



East 33 Limited

ASX ANNOUNCEMENT

For immediate release

30 October 2023

## Loan Facility Update

East 33 Limited (ASX: E33) ("East 33" or "Company") advises that it has reached mutual written agreement with Yumbah Finance Pty Ltd ("Yumbah Finance") to re-profile the drawdown schedule within the Loan Facility (first announced on the ASX on 16 August 2023) such that \$2.0 million of the remaining \$7.0 million of the will Loan Facility be drawn down in November 2023 and December 2023, following the provision of draw notices from East 33 to Yumbah Finance. The balance \$5.0 million will likely then be drawn down in January 2024 following provision of draw notices from East 33 to Yumbah Finance.

The optimum oyster condition at Wallis Lake has occurred several weeks later than anticipated, which has delayed the sale of East 33-farmed oysters into the Distribution business. This has been exacerbated by the precautionary closure of Wallis Lake by the NSW Food Authority (as announced on 23 October 2023), which has delayed the harvest from our farms in the region. These events have resulted in the requirement to source greater than expected quantities of third party stock, which is temporarily both increasing working capital requirements and reducing margins. The re-profiled drawn down schedule allows the business to maintain strong revenue outcomes over the coming quarter by maintaining activity through its distribution arm.

To ensure there are no unnecessary disruptions to business operations East 33 and Yumbah Finance have agreed to revise the drawdown schedule to reflect a more flexible draw arrangement. The total amount loaned to East 33 remains unchanged.

The East 33 business is highly seasonal, based on the growth cycle and condition window of the oysters on our farms which sees a strong skew in harvesting in Q2 and Q3 of our financial year. The distribution business also experiences its busiest period in Q2, with Spring Racing, warmer weather and Christmas all occurring in this quarter. Given the differential payment terms for third party farmers and our customers this results in an uplift in operating cashflow in January-24 quarter (Q3).

**This Announcement is authorised for release by the Board.**

### Announcement Ends

For further information, please contact:

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### About East 33 Limited

East 33 is dedicated to pioneering the world's best oyster culture, by empowering the people behind it, caring for the places that support it, and delivering moments to be savoured. East 33 represents quality, a dedication to the authentic and an inspired future, focused on delivering a moment of joy.

East 33 is the largest vertically integrated Sydney Rock Oyster producer, processor, and supplier. Operations span all elements of the Sydney Rock Oyster industry from hatchery, nursery, and production farmers to processing facilities.

East 33's current operations are based in the Wallis Lake, Port Stephens and the Camden Haven River regions of NSW, and over 130 years of collective of farming knowledge. Learnings are being harnessed to deliver the next stage of improved breeding, technology, and sustainable farming techniques to propel the industry for generations to come.

Sydney Rock Oysters are extremely rare natively thriving in just 41 locations on the east coast of Australia centred on latitude 33 degrees – providing the namesake for East 33 Limited.