



6 December 2018

NZX Continuous Disclosure

Sanford Confirms Sale of Majority of Tauranga Based Pelagic Business Assets

New Zealand seafood company Sanford Limited (SAN) confirms that the agreement to sell its Tauranga based pelagic business to Pelco NZ Limited for a purchase price of NZ\$24.3m has now gone unconditional.

The quota sale reduces Sanford's overall quota holding under New Zealand's Quota Management System from around 22% to approximately 19% of the total volume available for commercial catch. In value terms, the sale of quota represents 3.75% of the company's quota book value.

The decision to sell to Pelco is in line with Sanford's strategy to focus on value and concentrate on species that offer opportunities for innovation and brand development. Sanford's pelagic business has historically been underinvested in due to its volatility and low rates of return. Sanford believes that with improved economies of scale, Pelco is better positioned to derive value from these species for New Zealand.

As announced on 19 November 2018 the transaction is scheduled to settle in March or April of 2019.