



**13 September 2023**

## **Commerce Commission grants clearance for sale of ACE to Moana New Zealand**

On 22 May 2023, Sanford announced that it had agreed to sell the Annual Catch Entitlement (ACE) for much of its quota of North Island inshore species to Moana New Zealand through a new long-term agreement. The decision to enter into this transaction followed an internal review seeking to turnaround the inshore division, which was one of four strategic priorities announced in Sanford's 2022 Strategic Refresh.

The New Zealand Commerce Commission has now granted Moana a clearance in respect of the transaction. Sanford welcomes this decision and will now switch its focus towards satisfying the other remaining condition.

The proposed transaction will greatly simplify inshore operations and establish a lower-risk annuity-like revenue stream for Sanford's North Island inshore ACE. The value for this package of ACE starts at nearly \$11m (annualised) for the first year and scales up to \$13m over the next five years before increasing in fixed increments of 1.5% per annum, against modest expenses. This will reduce the negative impact these operations are currently having on Sanford's bottom line. Overall, the transaction reduces volatility for Sanford's earnings and enables a re-focus on higher return parts of the business.

We will keep the market informed once the transaction becomes unconditional.

For further information, please contact:

Paul Alston  
Chief Financial Officer  
[palston@sanford.co.nz](mailto:palston@sanford.co.nz)  
021 918 033