



Angel commences 2021 sales season with record stock numbers

Growth initiatives towards doubling production progressing well

24 March 2021 – Angel Seafood Holdings Ltd (ASX: AS1) (the “Company” or “Angel”), the largest producer of certified organic and sustainable pacific oysters in the Southern Hemisphere, provides the following trading update.

Key highlights:

- Oyster sales have now resumed following the spawning season; well positioned for busy Easter trade period
- Biomass increased significantly following good growth rates across all bays during the summer; record stock numbers on hand
- Stock remains healthy; POMS risk significantly reduced with sea temperatures cooling
- FlipFarm project on budget and schedule with construction to commence by end of March
- ‘Summer oysters’ trial progressing as planned; on track to be available for sale next summer

Angel recommences sales; stock position strengthened following favourable growing conditions

Angel has entered the 2021 sales season with a strong supply of oyster sizes to cater for increasing restaurant and retail demand. The Company has experienced continued strong demand from both channels since recommencing sales in March, with pricing for its high-quality organic oysters remaining steady.

Angel achieved good growth rates across all bays over the summer, resulting in a significant increase in oyster biomass. Due to the strong growth, which will cater for future demand, Angel’s leases continue to operate near capacity with record stock numbers on hand, with the overflow of oysters being warehoused at the Haslam leases.

With water temperatures now cooling, the risk of POMS has dissipated for the season. Stock remains healthy and oysters continue the process of reaching prime condition following the summer spawning, positioning Angel well for the busy Easter trade period.

Innovative farming trials progressing as planned

As part of Angel’s next phase of growth, underpinned by the 3-pillar growth strategy, which will see the Company double its annual production capacity to 20 million oysters and improve profitability; Angel launched two innovative farming trials – FlipFarming and ‘summer oysters’ – to increase its productivity and efficiency.

FlipFarm project update

The FlipFarm project is progressing well, with all permits, equipment and materials now on hand, and construction to commence by the end of the month. The project is on track to be delivered on budget and on schedule. This project marks the start of Angel's efficiency and innovation chapter and is a key part of the 3-pillar growth strategy unveiled in 2020.

Picture 1 – FlipFarm equipment (operating boat and floating workstation) now on the water in Coffin Bay.



Angel had originally planned to outsource the on-water construction for this project. However, due to long lead times with sourcing contractors, Angel has opted to manage the process in-house, purchasing a jack-up barge that provides a significant on-water building capability, further demonstrating Angel's agility. This has all been achieved within the approved capital budget, and this new asset and capability will lower costs for future capital projects and maintenance activities for water infrastructure.

Summer oysters trial

Summer oysters have performed well through the summer period with grading showing good survival rates of the spawnless triploid spat. The oysters are on track to be available for sale for the summer season in early January 2022. If successful, summer oysters will extend Angel's sales period to the entire calendar year, up from the current 10 months, and increasing annual sales by 10-15% with no further investment in assets.

Picture 2: Sample of triploid juvenile oysters



Angel's CEO and founder, Zac Halman, said:

"The Angel team continue to deliver on their commitment to producing the highest quality oysters, and this has shown through a very busy summer with record stock numbers on hand and fantastic survivability rates through the spawning period, when the oysters are in their peak growth/stress period. This is an exceptional result for the Company and puts us in a great position for the new sales season."

"With the summer spawning period now behind us, and with a strong supply of healthy oysters in stock, the Angel team is completely focused on its sales program. Despite the later start in sales compared to the prior season, I am pleased to see the sales momentum we experienced last year continue into 2021 across both the retail and restaurant channels, and we expect this to continue into the busy Easter trade period."

"Although it is still early days with our FlipFarming and 'summer oysters' trials, I am excited about the early progress, and the potential productivity and efficiency gains these will generate for Angel. I look forward to providing further updates on these initiatives, and others in the pipeline, as the year progresses."

This announcement was approved for release by the Board.

Further Information

Any questions or requests for further information should be directed via email to:

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About Angel Seafood Holdings Ltd

Angel Seafood is a producer of fresh, clean and consistently high-quality oysters that do not compromise the environment. Angel has grown from a family-operated South Australian business and has rapidly developed from a traditional oyster-growing business into a premium, innovative and organically certified producer of Coffin Bay Oysters. The Company primarily sells oysters to the domestic market; however, exports represent a substantial long-term growth opportunity.

Angel Seafood is the Southern Hemisphere's largest sustainable and organic certified pacific oyster producer.

Forward Looking Statements

This announcement may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results.

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