



1HY25 FINANCIAL RESULTS

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- EBITDA. We calculate EBITDA by adding back (or deducting) depreciation, amortisation, finance expense / (income), and taxation expense to net earnings
- EBIT. We calculate EBIT by adding back (or deducting) finance expense / (income), and taxation expense to net earnings
- Pro-Forma Operating EBITDA refers to earnings before interest, tax, depreciation and amortisation after allowing for pro-forma adjustments as described in the Appendix to this document

We believe that these non-GAAP financial measures provide useful information to readers to assist in the understanding of our financial performance, financial position and returns. They should not, however, be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS. Non-GAAP financial measures may not be comparable to similarly titled amounts reported by other companies.

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PRESENTERS



Carl Carrington
Chief Executive Officer



Ben Rodgers
Chief Financial Officer



Graeme Tregidga
Chief Commercial Officer



Grant Lovell
GM Aquaculture

EXECUTIVE SUMMARY

1HY25	<ul style="list-style-type: none"> GAAP Net profit - 1HY25 net profit after tax of \$6.0m (1HY24 \$10.6m). When compared to the prior comparable period GAAP results have been impacted by non-cash adjustments relating to biological assets/inventory of a loss of \$3.6m (1HY24 gain of \$4.1m) and a smaller contribution from the continued unwind of early close out of FX contracts in FY22 \$2.6m (1HY24 \$3.6m) The 1HY25 pro-forma EBITDA, which is both our preferred performance measure and the profit measure that NZKS guides to, was a profit of \$13.5m (1HY24 profit of \$10.7m). Rolling 12-month pro-forma EBITDA is \$27.3m Second summer through the adapted farming strategy, mortality continues to track within management's expectations following changes to the farming model (1HY25 \$8.5m v 1HY24 \$7.8m). NZKS are continuing to invest in R&D with the intention of further improving fish health outcomes (Continuation of vaccine development and thermotolerance work) Focus continues to be on optimising earnings to increase the self-funding component of the Blue Endeavour project
Blue Endeavour	<ul style="list-style-type: none"> Baseline monitoring underway Open Ocean infrastructure (pens and mooring grid) ordered – expected delivery January 2025 Pilot service vessel under construction – expected delivery September 2025 Pilot farm fish currently being grown out at NZKS' first feeding facility
Balance sheet	<ul style="list-style-type: none"> Balance Sheet remains strong with net cash on hand \$32.5m FY25 Capex excluding BE pilot forecast at ~\$14m. Projects are focussed on BAU asset replacements, increases to resilience and reducing risk. FY25 BE pilot capex estimated at \$9.6m
FY25 guidance update	<ul style="list-style-type: none"> Pro-forma EBITDA guidance range of \$26m to \$30m FY25 expected harvest ~6,800 MT

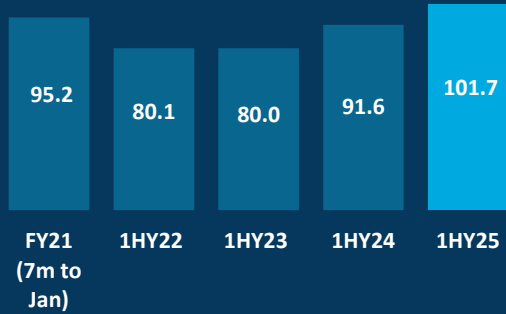
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1HY25 PERFORMANCE

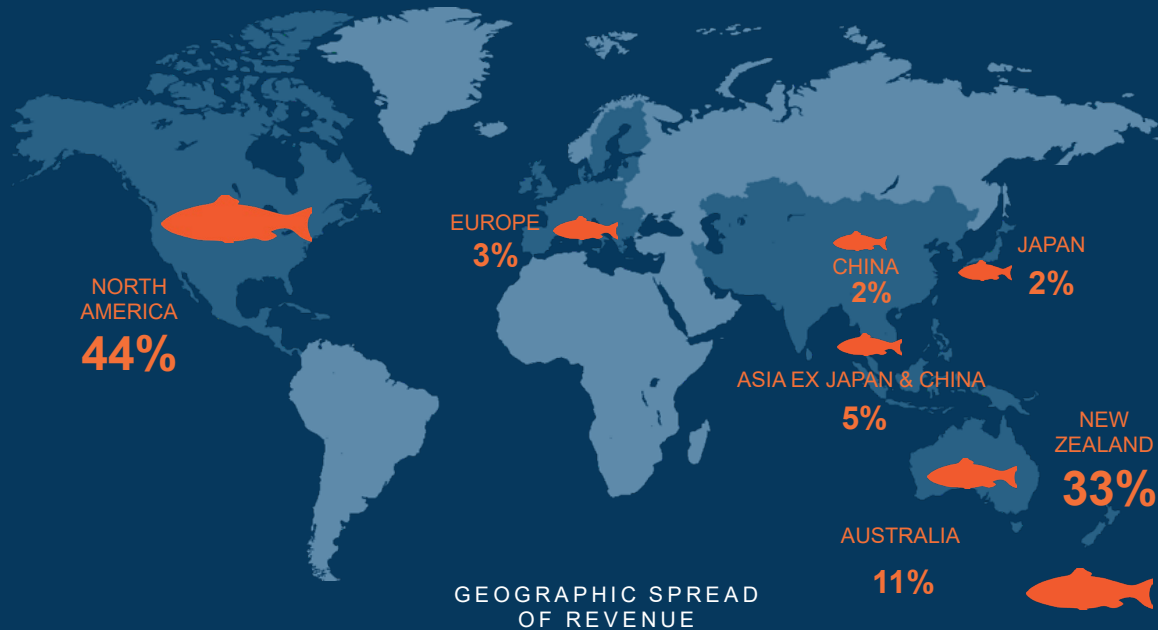


1HY25 OPERATIONAL HIGHLIGHTS

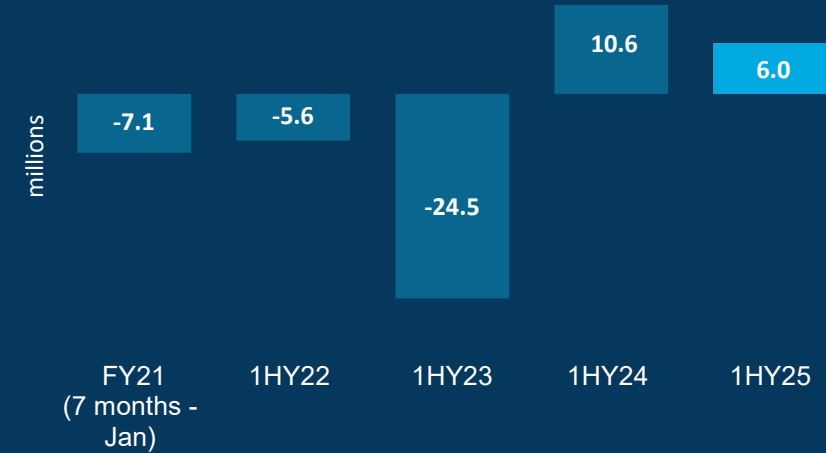
1HY25 REVENUE OF
\$102
MILLION



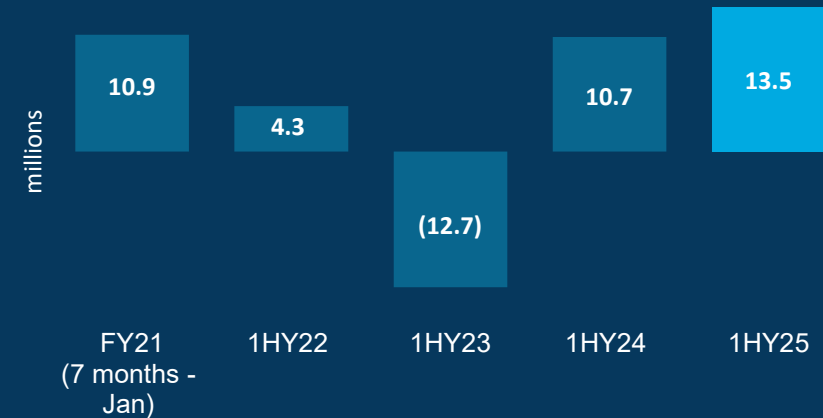
METRIC TONNES HARVESTED DURING 1HY25



1HY25 GAAP NPAT



1HY25 PRO-FORMA OPERATING EBITDA



BUILDING A RESILIENT FUTURE

1. Fish Health

NZKS has ongoing research and development projects to support fish health outcomes. This includes continuing breeding programme work for thermotolerance, ongoing vaccine developments and the implementation of trial pens. These trial pens will allow us to carry out ongoing and important fish health work such as diet trials

2. Climate Resilience

NZKS has undertaken hydrology assessments at both freshwater sites to understand flood and drought risks on our operations. To also support the mitigation of climate risks, investigations into Re-use and RAS systems are being carried out, as well as significant works on the culvert at our Tentburn site

3. Blue Endeavour Growth

The Pilot project is progressing well, with work having commenced on the service vessel, infrastructure build of the mooring grid and pens and the fish for the pilot already at the first feeding facility

4. Capacity & Productivity

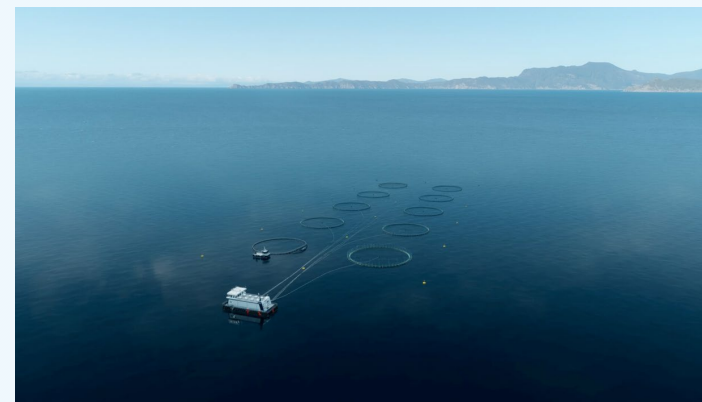
To support future growth, work has commenced on a greenfield feasibility, which has also involved the trialing of automated processing equipment

5. Licenses

The Marine Consents Extension Act, has provided certainty of tenure for NZKS' resource consents

6. Circular Economy

The ensilage plant became operational in 1HY25



BUILDING ON OUR BRAND EQUITY

Giving customers a reason to engage with our brands through:

- Promoting the success of our Ōra King ambassador chefs and key foodservice customers to drive credibility and build organic content
- Aligning advertising and promotional spend with sales growth and margin targets in each market
- In-house digital and social media programmes for our retail and foodservice brands to maintain brand presence with relevant audiences in the most cost-effective way possible
- Dialling up usage occasions such as 'brunch' or 'entertaining' in creative and engaging ways
- Building on specialty retail strategy for Omega Plus in the domestic market and supporting sales growth with key retailers through targeted promotions across social, digital and in-store events

Regal Brand Insights

- Regal remains New Zealand's #1 smoked salmon brand¹ across preference, awareness and consideration – showing there is still a huge amount of trust in the Regal brand
- Regal Epicurean continues to drive engagement amongst the younger demographic and directly contributing to our overall positive market share across the Regal range
- Positive expansion in our Export markets for retailers wanting a point of difference and strong premium offering

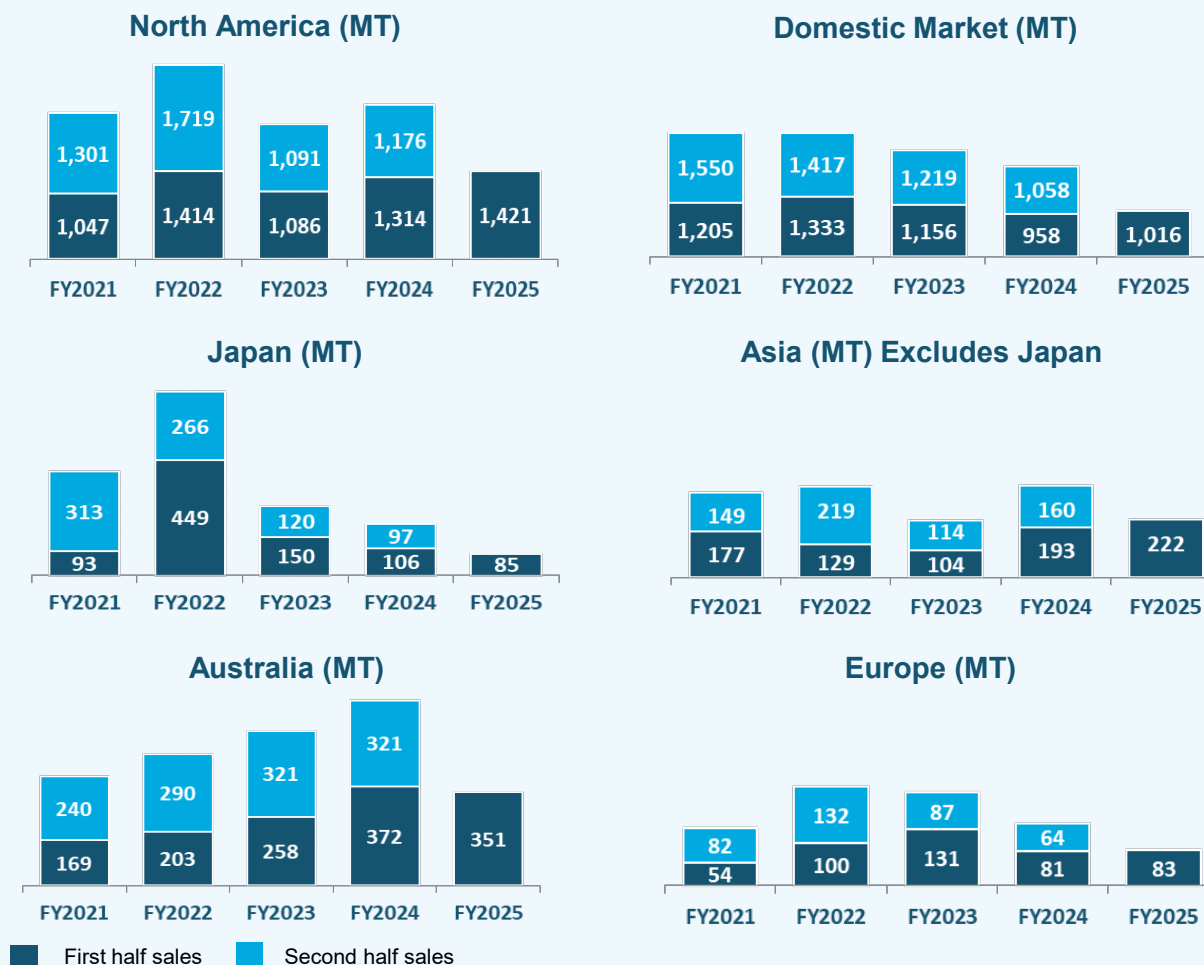
¹ panel survey data by Tracksuit Ltd. as at 21st August 2024

ŌRA KING™



SALES PERFORMANCE

Continuing to target price and product optimisation

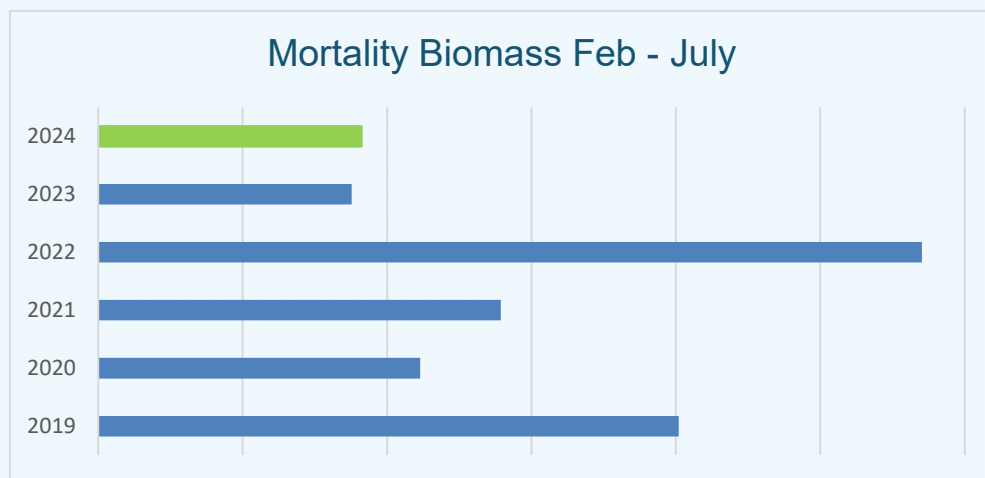


The global consumer demand landscape remains generally weak, with the Foodservice sector experiencing a more pronounced downturn. However, amidst this challenging environment, sales for our premium products have remained robust. This resilience is attributed to consumers' ongoing preference for high-quality protein. Notably, there has been a significant increase year on year in Retail, driven by a trend of increased at-home dining.

- New Zealand sales have grown in the Retail channel, whilst Foodservice is consistent year on year. The imported Atlantic volume is showing solid growth
- North American demand continues to perform well. Ōra King demand continues to exceed supply. An increase in our frozen programme is driving volume growth. Our Regal branded retail smoked products continue to perform well, and we have expanded our distribution
- There was a slight reduction in volume in the Japan market, this was driven by increased prices. This volume has been redistributed to other markets
- Asia markets (excl. Japan) have seen consistent performance with Regal smoked products performing well
- China represents a growth opportunity (currently underexposed to this market); we continue to work together with our importer partner to build our brand and in-market relationships
- The Australian market continues to hold steady across both Foodservice and Retail
- European market has had overall growth as we have seen sales transition from smoked to frozen fillets

FISH PERFORMANCE

- 1HY25 oversaw the second summer of the adapted farming strategy, which involves having the majority of biomass in the cooler Tory Channel region over the warmer months, before towing to Queen Charlotte Sound. Pleasingly, the positive biological performance shown in the first summer period, including lower summer mortality, was repeated over the 2023-24 summer
- 1HY25 harvest volumes were up on 1HY24, as optimisation of the operating model continues. The full year harvest has been revised down to 6,800MT. This decrease in forecast harvest reflects the impact of early runting (fish failing to adapt to seawater) experienced in 1HY25. The ongoing longer-term forecast harvest biomass of our active farms remains at ~6,800MT to 7,200MT
- Feed prices remain volatile due to commodity pricing of raw material ingredients and global geopolitical tensions; however, there has been some recent relief which is expected to flow into the feed pricing in 2HY25
- A new trial pen is being built at our Ruakaka site which will be completed in 2HY25. This will allow more focused R&D in conjunction with our feed and science partners



Biological Performance			
	1HY25	1HY24	% chg.
Harvest Volume (t)	3,362	2,993	12%
Average Harvest Weight (Kg)	4.23	3.69	15%
Feed Conversion Ratio (FCR)	1.90	1.73	10%
Closing Livestock Biomass	4,565	4,770	(4%)
Feed Cost (\$ / Kg of feed)	3.45	3.33	4%

Sound	Farm	G&G Volume Harvested (MT)	
		1HY25	1HY24
Queen Charlotte	Ruakaka	-	-
	Otanerau	-	229
	Clay Point	537	1,567
Tory Channel	Te Pangu	1,701	310
	Ngamahau	1,117	870
	Waitata	-	-
Pelorus Sound	Kōpaua (fallowed)	-	-
	Waihinai (fallowed)	-	-
	Forsyth (fallowed)	-	-
Freshwater		6	17
		3,362	2,993

NZKS SUSTAINABILITY FOCUS

We continue to progress on our sustainability journey

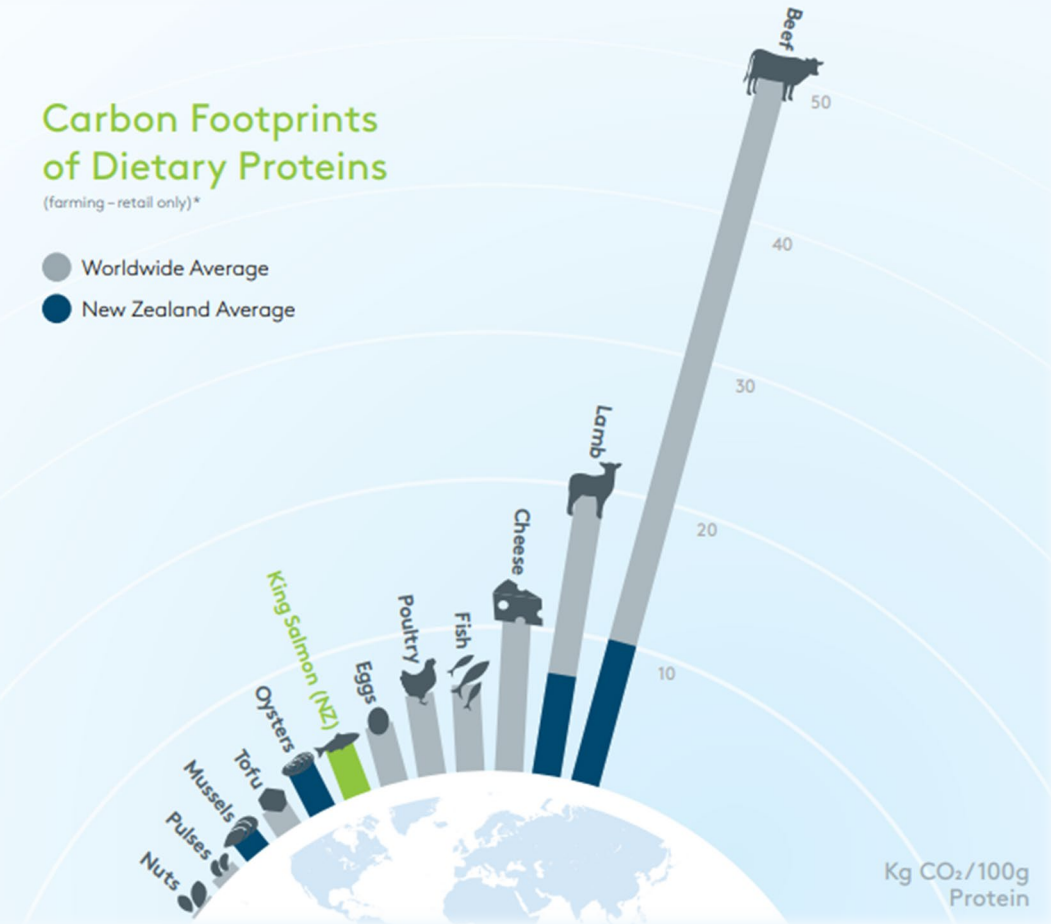
- NZ farmed King salmon is a low carbon protein¹ compared to the global average of other animal proteins
- NZKS' first Climate-Related Disclosures for FY24 were released in May 2024
- NZKS' base year of carbon emissions for Scope 1, 2 and 3 have been established at 78,976 tonnes of CO₂e
- The ensilage plant, which allows us to utilise our organic waste streams as a feedstock for biogas and organic fertiliser production, started to operate in early FY25. Improving circularity, this facility is a first in NZ for finfish primary production
- NZKS has undertaken hydrology mapping to better understand our climate risks at freshwater sites
- NZKS participated in the most recent XLab programme to build capability in designing for a circular economy and explore opportunities for future projects
- Submission of NZKS' fourth Modern Slavery Report (Australian Modern Slavery Act 2018)



Carbon Footprints of Dietary Proteins

(farming – retail only)*

- Worldwide Average
- New Zealand Average



¹Carbon footprints of different dietary proteins on the global market – production to retail only. LCA Report – King salmon from New Zealand. V1.6, May 2023

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1HY25 RESULTS



1HY25 HEADLINE FINANCIAL PERFORMANCE

Group Financial Performance						
NZ\$000s	GAAP			Pro-Forma ¹		
	1HY25	1HY24	% chg.	1HY25	1HY24	% chg.
Volume Sold (t)	3,178	3,023	5%	3,178	3,023	5%
Revenue	101,718	91,561	11%	101,718	91,561	11%
Gross Margin	24,610	27,110	-9%	28,270	22,940	23%
Gross Margin %	24%	30%		28%	25%	
EBITDA	12,481	18,459	-32%	13,518	10,737	26%
EBITDA %	12%	20%		13%	12%	
EBIT	8,756	14,607	-40%	9,793	6,885	42%
NPAT	6,006	10,630	-44%	7,043	4,076	73%

¹ A full reconciliation between GAAP and Pro-Forma results is shown on pages 20 and 21 of this presentation

Revenue – 1HY25 benefitted from both an increase in volume sold and price increases executed in late FY24, reflecting the recovery of inflationary pressure on input costs (feed and people). In addition to price increases, NZKS continues to look at margin enhancement through product optimisation and market choices

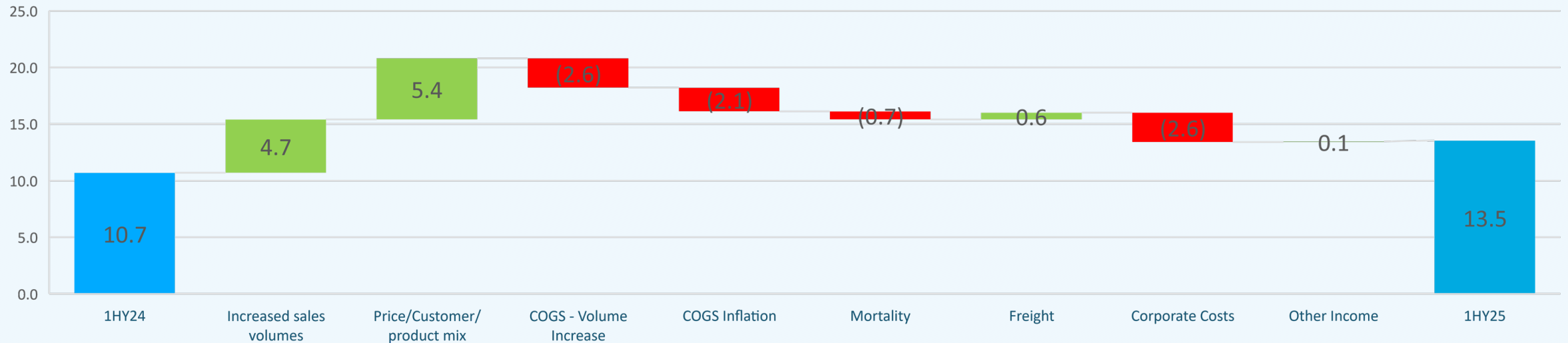
Gross Margin % – The GAAP Gross Margin decrease on the prior comparable period is due to the fair value movement on biological asset growth being less than the increase in fair value harvest costs over the first 6 months of the year (This is in line with the decrease in forecasted harvestable biomass). Excluding IFRS adjustments, pro-forma gross margin improved on prior year. This is driven by improved revenues as noted above

EBITDA – on a GAAP basis was negatively impacted by a decreases in Gross Margin (noted above), other income and an increase in overhead costs. Overhead costs have increased due to investments in capability to deliver both growth projects and right size the operations post the mortality event in FY22/23. In addition, like many listed organisation’s NZKS is facing increasing compliance costs. The decrease in other income on a GAAP basis is attributable to a half on half decrease in the continued unwind of the early close out of FX contracts from FY21/FY22. On a Pro-Forma basis (removing the non-cash fair value movements) EBITDA improved half on half due to an increase in Gross Margin partially offset by an increase in corporate overheads (more detail is provided in a waterfall chart on the next slide)

NPAT – on a GAAP basis decreased on the prior comparable period as a result of a decrease in EBITDA and an additional impact to tax expense of ~\$650k, due to buildings no longer being depreciated

PRO-FORMA¹ EBITDA COMPARISON

PRO-FORMA EBITDA 1HY24 to 1HY25



- **Revenue** is up due to a combination of market optimisation, product and customer mix, price increases and an increase in volume sold
- **Cost of goods** is up on prior year due to an increase in volume and cost inflation. NZKS continue to manage inflationary pressures by looking at opportunities to optimise our Aquaculture and Processing operations, however some of the inflationary increase in cost of goods sold can have up to an 18-month lag (salmon life cycle) before it shows up in the P&L. There has also been a focus on reducing older cold store inventory (predominately RRM), which has led to an increase in rendering costs or sales at lower margins
- **Mortality** The slight increase in mortality from 1HY24 reflects the increase in biomass on hand for 1HY25. Mortality is tracking within management's expectations
- **Corporate costs** are up on prior year. This reflects both investments in additional head count and professional services when compared to 1HY24. These investments are reflective of:
 - Increased capability and resource required to support business growth aspirations (i.e. including new CEO, acting CEO in 1HY24 moved to CCO role)
 - The continued right sizing of the business post mortality event in FY23 , investments in communications, risk capability, marketing
 - Compliance landscape continues to require further investments across finance, technology, legal and sustainability functions

¹ Refer to pages 20 & 21 for full reconciliation between GAAP and Pro-Forma results

BALANCE SHEET

Group Financial Position		
NZ\$000s	Jul-24 Unaudited	Jan-24 Audited
Current Assets		
Cash and cash equivalents ¹	35,298	26,908
Receivables	18,146	18,427
Inventories	35,563	37,059
Biological Assets	80,801	82,468
Derivative financial assets	1,221	976
	171,029	165,838
Non-Current Assets		
Property, plant & equipment	50,686	48,335
Biological assets	9,242	11,992
Other	10,441	12,780
	70,369	73,107
Total Assets	241,398	238,945
Current Liabilities		
Loans (external)	750	750
Lease Liabilities	994	1,028
Payables	16,610	16,536
Other	10,832	11,300
	29,186	29,614
Non-Current Liabilities		
Loans (external)	2,000	2,000
Lease Liabilities	5,395	5,872
Other	11,227	11,164
	18,622	19,036
Total Liabilities	47,808	48,650
Net Assets	193,590	190,295
Net Cash / (Debt)	32,548	24,158

- NZKS's balance sheet remains strong with net cash on hand of \$32.5m. This balance sheet provides NZKS with a strong platform to invest in both the existing operations and fund the Blue Endeavour pilot
- While the solid pro-forma EBITDA performance supports this improved cash position other areas have also contributed:
 - The decrease of **Inventory** was predominately due to a decrease in feed on hand, due to a change in supplier terms with one feed supplier (no longer consignment) resulting in larger swings in feed stock on hand
 - NZ King Salmon invested ~\$5.3m in **capex** for the six months ended 31 July 2024. As in previous years capital expenditure tends to be weighted to the second half of the year. It is expected that Blue Endeavour pilot and larger processing capex will be incurred in 2HY25
 - **Tax losses carried forward** – The cash position benefitted from the utilisation of the majority of NZKS's available tax losses, which was generated in FY22/FY23. It is expected this will be fully utilised by the end of FY25 and NZKS will be in a tax paying position
 - The decrease in biological assets (outside of fair value adjustments) reflects a decrease in biomass at sea. The decrease in biomass at sea is attributable to the impact of early runting experienced in 1HY25. The ongoing longer-term forecast harvest biomass of our active farms remains at ~6,800 MT to 7,200MT

¹ Cash and equivalents include \$7m term deposits with maturities > 4 months

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FY25 & BLUE ENDEAVOUR UPDATE

FY25 GUIDANCE UPDATE

\$26m-\$30m

FY25 Guidance

The Board is providing a revised pro-forma EBITDA guidance in a range of \$26m – \$30m

The first half was a solid result in the face of some headwinds:

- **Runting:** full year harvest revised downwards to 6,800MT due to elevated levels of early runting (fish failing to adapt to seawater)
- **Sales:** the start of 1HY25 was impacted by variability in fish size, which in turn impacted customer confidence. Ongoing work to improve forecasting and consistent sustained fish size has helped rebuild much of this confidence

Management have increased optimism going into the second half of the financial year, as in addition to the improvements mentioned above, there are several other positives when looking ahead:

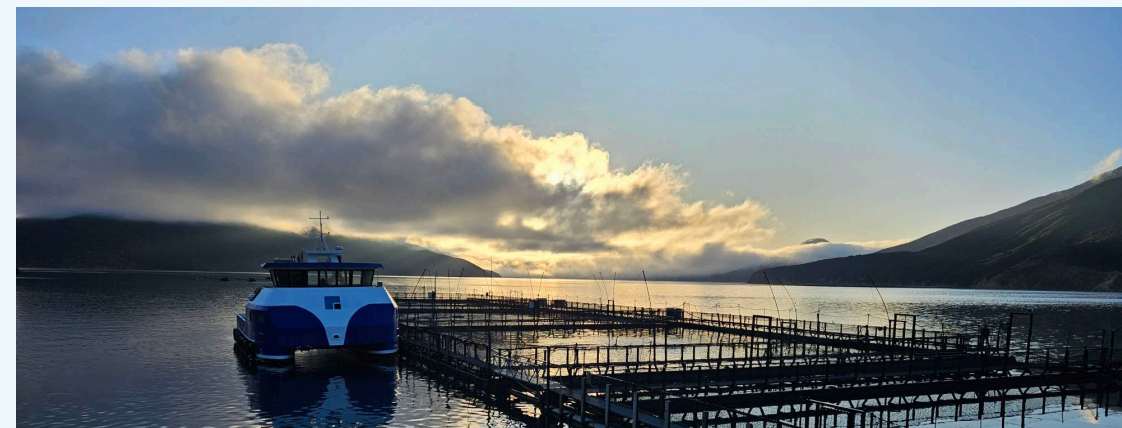
- **Sales:** We are making steady progress in developing our presence in China, while elsewhere sales have held up well across all markets, and channels, despite global cost-of-living pressures and issues noted above
- **Cost Management:** despite lower forecast harvest volumes ongoing focus on aquaculture, processing and freight operational costs have kept our cost per kg in line with budget. (noting NZKS has seen corporate costs increase compared to the prior comparable period)
- **Positive fish trials:** trials carried out in response to early runting issues are promising and if successful the rollout of the identified mitigant may provide future earnings upside

The Board has reconfirmed that dividends will remain on hold for the foreseeable future as NZKS develops the Blue Endeavour project

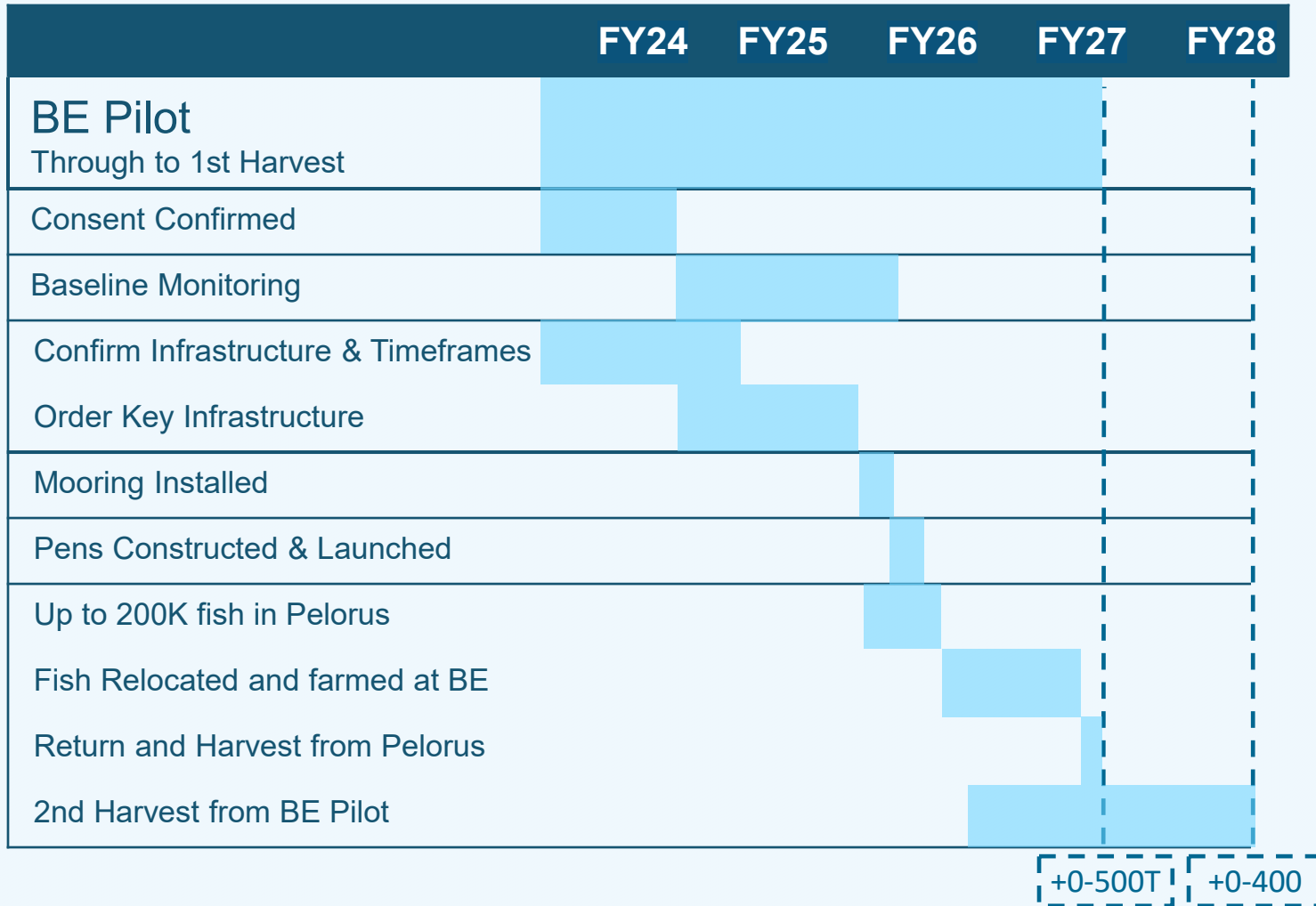
EXISTING SEA FARM RESOURCE CONSENTS EXTENDED

Farms	Region	Expiry date	Status
Ruakaka	Queen Charlotte	2044	Active
Otanerau	Queen Charlotte	2044	Active
Forsyth Bay	Pelorus	2044	Fallow
Waihinau	Pelorus	2044	Fallow
Crail Bay	Pelorus	2044	Fallow
Clay Point	Tory Channel	2050	Active
Te Pangu	Tory Channel	2050	Active
Waitata	Pelorus	2050	Active
Ngamahau	Tory Channel	2050	Active
Kōpaua	Pelorus	2050	Fallow
Blue Endeavour	Cook Strait	2057	Inactive

- The Marine Consents Extension Act came into force in early September 2024. This has provided certainty of tenure for NZKS' resource consents.
- Five consents (Ruakaka, Otanerau, Forsyth Bay, Waihinau, Crail Bay) that were due for expiry at the end of 2024, now expire in 2044.
- The Act has also extended the duration of Waitata, Kōpaua, Ngamahau, Clay Point and Te Pangu through to 2050.
- The conditions of consent are likely to be updated. NZKS will work with the Marlborough District Council on this, and this process may take some time.
- The extension of tenure of the Pelorus sites is important in relation to the development of the Blue Endeavour opportunity. The plan is to utilise these sites as nursery farms and as a harvest location for our Blue Endeavour operation. This will begin April 2025 with Waihinau likely receiving the first stock for Blue Endeavour.



BLUE ENDEAVOUR - PILOT



Update

- Baseline monitoring - underway
- The service Vessel is currently under construction in Vietnam
- Pen and mooring contract has been signed with Scale AQ with the build process to take place early next year
- The fish for the Blue Endeavour pilot are now at our first feeding facility, being grown ready for transfer to the inshore nursery site next April



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APPENDICES



1HY25 RECONCILIATION BETWEEN GAAP AND PRO-FORMA FINANCIALS

NZD 000s	Statutory Financial Statements	Fair Value Adjustments	Early FX Close-outs	Pro-Forma Operating Financial Information
Revenue	101,718			101,718
Cost of goods sold	(100,454)	37,642		(62,812)
Fair value gain / (loss) on biological transformation	33,982	(33,982)		0
Freight costs to market	(10,636)			(10,636)
Gross Margin	24,610	3,660		28,270
Other operating income	3,098		(2,623)	475
Overheads				
Sales, marketing and advertising	(6,400)			(6,400)
Distribution overheads	(1,958)			(1,958)
Corporate expenses	(6,813)			(6,813)
Other expenses	(56)			(56)
EBITDA	12,481	3,660	(2,623)	13,518
Depreciation and amortisation	(3,725)			(3,725)
EBIT	8,756	3,660	(2,623)	9,793
Finance income	644			644
Finance costs	(250)			(250)
Net finance costs	394			394
Profit / (loss) before Tax	9,150	3,660	(2,623)	10,187
Income tax (expense) / credit	(3,144)			(3,144)
NPAT	6,006	3,660	(2,623)	7,043

1HY24 RECONCILIATION BETWEEN GAAP AND PRO-FORMA FINANCIALS

NZD 000s	Statutory Financial Statements	Fair Value Adjustments	Early FX Close-outs	Pro-Forma Operating Financial Information
Revenue	91,561			91,561
Cost of goods sold	(84,435)	27,018		(57,417)
Fair value gain / (loss) on biological transformation	31,189	(31,189)		-
Freight costs to market	(11,205)			(11,205)
Gross Margin	27,110	(4,171)		22,940
Other operating income	3,974		(3,551)	423
Overheads				
Sales, marketing and advertising	(5,229)			(5,229)
Distribution overheads	(1,675)			(1,675)
Corporate expenses	(5,721)			(5,721)
Other expenses	-			-
EBITDA	18,459	(4,171)	(3,551)	10,737
Depreciation and amortisation	(3,852)			(3,852)
EBIT	14,607	(4,171)	(3,551)	6,885
Finance income	457			457
Finance costs	(183)			(183)
Net finance costs	274			274
Profit / (loss) before Tax	14,881	(4,171)	(3,551)	7,159
Income tax (expense) / credit	(4,251)	1,168		(3,083)
NPAT	10,630	(3,003)	(3,551)	4,076

APPENDIX – GLOSSARY OF TERMS

1HY25	Financial results for the 6 months from 1 February 2024 to 31 July 2024
2HY25	Financial results for the 6 months from 1 August 2024 to 31 January 2025
FY24	Financial results for the 12 months from 1 February 2023 to 31 January 2024
1HY24	Financial results for the 6 months from 1 February 2023 to 31 July 2023
FY23	Financial results for the 12 months from 1 February 2022 to 31 January 2023
FY22	Financial results for the 12 months from 1 February 2021 to 31 January 2022
EBITDA	Earnings before interest, tax, depreciation and amortisation
FCR	Feed Conversion Ratio – the amount of feed (in kilograms) required to grow 1 kilogram of fish weight
G&G	Gilled and gutted. Note that all volumetric information presented is on a gilled and gutted basis unless otherwise stated
GAAP	Generally Accepted Accounting Practice
MT	Metric tonnes
NPAT	Net profit after tax, also reported as net profit for the period in our published financial results
NZKS	New Zealand King Salmon Investments Limited
Pro-Forma Operating EBITDA	Pro-Forma Operating EBITDA refers to earnings before interest, tax, depreciation, amortisation after allowing for pro-forma adjustments as described in the Appendix to this document. Pro-Forma Operating EBITDA is a non-GAAP profit measure that NZKS provides market guidance against

UNDERSTANDING OUR GAAP RESULTS

The impact of *NZ IAS-41 Agriculture and NZ IAS-2 Inventory*

Our GAAP results are impacted by Fair Value gains or losses arising from the application of *NZ IAS-41 Agriculture and NZ IAS-2 Inventory*. The impact of these standards are explained below:

Fair Value under *NZ IAS-41 Agriculture and NZ IAS-2 Inventory*

When we record a change in biomass at sea, or where the expected future profit we realise on fish that we sell changes, these standards require us to quantify and recognise the gain or loss in the current period. This applies to both biomass at sea and inventories of finished products.

Our Statement of Financial Position shows biological assets at their fair value. Pro-Forma Operating Financial Performance removes gains / losses associated with the application of these standards. The company will present Pro-forma results for future reporting periods on this basis.