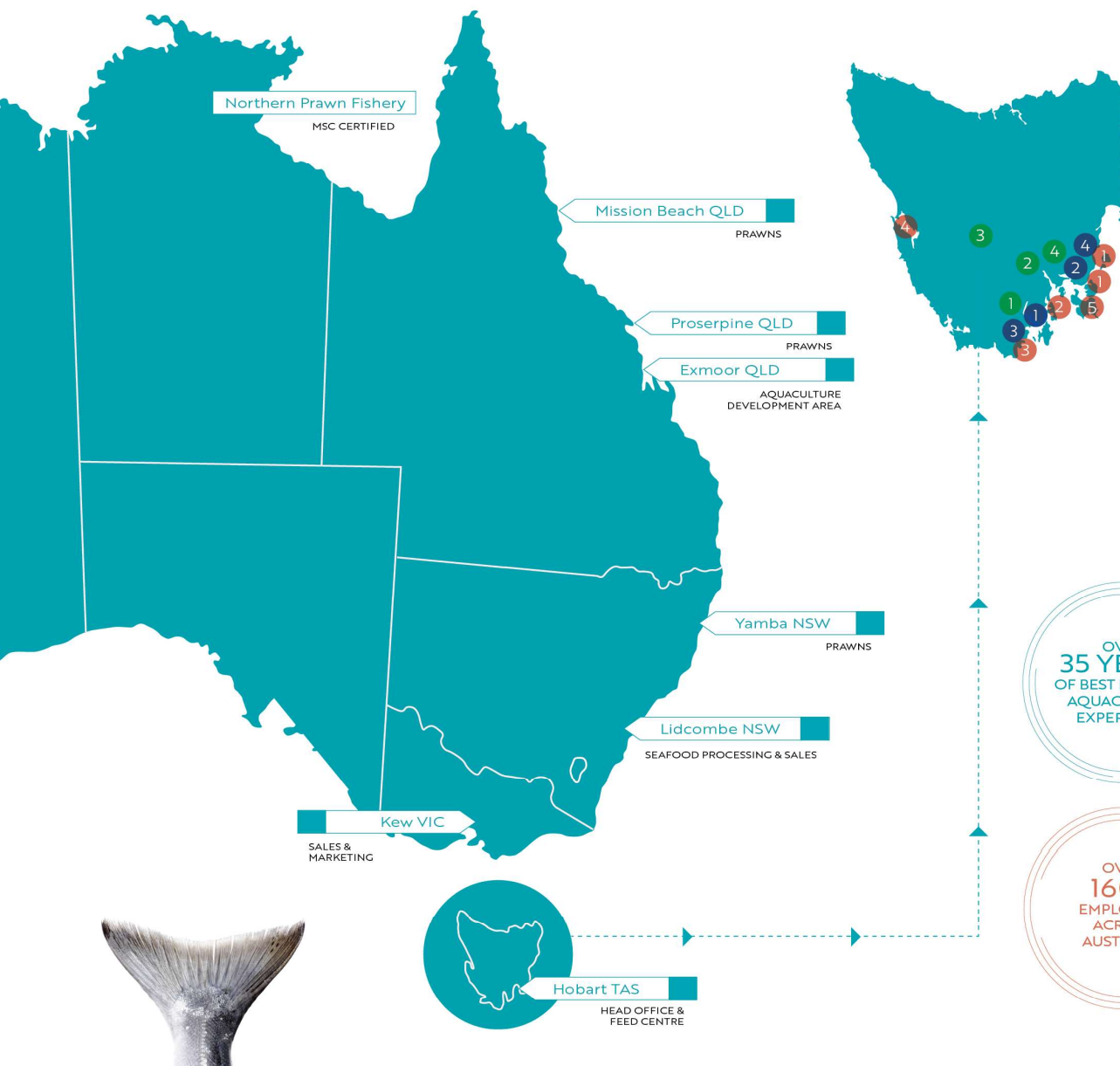


TASSAL GROUP LIMITED  
GOLDMAN SACHS  
2022 EMERGING COMPANIES CONFERENCE

Mark Ryan, MD & CEO  
26 April 2022



## Our footprint

### OUR FOOTPRINT: SEAFOOD & PRAWNS

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

### OUR FOOTPRINT: SALMON

#### MARINE FARMING ZONES

1. Eastern Zone  
Okehampton Bay & Port Arthur
2. Channel Zone  
D'Entrecasteaux Channel
3. Southern Zone  
Dover & Huon River
4. Western Zone  
Macquarie Harbour
5. Storm Bay Zone  
Nubeena & West of Wedge

#### FRESHWATER HATCHERIES

1. Rookwood I & II  
Ranelagh
2. Russell Falls & Karanja  
Mount Field
3. SALTAS (industry hatchery)  
Wayatinah
4. HRAS (future development)  
Hamilton

#### PROCESSING FACILITIES

1. Huonville  
Salmon processing
2. Margate  
Salmon processing
3. Dover  
Salmon processing
4. Triabunna  
Rendering facility

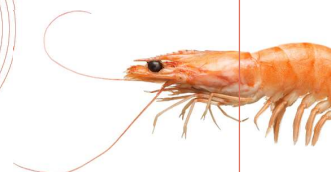
OVER  
35 YEARS  
OF BEST PRACTICE  
AQUACULTURE  
EXPERIENCE

IN 1H22  
WE PRODUCED  
23,992t SALMON  
822t PRAWNS

OVER  
1600  
EMPLOYEES  
ACROSS  
AUSTRALIA

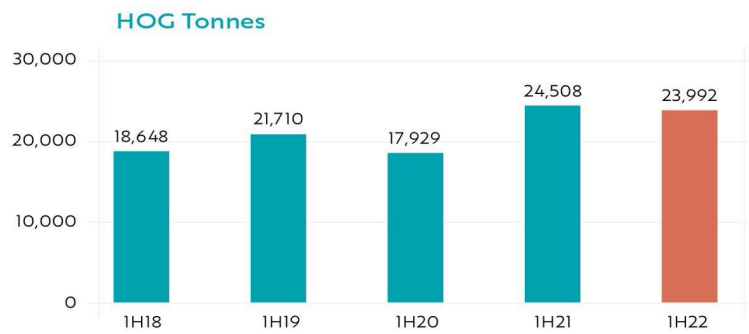
AQUACULTURE  
IS ONE OF THE  
MOST EFFICIENT  
FORMS OF PROTEIN  
PRODUCTION

AUD  
\$284  
MILLION INVESTED  
IN AUSTRALIAN  
SUPPLIERS  
IN 1H22

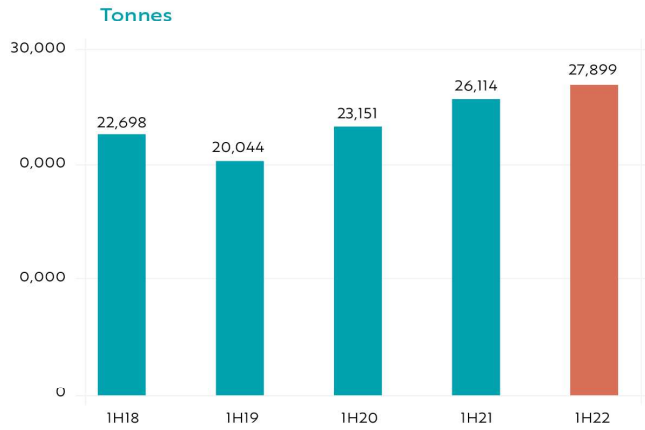


# SALMON BIOMASS now at scale

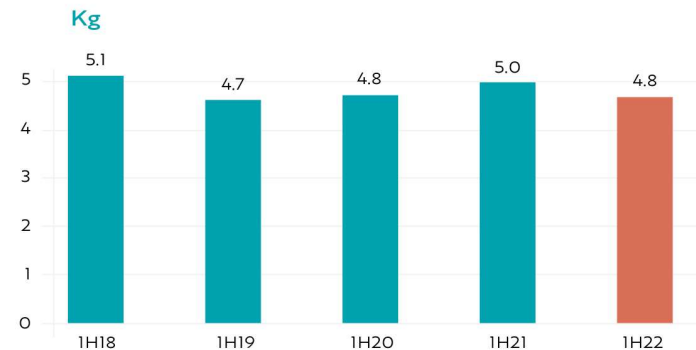
SALMON HARVEST  
STABLE AT 23,992 HOG TONNES



LIVE SALMON BIOMASS  
UP 6.8% TO 27,899 TONNES



SALMON HARVEST SIZE  
STABLE AT 4.8 HOG KG



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

**Survival improvements** given POMV vaccine and successful investment in Ocean Sanctuary Pens decreasing seal impacts, lead to high survival rates c90%

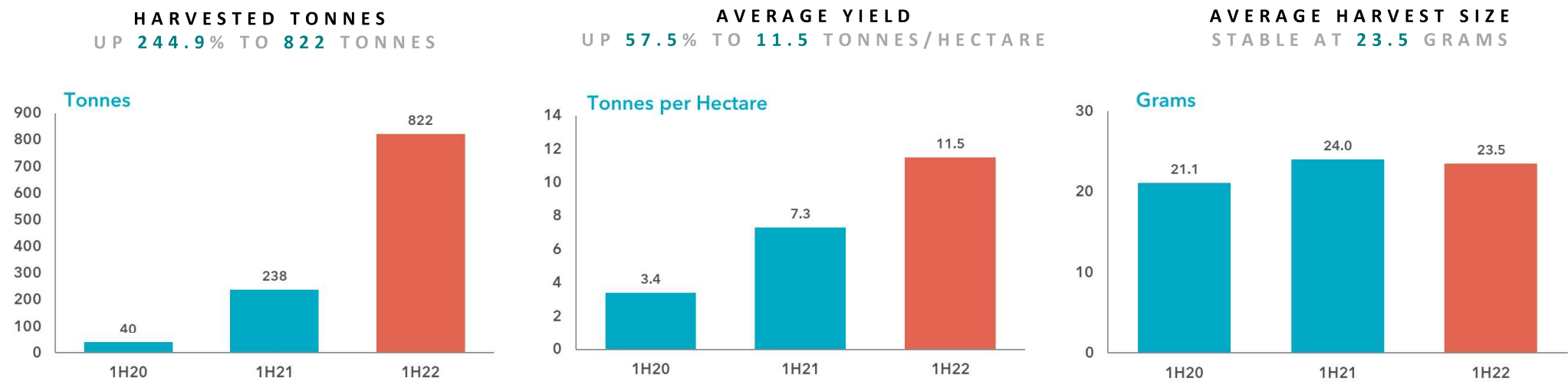
**Fish size maintained** supported by Well Boat, automated Feed Centre, improved diets and a more tolerant fish to summer water temperatures

**Cost of growing \$/kg increasing globally** due to an increase in supply chain cost increases – with energy, feed commodities, labour and domestic freight costs all materially increasing

**Sustainable and maintainable annual harvest of c40,000 hog tonnes**



# AUSTRALIA'S LARGEST PRAWN FARMER with further scale advantages to come



**Delivering** – Since the commencement of our prawn farming operations, we have continued to deliver on commitments made on targeted annual harvest tonnage

**Operations** – Successful implementation of innovation and expertise from salmon to 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 2021 facilitated a significant uplift in harvest volumes – particularly for the key Christmas period

**Future yield and growth improvement** – via SmartFarm, improved feed diets and fish husbandry, leading to improved sizes, survival, live and harvest biomass

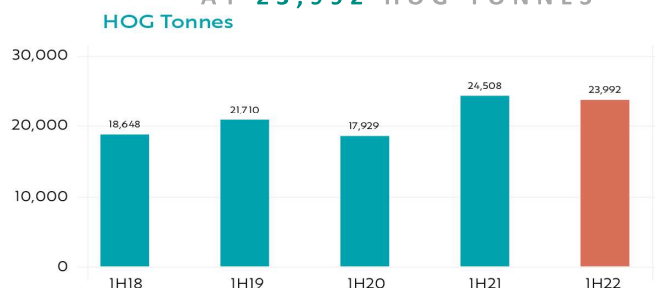


## 1H22 DELIVERED a step-change in cashflows

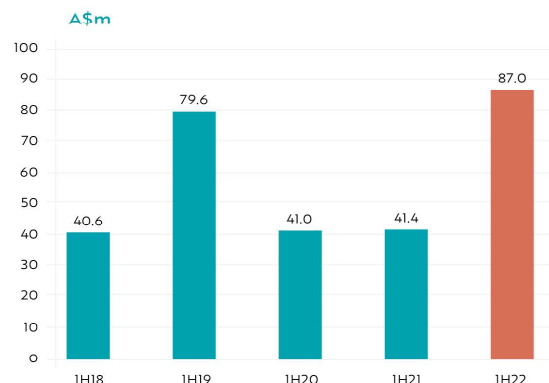
TASSAL IS WELL POSITIONED TO FURTHER GROW CASHFLOWS AND OPTIMISE RETURNS WITH ITS STRONG BALANCE SHEET

Tassal has generated a step-change increase in both operating and free cashflows having completed its incremental salmon biomass investments (now at a sustainable harvest of c40,000 hog tonnes). Excess frozen salmon inventory from FY21 was profitably sold during 1H22.

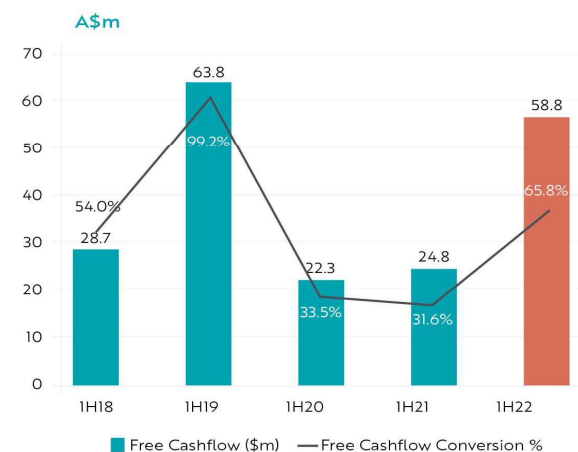
### STABLE SALMON HARVEST AT 23,992 HOG TONNES



### STRONG OPERATING CASHFLOW UP 110.2% TO \$87.0M



### STRONG FREE CASHFLOW UP \$34.0M TO \$58.8M



### PROFITABLY SOLD EXCESS FROZEN SALMON INVENTORY DOWN 53.4% TO 3,333 TONNES

HOG Tonnes





## Tassal ranked #1 SUSTAINABILITY amongst Australian food producers

### ACHIEVEMENTS



“Australia should aspire to having the world’s best aquaculture industry and this result proves we are on the right track.”

MARK RYAN, MD & CEO



100 %

harvested salmon volume certified.

97 %

prawn operations compliance.

98 %

salmon farming compliance.

100 %

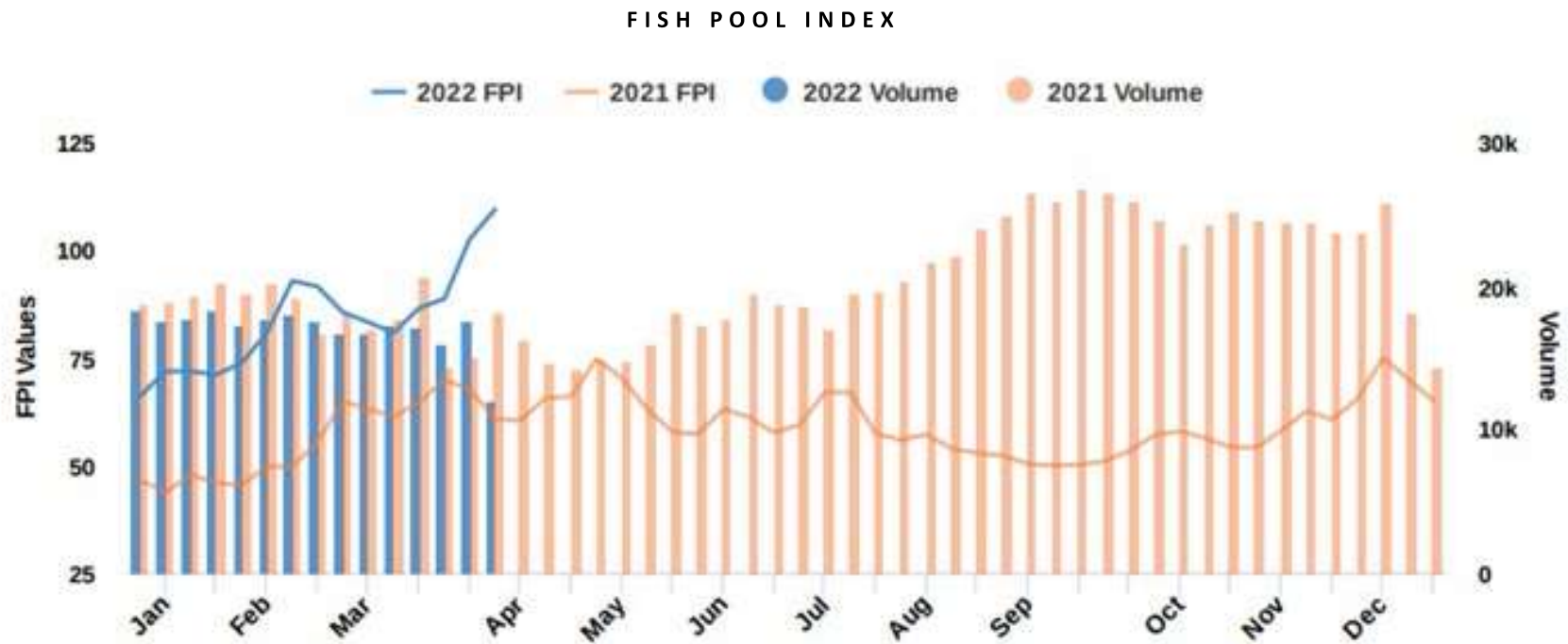
salmon hatchery and processing compliance.

### CERTIFIED



## POSITIVE OUTLOOK for global salmon pricing

- Market analysis is for global supply growth for calendar year 2022 to be 0%, potentially contracting in 1st half of calendar year 2022 (i.e. 2H22), with **high demand remaining** across retail and foodservice demand growing.
- **Demand is expected to continue to outstrip supply**; particularly in South-East Asia which has allowed Tassal to generate significant pricing recovery Vs. FY21.



Fish Pool Index, 2022

## INVESTMENTS & SCALE underpin further growth & optimisation of cash & returns

### SALMON

With a 5-year capital cycle and 3-year working capital cycle, building incremental salmon biomass required significant upfront funding.

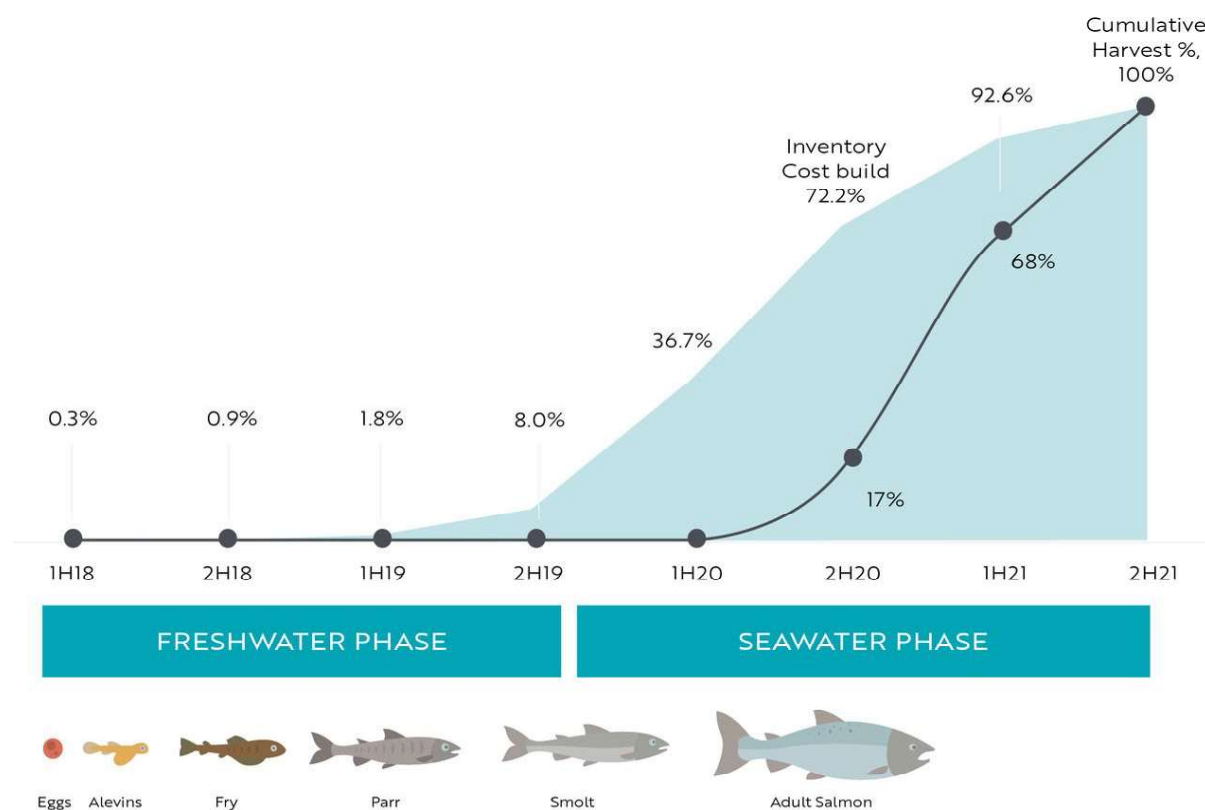
At a sustainable salmon annual harvest of c40,000 hog tonnes from its existing marine leases, Tassal has a scale position and no longer requires incremental funding for growth. Focus is now on targeted price, sales mix, cost optimisation, brand building and product innovation initiatives to cover any underlying supply chain cost increases and to drive future returns.

### PRAWNS

Investment in the Proserpine prawn farming footprint, together with a 2-year capital cycle and 1-year working capital cycle delivers superior cash flow conversion and returns – future biomass and infrastructure growth will be aligned to domestic growth opportunities.



**SALMON LIFECYCLE**  
Build up of Inventory Cost vs Harvest Timing





## ATTRACTIVE LONG-TERM CASHFLOW outlook given salmon investments already made and growth platform in place for prawns

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### PRICING

Based on market dynamics, we believe that the salmon and prawn markets will both benefit from strong global demand. Further, there is expected to be little to no salmon supply growth in calendar year 2022.

### PRODUCTION

We are targeting by 2030:

- c40,000 hog tonnes of salmon production annually from existing lease hectares in Tasmanian waterways
- Up to 20,000 tonnes of prawns (subject to relevant approvals and licences), with the growth aligned to domestic market growth
- Circa 50% of future earnings coming from sea production (i.e. salmon) and 50% from the land (i.e. prawns)

### BLUE AGTECH

Tassal's technology-enabled ways of operating are embedded into the everyday operations of other aquaculture industry participants.

Tassal becomes both carbon and climate "positive" leveraging its technology gains for commercial benefit.



Note:

1. Fish Pool, Kepler Chevreux, Rabobank, 2022



## Investment thesis

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1. Having achieved scale in salmon, and establishing prawns, our focus is now on growing cashflows and returns
2. Growth in cashflows and returns to come from optimising both salmon and prawns
3. At the right time, we plan to grow scale and returns from prawns, seaweed and SmartFarming
4. Then Tassal will evolve and expand as a Blue AgTech leader
5. Targeting ASX200 Top Quartile FCF conversion





THANK YOU

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Questions.

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