rent out there if it's to ensure our business operates in a way that's enduring and that we're proud of. And are very happy that the Monterey Bay Aquarium's influential seafood watch recently renewed its green best choice rating. That's for the entire New Zealand salmon industry, Is the leading sea water producer that's, we are a key part of that.

Very proud to achieve agriculture stewardship council certification for our pilot site, which was the Clay Point Farm. And that's part of our commitment to the global salmon initiative. And that's a group of about half of the world's seven production companies and by overall volume, and it's all about increasing transparency of operation of salmon industry and sharing learnings to achieve best practise. So it's a key commitment that we've made over the last seven years.

Slide number eight, we have committed to the United Nations global compact and that's got some key responsibilities that we sign up to around human rights, labour and environment, anti-corruption. So that's a new initiative that's about being, us being a responsible



community citizen. So that's part of our ongoing commitment to one of our key stakeholders, which was the community that we operate in.

We're doing a lot of work to understand what our current position is. For example around carbon footprint, and so we've done a life cycle analysis recently, and looking at packaging and supply chain areas as well. Just to gauge where are and what opportunities there are to improve and our sustainability situation.

Moving onto the financials on slide ten. As Grant mentioned in the first half, we had very solid pricing. We had to restrain our sales somewhat to ensure that we do have supply for the longer term and are able to deliver to our customers and look after them. We've seen margins up and the EBITAR percentage consistent. The overall EBITAR slightly lower, is Grant mentioned of it, a slightly smaller sales volume in the first half.

Our statutory net profit, after tax, improved year on year and that's driven by stronger fair value gains, which is the future profit that we would expect to make off the fish after deducting the costs to get them through to harvest and to market. On slide 11 just a word around the difference between statutory and pro forma. So as usual, we've incorporated fair value gains into the livestock and finished with symmetry. This slide provides a bit of explanation on the process and there's a reconciliation, a couple of slides at the end of the presentation.

There's a new standards, if for 16 leases which doesn't pick these results and so in essence, what that's linked to is a 5 million dollar asset and liability being recognised in our balance sheet relating to leased offices and vehicles. Again, there's a reconciliation slide at the end of the presentation that illustrates the P and L impact.

Maybe now to do the harvest by farm on site 12. So a new agriculture production model is now in place. We got the key implementation really cracked this summer, so that was delivered in full on time by the team. That has changed the timing of our harvest. So for example, ordinarily we would have harvested the Otanerau farm on the seek and find there during our first half year. Whereas this cycle, it will actually be early in the new financial year if by 21.

We have stood around 3,700 tonnes in the fist half is, as Grant mentioned, and you can see the breakdown of which farms that came from. We do expect around, excuse me, the 800 tonnes for the full year, so indicative where that's going to come from and the second half on that table.

On the next slide, water temperatures are just one factor in the survival. They've certainly been relatively favourable so far this year. We are, of course, in the middle of the most challenging time, which is February through to about the middle of April. So as usual, we will come back after that period is completed and provide a post summer update in due course.



The shelf on slide 14. So a new agricultural production model, as I mentioned, it's in place. There are quite a number of initiatives to protect fish health and therefore survival. In place, before the summer, it means that we handle the livestock lists. So not towing pins with livestock in them. We carry out a full site clean and fellow, which means leaving it empty for a period after it harvests out the farm. We've got the upwelling in place, fits around generating extra oxygen and flow, water flow on the sites and taking advantage of any [inaudible] a difference in temperature between down close to the sea floor and the surface temperature. And some of the farms we've seen a little over a degree difference, so that's been very useful. At the farms there's less of a difference.

So we're learning that. It's generating some good support there, we think, for the summer performance. Immunisation appears to have helped us manage the impact of one of the bacteria that's present in the environment. The other ones now speculum does remain a challenge that we're working on.

In summary, we're continuing put the new agriculture production model in place. We're continuing to refine that, and we do expect that we'll be able to further reduce variability and risk over the coming cycles. On a balance sheet, slide 15. So a balance sheet in a strong shape. We hit net debt of 25 at the end of December. We have a 60 million dollar funding facility in place, so plenty of hit room there.

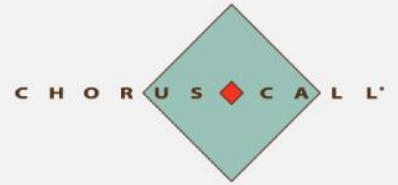
At this December, we do have additional inventory and that's around stock build with harvest and exclusive sales. Again, smoothing the supply so that we can deliver to our customers as they're wanting. Major investments and fixed assets during the periods. So we completed the [inaudible] Thomas Song. Quite a bit of investment and upwelling, and this new aquaculture model, some additional pin infrastructure and farm infrastructure on poolside from working now. And grading panels to maximise the harvest of each farm. As I mentioned, we've also got the [inaudible] 16 which has a separate bio name for write of use assets and release liabilities.

I'd like to pass back now to Grant on the sales overview.

Grant Rosewarne:

All right, thank you Andrew. So we'll just go through market by market. So firstly, North America. Traditionally, this is where our marketing and story has been most understood, appreciated and embraced, and that still remains the case. So we've seen continued growth in this market and we expect that to go, to continue to go for some time. As I said earlier, we add more cities if we need to grow volume. The last city that we added with support was New Orleans, for example. And in Asia, it was Shanghai. So we haven't had to add new geographic cities for some time, because we haven't had significant additional volume to deal with.

But just to make the point about flexing between food service and retail, those, as you know, there's 400 supermarkets in New Zealand. If we wanted to add 2000 supermarkets carrying our Regal smoke brand in the US, it'd probably take us about six months to do that. Then looking at China. So our sales to China are temporarily suspended due to the Corona virus. We reallocated all that volume seamlessly at equivalent margin, so no issue there at all. We're just



about to restart with testing whether the border is open. We expected that it will be and our retail sales will pick up immediately and two thirds of our sales were in retail.

Then other export markets. So Australia has been a bit of a problem child over the years and I would say that problem child is now fixed. That is a true premium market for us. Atlantic seven prices are higher in Australia than anywhere else, and we would achieving the premium there that we would have hoped, but we've now fixed that. So we've got a great team in place. They're in the right customers. You'll see our brand name on more menus. Actually, even though the volume is down. I remind you that we had to bring the volume down. We've largely used Prost to do that. We've done that in Australia and we're now really pleased with the base that we have there.

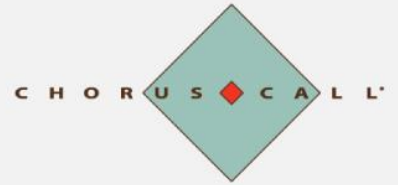
Asia including Japan and China is always been strong for us, continues to be so. A slight pullback in volume there as a result of some of our initiative. Japan, as I mentioned, it's the home of sushi. Salmon is more like chicken in New Zealand, perhaps, that is an issue that we have to work hard up against. We have to prove ourselves to be in a true super premium up against what is seen as a more commodity offering in Japan. And we've got a great chance doing that in both food service and retail in Japan.

Europe has incredible potential for us. The tyranny of distance means we've never really been able to engage as we would've liked, and we've never had the volume to do so. So we look forward to developing that market at some future date.

Then looking at the domestic situation, this is slide 19. We really addressed our value creation if in this market, if I put it that way. We've taken the opportunity to even out the margin across all of our markets. So the U.S. used to be a bit of a standout for us and now all markets are equal roughly including New Zealand. We've launched Regal Epicurean, which is our Atlantic offering. So finally we are unbelted in volume. We can get as much as last seven as we need to bring in to support the growth in this market. And importantly, Regal Epicurean Atlantic salmon changes the power balance between us and the retailers, and improves our position there because we can supply. We don't have to turn them away. We're not restrained from developing our brand. And already within the food stuff with that product is raised added 2% market share.

And why is this is also important to us from a margin proposition which just say average margin. Let's just use a fictitious number. Let's say around about \$8 a kilo. You're saying we've gone up \$1 50, so the huge effort to go from \$8 to \$9 50 in margin. But if we can bring in Atlantic salmon, and only \$1 50 margin is created the same value in fact. Because if we take margin, take a product out at \$8 margin and put it in somewhere at \$9 50, we've only made \$1 50 because there's no upside in our volume buys. So Atlantic salmon filling the role of supporting our brand, improving our power position, and for the longterm it assists with our margins.

Then slide 20, average price. You can see that we've addressed the situation more in the domestic markets than the export market. I know some of you are going to ask me questions



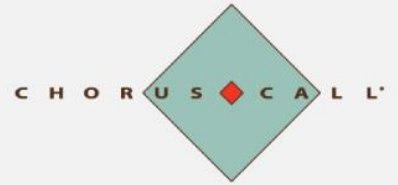
about where we go from here, so I'll leave that to after questions. But I would say the limited potential now in the New Zealand market, and some remaining potential in our export markets.

Then slide 21, fish performance. So you can see the harvest decrease that we've talked about. They're still looking to achieve a roundabout guidance level 7,800 metric tonnes. A really good feed conversion results there, and that's partly due to the number of mould fish that we've got. But we also had a standout performance of our Navajo farm. So fully harvest about large size, a change in FCI of around about 1.5 maybe a bit more than that. So, that's a great performance. It shows what can be achieved when all the styles align, so that says, technically that's possible. So how can we now take that across our other farms, and I don't want to say that simple not, but it shows if you can do it once, you can do it more than once. A fish survival is in line with last year. We've had very strong winter growth which is right. Feed costs are up slightly 2%. Going back to pricing creases, we can always, under all scenarios, recover at least inflation as a minimum.

Then looking to our outlook, the future farming initiative. I hope you've all heard of Blue Endeavour. That is our 1,800 hectare sites, 7k North of Marlborough Sounds. That is our strategy to address many things. It addresses our volume situation. It's an opportunity for us to further increase our margin in the long term because it enables us to grow a more differentiated product in the future. It helps address climate change for us. In fact, we see it as the main strategy to address climate change, so the Open ocean and all it offers is key to our future and we're pushing very hard on that. We've got a hearing date for the 22nd of June with the Marlborough district council and then there'll be a three day hearing approximately and then we get a result 20 working days after that.

The capital cost for Blue Endeavour, it's far less than we first thought. We've got a range of 25 million to \$35 million in capex. Phase one of Blue Endeavour will produce 4,000 metric tonnes of additional salmon. That's on an 18 month cycle. So that's great news. I think it's the RMA process. We don't have control of that process, but we've put our best foot forward with a great application. We've had 39 people in support of it and only 14 opposed on local environmental issues, which we believe, we know we can address. And I know that all of those negative submitters have previously re-proposed that we should go into the Open ocean which is great. The boundary location with the minister, really nothing's going to happen. This thought of the election, we hope for a result in the following year.

Then onto our expectation, we are going to build our frozen inventory in the remainder of our financial year. I want to reassure you though that's high value for us, so we make the same margin at least on our frozen inventory as we do on our fresh products, which is not the way it used to be. Our pricing remains very strong. In fact, I said we've done a great job with a \$1 50 that's going to play out close as \$2 over the full year. We're diversifying our offerings, whether that be any our existing brands like our King Regal Atlantic salmon pet food, and we're doing that to create resilience for our business. We've not seen an impact from the Corona virus, as yet, we recognise this as an extremely fluid and dynamic situation. We're not only looking at and what is the sales impact, which there hasn't been any yet. We're looking



at the reflect out of food service more into retail, and we're also looking at our supply chain of our various inputs. How they affected by my potential disruption, but we do think we've got that all under control.

We are able to reallocate product between markets and between channels which is great. That will help us depending on how the Corona virus unfolds. We're on track to spend our \$20 million with off capic. We've got a depreciation of \$8.2 million. We're really pleased with the way our new agriculture model has gone. That was a significant part of our capic, about \$4 million I believe. There's no reason for us to change our guidance. Our board reaffirmed 25 to 28.5 million dollar per form EBITDA yesterday. We're working hard on that water space and that is absolutely chief for the future. So expectations in terms of volume around about 8,000 metric tonnes FY 21, 9,200 a year after, and as always, summer is really key to our achievement of results and volume. So with that, that's the end of our presentation and we're turning that over to questions.

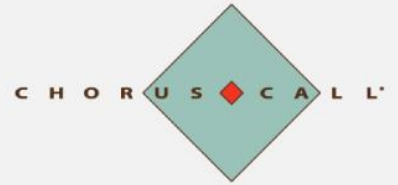
Operator: Thank you. If you wish to ask a question, please press star one on your telephone and wait for your name to be announced. If you wish to cancel your request, please press star two. If you're on a speaker phone, please pick up the handset task for question. The first question comes from Guy Hooper with Forsyth Barr. Please go ahead.

Guy Hooper: Morning guys. This question for me just focusing on fish health. You mentioned that, forgive me if I mispronounce it, but tenacibaculum consumes around the disease and can you just provide a bit more colour on that?

Grant Rosewarne: Yeah, so I'll start, maybe Andrew can add something. Tenacibaculum is a ubiquitous organism that exists around the world. As far as I'm aware, it's in every sea and ocean. It is a known problem for aquaculture and other jurisdictions have learned how to live with it and control it. We've recently increased our ability to be able to detect the organism, and therefore more correlated with any issues that we've got. I note there are some vaccines that are available to deal with the tenacibaculum. We've done some trials on that already. We think it is part of the summer equation. So as usual, these things are never simple. They're multifactorial, and definitely temperature into the equation. They are definitely microorganisms in the equation. tenacibaculum is one of them. Other jurisdictions have learned how to deal with it, and we're on our way to doing that we believe.

It's great that we've got this additional information about how and what is effect that, and of course would have been really helpful in determining that. So we think, we'll increased knowledge and learnings from around the world, we will get on top of the situation. Again, we think the Open ocean is part of the answer to that. The environment is so good in the Open ocean. We don't think tenacibaculum will be a problem out there. Certainly could be. It could be if its conditions would as good, but as I say, we've got a dip, a temperature and a flow out there, which is fantastic. So Andrew, any comments?

No. Okay.



Guy Hooper: Thanks Grant. I just following on from that, in terms of the farms that you have shifted your operating model onto a single year class, can you give us a sense on what the performance, the front is just seeing between those, between ones that have shifted, the ones that you hit them?

Grant Rosewarne: I had said, God, for clarity, we haven't really relocation process, which is an effective shifting of funds. So what we've done is taken all of our assets, and we reallocated how and when we farm on those sites, and we've created a fallowing period for all of our funds. And that was previously only true on our Pelorus farms. So we haven't actually shifted them. We're just spread out our production. We brought some sites that had been fellow for a long time back into production, for example, four sites. We're using new techniques on all of those sites and we're seeing the results that we are pleased with. But summer is always a difficult time for us, so far it's been a very cool summer but it's not over yet.

Guy Hooper: All right. Thanks. One last question from me. I mean you mentioned water applications under the RMA process can continue to be dragged out perhaps this isn't the best way to go about it. Given the government's strategy announcement, do you see changes to how water space gets allocated into the future?

Grant Rosewarne: I would say,

In the long term, yes, but in the short term it's still the RMA. But when we turn up to a hearing and we say here's a government initiated strategy, so this wasn't born out of industry, government came up with this strategy themselves. It's an all of government strategy, it's to take the industry from 600 million to 3 billion, and a guy, I think you know my view is that open ocean aquaculture could become New Zealand's most valuable industry, and it's greenest primary sector, so it's incredibly helpful to us. However, we would like to see the government come up with more concrete initiatives to enable open ocean aquaculture. So, the RMA is not a great tool for allocating water space, and I think there are initiatives underway to be more rational about that and to get a better allocation process. But for the time being, we're working well with the Marlborough District Council.

That's where the decision will be made. We're going to the place that pretty much all of our detractors have said we should go to, the open ocean. I don't think anybody, per se, opposes it outright, it's more, okay, what does it look like when it goes out there? What's the sale of it? Tell us how it operates. It's all those sorts of things, so we are hopeful that what we've got, the RMA will deliver on or about the 22nd of June, but we think we need further central government support with the enabling legislation, to really maximise aquaculture.

Guy Hooper: All right, thanks Grant. That's all from me.

Operator: Thank you. The next question comes from Jack Crowley with Jarden, please go ahead.

Jack Crowley: Morning Grant, Andrew, first one from me. I'm just trying to reconcile the full year sales volume guidance which has come down a little bit with unchanged, if like 20 and 22, sorry, 21

and 22 guidance, and the improvement in FCR. I guess if we were to assume that you guys discharge the same amount of feed that your FCR had improved, that would imply that you should be able to harvest more, and noting that harvest volumes are down a little bit in 20, or at least sales volumes are down a little bit in 2020. I guess what that's implying is that either the FCR rate isn't sustainable, or you think you can now discharge less feed because of the average sea farm utilisation under the new operating model, and the way that there's following that needs to be offset with the use of lower quality farms. Could you just talk us through exactly what dynamics are going into supporting the harvest volume expectations despite the FCR that we've just seen.

Andrew Clark:

Yep. Jack, it's Andrew. So I suspect you might be reading slightly too much into it at the moment. But what's going on here is that we are signalling we had to restrain sales in the first half of this year in order to make sure that we looked after our long-term supplier responsibly. And so now we've started to step that up and that, because of timing, that does mean that this year's sales and harvest will be slightly down on what we've previously guided, and talking probably a couple of hundred tonnes thereabouts. So it's single digit, low single digit percentages. The next thing that we're saying here is that there is no reason at this point to move away from previous guidance around if by 21 being approximately 8,000 tonnes of harvest and if by 22 being approximately 9,200 tonnes of harvest, both of those as always subject to summer.

So nothing to change that view at this point, and of course we'll continue to give guidance as we get closer to that. Now, you also asked about feed discharge and production volumes. I guess, once those ... Those fish already in place on all of the farms, locked and loaded. So we have to plan ahead, how many head of fish we are going to transfer onto the farm as smolt, every time we stock them. And then, so you're always estimating what is the capacity of the farm? What FCR do we expect? And therefore, what's production? And you will get a variability in the ultimate output. So this is dealing with last summer and moving on, so that we look after our customers for the longer term, and then no reason at this point to change future guidance around harvest volumes.

Grant Rosewarne:

Yeah, I'll just add to that Jack. I think you are maybe getting a bit ahead of where we are. So we're saying, the FCR that we've just achieved, it really is positive for the longer term. We're not counting our chickens before they're hatched in the second half. We both had a stunning farm, Ngamahau, and we had this positive ... Small fish have a better FCR, the large fish. And so that played into the mix a bit. But I think your right in terms of the long term, and by that I mean Blue Endeavour, but I think it's just too optimistic to assume that we're going to have anything significant in the short term. We've had a really good result that may be somewhat one off.

Jack Crowley:

Okay, that makes perfect sense I guess we'll kind of stick with the FCR type assumptions that we've had today, but I cross our fingers that things come out better. I guess second question would be, interested in ... There was a few comments about the second half pricing maybe being up \$2.50 Rather than \$1.50 Or \$2-



Grant Rosewarne: Stop you right there, right there. What I said is moving through to \$2, no one said \$2.50, Jack. You really are, Jack, you are an absolute optimist.

Jack Crowley: Okay, sorry, maybe I interpreted that wrong cause I thought \$2 across the first year implied \$2.50 in the second half after \$1.50, first half. If we take on a \$2 in the second half, \$1.75 across the full year, is that the annualization of gains that you've seen in the first half? Or are there other kind of mixed factors that you think provide you further price upside?

Andrew Clark: Yes Jack, you're exactly right, it is the annualization, and as Grant also said, I guess we've consistently given this message. We'd be confident over time of achieving ongoing price increases, in the order of CPI and wouldn't count on anything more than that. Now I know that we have been able to deliver more than that, but we certainly wouldn't count on that continuing with ... You can see in New Zealand in the first half, we've got a resistance there in terms of a bit of volume impact, so we have probably pushed that relatively hard this time.

Grant Rosewarne: Yeah. And so when we talk about the future, Jack, we think we've ... I think the market acknowledges things have gone extremely well with our Ora King brand, but as we go forward, we're going to grow a more differentiated product, but that's predicated on the open ocean, and that's where we get the next step up. The next significant step up in our margin is now half of our Ora King volume will be differentiated products that don't exist at this time.

Jack Crowley: Got it, okay, thank you. The next one from me, just so that we completely understand this Tenacibaculum circumstance, is it the case that obviously that's in all salmon growing locations across New Zealand, but have you seen the effects of that escalate as warmer water temperatures have been observed, and could you maybe just talk through, I guess in terms of fish performance or fish quality? What the implications of Tenacibaculum are?

Grant Rosewarne: Okay, so I note that Tenacibaculum, it's been around a long time. It's in an MPI report that's five years old and it mentions ... And we've known about it, and what's changed is where we're pinning more of our summer problems on Tenacibaculum than we did in the past. So we were going, okay, this seems to be definitely temperature, well it is definitely temperature related, but it's multifactorial. And instead of now, it's multifactorial and we don't know what's causing the other part of the problem. We're saying Tenacibaculum is a large part of the problem. It's not the complete issue, but it's a large part of it. But as I mentioned, because other parts of the world have had to come to terms with it and understood the impact perhaps earlier than us, they do have solutions and that's around both husbandry practises, vaccines and those sort of things.

So the thing that's changed is we're now understanding what the source of some of our summer problems is, over and above the temperature. So in terms of is that escalating or not, so I would say, we're in a bit of a race there, so we improve our practises, we improve our sites and we try and get ahead of the curve on that. And when we have a good summer, we're definitely ahead, and when we have a bad summer, like last summer, as you know, we didn't get a good outcome in that.

So we're not complacent about the situation, we fully understand the importance of addressing that summer mortality. The team are driving really hard to do that, and now they know more about what they need to do. So they have more of an understanding of, okay, if this is the last part of the problem, here are the practises around density, these are the practises around fallowing and this is how we've got to manage the summer stress situation, and these are the known types of solutions for Tenacibaculum and the team are going to apply that. So I want to say our ability to control things has improved.

Jack Crowley: Excellent, that's very helpful. That is all for me, appreciate the time.

Operator: Thank you. Once again, if you wish to ask a question, please press star one.

There are no further questions at this time. I'll now hand back to Mr. Rosewarne for closing remarks.

Grant Rosewarne: Yep. So as I said, we're really pleased with the way things have come out, given last summer. So in some ways not too many things could have gone better. So the pricing has turned out to be better than we anticipated. The summer, so far, has turned out to be better than we anticipated. Our feed conversion ratio has gone better. And we understand that a little bit more about what the total summer issue is, so that's good. So all those things are moving in the right direction, but we're still affected by what happened last summer. And of course there's still the possibility that this summer may ramp up from here. It's not looking like that, but we were saying fairly positive things at this time last year, and then we had a very late, long, hot summer, so ... And that turned out to be quite disappointing.

So we're not counting our chickens before they hatch. We do have the initiatives for the longterm to solve these, that's tied up with Blue Endeavour. We have another 12 sites that we're looking at down the coast, all the way down to Stewart Island. We note that Ngai Tahu have a large application in for a salmon farm on Stewart Island, we think that's brilliant. That shows that here's a very respected Iwi, that take environmental issues, and consideration, and guardianship extremely seriously. So if they're prepared to endorse our industry in such a way, we think that's a huge advantage. We'll obviously look to see if there is the opportunity to work together. We have no issues or qualms about our ability to grow our brand and further differentiate our products. So we see all of that as positive and in the mix. And that's why I continue to say that with the right support, open ocean aquaculture could become New Zealand's most valuable industry, bar none. And by far its greenest primary sector. So with that we'll say goodbye. Thank you.

[END OF TRANSCRIPT]