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TASSAL GROUP LIMITED

FY21 Results

MARK RYAN | *Managing Director & CEO*
ANDREW CRESWELL | *CFD*



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OPERATIONAL GROWTH
CONTINUED IN
FY21

FY 21 saw Tassal focus on factors in its control

Salmon retail "Tassal" branded volume growth: MAP up 27.7% and smoked up 19.5%, reflecting a focussed marketing campaign that delivered increased brand strength and trust, and successful leveraging of the megatrends that underpin salmon growth

Growing salmon production – 40,018 hog tonnes achieved in FY21 (up 16.3%), 3 years ahead of strategic plan, underpinned by improved survival and food conversion rates

Australia's largest prawn harvest – 3,915 tonnes achieved in FY21 (up 59.1%) underpinned by significant improvements in farming yield and harvest biomass

Strong efficiency gains – cost of growing and production savings of \$0.33/kg and \$1.45/kg across both salmon and prawns, respectively through infrastructure upgrades and operation optimisation

Sustainability – Responsible Business platform to cement Tassal's ESG and sustainability industry leadership

Salmon harvest up 16.3% to 40k tonnes



Revenue up 5.6% to \$594m



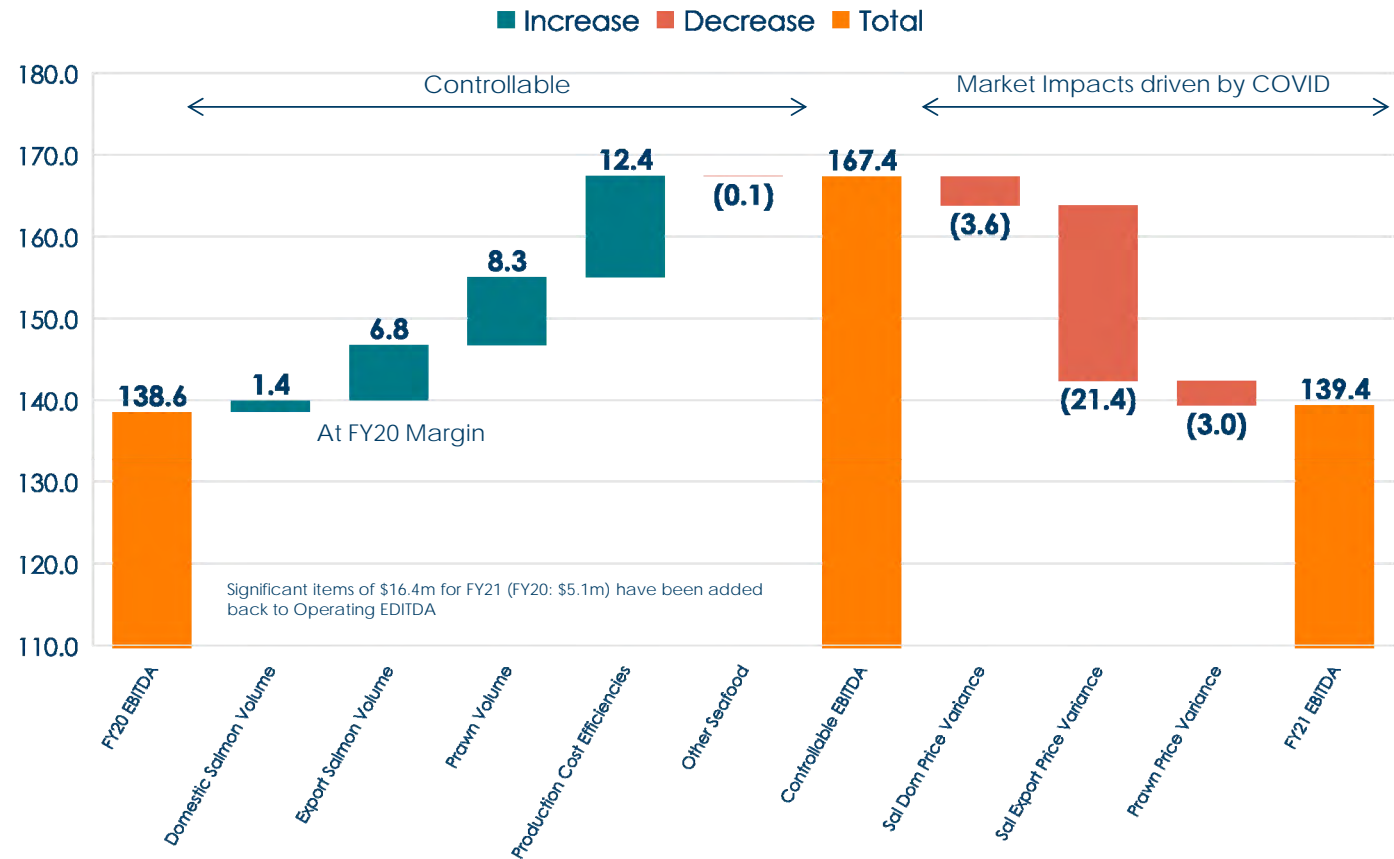
Operating cashflow up 22.4% to \$61m



STRONG EXECUTION *on controllable factors*

FY20 v FY21 EBITDA Analysis (\$m)¹

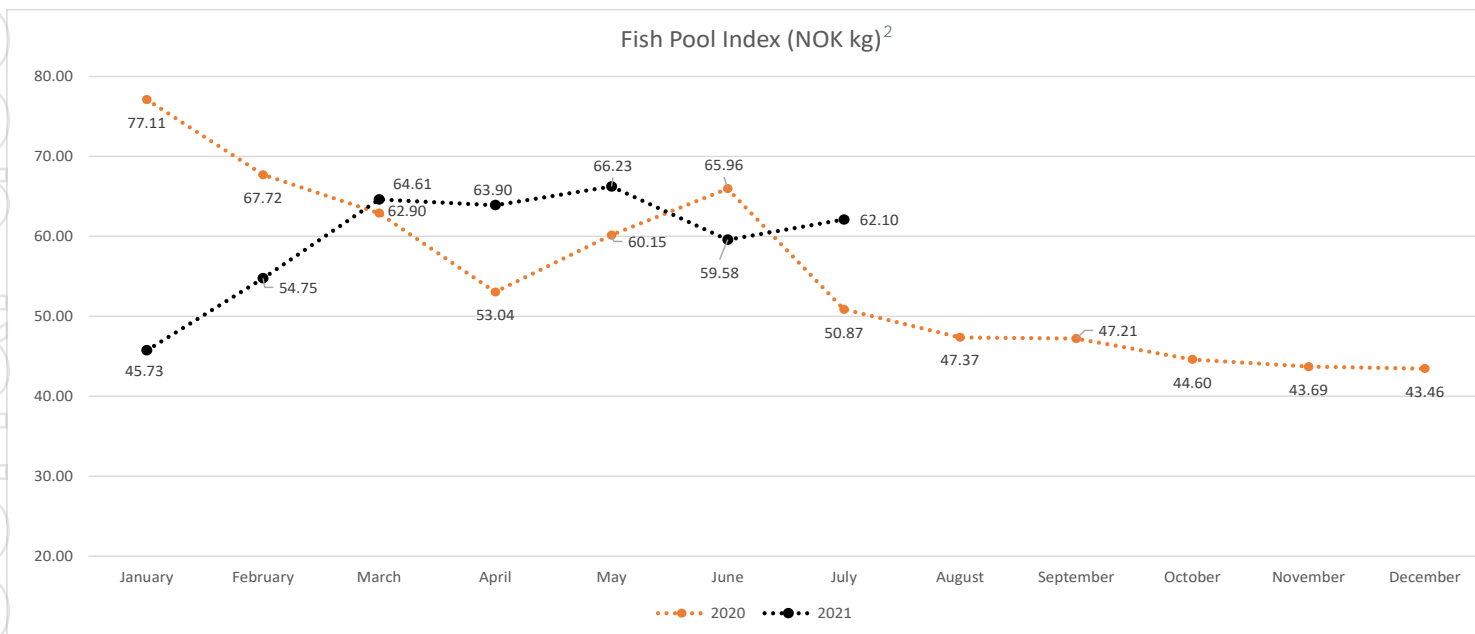
- **Successfully executed** and delivered on all controllable factors over FY21
- “Controllable” FY21 EBITDA **was up 20.7% to \$167.4m**
- **Operating EBITDA¹ was up 0.6% to \$139.4m**
- Operating EBITDA (pre AASB 16) was down **12.2% to \$111.7m**
- Global pricing significantly impacted by COVID-19 which in turn negatively influenced both export and domestic markets for Tassal



¹ Operating EBITDA (earnings before interest, tax, depreciation and amortisation) excluding significant items and SGARA

NON-CONTROLLABLE: Covid-19 Market Impact

- After growing at 9% pa (2005-20), global salmon demand fell by -11% in CY20 as a result of global lockdowns and restrictions on foodservice, with the market impact compounded by a 6% increase in global supply. Current market forecasts see global demand growing at between 10% to 15% in CY21, with only a 2% increase in global supply forecast ¹
- Asian export markets, the key export region for Australian salmon producers, were impacted with foodservice shutdowns from resulting lockdowns and high logistics costs associated with shortages in air freight capacity (particularly in 1H21)
- Global pricing (see Fish Pool Index below) experienced significant price deflation over CY20 for both salmon and prawns, and recovered from March 2021
- Significant dislocation in global markets in CY20 (particularly from July 2020) impacted salmon domestic wholesale pricing in 1H21 (currently recovering) and retail deli contracts for supply from 4Q21 (Tassal reduced supply into fresh deli)



- Notes
1. Rabobank 2021
 2. Fish Pool Index 2021

SUCCESSFULLY NAVIGATING *A year of Covid-19*

- Over FY21, Tassal's focus and actions were on the controllables:
 - Managing supply to meet domestic demand
 - Growing the tassal and tropic co brands
 - Maintaining share within existing customers
 - Accelerating growth with new partners
- Initiatives implemented to mitigate the impact of covid-19 on business performance included:
 - Focusing on operational excellence
 - Lowering growing and processing costs
 - Improving survival and optimising fish size
 - Working closely with government & freight partners to secure ongoing international airfreight capacity
 - Leveraging tassal's strong brand recognition in retail to mitigate softer domestic wholesale market
- Tassal did not receive, nor sought to receive, any jobkeeper payments



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FY21 SAW REVENUE
GROWTH &
stable operating EBITDA

Financial Summary

| Financial Summary (A\$m) | FY21 | FY20 | Change |
|------------------------------------|--------|--------|----------|
| Revenue | 594.04 | 562.54 | 5.6% |
| Statutory results | | | |
| AASB 141 SGARA Impact ¹ | (3.11) | 12.17 | (125.5%) |
| EBITDA | 119.81 | 145.61 | (17.7%) |
| EBIT | 61.36 | 106.87 | (42.6%) |
| NPAT | 34.62 | 69.11 | (49.9%) |
| Operating results | | | |
| EBITDA ² | 139.35 | 138.55 | 0.6% |
| Salmon EBITDA \$/Kg | 3.20 | 3.60 | (11.0%) |
| Prawn EBITDA \$/Kg | 5.13 | 6.42 | (20.1%) |
| EBIT ² | 80.90 | 99.82 | (19.0%) |
| NPAT ² | 48.30 | 64.17 | (24.7%) |
| Operating cashflow | 61.02 | 49.85 | 22.4% |
| Final dividend - cps | 7.00 | 9.00 | (22.2%) |
| Total dividend - cps ³ | 14.00 | 18.00 | (22.2%) |

Notes:

1. SGARA post tax decrement (\$2.2m) (FY20: increase \$8.5m)
2. Before significant items of \$16.4m (FY20: \$5.1m) and SGARA
3. The final dividend unfranked (FY20: Final dividend 25% franked)

Revenue up 5.6% to \$594.0m

Salmon domestic retail strength and an increasing prawn contribution, offset by declines in export salmon and prawn price and domestic wholesale salmon price

Export sales price was significantly negatively impacted due to global foodservice market dislocations and closures caused by COVID-19 lockdowns

Domestic industry salmon supply was significantly up, leading to domestic wholesale market experiencing significant price deflation in 1H21, but then recovering in late 2H21

Domestic salmon and prawn sales volume, and therefore consumption, was significantly up

Statutory EBITDA down 17.7% to \$119.8m, reflecting global and domestic pricing pressures, together with the material impact of export supply chain costs (i.e. significant item) and a SGARA decrement

Operating EBITDA up 0.6% to \$139.4m, with reductions in cost of growing and efficiencies in salmon and prawns of \$0.33/kg and \$1.43/kg, respectively offsetting global and domestic pricing pressures

Operating cash flow up 22.4% to \$61.0m as growth in biomass translating to cash inflows

Final dividend of 7 cents per share declared, taking total FY21 dividends to 14 cents per share, consistent with payout ratio of at least 50% of Operating NPAT

the Tassal way

Funding in place to support growth

Diversity of funding sources – bank debt, leasing and receivable purchase facility (RPF)

Drawdown in debt to fund salmon and prawn growth

Appropriate tenor in the bank debt book (weighted average currently 2.3 years)

Prudent credit metrics at 30 June 2021 – significant headroom to banking covenants

Focus on ensuring Tassal maintains appropriate access to banking sources and minimises refinance risk by operating well within defined banking covenants at all times

Substantial headroom available in debt facilities with \$118.6m in undrawn debt facilities + cash of \$30.6m at 30 June 2021

| Funding | 30-Jun-21 | 30-Jun-20 | Change |
|---------------------------|--------------|--------------|------------------|
| Debt | 348.4 | 219.6 | (58.7%) ▼ |
| Cash and cash equivalents | (30.6) | (21.9) | 40.1% ▲ |
| Reported Net debt | 317.8 | 197.7 | (60.7%) ▼ |
| Lease liabilities | 209.1 | 217.3 | 3.8% ▲ |
| Total Funding | 526.9 | 415.1 | (26.9%) ▼ |

| Credit Metrics | 30-Jun-21 | 30-Jun-20 |
|---------------------------------|-----------|-----------|
| Leverage ¹ | 2.5 | 1.6 |
| Debt Service Cover ² | 2.7 | 2.8 |
| Gearing ³ | 40.9% | 25.0% |

| Committed Debt Facilities | 30-Jun-21 | | |
|-------------------------------------|-----------|-------|---------|
| | Facility | Drawn | Undrawn |
| Debt facilities | 467.0 | 348.4 | 118.6 |
| Cash and cash equivalents | | | 30.6 |
| Receivables Purchase Facility (RPF) | 110.0 | 68.1 | 41.9 |

Notes

1. Bank debt / Operating EBITDA (post AASB 16)
2. Operating EBITDA (post AASB 16) less taxation payments plus rental commitments / principal, interest and rental commitments
3. Net debt / Equity

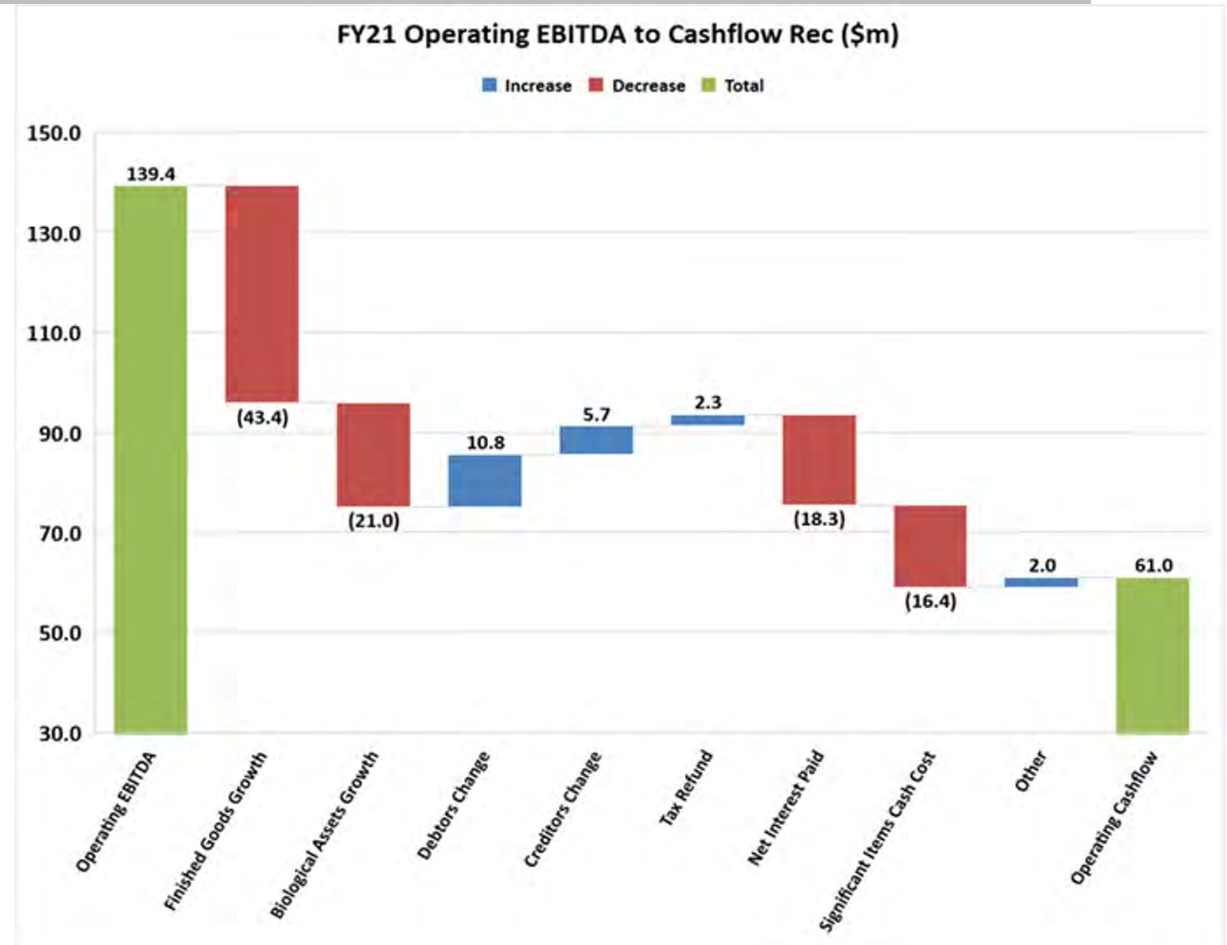
the Tassal way

Cashflow

Operating cashflow is expected to move closer towards Operating EBITDA

COVID-19 related impacts:

- Growth in finished goods of \$43.4m which was 1H21 driven due to lack of capacity in airfreight in the early stages of COVID-19 which has now been resolved to a large extent. Record export sales in July and August 2021 supports this position. Accordingly, this growth in finished goods should not replicate in FY22
- Biological assets growth of \$21.0m was driven by the excellent growth performance on the salmon year class for sale in late FY22 and early stocking of prawns. We are not planning for this to replicate in FY22
- Significant Items of \$16.4m largely reflected elevated export freight costs. Given the cost of export supply chains is still elevated, we expect this cost to occur again in FY22



Capex supporting sustainable growth program

70.2% of FY21 capex was growth focused

Maintenance capex levels appropriate to support sustainable operation of business

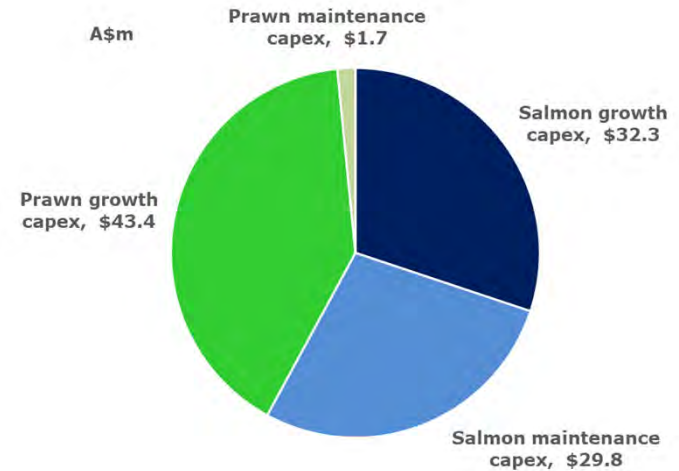
Net \$1.4m benefit (not in pie chart) from Prawns' land sale and acquisitions

Capex declined from \$138.7m down to \$105.9m as major investment program reduced

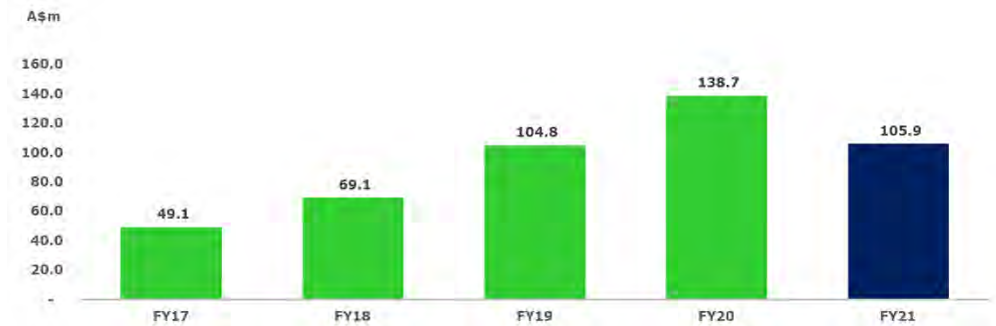
FY22 forecast capex expected to decline further to circa \$80.0m to \$90.0m

Salmon & prawn depreciation circa \$48.0m – maintenance capex \$49.7m

FY21 capex (\$m)



Total FY capex (\$m)



the Tassal way

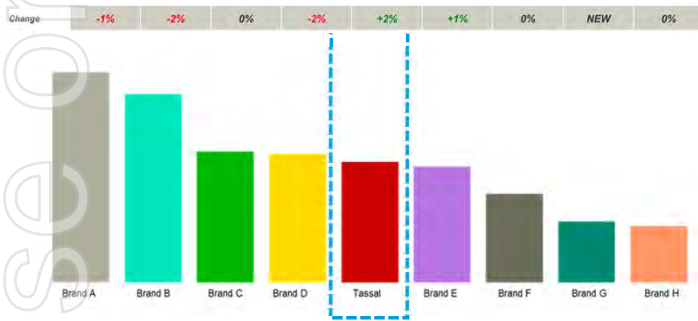


SUSTAINED SALMON GROWTH

Supported by operational initiatives

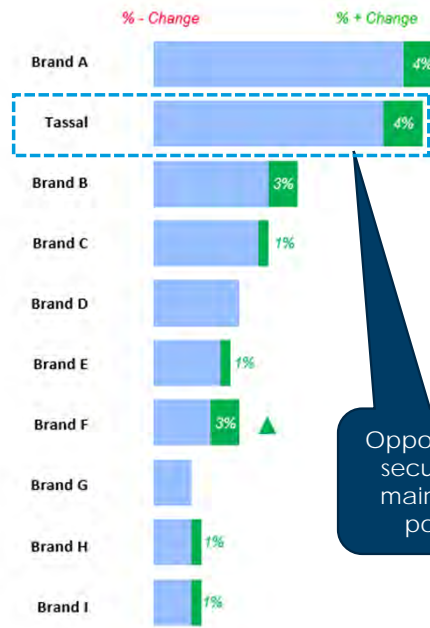
TASSAL IS AUSTRALIA'S *No. 1 salmon / protein brand...*

Unprompted Protein Awareness



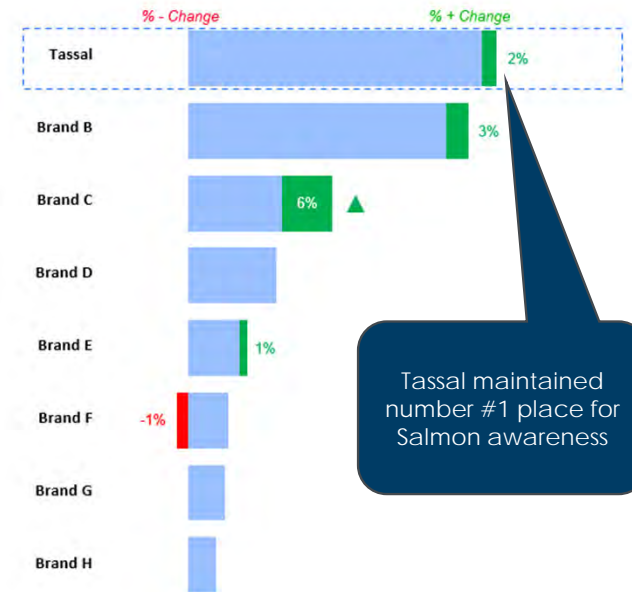
Tassal holds a strong brand position within the protein category, with opportunity to further increase

Unprompted Seafood Awareness



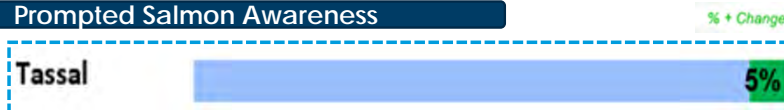
Opportunity to secure then maintain #1 position

Unprompted Salmon Awareness



Tassal maintained number #1 place for Salmon awareness

Prompted Salmon Awareness



SUPPORTED BY *effective marketing...*

| FY21 Marketing Plan - objectives | Outcome - May 2021 vs Aug 2020 (% change) |
|---|---|
| <ul style="list-style-type: none"> Increase consumer consumption of Tassal salmon (May 21 MAT) | Penetration +8% Frequency +14%* |
| <ul style="list-style-type: none"> Increase Tassal brand awareness (Unprompted) | +38%# |
| <ul style="list-style-type: none"> Drive consumer brand trust | +5%# |
| <ul style="list-style-type: none"> Drive Tassal brand purchase & intent (Ever Bought) | +13%# |
| <ul style="list-style-type: none"> Drive Tassal as main brand purchased | +43%# |



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SALMON production outperformed

Salmon biomass 3 years ahead of Strategic Plan

Harvested tonnes up 16.3% to 40,018 tonnes



Salmon live biomass maintained at 26,896 tonnes



Salmon harvest size largest ever at 4.55kg



Smolt input has been materially the same over the past 3 years, so growth reflects improved survival and SmartFarming application

Survival improvements given POMV vaccine and successful investment in Ocean Sanctuary Pens decreasing seal impacts, lead to survival rate of 94% for the current harvest year class

Fish size largest ever supported by Well Boat, automated Feed Centre, improved diets and a more tolerant fish to summer water temperatures

Cost of growing \$/kg improvements delivered \$0.33/kg in savings from fish survival and "cost-out" focus

Processing \$/kg improvements were generated given fish size and condition underpinned increased yield and throughput

Strategic increase in frozen hog volumes mitigated lower global pricing in 1H21, which is now being efficiently and effectively used for smoked salmon production in CY21, which in turn allows fish to be kept in the water longer to enable maintaining / bigger size fish

... underpinning strong growth in salmon volumes...

Tassal's refocus to retail and fresh hog wholesale business during FY21 provides a strong platform for growth in FY22, particularly as export prices recover

| Salmon Sales Volume (Hog equiv tonnes) | FY21 | FY20 | Change |
|--|--------|--------|----------|
| Domestic Salmon Market | 28,620 | 28,259 | 1.3% ▲ |
| Export Salmon Market | 8,889 | 6,051 | 46.9% ▲ |
| Total Salmon Market | 37,509 | 34,310 | 9.3% ▲ |
| Domestic Retail Market | 20,228 | 20,306 | (0.4%) ▼ |
| Domestic Wholesale Market | 8,392 | 7,954 | 5.5% ▲ |
| Total Domestic Salmon Market | 28,620 | 28,259 | 1.3% ▲ |

| Domestic Salmon Market - Key Products (Hog equiv tonnes) | FY21 | FY20 | Change |
|--|-------|-------|----------|
| Wholesale - Fresh Hog | 7,009 | 6,445 | 8.8% ▲ |
| Retail - Tassal Brand MAP | 1,921 | 1,503 | 27.7% ▲ |
| Retail - Private Label MAP | 4,881 | 4,841 | 0.8% ▲ |
| Retail - Tassal Brand Smoked | 2,326 | 1,947 | 19.5% ▲ |
| Retail - BTC / Deli | 5,789 | 6,175 | (6.2%) ▼ |

- Effectively refocused sales and marketing efforts in 1H21 (including Tassal branded TVC) into more profitable categories over FY21, while growing fresh hog wholesale business during 2H21

Domestic wholesale and export price volatility – particularly in 1H21



... and continued growth in domestic market sales

Total salmon volume and revenue grew

| Total Salmon Sales (A\$m) | FY21 | FY20 | Change |
|---|----------|----------|-----------|
| Salmon Volume (Hog equiv tonnes) | 37,509 | 34,310 | 9.3% ▲ |
| Salmon Average Price (\$/Hog kg equivalent) | \$ 12.54 | \$ 13.28 | (5.5%) ▼ |
| Salmon Revenue (\$m) | 470.54 | 455.55 | 3.3% ▲ |
| EBITDA | 120.03 | 123.42 | (2.7%) ▼ |
| EBITDA (\$/kg) | \$ 3.20 | \$ 3.60 | (11.0%) ▼ |

Slight growth in domestic salmon market

| Domestic Salmon Market | FY21 | FY20 | Change |
|---|----------|----------|----------|
| Salmon Volume (Hog equiv tonnes) | 28,620 | 28,259 | 1.3% ▲ |
| Salmon Average Price (\$/Hog kg equivalent) | \$ 13.35 | \$ 13.47 | (0.9%) ▼ |
| Salmon Revenue (\$m) | 381.95 | 380.65 | 0.3% ▲ |
| EBITDA | 109.63 | 108.88 | 0.7% ▲ |
| EBITDA (\$/kg) | \$ 3.83 | \$ 3.85 | (0.6%) ▼ |

Operating EBITDA decreased to \$3.20/kg due to reduced export pricing, partially offset by efficiency benefits

- Strong growth in salmon sales volume, up 9.3% to 37,509 hog tonnes
- Salmon efficiency benefits delivered lower cost of growing and production - \$0.33/kg
- Negative pricing in domestic wholesale and export markets
 - Export market returns down 19% given lower global pricing and an appreciating AUD/USD exchange rate
 - Domestic market returns were also impacted due to reduced wholesale pricing and the costs of marketing and promotional efforts

Export salmon market impacted by COVID pricing

| Export Salmon Market | FY21 | FY20 | Change |
|---|---------|----------|-----------|
| Salmon Volume (Hog equiv tonnes) | 8,889 | 6,051 | 46.9% ▲ |
| Salmon Average Price (\$/Hog kg equivalent) | \$ 9.97 | \$ 12.38 | (19.5%) ▼ |
| Salmon Revenue (\$m) | 88.59 | 74.90 | 18.3% ▲ |
| EBITDA | 10.40 | 14.54 | (28.5%) ▼ |
| EBITDA (\$/kg) | \$ 1.17 | \$ 2.40 | (51.3%) ▼ |

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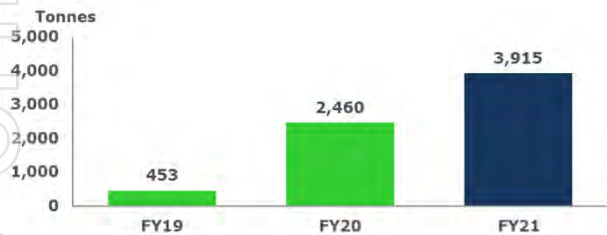
AUSTRALIA'S LARGEST **PRAWN**

harvest



HARVEST TONNAGE *Underpinned strong growth in sales*

Harvested tonnes up 59.1% to 3,915 tonnes



Average yield up 22.0% to 11.1 tonnes/hectare



Average harvest size up 8.1% to 36 grams



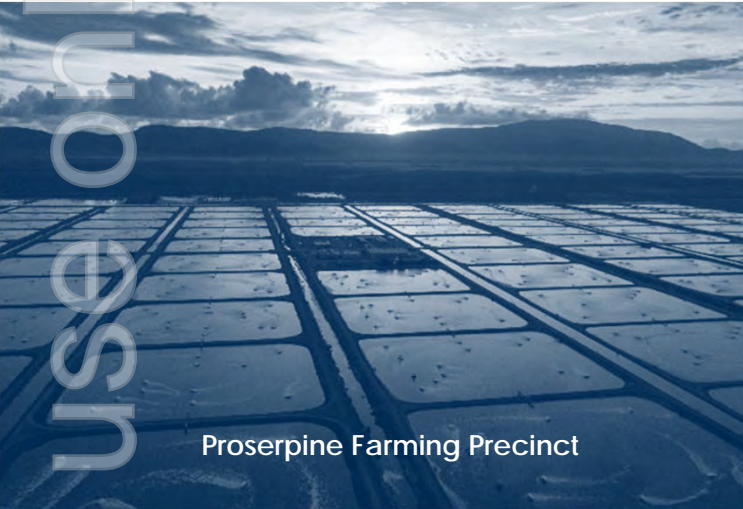
- **Operations** – Consolidation of innovation and expertise from salmon to Tassal's prawn farming model evident – data capture and insights continuing to drive yield gains and improved utilisation of assets
- **Harvesting uplift** – Planned earlier stocking program in 2020 facilitated a significant uplift in harvest volumes
- **Yield and growth improvement** – combination of SmartFarm, improved feed diets and fish husbandry, leading to improved sizes, survival and live biomass

Total prawn volume and revenue grew strongly

| Total Prawn Sales (\$A\$m) | FY21 | FY20 | Change |
|-----------------------------|----------|----------|-----------|
| Prawn Volume (tonnes) | 3,350 | 2,011 | 66.6% ▲ |
| Prawn Average Price (\$/kg) | \$ 17.85 | \$ 20.59 | (13.3%) ▼ |
| Prawn Revenue (\$m) | 59.81 | 41.42 | 44.4% ▲ |
| EBITDA | 17.18 | 12.91 | 33.1% ▲ |
| EBITDA (\$/kg) | \$ 5.13 | \$ 6.42 | (20.1%) ▼ |

- **Operating EBITDA down to \$5.13/kg due to negative export pricing and sales mix into domestic market, partially offset by efficiency benefits**
- Strong growth, with prawn sales up 66.% and revenue up 44.4%
- Average pricing reduction due to sales mix change into domestic retail market, and short-term net pricing impact due to COVID-19 market dislocation for export market
- Wholesale market pricing remained stable despite significant volume growth
- Efficiency benefits from auto-feeders and state-of-the-art hatchery processing facilities delivered \$1.45/kg lower cost of growing and production

...with farming footprint supporting goal of 20k tonnes



Proserpine Farming Precinct



Mission Beach



Yamba

| | Proserpine Farming Precinct | Mission Beach | Yamba | Total Pond ha | Total volume | Tonnes/ha |
|------|-----------------------------|---------------|-------|---------------|--------------|-----------|
| FY21 | 270 | 32 | 48 | 350 | 3,915 | 11.1 |
| FY22 | 289 | 32 | 48 | 369 | 5,000 | 13.7 |

Once fully authorised and developed, the Proserpine Farming Precinct expansion plus the remaining 1,000ha at Exmoor Station, provides an optimal path to 20,000 tonnes by 2030



BEYOND SUSTAINABILITY

Responsible Business

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THE RIGHT SIDE *of Sustainability*

Tassal Salmon and Tropic Co prawns perform well when compared to other land animal proteins...





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| |  |  | | | |
|---|---|---|---|---|---|
| |  |  |  |  |  |
| PROTEIN RETENTION¹ | 28% | 32% | 37% | 21% | 13% |
| FEED CONVERSION RATIO (FCR) | 1.3 | 2.1 | 1.6 ² | 3.1 ² | 8.0 ² |
| EDIBLE MEAT PER 100KG FEED³ | 48kg | 47kg | 39kg | 19kg | 7kg |
| CARBON FOOTPRINT (KG CO₂E/KG EDIBLE MEAT)⁴ | 12kg | 11kg | 7kg | 13kg | 66kg |

1. All data presented for Tassal and Tropic based on raw data provided by Tassal
2. Based on global average taken from Fry et al (2018) Feed conversion efficiency in aquaculture: do we measure it correctly? Environ. Res. Lett. 13 024017
3. Based on average for Australian grown broilers taken from <https://www.chicken.org.au/facts-and-figures/>
4. Based on average for Australian grown pork taken from <http://porkcrc.com.au/wp-content/uploads/2016/06/4C-117-Fianl-report.pdf>
5. Based on global average taken from <http://www.fao.org/gleam/results/en/#c300947> converted from kg protein to kg edible meat using FSANZ Australian Food Composition Database <https://www.foodstandards.gov.au/science/monitoringnutrients/afcd/Pages/default.aspx>

THE RIGHT SIDE *of Sustainability*

Land-based grow out systems are still in their infancy globally, and while we continue to monitor progress, it is important to recognise the high energy use, high carbon footprint and high stocking densities associated with these operations

| |  | SALMON LAND-BASED RAS IF BASED IN N.S.W. | SALMON LAND-BASED RAS IF BASED IN TASMANIA |
|--|---|---|---|
| |  |  |  |
| PROTEIN RETENTION | 28% | 28% | 28% |
| FEED CONVERSION RATIO | 1.3 | 1.1 ¹ | 1.1 ¹ |
| EDIBLE MEAT PER 100KG FEED | 48 kg | 48 kg | 48 kg |
| CARBON FOOTPRINT (KG CO ₂ E/KG EDIBLE MEAT) | 12 kg | 49 kg ² | 18 kg ² |

1. FCR of 1.1 based on a 10% improvement of FCR in RAS systems
2. The carbon footprint of land-based grow out RAS has been estimated using publicly available production volumes and energy use values for existing land-based RAS grow-out operations. We have created hypothetical scenarios of land-based RAS facilities, one located close to market in N.S.W. and the other in Tasmania using current feed composition and emission factors for each state
3. Tassal average farming density across all salmon marine sites in FY21
4. Land-based grow out RAS stocking density range estimated based on publicly available figures for existing land-based RAS systems
5. RSPCA Approved Farming Scheme Standard Farmed Atlantic Salmon Standard from https://rspcaapproved.org.au/wp-content/uploads/2020/05/2020-05_FARMEDATLANTICSALMON_Standard.pdf
6. Best Aquaculture Practices (BAP) Salmon Farms Standard from <https://www.bapcertification.org/Downloadables/pdf/standards/PI%20-%20Standard%20-%20Salmon%20Farms%20-%20Issue%202.3%20-%202013-October-2016.pdf>

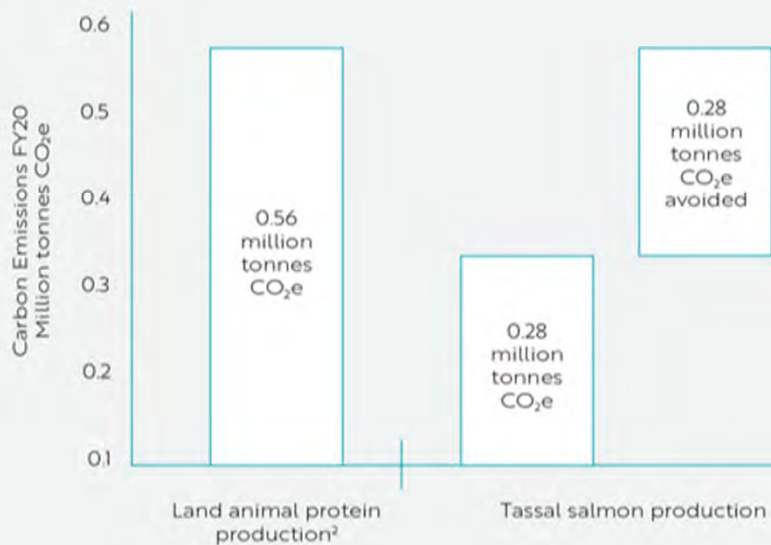
Our fish are thriving...

| |  | SALMON LAND-BASED RAS |  |  |
|--------------------------------------|---|--------------------------|---|---|
| FARMING DENSITY (KG/M ³) | 8 kg ³ | 50-100 kg ⁴ | 15 kg ⁵ | 25 kg ⁶ |

AVOIDED *Carbon emissions*

Tassal Salmon production is on the right side of sustainability

Approximately 0.28 million tonnes of CO₂e is avoided annually by replacing the corresponding amount of land animal protein with Tassal salmon¹



0.28 million tonnes net avoided CO₂e emissions

equivalent to approximately

124,000 cars removed from the road every year



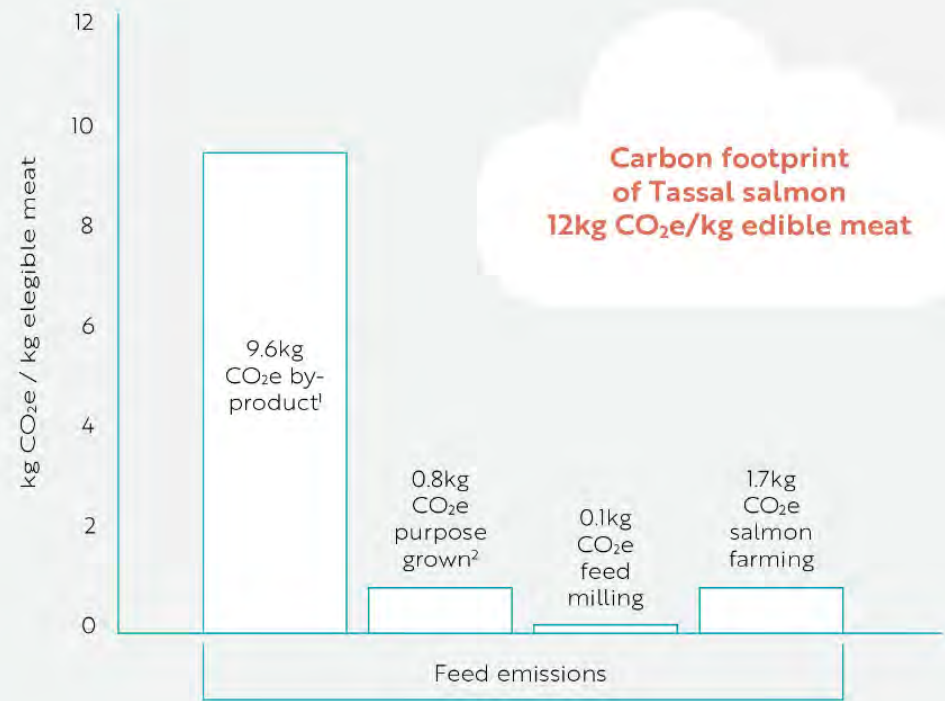
¹ Based on edible meat equivalents

² Land animal protein is calculated using a consumption weighted average of beef, lamb, chicken and pork taken from ABARES Australian Commodities, March Quarter 2021

BREAKDOWN of emission sources

Tassal Salmon production is on the right side of sustainability

Total feed emissions
10.5kg CO₂e



- 1. By-product such rendered land animal by-products and trimmings from fish processed for human consumption
- 2. Purpose grown and caught ingredients including agricultural ingredients (wheat, soya derivatives, corn gluten and vegetable oils) and fishmeal and fish oil sourced from reduction fisheries

TECHNOLOGY INNOVATION *Supporting a sustainable pathway forward*

Further enhancing salmon farming, while also significantly improving prawn farming through innovation. Our focus is to continue to improve the energy efficiency of our operations, transitioning to renewable energy and investing in new technologies

Tassal's salmon farming was further enhanced in FY21

Completion of Ocean Sanctuary Pen roll-out to enhance the safety and welfare of our people and fish while decreasing wildlife impacts and interactions

Improved survival and welfare through successful implementation of POMV vaccine

Pico oxygenation trial which saw an enhanced in-pen environment for salmon during summer

Implementation of Tassal's diverless retrieval system allowing improved product for our rendering facility

Tassal's SmartFarming technology and ways of working were rolled out across our prawn farms

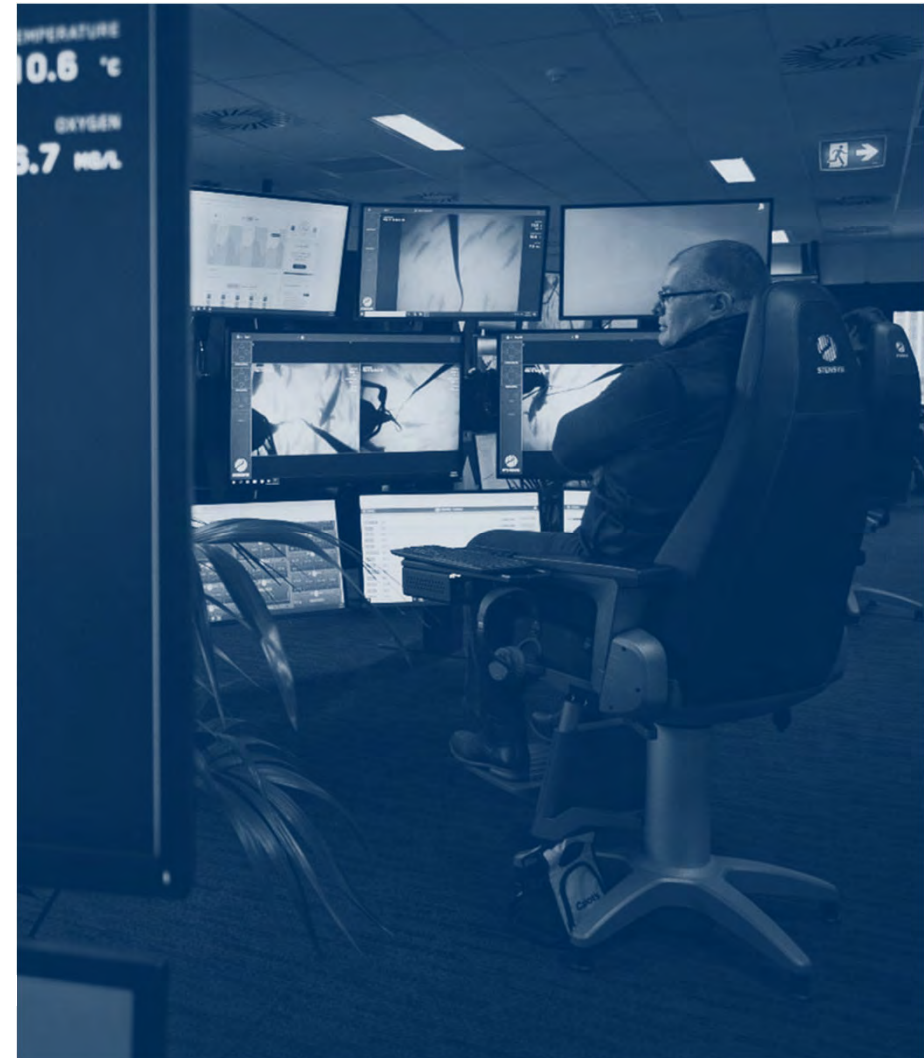
Biggest leap in innovation to prawn farming globally through combination of auto-feeders and diets

Enabled real time monitoring of the welfare of our prawns

Construction of state-of-the-art hatchery and processing facilities

A blueprint to substitute all marine based compressors on our salmon farms to electric compressors to further reduce GHG emissions and noise in sensitive areas was set in motion

We are actively exploring partnerships and initiatives to unlock Blue Carbon opportunities through seaweed and support food systems adaption



NEW ESG STRATEGY *Takes further bold steps*



Tassal is proud of the role it plays in the global production of responsibly farmed salmon and prawns, that in turn provides nutritious and healthy food to a growing population in Australia and globally...

Our sustainability journey began in earnest 10 years ago. FY21 has been used to reframe our ESG and sustainability outlook and operations

We use the framework of 5Ps – **People, Planet, Product, Prosperity** and **Principles** of governance – which is a united platform to drive long-term value and make a positive contribution to our shareholders and the broader global community

- This new approach intends to drive long-term value and make a lasting positive contribution to our shareholders and the broader global community
- It takes into account global challenges, demand and trends and incorporates what matters to our consumers, customers shareholders, people, and the communities within which we operate

Our new Beyond Sustainability, **Responsible Business Roadmap** sets out commitments and an accelerated program of inclusive action in seven areas of transformation – waste, people and communities, climate and circularity, freshwater, responsible sourcing, governance and animal welfare

- It involves more transparency on progress, including visual transparency into our operations and farms
- Reporting metrics that will be included in our **Sustainability Report for FY21** are outlined in the Appendix

... and we are confident that our **Responsible Business platform** will not only accelerate our ESG and sustainability journey to 2030 but ensure we are one of the world's most sustainable protein producers

the Tassal way

An underwater scene with several fish swimming in a dark blue environment. Sunlight rays stream down from the top, creating a dramatic, ethereal atmosphere. The fish are silhouetted against the light rays.

IMPROVED MARKET FUNDAMENTALS
AND OPERATIONAL INITIATIVES
underpin positive growth outlook

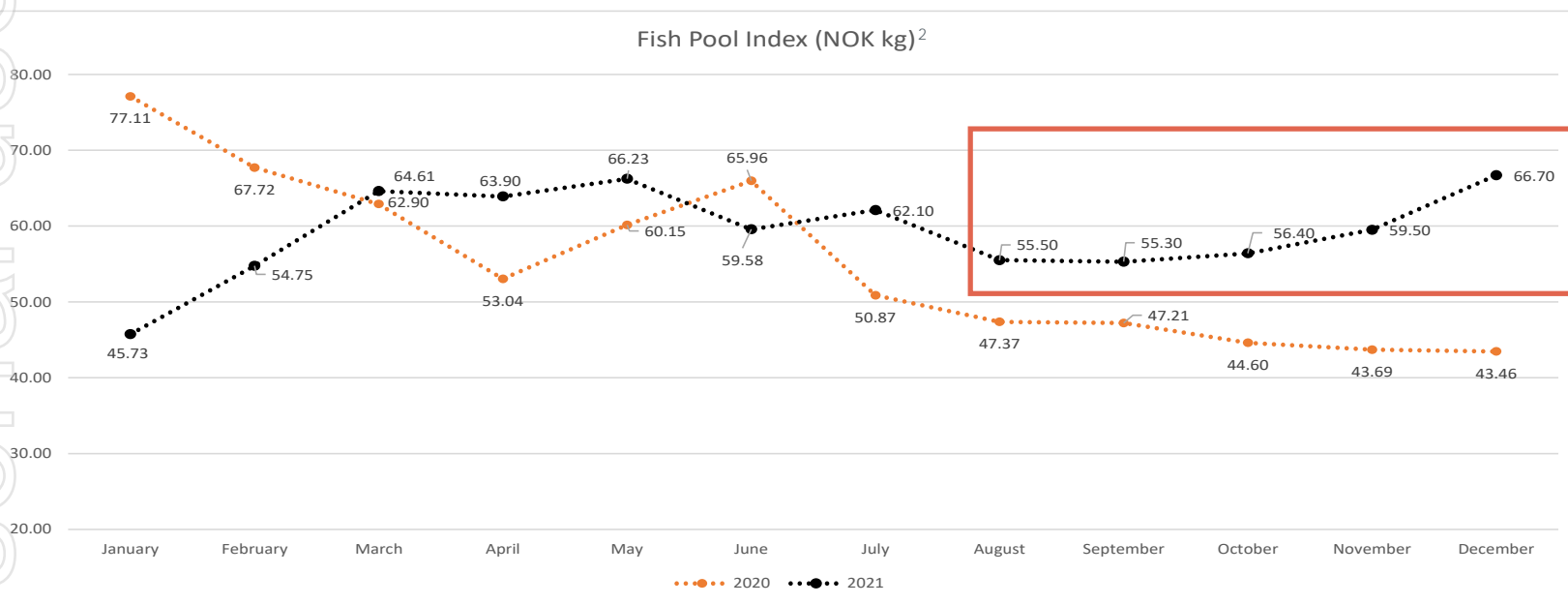
THE GLOBAL SALMON MARKET AND PRICING IS RECOVERING

Following 7% growth in CY20, global supply has tightened, with negligible supply growth of c2% forecast for CY21, with supply declines expected in H2 CY21. For CY21, most market commentary suggests that the salmon industry is expected to deliver 10-15% demand growth with only a 2% increase in global supply forecast ¹

Larger EU+UK and US retail customer base and a recovery in "other markets" (due to restricted supply) expected to underpin this growth. Foodservice is returning as lockdowns ease and vaccines are rolled out

CY21 has seen a recovery in global pricing. Prices look promising in Q3 and Q4 CY21 based on FishPool Futures Pricing, which is the optimum supply period for Australian producers

Supply chain from Australia is still likely to be the greatest risk going forward – both from a capacity and cost perspective. Number of Australian outbound flights is circa 80% below pre COVID-19 levels. IFAM continues to be extended for FY22



1. Rabobank 2021
2. Fish Pool Index 2021

← Forward Pricing

SALMON *outlook*

NON CONTROLLABLE FACTORS:

- Global salmon market beginning to recover, albeit not yet to pre-COVID-19 levels. Current forward export pricing is promising. Unit economics will remain dependent on exchange rates and the cost and availability of airfreight
- Political risk surrounding China exports remain, though volume was stable in FY21 and Tassal maintains strong relationships in the region
- Domestic pricing (particularly in the wholesale market) is currently recovering inline with the global pricing – however it will take longer for some retail contracts – e.g. BTC/deli support - to recover due to 3–5-year agreements in place

FOCUS TO REMAIN ON THE CONTROLLABLE FACTORS:

- Driving cost-out \$/kg efficiencies and fish performance
- Circa 40,000 hog tonnes of salmon production expected in FY22 – remains ahead of strategic plan
- Expected to reach 41,000 hog tonnes of production in FY23 and maintain this level until more favourable domestic conditions return
- Maintaining salmon replacement and upgrade capital expenditure of circa \$50m pa will enable the ‘housing’ of 41,000 hog tonnes
- Continued brand investment to support no. 1 brand status and top of mind awareness – marketing plan will build on FY21 success to continue to drive long term demand for “Tassal” branded products

PRAWN *outlook*

- Committed to the strategic goal of 20,000 tonnes by 2030 – once fully authorised and developed - which can be brought forward if considered appropriate in a 'post COVID-19' world
- Production growth expected from improving yield (survival and growth) via a similar path to salmon – fish husbandry (health), domestication (i.e. selective breeding), automated feeding systems, improving fish diets and diet cost
- Given the shorter working capital cycle (6 months) and capital cycle (12 months) in prawns, the growth program can be flexed as market conditions evolve
- Similar to salmon, branding will become central
 - Vision is for Topic Co to be Australia's no. 1 farmed Tiger Prawn brand, recognised and trusted by customers and consumers
- Remain on track for circa 5,000 tonnes of prawn production in FY22
 - Sales volumes supported by the Coles contract that commenced in December 2020
- Current 369 ha of ponds and associated infrastructure at Proserpine, Mission Beach and Yamba is sufficient to achieve FY22 production targets, with limited growth capex required in FY22

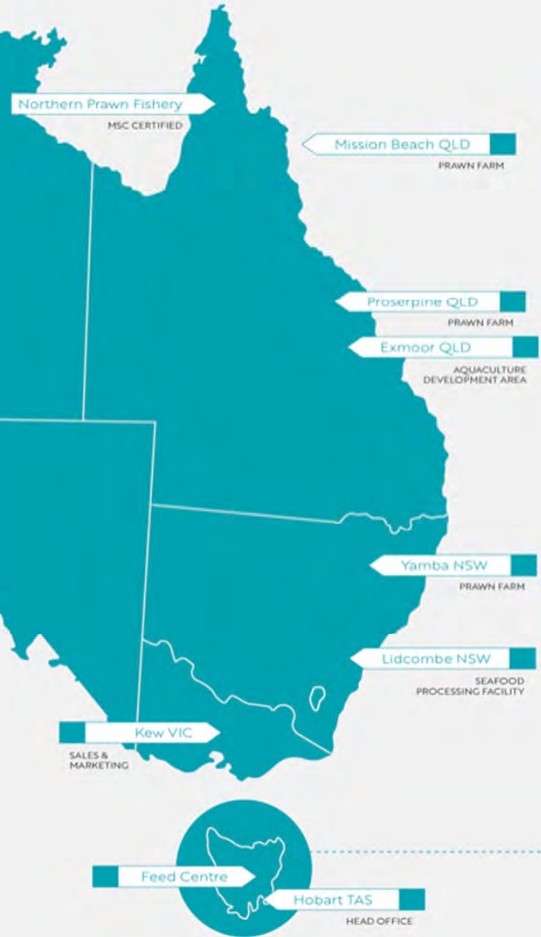
personal use only



THANK YOU
Questions?



APPENDIX 1:
TASSAL'S FOOTPRINT AND
SUSTAINABILITY METRICS



OUR FOOTPRINT: SEAFOOD & PRAWNS

- Proserpine QLD - Prawn farm, hatchery & processing facility
- Mission Beach QLD - Prawn farm, hatchery & processing facility
- Exmoor Station QLD - (Aquaculture Development Area)
- Yamba NSW - Prawn farm & processing facility
- Lidcombe NSW- Seafood processing facility
- XANADU- Northern Prawn Fishery

OUR FOOTPRINT: SALMON

MARINE FARMING ZONES

- Eastern Zone**
Okehampton Bay & Port Arthur
- Channel Zone**
D'Entrecasteaux Channel
- Southern Zone**
Dover & Huon River
- Western Zone**
Macquarie Harbour
- Storm Bay Zone**
Nubeena & West of Wedge

FRESHWATER HATCHERIES

- Rockwood I & II**
Ranelagh TAS
- Russell Falls & Karanja**
Mount Field TAS
- SALTAS**
(Industry hatchery)
Wayatinah TAS
- HRAS**
(future development)
Hamilton TAS

PROCESSING FACILITIES

- Huonville**
Smoking & processing
- Margate**
Fresh processing
- Dover**
Primary processing
- Triabunna**
Value add by-product

OVER 35 YEARS OF BEST PRACTICE AQUACULTURE EXPERIENCE

IN FY21 WE PRODUCED 40,087 T SALMON 3915 T PRAWNS

OVER 1,700 EMPLOYEES ACROSS

AQUACULTURE IS ONE OF THE MOST EFFICIENT FORMS OF PROTEIN PRODUCTION

\$575 MILLION SPENT ON AUSTRALIAN SUPPLIERS IN FY21

OUR FOOTPRINT

Land and Sea

PEOPLE

Sustainability is more than the environment we operate in, it's the people we back and the communities we support through all of life's challenges

LEAD INDICATORS

We pioneered our own Driving Safety Culture Scorecard (ROCK Scorecard) which asks specific questions of our people and evaluates management's approach to WHS across our sites.

Safety remains our number one priority



WHS COMPLIANCE SCORECARD



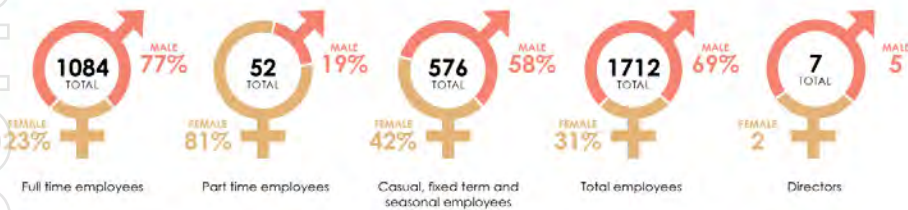
DRIVING SAFETY CULTURE SCORECARD

*Tassal salmon operations and corporate only at 95.60%. Prawns at 83.07% resulting in the Group collective aggregate at 93.62%

WGEA REPORT



EMPLOYEE SNAPSHOT



TOTAL RECORDABLE INJURY FREQUENCY RATE (TRIFR)

TRIFR is the number of injuries requiring medical treatment per million hours worked.



MARINE DEBRIS

We are working hard to play our part in reducing marine debris. We have a **Towards Zero** approach and are relentless in our focus, taking accountability for our actions. Our 2020 goal was to reduce marine debris attributed to our operations to below 10 per cent of all rubbish collected or reported.

| | FY17 | FY18 | FY19 | FY20 | FY21 |
|-----------------------------------|------|------|-------|------|-------|
| RUBBISH REMOVED (m ³) | 72 | 79.5 | 218.9 | 99.6 | 110.2 |
| HOURS COLLECTING | 386 | 1776 | 3881 | 2268 | 2635 |
| ATtribution TO TASSAL FARMS (%) | 26.9 | 27 | 22.5 | 15.3 | 9.5 |

PLANET

We are farmers, but we are also stewards of our oceans and coasts on a journey of innovation and continuous improvement

SEAL INTERACTIONS

| | FY17 | FY18 | FY19 | FY20 | FY21 |
|---------------------------------|------|------|------|------|------|
| RELOCATION EVENTS | 2131 | 1344 | N/A | N/A | N/A |
| EUTHANISED | 3 | 1 | 0 | 0 | 2 |
| ACCIDENTAL DEATH (RELOCATION) | 1 | 0 | N/A | N/A | N/A |
| ACCIDENTAL DEATH (ENTANGLEMENT) | 1 | 6 | 14 | 6 | 5 |

BENTHIC COMPLIANCE

| | FY17 | FY18 | FY19 | FY20 | FY21 |
|----------------------|------|------|------|------|-------------|
| NUMBER OF ROV DIVES | 206 | 182 | 373 | 210 | 328 |
| NUMBER IN COMPLIANCE | 169 | 179 | 350 | 200 | 306 |
| % COMPLIANCE | 82.0 | 98.4 | 93.8 | 95.2 | 93.3 |

ENVIRONMENTAL COMPLIANCE



SALMON PROCESSING



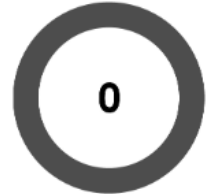
SALMON HATCHERIES



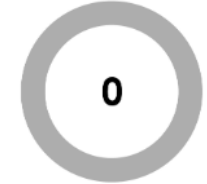
OCEAN SANCTUARY PEN COVERAGE ACROSS OPERATIONS



PRAWN OPERATIONS



ESCAPES



ANTIBIOTIC USE

GHG EMISSIONS

Tassal reports its energy consumption and greenhouse gas (GHG) emissions to the Commonwealth Government annually. By 31 October each year, Australian corporations that meet certain thresholds must report their emissions and energy information under the National Greenhouse and Energy Reporting scheme.

| | FY18 | FY19 | FY20 |
|------------------------------------|--------|---|--|
| SCOPE 1 (TONNES CO ₂ e) | 21,426 | 27,414 | 35,883 |
| SCOPE 2 (TONNES CO ₂ e) | 8,119 | 12,395 | 22,660 |
| TOTAL (TONNES CO ₂ e) | 29,546 | 39,809 | 58,544 |
| NEW TO SCOPE | | Prawn farm rehabilitation in QLD (on coal based grid) & NSW. Additional energy sources required for Roakwood hatchery post an electrical fix. | Prawn farm expansion and operations in QLD (on coal based grid) & NSW. Introduction of the well boat to salmon operations. |

PRODUCT

We are an Essential Service, providing responsibly farmed seafood for millions of Australians through whatever challenges the world faces

PROCUREMENT PRACTICES

Suppliers of goods or services which have the potential to impact food safety or quality, such as suppliers of raw materials, ingredients, processing aids, packaging, warehousing, thawing, date coding and contract processing, are required to participate in our Quality Approved Supplier Program.



THIRD-PARTY SUSTAINABILITY ACCREDITATIONS



SUSTAINABILITY INITIATIVES

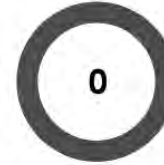


FACT



95% Seafood accredited to a third-party standard*

*Purchased seafood accredited to a third-party sustainability standard



PRODUCT RECALLS

WHAT'S IN OUR SALMON FEED



- 34.4% Land animal ingredients
- 51.5% Agricultural ingredients
- 8% Fish oil (reduction only)
- 6.4% Fish meal (all sources)

WHAT'S IN OUR PRAWN FEED



- 8% Land animal ingredients
- 54.9% Agricultural ingredients
- 1% Fish oil (reduction only)
- 36.1% Fish meal (reduction only)

GLOBAL SEAFOOD SUPPLY*

| | | | | | | | |
|-----------|--------|-------|-----------|-------------|----------|---------|-----------|
| Argentina | Brazil | China | Indonesia | New Zealand | Thailand | Vietnam | Australia |
| 0.0001% | 0.09% | 0.86% | 0.006% | 0.001% | 0.75% | 16.13% | 82.17% |

*Percentage of total seafood sourced from each country



CONSUMER FEEDBACK RESPONSE

the Tassal way

PROSPERITY

Globally, with increasing pressure on our planet, access to arable land restrictive and wild fisheries plateauing from protecting vulnerable stocks, aquaculture's role in the future of the planet's food supply has been cemented

Our industry is a solution to addressing increased demand for more sustainable, nutritious, efficient and affordable sources of protein. Farming is first and foremost about feeding a growing population



World population is seven billion people and growing.



Wild fish stocks have and continue to decline.



Consumers and retailers want to know where their food comes from and expect producers to hold third-party sustainability certifications.



Value Creation

Oceans cover approximately 71% of our earth's surface, presenting an opportunity for more food production from oceans that acknowledges the oceans assimilation capacity.

PRINCIPLES OF GOVERNANCE

Responsible Business is a **sustainable** and inclusive way of delivering value for all stakeholders



PRINCIPLES OF GOVERNANCE

We continue to act to understand what matters to investors, customers, consumers, our people and the communities we operate within

Prioritise

In prioritising the issues of most importance to Tassal, we look at our own business goals, activities, and impacts, monitor emerging issues and we seek the views of our stakeholders.

| | | |
|------------------------|---|---|
| Importance to business | Healthy & affordable food Anti-competitive behaviour Local recruitment Customer health & safety Human rights Marketing & labelling | Compliance WHS Economic Performance Biodiversity Anti-corruption Animal welfare Local communities Waste Climate Change Procurement Energy use Packaging GHG Emissions |
| | Freedom of association & collective bargaining Indigenous rights Customer privacy | Employment Training & education Labour & management relations Diversity & equal opportunity Anti-discrimination |

Importance to stakeholders



Align

We follow the global framework of action under the United Nations Sustainable Development Goals (SDGs) to align our strategies and operations, guide and measure our contributions, share ideas with our industry partners and build awareness.



the Tassal way



APPENDIX 2:
RECONCILIATION OF STATUTORY
TO OPERATING **PROFIT**

STATUTORY, UNDERLYING & OPERATING PROFIT

| | Statutory Profit \$'000 | Significant Items \$'000 | Underlying Profit \$'000 | AASB 141 Impact \$'000 | Operational Profit \$'000 |
|--|-------------------------|--------------------------|--------------------------|------------------------|---------------------------|
| Full Year ended 30 June 2021 | | | | | |
| Revenue (from all sources) | \$594,035 | \$0 | \$594,035 | \$0 | \$594,035 |
| EBITDA | \$119,814 | \$16,431 | \$136,245 | \$3,106 | \$139,351 |
| EBIT | \$61,359 | \$16,431 | \$77,790 | \$3,106 | \$80,896 |
| Profit before income tax expense | \$48,061 | \$16,431 | \$64,492 | \$3,106 | \$67,598 |
| Income tax expense | (\$13,441) | (\$4,929) | (\$18,370) | (\$932) | (\$19,302) |
| Net profit after income tax expense | \$34,620 | \$11,502 | \$46,122 | \$2,174 | \$48,296 |
| Full Year ended 30 June 2020 | | | | | |
| Revenue (from all sources) | \$562,540 | \$0 | \$562,540 | \$0 | \$562,540 |
| EBITDA | \$145,605 | \$5,116 | \$150,721 | (\$12,170) | \$138,551 |
| EBIT | \$106,874 | \$5,116 | \$111,990 | (\$12,170) | \$99,820 |
| Profit before income tax expense | \$96,563 | \$5,116 | \$101,679 | (\$12,170) | \$89,509 |
| Income tax expense | (\$27,452) | (\$1,535) | (\$28,987) | \$3,651 | (\$25,336) |
| Net profit after income tax expense | \$69,111 | \$3,581 | \$72,692 | (\$8,519) | \$64,173 |



END.