

Tassal Group Limited

UBS

*Australian Emerging Companies Conference Series:
Agribusiness*



Mark A Ryan, Managing Director & CEO

Sydney, 29 November 2017

Responsible, sustainable growth

Increasing margins & returns



"Tassal seeks to deliver responsible, sustainable growth ... whilst delivering increasing margins and competitive growing returns. Successful aquaculture and its growth is about finding common ground on shared values around environment ... and for salmon, respecting the use of shared waterways."

Overview



Tassal is the market leader in the Australian salmon and seafood industries

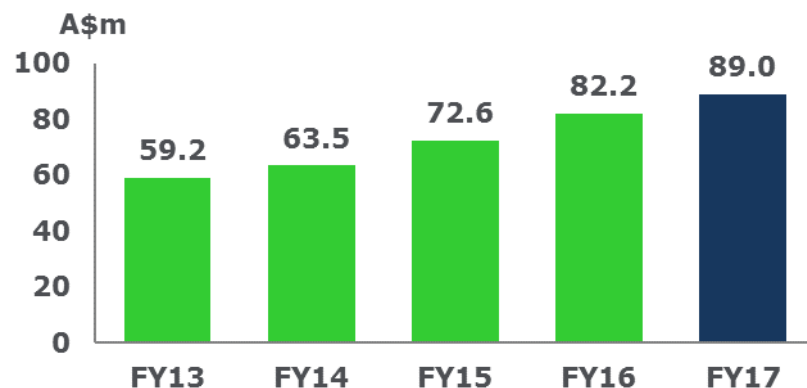
- Tassal continues to execute on its strategy to be a world leading seafood company producing a high quality/healthy protein by leveraging:
 - industry leading scientific know-how
 - sustainable and efficient production
 - respect for the earth's resources and the communities in which it operates
 - prudent commercial management
- Tassal has – and will continue to invest – in the communities we directly operate in and also the communities we reach through our broader supply chain
- While Tassal manage costs tightly, our focus is **optimising contribution margin**
 - **Favourable pricing dynamics**
 - **Improved sales mix, fish size and biomass**
 - **Further efficiency improvements**

A track record of growth

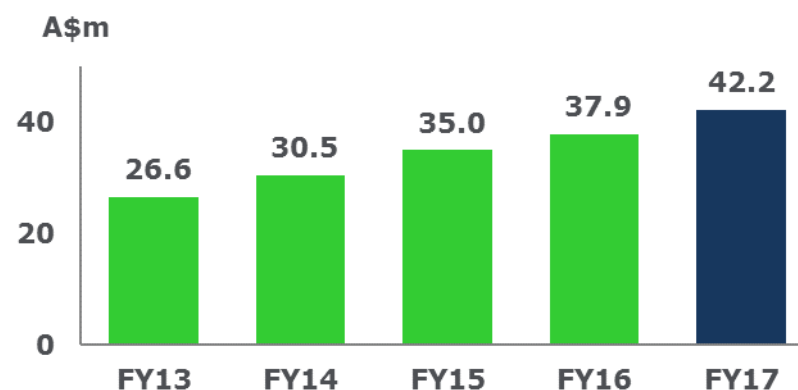
FY17 saw record results and sustainable growth



Operating EBITDA: \$89.0m

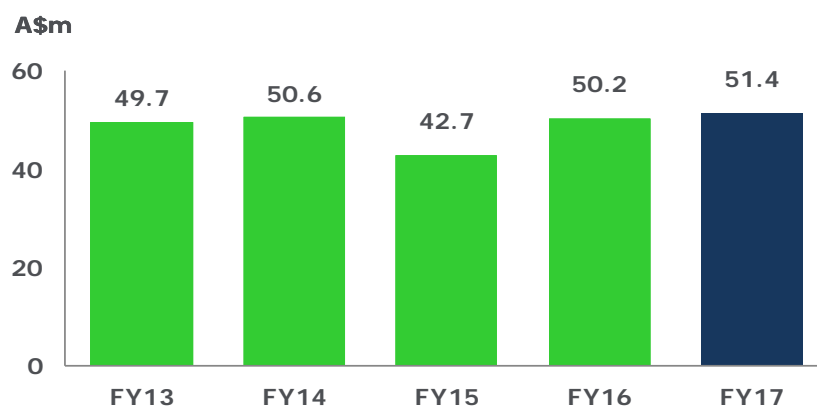


Operating NPAT: \$42.2m

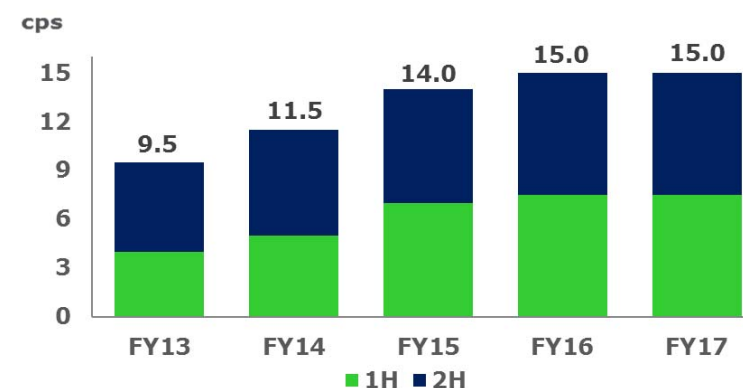


- Statutory EBITDA up 17.7% to \$114.6
- Statutory NPAT up 19.8% to \$58.1m

Operating Cashflow: \$51.4m



Full year Dividend:
15.0 cps, fully franked



Sustainability & Environment



"The essence of sustainable development is that today's generations meet their needs without prejudicing future generations' ability to meet theirs."

Sustainability & Environment

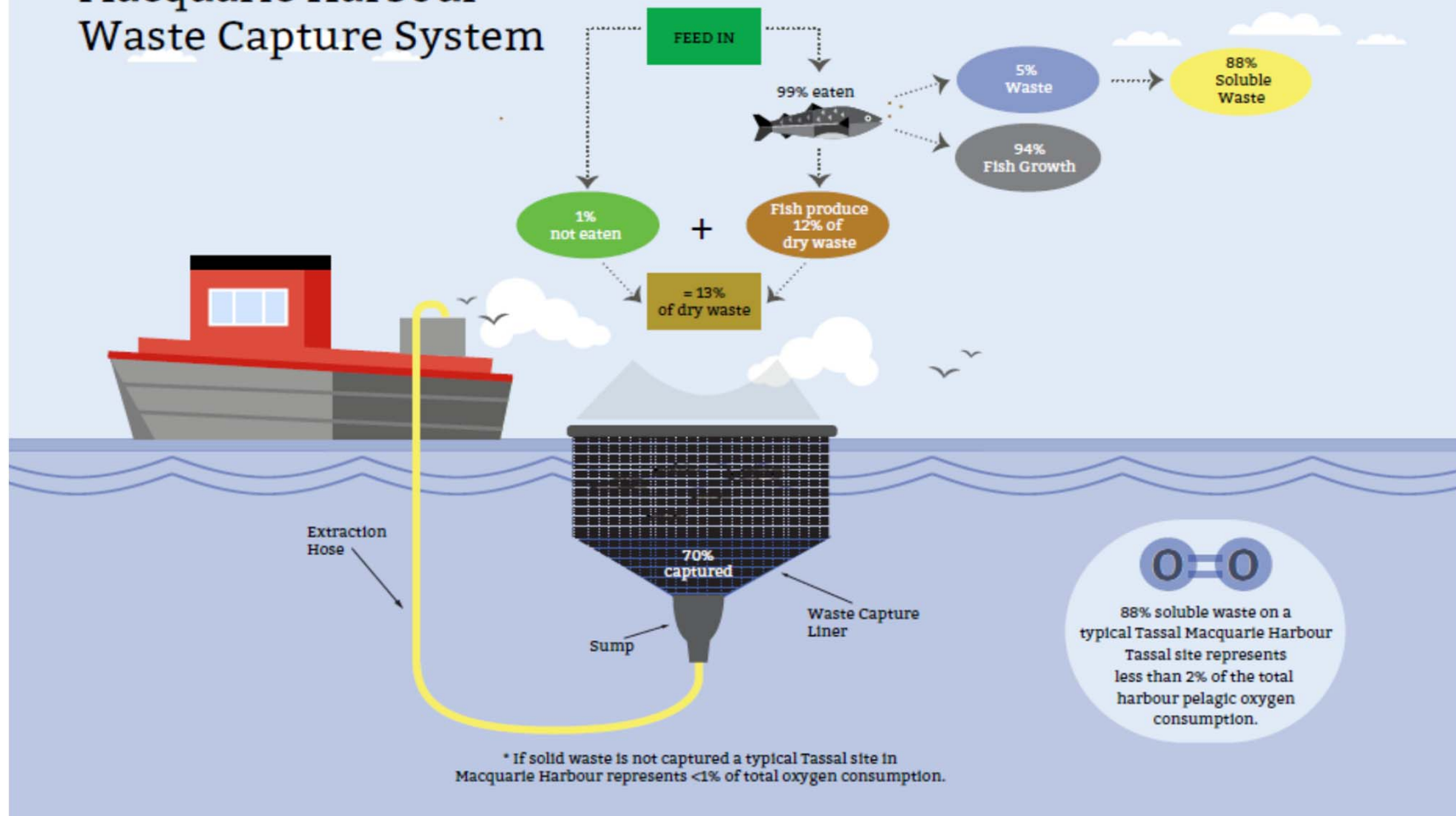


We are committed to a responsible, sustainable & successful business strategy

- ASC certification is a priority – Tassal was the first to have 100% across all our farm sites
- Strong partnership with WWF ... and this continues to be enhanced
- Significant investment continues in adaptive farming practices
- Tassal's intent is to balance environmental, financial, operational and societal/community value principles and practices
- All leases in Macquarie Harbour have now returned to compliance from an 'out of compliance' perspective and in-fauna abundance is returning
- Protecting and rejuvenating our ocean farming areas ensures that we are raising our salmon in healthy marine environments, minimising our impact for sustainable farming and investing in restoration and environmental compensatory programs which benefit our business, the eco-system and the community

Macquarie Harbour

Macquarie Harbour Waste Capture System



Strategy



"Our strategy aims to build on innovations and world-leading practices, whilst promoting further research and development with our Tasmanian, Australian and global industry peers."

Strategy



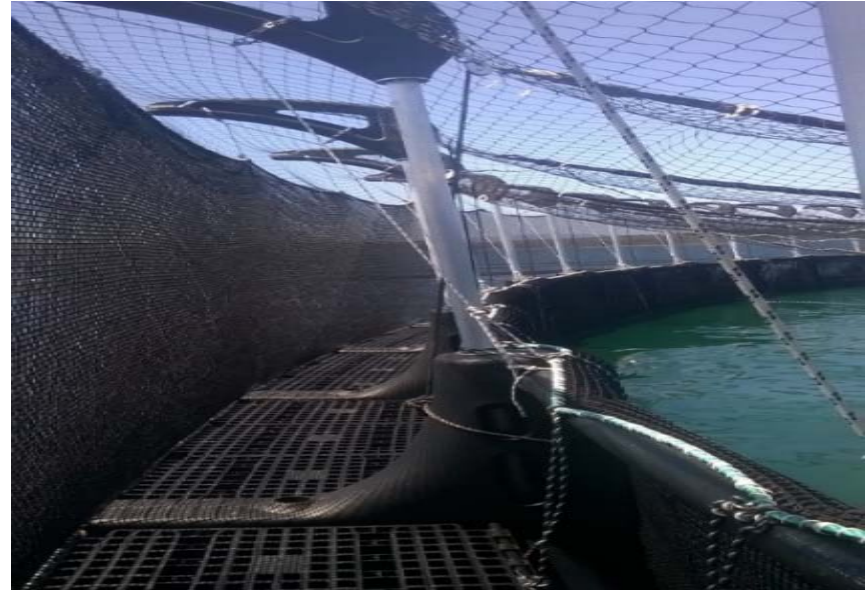
Tassal has the right strategy in place to be a world leading seafood company ... an ongoing commitment to a better tomorrow

- Our strategy for salmon is to future farm (i.e. new sites) in more oceanic environments further off-shore ... complementing this with producing large smolts in our land based nurseries to minimise impact on the marine environments
- Tassal will retire in-shore leases and transition to oceanic farming environments, where it makes social, environmental and operational sense to do so
- We will invest in eco-aquaculture projects at all our existing farms to offset environmental impacts and rejuvenate local, native species for an improved marine environment
- Our vision is to be the world leader in responsible ocean farming, where every farm is nurtured through unique environmental benefit initiatives tailored directly to climate and characteristics

Centralised land based feeding ... supported by feed barges & camera technology



Sanctuary pens



Harvest vessel



Positive outlook for FY2018



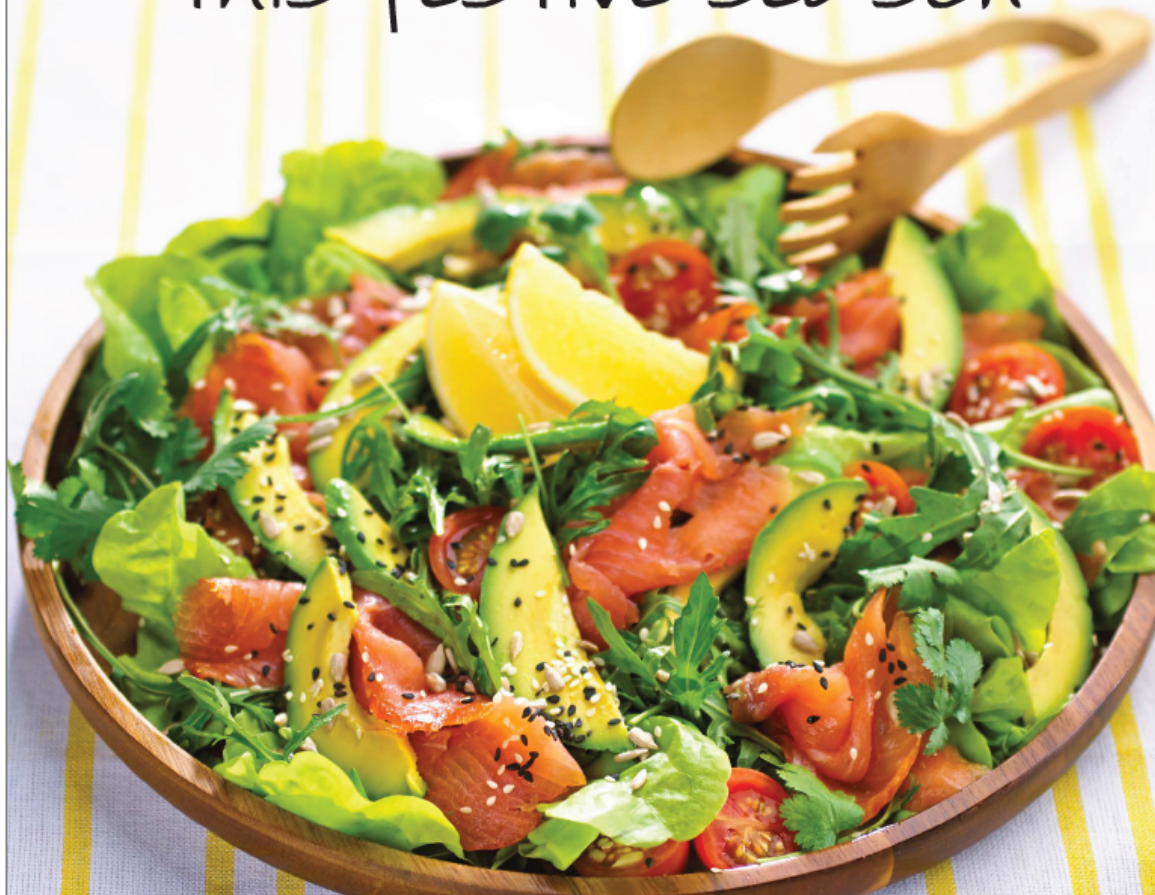
The right strategic priorities will deliver another record result

Tassal's **growth** strategic priorities are:

- Maintaining existing channels to market and continuing to grow domestic per capita consumption
- Positioning Tassal as the superior biomass in the Australian market, optimal margins and greatest scale
- Enhancing salmon growing performance and efficiencies through our selective breeding program
- Farming expansion - Okehampton, Port Arthur & Oceanic Sites
- Processing expansion – automation & processing capacity
- Further enhancing the export strategy - benefit from strong salmon sizes
- Continuing to improve traceability and freshness of products

ANY QUESTIONS?

Bring the family together
this festive season



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