



SANFORD

Annual  
Report  
FY25

# ‘Back to Basics’ Delivers

Sanford has managed its pricing in markets and benefited from favourable biological outcomes to deliver a record profit result

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# Highlights FY25

## Financial

|                                                                                                |                                                                                                       |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| <div>Revenue</div> <div>FY25:</div> <div>\$584.1m ↑</div> <div>FY24: \$582.9m</div>            | <div>Gross margin %</div> <div>FY25:</div> <div>26.5% ↑</div> <div>FY24: 21.6%</div>                  |
| <div>Adjusted EBIT</div> <div>FY25:</div> <div>\$105.2m ↑</div> <div>FY24: \$74.2m</div>       | <div>Net profit after tax (NPAT)</div> <div>FY25:</div> <div>\$63.7m ↑</div> <div>FY24: \$19.7m</div> |
| <div>Operating cash flow</div> <div>FY25:</div> <div>\$135.3m ↑</div> <div>FY24: \$73.0m</div> | <div>Net debt</div> <div>FY25:</div> <div>\$93.4m ↓</div> <div>FY24: \$185.5m</div>                   |
| <div>Earnings per share</div> <div>FY25:</div> <div>68.1cps ↑</div> <div>FY24: 21.1cps</div>   | <div>Final dividend per share</div> <div>FY25:</div> <div>5.0cps</div> <div>FY24: 5.0cps</div>        |



## Chair’s Report

The Board remains focused on the primary objective of maximising total shareholder return via Sanford's share price and dividend performance over time. In last year's annual report, I said Sanford had the strongest-ever adjusted earnings before interest and taxes (adjusted EBIT) result of all time. I am delighted to report that the Group has repeated that milestone again in the 2025 financial year.

The Board is pleased to declare a dividend of 5.0 cents per share. Sanford continues to emphasise the management of its operating cashflow, capital expenditure and debt in setting its dividend policy.

I am very grateful to David Mair and his team for achieving this outstanding result. David was appointed Managing Director of Sanford on 01 May 2024, having joined the Board on 07 November 2022. David is resetting the direction of the Group. He will describe the key elements of Sanford's operational performance and strategic direction in his report that follows.

I am also very pleased to note that the Deloitte Top 200 Awards announced Sanford as one of the three finalists for this year's BusinessNZ Most Improved Performance Award. The winner will be announced on 04 December 2025.

Directors and the Board

David is the only director that is up for re-election at this year's Annual Shareholders' Meeting (ASM). At present, the Board comprises six directors: three independent and three non-independent. The Board remains comfortable with its composition and spread of directors at this time in terms of their mix of skills.

I announced at last year's ASM, when I was re-elected a director for a further three years, that I was approaching the 10-year mark as a director and would not therefore seek re-election to that position. Accordingly, I plan to retire from the Board during calendar year 2026, at which time the Board will appoint a new Chair.

Climate Reporting Disclosures (CRD)

Reporting against the new climate reporting standards was required from the financial year beginning on or after 01 January 2023, being 01 October 2023 for Sanford.

The recent CRD reporting amendments are expected to move the compliance threshold from a market capitalisation of \$60 million to \$1 billion for listed issuers next year. In addition, the Financial Markets Authority has provided

interim relief in the form of a 'no action' approach to the requirements to lodge climate statements. While welcoming the changes proposed, the Board has determined that Sanford will continue to meet the previous disclosure and audit requirements, with our Sustainability Report due to be issued in January 2026.

Key Stakeholders

Sanford's success depends on the relationships of our key stakeholders, namely shareholders, customers and staff. On behalf of the Board, I thank each of you for enabling our strong result this year. These relationships operate on the platform of Sanford's licence to operate, which acknowledges the role of the community in this stakeholder mix. Finally, I thank my Board colleagues for their support of the company.

Sir Robert McLeod  
Chair



Managing Director's Report

I am pleased to report to shareholders on an excellent result for the 2025 financial year (FY25).



Revenue reached \$584.1 million, adjusted EBIT was \$105.2 million, EBIT was \$102.1 million and net profit after tax (NPAT) \$63.7 million. More importantly, operating cashflow of \$135.3 million and disciplined capital investment of just \$23.3 million not only maintained assets but also enabled significant debt reduction of \$92.1 million, from \$185.5 million to \$93.4 million. These are all record results.

Strategic Review

Ongoing global turbulence in markets and the emergence of trading blocks that have similar views and requirements continue apace. The worldwide demand for protein continues to increase and provides the stronghold for Sanford. This means we need to review the markets we operate in. Sanford has become

concentrated in several large traditional markets, particular China and the US. China is, and will continue to be, a key market for our company. The US will remain more challenging. We must create a broader market scope for our products, then develop, maintain and enhance our interactions with key customers in those markets.

Asia remains an important market where we have historical relationships but these have not necessarily been maintained. We are working closely with Maruha Nichiro Corporation and other companies in the Japanese market to re-establish a market presence there. We are also reviewing South Korea, which previously was an important market, as well as other Southeast Asian markets. Clearly, this front-end activity will require significantly more focus and resource going forward.

I have carried out an initial high-level review of our aquaculture businesses (salmon and mussels) with a clearer understanding of what is needed to build a platform for growth. This has included a detailed assessment of our current fixed assets. Aquaculture represents \$253.0 million of revenue and \$85.2 million of EBIT.

- Mussels can be developed at low risk with relatively low capital requirements (No/Low Capital – Low Risk). In the Coromandel, this means working more closely with Whakatōhea Mussels (Ōpōtiki) Limited (WMOL) based in Ōpōtiki; in the South Island, this means better utilising our already owned and consented water space.
- Salmon can be developed only at high risk (open ocean?), beyond our existing model, and requires large amounts of capital with long lead times before any benefit might be realised (High Capital – High Risk). There are several immediate issues with our existing infrastructure that need attention to enable us to maintain our present levels.

Wildcatch groups together fishing partners, both inshore and a series of quota boats, together with our factory in Timaru. We are considering these assets to understand their profitability and capital requirements.

- First was our fishing partner business, ensuring that we maximise the opportunities to focus on some species more suited to Asian markets. This business does depend on government agreements to allow the use of foreign fishing vessels and crew.
- Secondly, we reviewed our inshore business where we continue to own the quota but lease it out to Moana New Zealand. We have benefitted from the addition of the Snapper 8 (SN8) quota, leased to Moana also.
- Thirdly, we reviewed and agreed a better game plan to catch and sell scampi. Scampi was chosen as the boats belong to the factory value stream. (There is no need to involve our Timaru factory in processing but help with cold storage is required there.)
- We are reviewing what are called our fillet vessels. These catch squid, hoki and a variety of other fish and like our scampi vessels, the boats are assigned to the factory.

There is a great deal more to be done in reviewing our wildcatch assets, but I'm sure that the lower Annual Catching Entitlement (ACE) for orange roughly will have an impact on the whole New Zealand fishing industry and especially on our processing at Timaru.

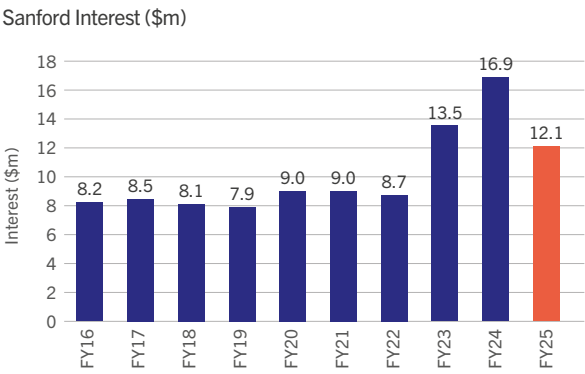
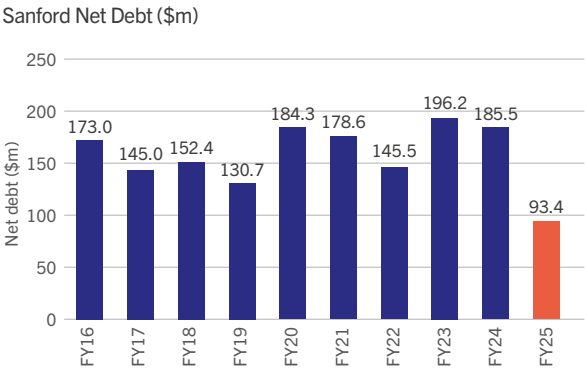
Our organisational structure has been reviewed, defining value-add/cost-add. Previously, there was an attempt to create divisions, but such a structure has never been implemented and effectively caused confusion between the roles of the Head Office and the business units themselves. This has created a bureaucracy where decision-making has lacked accountability. One of my key priorities is to develop leaders who are clear about their responsibilities and scope appropriately, supported by a lean organisational structure.

### Capital Allocation/Balance Sheet Management

The market volatility mentioned above and further uncertainty in pricing – from the impacts of tariffs for example – means it is prudent to adopt a more conservative balance sheet approach. Our focus on operating cashflow and debt reduction is creating a platform for growth and ensures we will be in a good position to take advantage of any investment opportunities that may arise from this unpredictability. As always, competing priorities require careful balancing.

Capital allocation means assigning our best people to action our key initiatives and then quickly following up successful ones with additional funding. We remain focused on a disciplined capital investment process that 'zero bases' each year.

The two graphs that follow highlight achievements in terms of our focus on cashflow, driving down debt and reducing interest costs over the past 12 months. My intention is to reduce debt further, positioning the company on a more solid platform to enable us to take advantage of investment opportunities as and when they arise.



### Continuous Improvement

We are now focused on operating as a commodity player, where reducing costs and operating more efficiently are critical for our continued success. Driving product costs down and lowering overheads will make us more competitive in any market.

Our sales team (front end) has made good progress in rationalising stock-keeping units (SKUs) of finished goods and reviewing pricing and margin, SKU by SKU, leading to small but important improvements in gross margin. These enhancements, which involve many people, will result in sustainable business improvements.

Over the last 10 years, our operational costs have continued to rise – with feed (for salmon), electricity and labour costs highlighted. We must make best efforts to mitigate these cost increases with clear productivity improvement plans. This structure has been exacerbated by a view that a new computer system would help to grow the business.

### Sustainability

In January 2025, Sanford issued its first stand-alone sustainability report. Operating in a sustainable industry is very important for us and understanding the potential impact of climate change on New Zealand wildfish and aquaculture is critical for our success. We have invested in additional resource to support our understanding of climate-related impacts and help develop mitigation strategies for the company.

### Our People

There has been significant change in the business since I last reported to shareholders, and this inevitability impacts people. The size of our senior executive team has been reduced, and fewer people are now required across the organisation.

I would like to thank all our staff for their efforts this year. I would also like to thank our directors and shareholders for their continued support.

*David W Mair*

David Mair  
Managing Director



Performance Summary

# Sales and Marketing

Market pricing for most key species in our principal export markets remained firm in FY25, the main exception being softening pricing and demand for scampi in the Chinese market. In second half of FY25, US tariffs, along with changes to US trade policy measures, created uncertainty in various markets. These geopolitical changes may affect demand and prices in the medium term.

The comparative sales revenue by key species split for FY25 highlights again the significant contribution of aquaculture species with 59% of sales revenue being derived from salmon and mussels. In addition, 81% of sales revenue continues to be sourced from salmon, mussels, hoki and scampi. The modest proportionate percentage changes in revenue contribution between these four species over the past two years reflect the individual supply demand pricing dynamics affecting each of these market niches.

The comparative sales revenue split by geographic customer location shows relatively minor movements that are again indicative of

pricing and volume trade-flow adjustments for key species. The 3% proportionate decline in US sales contribution predominantly relates to softening half-shell mussel pricing and demand, which is largely a consequence of tariff impositions. The relative trade balance shift in sales revenue across Europe and China between years reflects the softening Chinese scampi market as compared to the sizeable volumes of squid that went to Europe at historically high prices in FY25. The New Zealand domestic food service business at 18% of market share continued its stable performance. The fishing partner sales are excluded from the geographic market sector comparison.

Sales Value by Key Species



|         | FY25 | FY24 |
|---------|------|------|
| Salmon  | 31%  | 26%  |
| Mussels | 28%  | 31%  |
| Hoki    | 13%  | 10%  |
| Scampi  | 9%   | 13%  |
| Other   | 19%  | 20%  |

Sales Value by Geographic Region

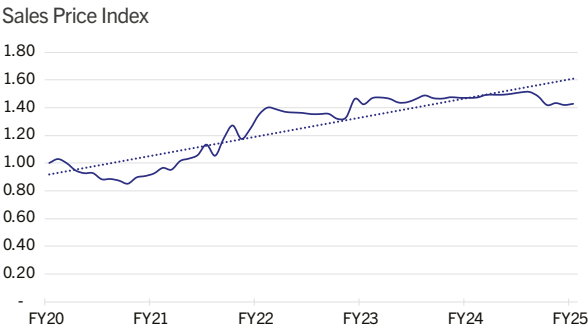


|               | FY25 | FY24 |
|---------------|------|------|
| North America | 27%  | 30%  |
| Europe        | 21%  | 16%  |
| New Zealand   | 18%  | 18%  |
| China         | 15%  | 19%  |
| Australia     | 7%   | 6%   |
| Other         | 12%  | 11%  |

The graphs show five-year prices indexed to 1.00 at 30 September 2020.

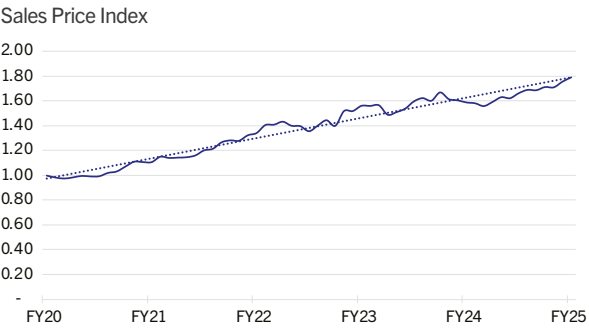
## Frozen Half-shell Mussels

Frozen half-shell mussel prices held firm at historical highs in all markets, as did demand, until midyear when the imposition and subsequent escalation of US market tariffs began disrupting trade flows. Prices softened as heightening trade tensions led to cautious buying sentiment in the face of uncertainty surrounding trade policy risks. Supply is again forecast to remain constrained into the coming year with pricing now expected to stabilise and remain steady.



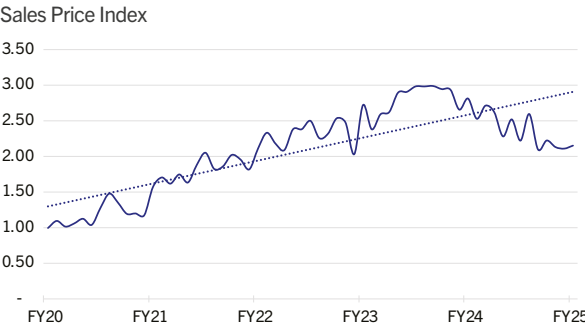
## Salmon – Gilled and Gutted

Fresh salmon export prices escalated throughout the year with firm demand. The export market outlook for the year ahead is forecast to remain firm to steady. Domestic market prices have been recently adjusted to better align with export demand.



Scampi

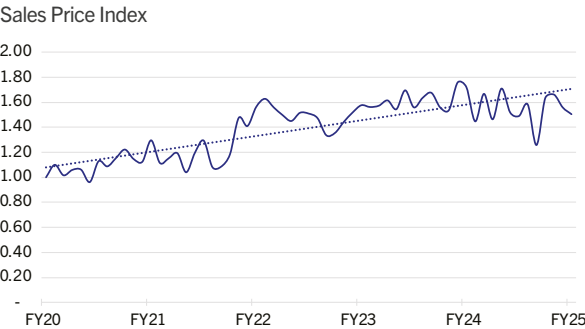
The FY24 commentary forecasted that FY25 scampi prices in the Chinese market would ease further. Prices were softening from historical highs and this trend continued through to the third quarter of FY25 when prices stabilised. Scampi is a high-value product and the softening price, along with demand, reflects restrained discretionary expenditure in a subdued Chinese economy. We now expect prices to remain steady in the coming year, though demand remains moderated.



Hoki

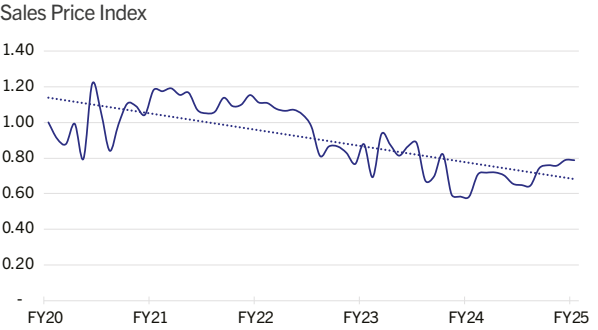
Hoki fillet prices have remained steady throughout the year. Downward pressure on premium hoki fillet block pricing eased throughout the year as Northern Hemisphere pollock pricing improved. Short-term fluctuations in the hoki price trend are simply indicative of the weighed value mix of hoki fillet product (skin-on, skinless and block) on offer to the market at that time.

The sustained market strength in hoki fillet pricing is expected to continue into FY26. Strong pricing for other whitefish species such as cod and haddock is lifting demand for pollock, which in turn aids steady demand for hoki. On the downside, disrupted trade flows and tensions associated with trade policy shifts and market sanctions are heightening cautious buying in whitefish markets.



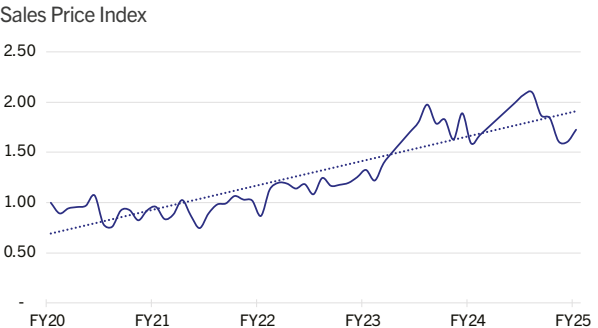
Orange Roughy Fillets

The balance of aged orange roughy fillet inventory was cleared to the US market through to half-year, after which the focus shifted to matching new production to market demand. Fresh production anchored a floor from which to rebuild tension in demand and pricing improved. Orange roughy fillet prices will increase in FY26, despite the evolving tariff landscape, because the recent sizeable quota reduction for the main Chatham Rise fishery will significantly constrain raw material supply.



Squid – Whole

This season's New Zealand arrow squid catch was improved relative to recent years. At the outset of the season raw material supply in international squid markets remained tight because of several years of poor catches in major global squid fisheries. As a result, export prices for whole squid firmed to new record levels at the beginning of the year. After the commencement of the New Zealand season, and initial firm sales, the major South American squid fisheries started to produce catches at levels not seen in recent years. This surge in volume from the South American squid fisheries then led to a progressive softening in both demand and price during the second half of the New Zealand season. Volatile international supply volumes will influence market prices, which often makes forward pricing projections speculative. However, at current global raw material availability levels the average seasonal price of New Zealand arrow squid is expected to remain steady, though there is downside risk if the South American fisheries were to experience another good catching season.



Operations

Strategic Review

As outlined previously, I wanted to carry out a review of every process within our organisation and commit to continuous improvement of those processes. The objective is to simplify and standardise all our processes so that genuine improvements can be made across the Group.

I was surprised to find that, as with other Agri businesses, Sanford has been operating a push model of supply and operations planning. That means there is a focus on farming product and then, only when product is ready for harvest, deciding how to have that product processed, sold and distributed to customers. Aquaculture adopts a farming mentality and, almost regardless of the type of customer, decides what and when harvesting is undertaken and when product is sent to the processor.

We must become demand driven and be able to flex our operations as customer demand changes. For example, our salmon business is a fresh business – so the cadence is daily and that is a tough demand profile.

This means a big change is required in the attitudes and responses among all our teams.

Once that push model was identified, we immediately started changing salmon processes from a push to a pull approach based on true customer demand. We initially needed to work more closely with our ultimate customers in market and ensure that we were making decisions collaboratively. That demand then passes from customer service through to the processor that is responsible for meeting that demand. The processor then orders from the farm, and the farm orders from the hatcheries.

Every process involves both a customer and one or more supplier. These processes are chained together, and each process measures its customer performance and each supplier's performance. This develops the idea of internal customer focus.

Before changing any process or attempting to improve an aspect of that process, it is essential to standardise the process. This means the output becomes independent of the people involved in each process.

A focus on cost reduction alone may cause unintended consequences. To improve processes, we must understand:

- An effective process meets customer needs.
- An efficient process is effective (first!) at lowest cost.
- An adaptable process is effective and efficient and can withstand small changes in demand without loss of control.

This represents a significant change in thinking and culture for any business that has been using the push model. It takes time, but we are already seeing some of the benefits of this approach as internal customers become more demanding of their suppliers. Ultimately, this method develops true customer focus.

We are now preparing to create the same pull process and internal customer concept in our mussels business unit. The cadence is different as the format of most mussel products is frozen half-shell and that means product can be stored. That storage can help balance changes in demand (but you can only sell product once!).

Of course, the above thinking needs to be adopted throughout the business to ensure Sanford's future success.

David W Mair

David Mair  
Managing Director

# Salmon

## An improved performance by the salmon business with increased volume, revenue and profitability

Our farms are maintained within Big Glory Bay in Stewart Island. The harvested fish are processed in Bluff and then distributed via air freight to international customers or sold domestically.

Firm pricing and sales volume growth have helped support an increase in revenue to \$127.5 million, an improvement of 19.2% from FY24. This revenue uplift has dropped through to the bottom line, and along with factory efficiencies, supported a 23.2% improvement in profitability to \$50.4 million.

FY25 has been a record harvesting and processing year resulting in 5,623 gross weight tonnage (GWT) harvested, which represents a growth of 10.7% over FY24.

Revenue

## \$127.5m

FY24: \$107.0m

Profit contribution

## \$50.4m

FY24: \$40.9m

Harvest volume (GWT)

## 5,623 tonnes

FY24: 5,079 tonnes

## Year in Review

Prices remained firm throughout the year

- Firm pricing was achieved throughout FY25 with positive demand.
- Stock-keeping units (SKUs) rationalisation contributed towards cost savings and improved margins.
- The new feed barge commissioned in the fourth quarter last year helped with cost control and improved efficiencies. This second feed barge enables a two-farm operation to be maintained, mitigating concentration risk.
- The new multi-purpose workboat will be commissioned in the third quarter of FY26. This new vessel will replace the *San Hauraki*, which is over 35 years old and has been incurring escalating costs to operate. The new vessel is an important infrastructure asset that supports both our salmon and mussel businesses in Big Glory Bay.
- Trials were undertaken with better-quality farm-cage nets aimed to reduce predator issues. The trial yielded encouraging results, and longer-term use is being considered.
- Senior management changes throughout the year have resulted in greater focus on factory and farming productivity, SKU rationalisation and operational performance improvements.
- The new aeration and oxygenation equipment supported the increase in harvest volume for FY25.

## Outlook

- We are close to our maximum harvest from Big Glory Bay, due to nitrogen cap constraints. The focus for FY26 will be on productivity improvements from our processing facility in Bluff, and maximising returns within our volume constraint.
- Feed costs are expected to remain at similar levels for the next two quarters into the new financial year, similar to FY25. Salmon feed is the highest cost to the business, which, due to its commodity product inputs, can see price fluctuations happen quickly and dramatically.
- We will give continued focus to SKU rationalisation of finished goods.
- There are no growth expectations in FY26 beyond what can be produced at Big Glory Bay.



# Mussels

## A significant increase in profit from our mussels business

Our mussels business consists of farms and our Havelock processing facility, which is close to the largest farming area in the Marlborough Sounds. Whakatōhea Mussels (Ōpōtiki) Limited (WMOL), based in Ōpōtiki, processes our mussels sourced from the Coromandel. In addition, we operate a mussel bioactives facility in Blenheim which largely produces mussel powder.

Mussel prices and demand have remained firm throughout most of FY25, which, along with processing yield improvement due to the quantity of mussels harvested in the South Island, has led to a significant uplift in profit, despite a 6.4% decrease in revenue.

Revenue

**\$125.5m**

FY24: \$134.1m

Profit contribution

**\$34.8m**

FY24: \$13.9m

Harvest volume (GWT)

**25,054 tonnes**

FY24: 26,034 tonnes

## Year in Review

There has been a meaningful increase in the profit contribution delivered from mussels. Our mussels business profit contribution of \$34.8 million is a 150.4% improvement on FY24 and a record.

- Half-shell mussel prices have remained firm throughout most of FY25 with a small decline following the introduction of tariffs in the US.
- The quality of mussels produced in the South Island improved in FY25 due to favourable climatic conditions. This resulted in much higher than expected processing yields supported by process improvements in our Havelock factory. This has been a key contributor to the improved mussel performance for the year.
- Unlike the South Island, the harvesting and processing proved challenging in the North Island with poor crop condition producing high waste and lower-than-expected yields.
- Processing mussels from our North Island Coromandel farms was performed by our third-party processor WMOL. The transition to WMOL has decreased our fixed-cost base, which was important due to reduced forecast harvest volumes.
- FY25 was a positive year in our SPATnz mussel hatchery. We produced a record number of mussel spat (juveniles) due to improved processes and making use of a minor hatchery expansion undertaken in FY23/FY24. The metres of rope settled with SPATnz-sourced mussels was up 42% on the prior year.
- On 03 September 2024, amendments were introduced to the RMA by the Resource Management (Extended Duration of Coastal Permits for Marine Farms) Amendment Act 2024. The Amendment Act provided a 20-year extension to existing coastal permits for marine farms. Sanford subsequently actioned the extension of its coastal permits until 2044. Along with compliance cost savings, this extension provides the mussels business with greater confidence in further investment.
- Our bioactives facility is still a work in progress with powder production currently less attractive than frozen half-shell due to high current returns from the latter. We are assessing the role the facility is likely to play in the future but believe there is demand for mussel powder that we can support.



## Outlook

- In the second half of this year there has been downward pressure on half-shell mussel pricing with reduced demand, particularly out of the USA.
- Increased yields were experienced during FY25 at our Havelock facility in the South Island from good-quality mussels and improved productivity through the factory. We are expecting above-average yields in FY26, but not to the same levels achieved in FY25.
- FY26 will be the second season where our Coromandel crop is processed by WMOL. With all new joint ventures there are teething issues in the first year of operation and we are expecting crop quality and processing improvements in FY26.

# Wildcatch

## Reduced profit contribution for FY25

The fall in contribution of 7.4% is principally due to price pressure on some key species, despite achieving increases in sales and catch volumes.

Wildcatch operates 13 vessels and catches and processes a wide variety of commodity products, either on board or through its land-based factory located in Timaru. Main species caught and processed include scampi, hoki, squid, toothfish and orange roughy. The catch is mainly destined for export markets and Sanford supplies products to many countries across the globe. In addition to Sanford's vessels, our deepwater fishing partners have four trawlers providing a range of dressed products, including squid, hoki, mackerel, barracouta, southern blue whiting and warehou.

The wildcatch business has materially changed and reduced over the last few years with the sale of the pelagic business in FY18 and the exit from inshore fishing which has moved to an ACE trading model in FY24. Allowable catch volume is governed by the New Zealand Quota Management System, so growth opportunities within the wildcatch business are limited.

Revenue

## \$318.9m

FY24: \$318.9m

Profit contribution

## \$52.4m

FY24: \$55.7m

Harvest volume (GWT)

## 75,010 tonnes

FY24: 68,534 tonnes

## Year in Review

Difficult market conditions for some species and pressure on pricing, particularly scampi and hoki

- Scampi is our key high margin species and despite increased catch suffered a 30.9% fall in sales revenue due to a significant fall in the average selling price during the year, which was due to softening demand. An upside saw us add capacity for part of the year through our new purpose-built scampi vessel, the *San Koura Rangī* and the *San Tongariro* rejoining the fleet after engine repairs.
- The *San Enterprise*, *San Albatross II* and *San Drysdale* underwent five-year renewal surveys, each requiring two to three months in dry dock for certification and maintenance upgrades. This resulted in necessary but unfortunately lost fishing days.
- The long-line Antarctic toothfish season in the Ross Sea was successful this year with an improved catch, up 157 metric tonnes (MT) on FY24. This is an Olympic fishery (competitive fishing to a mandated maximum catch quantity), which requires skills and teamwork by Sanford's fishers to perform well in this harsh environment. After returning from the Ross Sea the long-line fleet had a stronger ling season than last year.
- Our squid catch was variable during the year, however, prices held at reasonable levels. The hoki season performed well, with improved pricing and volumes.
- Sanford's Korean fishing partners, Dong Won New Zealand, and Jaico New Zealand, operate New Zealand-flagged vessels and saw catch and sales up on the prior year. Partnering allows us to generate more consistent earnings by utilising our fishing rights for species and fishing areas we are unable to fish ourselves.
- Our inshore ACE trading model delivered to expectations.

## Outlook

- There will be a continued effort on cost control, aiming to lower operational costs.
- The recent commissioning of Sanford's new purpose-built scampi vessel is expected to yield positive results as it strengthens the fleet's capacity.
- Increases to snapper quota available for the inshore division following the SNA8 Total Allowable Commercial Catch (TACC) decision which will positively increase annual catch entitlement (ACE) income.
- The substantial drop in orange roughy TACC for the East Chatham Rise will impact orange roughy production volumes.

# Sustainability

Sanford is a climate reporting entity (CRE) under the Financial Markets Conduct Act 2013 (FMCA). Pending legislative change the Financial Markets Authority has provided interim relief in the form of a 'no action' approach to the lodgement of climate reporting disclosures. Despite this we will voluntarily publish a full Sustainability Report, including our CRD and this will be available before 31 January 2026 at [sanford.co.nz/investors/reports-1/company-reports/2025/](https://sanford.co.nz/investors/reports-1/company-reports/2025/).



Sanford's revenue is currently 100% reliant on natural resources and that means any potential changes to the environment must be at the core of our strategic planning.

In keeping with the 'back-to-basics' approach to the management of our company, the FY25 Sustainability Report will focus on what is financially material to our business and what we have control over. Our commitment to sustainability has not changed, but we are being pragmatic about prioritising our goals so they are achievable. The CRD process requires this level of discipline.

Weather and climatic conditions have been two of our biggest risks since Albert Sanford commenced fishing in the 19th century. Climate change has introduced a new and uncertain range of transitional risks and opportunities for Sanford. In addition to understanding and responding to climate realities, we must also learn to respond to associated evolving policy and customer preferences effectively, both domestic and global.

Our Scope 1 emissions are difficult to abate. Fishing vessels are not suited for electrification like passenger vehicles as they require large amounts of energy to run and are at sea for weeks at a time. Until such time as we can replace our fishing fleet with alternative technologies, we will need low-carbon drop-in liquid fuels to be able to materially reduce our emissions. For this to be commercially realistic, we will need them at scale and at a viable cost. We remain a willing customer but believe the solution to our national emissions challenge lies within the energy sector, not the fishing sector. In the interim, we have exposure to the Emissions Trading Scheme (ETS).

Wild fish stocks, if well managed, are a perpetual resource and Aotearoa New Zealand's fisheries are managed well, in our view. We believe that aquaculture will play a key role in sustainably meeting the nutrition requirements of a growing global population and this is an obvious area for us to focus on for sustainable growth.



This year the Sanford Board has established a sustainability committee to ensure that climate, nature and other sustainability topics are evaluated in depth at board level. The sustainability committee is driving updates to Sanford's sustainability strategy, with the prioritisation of goals being key.

# Corporate Governance

This section provides an overview of Sanford’s Corporate Governance Framework, introduces our Board, and details pertinent information on shareholdings, remuneration, indemnity and insurance.

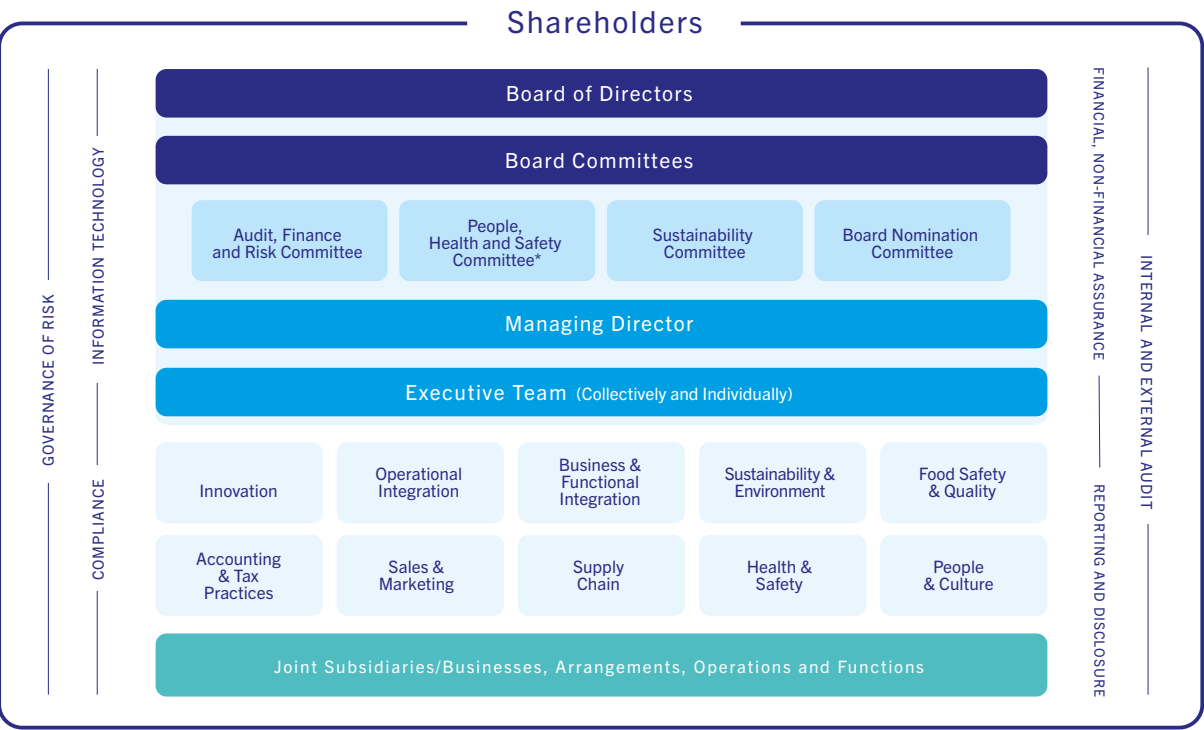
For further details on the company's governance structure, policies and practices, and the extent to which Sanford has followed the recommendations in the NZX Corporate Governance Code dated 31 January 2025 (NZX Code) during FY25, please refer to the Sanford Corporate Governance Statement dated 18 November 2025, available at: [sanford.co.nz/investors/governance/corporate-governance-statement](https://sanford.co.nz/investors/governance/corporate-governance-statement).

## Governance Framework

Sanford's Board and management are committed to achieving high standards of corporate governance. The company considers that the governance practices we have adopted follow these principles and policies for the year ended 30 September 2025.

The Board provides effective leadership to ensure the long-term success of the company and therefore build shareholder value and is responsible for the strategic direction and control of the company. The Board exercises this control through a governance framework, which includes detailed reporting to the Board and its committees, effective delegation, risk management and a system of assurances regarding financial reporting and internal controls.

Creating Value Through Sound Corporate Governance



\* This was the committees structure as at 30 September 2025. See page 21 for an update.

## Board of Directors

Sanford's directors bring a diverse wealth of experience, acting on behalf of our shareholders. Directors are chosen for their corporate leadership skills, professional backgrounds, experience and expertise. The right blend of skills and experience, combined with the diversity of director perspectives, is crucial to ensuring the attainment of long-term value for Sanford's shareholders. The Board currently comprises six directors: Sir Robert (Rob) McLeod, Managing Director David Mair, Thomas (Tom) McClurg, Joanne (Jo) Curin, Craig Ellison and William (John) Strowger.

At the 2024 Annual Shareholders' Meeting, held on 18 December 2024, Tom McClurg and Jo Curin were elected as directors, and Sir Rob McLeod and Craig Ellison were re-elected as directors. As a consequence of the above, Recommendation 2.8 of the NZX Code (that a majority of the board should be independent directors) was not followed during FY25, including as at 30 September 2025. The Board sought to bring its composition closer in line with Recommendation 2.8 during FY24, with the appointment of Tom McClurg and Jo Curin as independent directors. However, the composition of Sanford's board is ultimately determined by its shareholders, with the appointment of each of the company's directors being approved by a shareholder vote at Sanford's annual meetings. The Board is mindful of the importance of reflecting the best interests of its shareholders generally in decision-making. Accordingly, the Board has adopted a robust Conflicts of Interest Policy in order to regulate and manage the risk of conflicts. The Board has also approved the composition of its committees, with a majority of each comprising independent directors. With effect from 01 March 2025, the Board established a Sustainability Committee, and reorganised the composition of its subcommittees, as follows:

- Audit, Finance and Risk Committee (AFRC)**  
Jo Curin (Chair), Sir Rob McLeod and Craig Ellison
- People, Health and Safety Committee (PHSC)**  
John Strowger (Chair), Sir Rob McLeod and Jo Curin
- Sustainability Committee**  
Tom McClurg (Chair), John Strowger and Craig Ellison
- Nomination Committee**  
Sir Rob McLeod (Chair) with full board membership

As a consequence of the above changes, Recommendation 3.4 of the NZX Code (that a majority of the Nominations Committee should be independent directors) was not followed for periods during FY25, including as at 30 September 2025. However, the Board is satisfied that with an equal split of independent and non-independent directors, the Nomination Committee continues to operate with sufficient objectivity, transparency and alignment with shareholder interests. To ensure a focus on our key risks, the People, Health and Safety Committee was separated into the Health and Safety Committee and Remuneration Committee in October 2025. Both new committees have the same composition, being John Strowger (Chair), Sir Rob McLeod and Jo Curin. Under the NZX Listing Rules, a director must not hold office (without re-election) past the third annual meeting following that director's appointment or three years, whichever is longer. Accordingly, David Mair will retire from office at the 2025 Annual Shareholders' Meeting (having held office as director of the company since 07 November 2022). Being eligible, David Mair has offered himself for re-election at the 2025 Annual Shareholders' Meeting. For more information about each director, see below or visit: [sanford.co.nz/investors/governance/board-of-directors](https://sanford.co.nz/investors/governance/board-of-directors).

## Independence

Director independence is assessed in accordance with the NZX Listing Rules and with regard to the factors described in Table 2.4 of the NZX Corporate Governance Code. As at 30 September 2025, the Board considered that Sir Rob McLeod (Chair of the Board), Tom McClurg (Chair of the Sustainability Committee) and Jo Curin (Chair of the Audit, Finance and Risk Committee) are independent directors. They are non-executive directors who do not have any interests, positions, associations or relationships which might interfere, or might be seen to interfere, with their ability to bring independent judgement to the issues before the Board. David Mair is not independent, as he is an executive director. John Strowger and Craig Ellison are non-executive directors who the Board has determined are not independent directors.

Directors are required to notify the company of any interests they have that could impact an assessment of their independence or their ability to act in the best interests of the company. Sanford has processes in place to manage any conflicts of interest with directors.

## Executive Team

For information about our executive team, please visit: [www.sanford.co.nz/about-sanford/executive-team-2/](https://www.sanford.co.nz/about-sanford/executive-team-2/).

Our Board

As at 30 September 2025



Sir Robert McLeod

Chair, Independent  
Non-Executive Director

Appointed 2016, appointed Chair in 2019 Sir Rob has had an extensive professional and governance career, both within the accounting profession and various public and private companies. He is a past Chair of Aotearoa Fisheries Limited (Moana NZ) and Sealord Group Limited and was a Commissioner of the Waitangi Fisheries Commission. Sir Rob has chaired and been a member of a number of government task forces and is also a past Chair of the New Zealand Business Roundtable.



David Mair

Managing Director

Appointed 2022 David has significant corporate experience. He has been a Director of NZX-listed Skellerup Holdings Limited since 2006 and was Managing Director between 2011 and 2024. David was also involved in a2 Milk from 2008 until the company listed on the ASX in 2015. He was recently judged Deloitte Top 200 CEO of the Year for 2021 and given the prestigious Johnson Partners Leadership Award from the Institute of Finance Professionals (INFINZ), which speaks to the quality of his leadership and focus. David is also currently a Director of Forté Funds Management Limited.



Tom McClurg

Independent Non-Executive Director

Appointed 2024 Tom is Ngāti Mutunga o Wharekauri and has over 30 years of experience in natural resource management and policy roles within New Zealand’s primary sector. He has held senior executive roles with government, Te Ohu Kai Moana, Aotearoa Fisheries Limited (Moana NZ), Ernst & Young, and Landcorp Farming Limited. Tom serves as a director for several entities, including Toroa Strategy Limited, Ngāti Mutunga o Wharekauri Asset Holding Company, and Port Nicholson Fisheries. He is also Chair of Fishserve. In addition, Tom has been engaged by the World Bank, NZAid, and PNA, among other organisations, to provide fisheries management advice.



Joanne Curin

Independent Non-Executive Director

Appointed 2024 Jo has over 25 years of governance experience in public and private structures including large-scale global companies. She has also held various senior executive positions, including as CFO of FTSE 100, ASX 50 and FTSE 250 businesses. Jo’s sector experience includes shipping, logistics, manufacturing, engineering, construction, critical infrastructure, property development, retail, technology and healthcare. She is currently Deputy Chair and Audit Committee Chair for Geoquip Marine, a global offshore geotechnical engineering company.



Craig Ellison

Non-Executive Director

Appointed 2021 Craig has had a long involvement in the fisheries and seafood sector. He was the past Chief Executive of Ngāi Tahu Holdings, Chair of Ngāi Tahu Seafood, Poutama Trust, Moana Pacific, Prepared Foods, the NZ Seafood Standards Council, as well as serving on the executive of the Fishing Industry Association Board, and numerous stakeholder organisations. Craig has served on a number of other trade organisations and task forces in the sector, and was a Commissioner with the Treaty of Waitangi Fisheries Commission (Te Ohu Kaimoana) as it worked through the Allocation model and giving effect to the Fisheries Settlement. After the agreement on allocation methodology Craig served on the boards of Aotearoa Fisheries Limited (Moana NZ) and Sealord Group Limited.



John Strowger

Non-Executive Director

Appointed 2023 John is a leading commercial lawyer with an extensive career. He was a partner at Chapman Tripp from 1993 to 2022 and remains a consultant there. John specialises in corporate, contract and securities law, with expertise in mergers and acquisitions. He was named NZ Deal Maker of the Year at the Australasian Law Awards in 2019, 2017 and 2015. He is also recognised by IFLR1000 as a “Market Leader” in mergers and acquisitions as well as equity capital markets. John chairs Skellerup Holdings Limited and serves on the boards and advisory committees of various private sector businesses, including Qestral Corporation Limited and Caspex Corporation Limited.

Remuneration

Director Remuneration

| Name of Director          | Board Fees        | Audit, Finance and Risk Committee | People, Health and Safety Committee | Sustainability Committee | Total Remuneration |
|---------------------------|-------------------|-----------------------------------|-------------------------------------|--------------------------|--------------------|
| Sir Robert McLeod (Chair) | (Chair) \$181,667 | \$4,167                           | \$3,333                             |                          | \$189,167          |
| David Mair                | —                 | —                                 | —                                   | —                        | —                  |
| Tom McClurg               | \$95,833          | \$8,333                           | \$3,333                             | (Chair) \$11,667         | \$119,167          |
| Joanne Curin              | \$95,833          | (Chair) \$11,667                  | —                                   | —                        | \$107,500          |
| Craig Ellison             | \$95,833          | —                                 | —                                   | —                        | \$95,833           |
| John Strowger             | \$95,833          | \$4,167                           | (Chair) \$18,333                    | —                        | \$118,333          |
| Total                     | \$565,000         | \$28,333                          | \$25,000                            | \$11,667                 | \$630,000          |

Managing Director Remuneration

The Managing Director's remuneration consists of fixed remuneration and variable remuneration in the form of a short-term incentive (STI) plan and a long-term incentive (LTI) plan. This is reviewed annually by the People, Health and Safety Committee and the Board after reviewing the company's performance, the Managing Director's individual performance and advice from external remuneration specialists.

Fixed Remuneration

David Mair was appointed Managing Director on 01 May 2024 and was paid his base salary of \$900,000 in FY25. He has no other fixed remuneration entitlements. David is a member of the board but does not receive director's fees due to his Managing Director role.

Variable Remuneration

Short-Term Incentive Plan

The aim of the STI plan is to reward the Managing Director for achieving strategic objectives, which will result in strong financial returns for our shareholders. Participation in the plan is by annual invitation at the discretion of the company at which time financial targets and key performance indicators are established.

The Managing Director is eligible for an STI award in relation to the year ended 30 September 2025 which is determined by comparing the lesser of (i) 5% of full-year normalised earnings before interest and taxation (NEBIT) improvement over the FY24 NEBIT and (ii) 30% of cash salary paid in respect of the financial year to which the STI calculation is applied. An amount of \$270,000 is payable in respect of the plan for FY25, which is accrued in the FY25 financial statements (FY24: \$154,807 was paid on 15 December 2024).

Long-Term Incentive Plan

The Board has approved the establishment of a long-term incentive option plan (LTI Option Plan). In accordance with the LTI Option Plan, the Board may grant options to employees of the company to acquire fully-paid shares in the company (the Options).

The objectives of the LTI Option Plan are to reward and retain key employees, drive longer-term performance and align incentives of participants with the interests of the company's shareholders and encourage longer-term decision-making by participants.

At the Annual Shareholders' Meeting on 18 December 2024 the shareholders approved the issue of 1,800,000 Options to David Mair as a single grant under the LTI Option Plan. David is the only participant in the LTI Option Plan.

Each Option is granted for nil cash consideration and may not be sold, transferred or otherwise disposed of without the prior written consent of the Board. Each Option granted confers an entitlement to be issued or transferred one fully-paid ordinary share in the company on exercise of the Option for a predetermined exercise price. Subject to remaining employed with the company, the Options will be eligible to be exercised on the date up until the termination date, at which time any unexercised Options will lapse.

The Options have an exercise price per Option of \$4.0063 which was the weighted average share price on the 20-day trading period prior to 01 May 2024 (being the commencement of David's employment as Managing Director), multiplied by 1.259, which represents a cost of capital charge of 8% per annum compounding annually from the date the Options are issued to the vesting date, less the cumulative amount of cash dividends per share paid by the company during this vesting period. The Options are exercisable at the end of a three-year vesting period being 15 November 2027.

|            | Base Salary \$ | Other Short-term Benefits \$ | Employer Super \$ | STI     | LTI | Total Remuneration \$ |
|------------|----------------|------------------------------|-------------------|---------|-----|-----------------------|
| David Mair | 900,000        | —                            | —                 | 154,807 | —   | 1,054,807             |

The STI of \$154,807 above is in relation to FY24. The STI for FY25 has not been paid at balance date and is not shown above.

A non-cash LTI of \$218,731 is calculated based on the fair value of the Options at grant date applicable to FY25. This has not been paid to the Managing Director and is not shown in the total remuneration above but is disclosed in the statement of changes in equity as the treasury share cost.

Annual Total Compensation Ratio

The annual total compensation ratio represents the number of times greater the highest-paid individual's remuneration is to the remuneration of an employee paid at the median of all Sanford employees (excluding the highest-paid individual). For the purpose of determining the median paid to all Sanford employees, all permanent full-time and fixed-term employees are included, with part-time employees excluded. Employee median remuneration includes basic wage and salary payments, employer superannuation and KiwiSaver payments, short-term incentives, overtime and leave buyouts.

Highest-paid remuneration includes basic salary payments, employer superannuation and short-term incentive payments.

At 30 September 2025, the Managing Director's remuneration for FY25, as shown above, was 11.98 times (FY24: 13.38 times) that of the median employee at \$88,055 per annum (FY24: \$86,812).

Employee Remuneration

The table below shows the number of employees and former employees, who are not also directors, who received remuneration and other benefits in excess of \$100,000 during the year ended 30 September 2025.

| Remuneration Range \$000 | Number of Employees | Remuneration Range \$000 | Number of Employees |
|--------------------------|---------------------|--------------------------|---------------------|
| 100 – 110                | 45                  | 240 – 250                | 3                   |
| 110 – 120                | 43                  | 250 – 260                | 1                   |
| 120 – 130                | 31                  | 260 – 270                | 1                   |
| 130 – 140                | 37                  | 290 – 300                | 1                   |
| 140 – 150                | 14                  | 350 – 360                | 1                   |
| 150 – 160                | 16                  | 360 – 370                | 2                   |
| 160 – 170                | 19                  | 370 – 380                | 1                   |
| 170 – 180                | 14                  | 430 – 440                | 1                   |
| 190 – 200                | 6                   | 510 – 520                | 1                   |
| 200 – 210                | 3                   | 540 – 550                | 1                   |
| 210 – 220                | 2                   | 580 – 590                | 1                   |
| 220 – 230                | 2                   | 740 – 750                | 1                   |
| 230 – 240                | 3                   |                          |                     |

Gender Diversity

The gender composition of Sanford's directors and 'officers' (as defined by the NZX Listing Rules) as at 30 September 2025 and as of 30 September 2024 is set out in the table below.

|           | FY25 Female | FY25 Male | FY24 Female | FY24 Male |
|-----------|-------------|-----------|-------------|-----------|
| Directors | 1           | 5         | 1           | 5         |
| Officers  | 1           | 3         | 1           | 6         |

There were no directors or officers who self-identified as gender diverse in FY24 or FY25.

Our approach to diversity is outlined in our Diversity, Equity and Inclusion Policy, which is available on the company website. The policy sets out behavioural and process expectations and standards to deliver practices which increase diversity and reduce bias.

Measurable objectives are set by the Board to track how Sanford is progressing towards our goals under the policy. The Board believes that initiatives undertaken by management during the year upheld the company's commitment to diversity and inclusion. Sanford has applied all terms of employment fairly and equitably and in accordance with our frameworks. The Board acknowledges that membership of the Board and executive team did not achieve the objective of having at least 30% of members self-identifying as female.

Director Information

Interests Register

Sanford maintains an interests register in which relevant interests and matters involving the directors are recorded. The following are particulars of general interests in the company's interests register as at 30 September 2025 and of those added during the year. There were no specific disclosures of interests in transactions entered into by the company in FY25.

| Director   | Interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| R McLeod   | Chair, Nāti Growth Limited. Director, Nāti Properties Limited, Porou Miere Limited, Ngāti Porou Seafoods Limited, Pakihiroa Farms Limited, Ngāti Porou Fisheries Limited, Ngāti Porou Manuka Limited, Ngāti Porou Berries Limited, Point 76 Limited, Point Seventy Limited, Point Guard Limited, VCFA NZ Limited, Clime Asset Management Limited, China Construction Bank (New Zealand) Limited, Singita Holdings Limited, Singita Investments Limited, Singita Properties Limited, Port of Tauranga Limited.                                                                                                                                                |
| J Curin    | Director, Geoquip Marine Holding AG.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| C Ellison  | Chair, FENRIS Limited; Director, Lesvos Abalone Limited; Raniera Fishing Pty Ltd, Antarctica New Zealand; Industry Team Leader, Fisheries Reforms: Column 3.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| D Mair     | Managing Director, Sanford Limited; Director, Skellerup Holdings Limited, Forté Funds Management Limited; Chair/Director, various Sanford Limited subsidiaries and JV entities, including Chair San Won Limited, Director, Salmon Smolt New Zealand Limited, Director, Sanford Investments Limited; Chair, ADNZ Management Limited.                                                                                                                                                                                                                                                                                                                          |
| T McClurg  | Chair, Commercial Fisheries Services Limited. Director and shareholder, Toroa Strategy Limited. Director, Port Nicholson Facilities General Partner Limited (general partner of Port Nicholson Facilities LP), Koura Inc General Partner Limited (general partner of Port Nicholson Fisheries LP), Ngāti Mutunga o Wharekauri Asset Holding Company Limited, Puainuku Pastures General Partner Limited (general partner of Puainuku Pastures LP), Puainuku Vines General Partner Limited (general partner of Puainuku Vines LP), Te Tamoremorenui Limited, Ngā Kai Tautoko Limited (general partner of Te Pou Herenga Pakihi LP), Maruehi Fisheries Limited. |
| J Strowger | Chair, Skellerup Holdings Limited. Associated with substantial product holder group Tasman Equity Holdings Limited, Arden Capital Limited and Past Limited Partnership. Consultant, Chapman Tripp.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

Subsidiary Company Directors

As at 30 September 2025, Sanford had 13 New Zealand and 1 Australian directly held wholly-owned subsidiary companies. Sanford's Chief Financial Officer, Paul Alston, is the sole director of 11 of the New Zealand subsidiaries; Sanford's Chair, Sir Rob McLeod, is the director of one; and Paul Alston, together with Sanford's Managing Director, David Mair, are the directors of the other. Sanford's GM Australia, Nick Geralis, is the sole director of the Australian subsidy. Sanford's principal entities are set out in Note 21 of its FY25 Financial Statements.

Directors of the company's subsidiaries do not receive any remuneration or other benefits in their capacity as directors of those subsidiaries.

Indemnification and Insurance

In accordance with section 162 of the Companies Act 1993 and the constitution of the company, Sanford has given indemnities to and has effected insurance for directors and executives of the company and its related companies. Except for some specific matters that are expressly excluded (such as incurring penalties and fines, which may be imposed for breaches of law), the indemnities and insurance indemnify and insure directors and executives against monetary losses as a result of actions undertaken by them in the course of their duties.

Director Interests in Shares

As at 30 September 2025, directors had disclosed the following relevant interests in Sanford shares:

| Director   | Number of Shares | Nature of Relevant Interest                                                                         |
|------------|------------------|-----------------------------------------------------------------------------------------------------|
| R McLeod   | 41,725           | Beneficial interest                                                                                 |
| J Curin    | 996              | Beneficial interest                                                                                 |
| C Ellison  | 1,000            | Beneficial interest and registered holder                                                           |
| T McClurg  | 500              | Beneficial interest                                                                                 |
| D Mair     | 31,000           | Registered holder as trustee of the DM2 Investment Trust, in which D Mair has a beneficial interest |
| J Strowger | 22,500           | Beneficial interest and registered holder (500 shares), beneficial interest (22,000 shares)         |

Director Share Dealing

Directors and executives are required to seek approval in advance of share trading and certify to the board that they are not in possession of inside information, in accordance with the company's Share Trading Policy and Guidelines. A director acquired shares during the year ended 30 September 2025 as follows:

| Director | Nature of Relevant Interest | Number of Shares Acquired | Consideration Paid | Date             |
|----------|-----------------------------|---------------------------|--------------------|------------------|
| J Curin  | Beneficial interest         | 996                       | \$4,225            | 09 December 2024 |

Statutory Information

Shareholding Analysis

As at 01 October 2025

| Size of Holding   | Number of Shareholders | %      | Number of Shares | %      |
|-------------------|------------------------|--------|------------------|--------|
| 1 to 999          | 581                    | 26.33  | 248,725          | 0.27   |
| 1,000 to 4,999    | 1,019                  | 46.17  | 2,139,102        | 2.28   |
| 5,000 to 9,999    | 279                    | 12.64  | 1,801,646        | 1.92   |
| 10,000 to 49,999  | 250                    | 11.33  | 4,742,436        | 5.07   |
| 50,000 to 99,999  | 26                     | 1.18   | 1,886,843        | 2.02   |
| 100,000 and above | 52                     | 2.36   | 82,807,983       | 88.44  |
| Total             | 2,207                  | 100.00 | 93,626,735       | 100.00 |

Twenty Largest Shareholders

As at 01 October 2025

| Registered Name                                              | Number of Shares | %     |
|--------------------------------------------------------------|------------------|-------|
| Ngāi Tahu Investments Limited                                | 18,607,721       | 19.87 |
| ASB Nominees Limited                                         | 9,000,000        | 9.61  |
| Masfen Securities Limited                                    | 7,093,500        | 7.58  |
| ANZ Wholesale Australasian Share Fund – NZCSD                | 5,134,861        | 5.48  |
| Maruha Nichiro Corporation                                   | 4,534,231        | 4.84  |
| Rural Equities Limited                                       | 4,375,000        | 4.67  |
| Tasman Equity Holdings Limited                               | 3,795,054        | 4.05  |
| Forsyth Barr Custodians Limited                              | 3,005,224        | 3.21  |
| BNP Paribas Nominees (NZ) Limited – NZCSD                    | 2,987,048        | 3.19  |
| Citibank Nominees (New Zealand) Limited – NZCSD              | 2,452,691        | 2.62  |
| Sterling Nominees Limited                                    | 2,184,037        | 2.33  |
| Accident Compensation Corporation – NZCSD                    | 2,033,738        | 2.17  |
| HSBC Nominees (New Zealand) Limited – NZCSD                  | 1,567,338        | 1.67  |
| New Zealand Depository Nominee Limited                       | 1,564,861        | 1.67  |
| Tea Custodians Limited Client Property Trust Account – NZCSD | 1,403,686        | 1.50  |
| Arden Capital Limited                                        | 1,265,018        | 1.35  |
| MMZ Trustee Company Limited                                  | 985,449          | 1.05  |
| Custodial Services Limited                                   | 964,835          | 1.03  |
| JBWere (NZ) Nominees Limited                                 | 920,442          | 0.98  |
| ANZ Wholesale NZ Share Fund – NZCSD                          | 827,399          | 0.88  |

Substantial Product Holders

According to company records and substantial product holder notices given to the company under the Financial Markets Conduct Act 2013, as at 30 September 2025, the following were substantial product holders in the company through having a relevant interest in the company’s ordinary shares:

| Substantial Product Holder                                                                                                                                | Number of Voting Securities | % of Ordinary Held Shares | Date of Last Substantial Product Holder Notice |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|---------------------------|------------------------------------------------|
| Ngāi Tahu Holdings Corporation Limited and Ngāi Tahu Investments Limited*                                                                                 | 18,607,721                  | 19.87                     | 01 September 2021                              |
| Tasman Equity Holdings Limited, Arden Capital Limited and Past Limited Partnership                                                                        | 14,060,072                  | 15.02                     | 14 December 2023                               |
| Masfen Securities Limited                                                                                                                                 | 7,093,500                   | 7.58                      | 14 March 2022                                  |
| ANZ New Zealand Investments Limited, ANZ Bank New Zealand Limited and ANZ Custodial Services New Zealand Limited (aggregated as related bodies corporate) | 6,159,233                   | 6.59                      | 05 August 2024                                 |

\* Ngāi Tahu Holdings Corporation Limited has disclosed that it has a relevant interest in the shares held by Ngāi Tahu Investments Limited.

The total number of quoted voting products of Sanford Limited on issue as at 30 September 2025 was 93,626,735 (which includes treasury stock of 120,598 shares).

Waivers and Exemptions from the NZ Stock Exchange and the Overseas Investment Office (OIO)

NZX Waiver – Rule 7.8.5(b) – Appraisal Report

On 15 November 2024, NZX Regulation Limited granted Sanford a waiver from NZX Listing Rule 7.8.5(b) to allow Sanford to seek shareholder approval for the proposed grant of 1,800,000 Options to the Managing Director, David Mair, without an accompanying independent Appraisal Report. The relevant resolution was subsequently approved at the FY24 Annual Shareholders’ Meeting. The full waiver decision can be found on the company’s announcement page on the NZX website ([nzx.com/companies/SAN/announcements](https://www.nzx.com/companies/SAN/announcements)).

NZX Waiver – Overseas Ownership Provisions in the Company’s Constitution

To enable the Board to better manage the risk of the company being an ‘overseas person’ in the future (which would, among other things, impact the company’s ability to acquire an interest in fishing quota (including ACE) in the ordinary course of its business), the company’s constitution was amended in 2016 to include provisions which enable the Board to:

- Require certain documentation and/or information in relation to a proposed transferor or transferee of the company’s shares and to restrict the transfer of the company’s shares to ‘overseas persons’ (Transfer Powers)
- Suspend the voting rights of any of the company’s shares the Board determines are ‘affected shares’ (being, in summary, shares which the Board determines are held by ‘overseas persons’ and which have caused the company to be in breach of the ‘overseas ownership threshold’ – a threshold which is currently set at 90% of the maximum aggregate percentage of the company’s shares that can be owned or controlled by ‘overseas persons’ without the company itself being an ‘overseas person’) (Suspension Powers)
- Require (or effect) a sale of any ‘affected shares’ to a ‘non-overseas person’.

A more detailed outline and explanation of the effects of the above powers can be found on the company’s website at [sanford.co.nz/investors/governance/company-constitution](https://www.sanford.co.nz/investors/governance/company-constitution) and the provisions which enable the Board to exercise those powers are set out in the company’s constitution. NZX Regulation (a body now referred to as NZ RegCo) granted the company a waiver from NZX Listing Rule 8.1.5 to enable the company to have the Suspension Powers in its constitution (Waiver). As a condition of the Waiver, Sanford is listed on the NZX Main Board with a Non-Standard designation. The full text of the Waiver can be found here [nzx.com/companies/SAN/documents](https://www.nzx.com/companies/SAN/documents). In addition, NZX Regulation granted the company approval in 2016 in order for the company to include the Transfer Powers in its constitution. The full text of that approval can be found here [nzx.com/announcements/293474](https://www.nzx.com/announcements/293474).

OIO Exemption – Overseas Ownership

In 2018, the company obtained an exemption from the requirement under the Overseas Investment Act 2005 (OIA) to obtain consent prior to acquiring ‘fishing quota’ in certain limited circumstances, which expired in August 2023 (Original Exemption).

At the time the Original Exemption was obtained, the OIA provided that a body corporate such as the company would be an ‘overseas person’ where (in summary) it has a level of overseas ownership or control of 25% or more. However, the test in the OIA is for when the company (being a New Zealand company that is listed on the NZX Main Board) will be an ‘overseas person’ has subsequently been amended. The changes to that test effectively increase the extent of overseas ownership required for the company to be considered an ‘overseas person’, making it less likely that the company could become an ‘overseas person’ within a short period of time without its prior knowledge.

Given the company’s current level of overseas ownership and the amendments to the OIA described above, the company considers that the risk of it becoming an ‘overseas person’ in circumstances where the company is not aware that such a change has occurred (or may be about to occur) to be very low. Accordingly, a new exemption has not been pursued. However, the company continues to monitor its level of overseas ownership to minimise the prospect of it becoming an ‘overseas person’ within a short period of time without its prior knowledge. Such monitoring complements the provisions in its constitution which enable the board to require (or effect) a sale of the ‘affected shares’ to a ‘non-overseas person’ (as discussed above).

For the avoidance of doubt, any exemption from the OIA would not exempt any ‘overseas person’ from any requirement to obtain consent under the OIA before giving effect to the acquisition of rights or interests in the company’s securities.

GAAP to Non-GAAP Reconciliation

for the year ended 30 September 2025

|                                                                   | 2025    | 2024    |
|-------------------------------------------------------------------|---------|---------|
|                                                                   | \$000   | \$000   |
| Reported net profit for the period (GAAP)                         | 63,692  | 19,670  |
| Add back:                                                         |         |         |
| Income tax expense                                                | 26,269  | 17,725  |
| Net interest expense                                              | 12,148  | 16,867  |
| EBIT                                                              | 102,109 | 54,262  |
| Adjustments:                                                      |         |         |
| Impairment of assets                                              | 3,445   | 16,856  |
| Impairment of investment and advances Two Islands Co NZ Limited   | –       | 3,132   |
| Restructuring costs                                               | 580     | 1,495   |
| Net loss on sale of property, plant and equipment and intangibles | 103     | 293     |
| Gain on sale of North Island Mussels Limited assets               | (1,040) | –       |
| Net gain on sale of North Island inshore fishery assets           | –       | (964)   |
| Other one-off gains                                               | –       | (866)   |
| Adjusted EBIT                                                     | 105,197 | 74,208  |
| Add back:                                                         |         |         |
| Depreciation and amortisation                                     | 35,795  | 34,442  |
| Adjusted EBITDA                                                   | 140,992 | 108,650 |

GAAP to Non-GAAP Reconciliation

Sanford's standard profit measure prepared under New Zealand GAAP is net profit. Sanford has used non-GAAP measures when discussing financial performance in this document. The directors and management believe that these measures provide useful information as they are used internally to evaluate divisional and total group performance and to establish operating and capital budgets. Non-GAAP profit measures are not prepared in accordance with NZ IFRS (New Zealand equivalents to International Financial Reporting Standards) and are not uniformly defined; therefore, the non-GAAP profit measures included in this report are not comparable with those used by other companies. They should not be viewed in isolation or as a substitute for GAAP profit measures as reported by Sanford in accordance with NZ IFRS.

Definitions

**EBIT:** Earnings before interest and taxation.

**Adjusted EBIT:** Earnings before interest, taxation, impairment of assets and investments, restructuring costs, net loss on sale of property, plant and equipment, and intangible assets, gain on sale from one-off transactions, and other one-off items.

**Adjusted EBITDA:** Adjusted EBIT before depreciation and amortisation.

Five-Year Financial Review

|                                                                                | 2025     | 2024     | 2023     | 2022     | 2021     |
|--------------------------------------------------------------------------------|----------|----------|----------|----------|----------|
|                                                                                | \$000    | \$000    | \$000    | \$000    | \$000    |
| Revenue                                                                        | 584,109  | 582,913  | 553,397  | 531,887  | 489,625  |
| Adjusted EBITDA*                                                               | 140,992  | 108,650  | 81,534   | 68,262   | 52,603   |
| Depreciation and amortisation                                                  | (35,795) | (34,442) | (32,142) | (28,086) | (29,310) |
| Adjusted EBIT **                                                               | 105,197  | 74,208   | 49,392   | 40,176   | 23,293   |
| Impairment of assets                                                           | (3,445)  | (16,856) | (1,418)  | (1,301)  | –        |
| Impairment of investment and advances in Two Islands Limited group             | –        | (3,132)  | –        | –        | –        |
| Restructuring costs                                                            | (580)    | (1,495)  | (5,544)  | (345)    | (288)    |
| Net (loss)/gain on sale of property, plant and equipment and intangible assets | (103)    | (293)    | 35       | 43,616   | 12,935   |
| Gain on sale of North Island Mussels Limited assets                            | 1,040    | –        | –        | –        | –        |
| Other one-off items                                                            | –        | 866      | (947)    | (639)    | (711)    |
| Net gain on sale of North Island inshore fishery assets                        | –        | 964      | –        | –        | –        |
| Software as a service (SaaS) expenditure                                       | –        | –        | (12,714) | (10,312) | (6,183)  |
| Receipt from termination of lease                                              | –        | –        | 2,200    | –        | –        |
| EBIT                                                                           | 102,109  | 54,262   | 31,004   | 71,195   | 29,046   |
| Net interest expense                                                           | (12,148) | (16,867) | (13,522) | (8,731)  | (9,011)  |
| Profit before income tax                                                       | 89,961   | 37,395   | 17,482   | 62,464   | 20,035   |
| Income tax expense                                                             | (26,269) | (17,725) | (7,471)  | (6,692)  | (3,800)  |
| Profit for the year                                                            | 63,692   | 19,670   | 10,011   | 55,772   | 16,235   |
| Non-controlling interest                                                       | (2)      | 15       | 5        | 122      | 28       |
| Profit attributable to equity holders of the Company                           | 63,690   | 19,685   | 10,016   | 55,894   | 16,263   |
| Equity                                                                         |          |          |          |          |          |
| Paid in capital                                                                | 94,690   | 94,690   | 94,690   | 94,690   | 94,690   |
| Reserves                                                                       | 645,715  | 609,303  | 589,881  | 569,795  | 538,702  |
| Non-controlling interest                                                       | 367      | 365      | 380      | 388      | 702      |
| Total equity                                                                   | 740,772  | 704,358  | 684,951  | 664,873  | 634,094  |
| Represented by:                                                                |          |          |          |          |          |
| Current assets                                                                 | 233,941  | 264,909  | 276,405  | 224,096  | 208,477  |
| Less current liabilities                                                       | 124,708  | 74,048   | 180,386  | 139,888  | 118,549  |
| Working capital                                                                | 109,233  | 190,861  | 96,019   | 84,208   | 89,928   |
| Property, plant and equipment                                                  | 210,559  | 217,819  | 227,254  | 193,032  | 167,660  |
| Right-of-use assets                                                            | 39,450   | 32,751   | 40,334   | 37,574   | 35,655   |
| Investments                                                                    | 950      | 1,261    | 4,383    | 3,938    | 4,096    |
| Derivative financial instruments                                               | 1,797    | 16,364   | 12,515   | 6,925    | 9,051    |
| Biological assets (non-current)                                                | 33,869   | 23,239   | 18,226   | 19,019   | 18,286   |
| Intangible assets                                                              | 486,170  | 490,087  | 493,196  | 493,096  | 497,132  |
|                                                                                | 882,028  | 972,382  | 891,927  | 837,792  | 821,808  |
| Less non-current liabilities                                                   | 141,256  | 268,024  | 206,976  | 172,919  | 187,714  |
| Total net assets                                                               | 740,772  | 704,358  | 684,951  | 664,873  | 634,094  |
| Dividend per share (cents)                                                     | 10†      | 10†      | 12†      | 10†      | –        |
| Dividend cover (times)                                                         | 6.8      | 2.1      | 0.9      | 6.0†     | –        |
| Return on average total equity                                                 | 8.8%     | 2.8%     | 1.5%     | 8.6%     | 2.6%     |
| Earnings per share (cents)                                                     | 68.1     | 21.1     | 10.7     | 59.8     | 17.4     |
| Net asset backing per share                                                    | \$7.92   | \$7.53   | \$7.32   | \$7.10   | \$6.77   |

\* Adjusted EBITDA: Adjusted EBIT before depreciation and amortisation.

\*\* Adjusted EBIT: Earnings before interest, taxation, impairment of assets and investments, restructuring costs, net loss on sale of property, plant and equipment, and intangible assets, gain on sale from one-off transactions, and other one-off items.

† Includes the dividends proposed after balance date.

# Financial Statements 2025

The directors are pleased to present the Financial Statements of the Group for the year ended 30 September 2025.

For and on behalf of the Board of Directors:

Sir Robert A McLeod  
Chair  
17 November 2025

David W Mair  
Managing Director  
17 November 2025

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## Income Statement

for the year ended 30 September 2025

|                                                                                                                         | Note | 2025<br>\$000   | 2024<br>\$000   |
|-------------------------------------------------------------------------------------------------------------------------|------|-----------------|-----------------|
| Revenue                                                                                                                 | 4    | 584,109         | 582,913         |
| Cost of sales                                                                                                           |      | (429,343)       | (456,726)       |
| <b>Gross profit</b>                                                                                                     |      | <b>154,766</b>  | <b>126,187</b>  |
| Other income                                                                                                            |      | 7,315           | 7,240           |
| Distribution expenses                                                                                                   |      | (13,680)        | (13,630)        |
| Administrative expenses                                                                                                 | 5    | (29,198)        | (33,778)        |
| Other expenses                                                                                                          | 5    | (17,195)        | (31,896)        |
| <b>Operating profit</b>                                                                                                 |      | <b>102,008</b>  | <b>54,123</b>   |
| Finance income                                                                                                          | 6    | 1,511           | 1,270           |
| Finance expense                                                                                                         | 6    | (13,659)        | (18,137)        |
| <b>Net finance expense</b>                                                                                              |      | <b>(12,148)</b> | <b>(16,867)</b> |
| Share of profit of equity-accounted investees                                                                           | 13   | 101             | 139             |
| <b>Profit before income tax</b>                                                                                         |      | <b>89,961</b>   | <b>37,395</b>   |
| Income tax expense                                                                                                      | 7    | (26,269)        | (17,725)        |
| <b>Profit for the year</b>                                                                                              |      | <b>63,692</b>   | <b>19,670</b>   |
| <b>Profit attributable to:</b>                                                                                          |      |                 |                 |
| Equity holders of the company                                                                                           |      | 63,690          | 19,685          |
| Non-controlling interest                                                                                                |      | 2               | (15)            |
|                                                                                                                         |      | <b>63,692</b>   | <b>19,670</b>   |
| <b>Earnings per share (EPS), expressed in cents per share from profit attributable to equity holders of the company</b> |      |                 |                 |
| EPS                                                                                                                     | 16   | <b>68.1</b>     | <b>21.1</b>     |

## Statement of Comprehensive Income

for the year ended 30 September 2025

|                                                                                   | 2025<br>\$000   | 2024<br>\$000 |
|-----------------------------------------------------------------------------------|-----------------|---------------|
| <b>Profit for the year (after tax)</b>                                            | <b>63,692</b>   | <b>19,670</b> |
| <b>Other comprehensive income</b>                                                 |                 |               |
| <i>Items that may be reclassified to the income statement:</i>                    |                 |               |
| Foreign currency translation differences                                          | 112             | 68            |
| Change in fair value of cash flow hedges recognised in other comprehensive income | (25,433)        | 14,119        |
| Deferred tax on cash flow hedges                                                  | 7,121           | (3,953)       |
| <i>Items that may not be reclassified to the income statement:</i>                |                 |               |
| Amount of treasury share cost recovered in relation to share-based payment        | 219             | —             |
| Deferred tax on treasury share cost expensed                                      | 55              | —             |
| <i>Items that have been classified to the income statement:</i>                   |                 |               |
| Cost of hedging gain                                                              | —               | (293)         |
| Deferred tax on cost of hedging                                                   | —               | 82            |
| <b>Other comprehensive income for the year</b>                                    | <b>(17,926)</b> | <b>10,023</b> |
| <b>Total comprehensive income for the year</b>                                    | <b>45,766</b>   | <b>29,693</b> |
| <b>Total comprehensive income for the year is attributable to:</b>                |                 |               |
| Equity holders of the company                                                     | 45,764          | 29,708        |
| Non-controlling interest                                                          | 2               | (15)          |
| <b>Total comprehensive income for the year</b>                                    | <b>45,766</b>   | <b>29,693</b> |

## Statement of Financial Position

as at 30 September 2025

|                                      |      | 2025             | 2024             |
|--------------------------------------|------|------------------|------------------|
|                                      | Note | \$000            | \$000            |
| <b>Current assets</b>                |      |                  |                  |
| Cash on hand and at bank             | 8    | 11,589           | 14,475           |
| Trade receivables                    | 9(a) | 62,669           | 83,167           |
| Derivative financial instruments     | 18   | 2,724            | 13,556           |
| Other receivables and prepayments    | 9(b) | 5,498            | 5,085            |
| Biological assets                    | 10   | 39,509           | 55,557           |
| Inventories                          | 11   | 92,336           | 73,363           |
| Assets held for sale                 | 20   | 19,616           | 19,706           |
| <b>Total current assets</b>          |      | <b>233,941</b>   | <b>264,909</b>   |
| <b>Non-current assets</b>            |      |                  |                  |
| Property, plant and equipment        | 12   | 210,559          | 217,819          |
| Right-of-use assets                  | 19   | 39,450           | 32,751           |
| Investments                          | 13   | 950              | 1,261            |
| Derivative financial instruments     | 18   | 1,797            | 16,364           |
| Biological assets                    | 10   | 33,869           | 23,239           |
| Intangible assets                    | 14   | 486,170          | 490,087          |
| <b>Total non-current assets</b>      |      | <b>772,795</b>   | <b>781,521</b>   |
| <b>Total assets</b>                  |      | <b>1,006,736</b> | <b>1,046,430</b> |
| <b>Current liabilities</b>           |      |                  |                  |
| Bank loans (secured)                 | 18   | 40,000           | —                |
| Derivative financial instruments     | 18   | 3,643            | 1,705            |
| Trade and other payables             | 15   | 37,406           | 44,647           |
| Taxation payable                     |      | 15,515           | 899              |
| Lease obligations                    | 19   | 14,606           | 13,889           |
| Liabilities held for sale            | 20   | 13,538           | 12,908           |
| <b>Total current liabilities</b>     |      | <b>124,708</b>   | <b>74,048</b>    |
| <b>Non-current liabilities</b>       |      |                  |                  |
| Bank loans (secured)                 | 18   | 65,000           | 200,000          |
| Contributions received in advance    |      | 1,274            | 1,531            |
| Employee entitlements                | 15   | 674              | 1,260            |
| Derivative financial instruments     | 18   | 2,724            | 1,145            |
| Deferred taxation                    | 7    | 44,785           | 43,646           |
| Lease obligations                    | 19   | 26,799           | 20,442           |
| <b>Total non-current liabilities</b> |      | <b>141,256</b>   | <b>268,024</b>   |
| <b>Total liabilities</b>             |      | <b>265,964</b>   | <b>342,072</b>   |
| <b>Equity</b>                        |      |                  |                  |
| Paid in capital                      |      | 94,690           | 94,690           |
| Retained earnings                    |      | 644,753          | 590,415          |
| Other reserves                       |      | 962              | 18,888           |
| <b>Shareholder funds</b>             |      | <b>740,405</b>   | <b>703,993</b>   |
| Non-controlling interest             |      | 367              | 365              |
| <b>Total equity</b>                  | 16   | <b>740,772</b>   | <b>704,358</b>   |
| <b>Total equity and liabilities</b>  |      | <b>1,006,736</b> | <b>1,046,430</b> |

## Statement of Cash Flows

for the year ended 30 September 2025

|                                                             |       | 2025             | 2024            |
|-------------------------------------------------------------|-------|------------------|-----------------|
|                                                             | Note  | \$000            | \$000           |
| <b>Cash flows from operating activities</b>                 |       |                  |                 |
| Receipts from customers                                     |       | 639,151          | 630,832         |
| Interest received                                           |       | 1,518            | 1,270           |
| Payments to suppliers and employees                         |       | (488,462)        | (533,856)       |
| Income tax paid                                             |       | (3,322)          | (7,770)         |
| Interest paid                                               |       | (13,543)         | (17,480)        |
| <b>Net cash flows from operating activities</b>             |       | <b>135,342</b>   | <b>72,996</b>   |
| <b>Cash flows from investing activities</b>                 |       |                  |                 |
| Sale of North Island Mussels Limited assets                 | 12    | 2,695            | —               |
| Sale of property, plant and equipment                       |       | 363              | 1,306           |
| Sale of North Island inshore fishery assets                 | 20    | —                | 6,830           |
| Sale of investment in Two Islands NZ Co Limited             | 13    | —                | 200             |
| Dividends received from associates                          | 13,22 | 690              | 383             |
| Purchase of property, plant and equipment                   | 12    | (22,488)         | (45,916)        |
| Purchase of intangible assets                               | 14    | (558)            | (1,490)         |
| Acquisition of shares in other companies                    | 13,22 | (278)            | (278)           |
| <b>Net cash flows used in investing activities</b>          |       | <b>(19,576)</b>  | <b>(38,965)</b> |
| <b>Cash flows from financing activities</b>                 |       |                  |                 |
| Proceeds from borrowings                                    |       | —                | 27,000          |
| Repayment of term loans                                     |       | (95,000)         | (30,000)        |
| Lease payments                                              | 19    | (14,324)         | (13,135)        |
| Dividends paid to company shareholders                      | 17    | (9,352)          | (10,286)        |
| <b>Net cash flows used in financing activities</b>          |       | <b>(118,676)</b> | <b>(26,421)</b> |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |       | <b>(2,910)</b>   | <b>7,610</b>    |
| Effect of exchange rate fluctuations on cash held           |       | 24               | 60              |
| Cash and cash equivalents at beginning of year              |       | 14,475           | (51,195)        |
| Short-term borrowings reclassified as term loans            |       | —                | 58,000          |
| <b>Cash and cash equivalents at 30 September</b>            |       | <b>11,589</b>    | <b>14,475</b>   |
| <b>Represented by:</b>                                      |       |                  |                 |
| Cash on hand and at bank                                    | 8     | <b>11,589</b>    | <b>14,475</b>   |

Statement of Cash Flows (continued)

for the year ended 30 September 2025

Reconciliation of profit for the period with net cash flows from operating activities

|                                                                |      | 2025     | 2024     |
|----------------------------------------------------------------|------|----------|----------|
|                                                                | Note | \$000    | \$000    |
| Profit for the year (after tax)                                |      | 63,692   | 19,670   |
| Adjustments for non-cash items:                                |      |          |          |
| Depreciation and amortisation                                  |      | 35,795   | 34,442   |
| Depreciation – Annual Catching Entitlements (ACE)              | 19   | 8,515    | 7,746    |
| Impairment of property, plant and equipment                    | 12   | 515      | 14,837   |
| Impairment of investment                                       | 13   | –        | 2,956    |
| Impairment of intangibles                                      | 14   | 2,595    | 1,832    |
| Impairment of right-of-use assets                              | 19   | 69       | 187      |
| Impairment of assets classified as held-for-sale               |      | 266      | –        |
| Share-based payment expensed                                   |      | 219      | –        |
| Change in fair value of biological assets                      | 10   | 5,418    | (12,270) |
| Change in fair value of forward exchange contracts             |      | 3,483    | (2,882)  |
| Decrease in contributions received in advance                  |      | (257)    | (347)    |
| Share of profit of equity-accounted investees                  | 13   | (101)    | (139)    |
| Increase in deferred tax liability                             | 7    | 8,315    | 12,697   |
| Unrealised foreign exchange (gains)/losses                     |      | (3,756)  | 1,489    |
|                                                                |      | 61,076   | 60,548   |
| Movement in working capital                                    |      |          |          |
| Decrease in trade and other receivables and prepayments        |      | 24,624   | 23,410   |
| (Increase)/Decrease in inventories                             |      | (18,973) | 9,666    |
| Decrease in trade and other payables and other liabilities     |      | (9,405)  | (40,446) |
| Increase/(Decrease) in taxation payable                        |      | 14,616   | (2,726)  |
|                                                                |      | 10,862   | (10,096) |
| Items classified as investing activities                       |      |          |          |
| Net loss on sale and disposal of property, plant and equipment |      | 752      | 3,838    |
| Gain on sale of North Island Mussels Limited assets            | 12   | (1,040)  | –        |
| Net (gain) on sale of North Island inshore fishery assets      | 20   | –        | (964)    |
|                                                                |      | (288)    | 2,874    |
| Net cash flows from operating activities                       |      | 135,342  | 72,996   |

Statement of Cash Flows (continued)

for the year ended 30 September 2025

Reconciliation of movement of liabilities to cash flows arising from financing activities

|                                                          |      | Lease<br>Obligation | Bank Loans<br>(secured) | Derivative<br>Financial<br>Liabilities<br>(asset) | Total     |
|----------------------------------------------------------|------|---------------------|-------------------------|---------------------------------------------------|-----------|
|                                                          | Note | \$000               | \$000                   | \$000                                             | \$000     |
| As at 01 October 2024                                    |      | 34,331              | 200,000                 | (27,070)                                          | 207,261   |
| Lease payments                                           | 19   | (14,324)            | –                       | –                                                 | (14,324)  |
| Proceeds from bank loans                                 |      | –                   | –                       | –                                                 | –         |
| Repayment of bank loans                                  |      | –                   | (95,000)                | –                                                 | (95,000)  |
| Financing cash flows                                     |      | (14,324)            | (95,000)                | –                                                 | (109,324) |
| New leases, net of settlements                           | 19   | 21,312              | –                       | –                                                 | 21,312    |
| Terminations of leases                                   | 19   | (429)               | –                       | –                                                 | (429)     |
| Effect of movement in exchange rates                     | 19   | 515                 | –                       | –                                                 | 515       |
| Change in fair value of derivative financial instruments |      | –                   | –                       | 28,916                                            | 28,916    |
| As at 30 September 2025                                  |      | 41,405              | 105,000                 | 1,846                                             | 148,251   |
| As at 01 October 2023                                    |      | 41,000              | 145,000                 | (10,285)                                          | 175,715   |
| Lease payments                                           | 19   | (13,135)            | –                       | –                                                 | (13,135)  |
| Proceeds from bank loans                                 |      | –                   | 27,000                  | –                                                 | 27,000    |
| Repayment of bank loans                                  |      | –                   | (30,000)                | –                                                 | (30,000)  |
| Financing cash flows                                     |      | (13,135)            | (3,000)                 | –                                                 | (16,135)  |
| Short-term borrowings reclassified as term loans         |      | –                   | 58,000                  | –                                                 | 58,000    |
| New leases, net of settlements                           | 19   | 6,363               | –                       | –                                                 | 6,363     |
| Terminations of leases                                   | 19   | (53)                | –                       | –                                                 | (53)      |
| Effect of movement in exchange rates                     | 19   | 156                 | –                       | –                                                 | 156       |
| Change in fair value of derivative financial instruments |      | –                   | –                       | (16,785)                                          | (16,785)  |
| As at 30 September 2024                                  |      | 34,331              | 200,000                 | (27,070)                                          | 207,261   |

Statement of Changes in Equity

for the year ended 30 September 2025

|                                                                           |      | Share<br>Capital | Share-based<br>Payment Reserve | Translation<br>Reserve | Cash Flow<br>Hedge Reserve | Cost of<br>Hedging Reserve | Retained<br>Earnings | Total    | Non-controlling<br>Interest | Total<br>Equity |
|---------------------------------------------------------------------------|------|------------------|--------------------------------|------------------------|----------------------------|----------------------------|----------------------|----------|-----------------------------|-----------------|
|                                                                           | Note | \$000            | \$000                          | \$000                  | \$000                      | \$000                      | \$000                | \$000    | \$000                       | \$000           |
| Balance at 01 October 2024                                                |      | 94,690           | —                              | 1,153                  | 17,735                     | —                          | 590,415              | 703,993  | 365                         | 704,358         |
| Profit for the year (after tax)                                           |      | —                | —                              | —                      | —                          | —                          | 63,690               | 63,690   | 2                           | 63,692          |
| Other comprehensive income                                                |      |                  |                                |                        |                            |                            |                      |          |                             |                 |
| Foreign currency translation differences                                  |      | —                | —                              | 112                    | —                          | —                          | —                    | 112      | —                           | 112             |
| Hedging loss recognised in other comprehensive income                     |      | —                | —                              | —                      | (25,433)                   | —                          | —                    | (25,433) | —                           | (25,433)        |
| Amount of treasury share cost expensed in relation to share-based payment |      | —                | 219                            | —                      | —                          | —                          | —                    | 219      | —                           | 219             |
| Deferred tax on change in reserves                                        |      | —                | 55                             | —                      | 7,121                      | —                          | —                    | 7,176    | —                           | 7,176           |
| Total comprehensive income                                                |      | —                | 274                            | 112                    | (18,312)                   | —                          | 63,690               | 45,764   | 2                           | 45,766          |
| Distributions to shareholders                                             | 17   | —                | —                              | —                      | —                          | —                          | (9,352)              | (9,352)  | —                           | (9,352)         |
| Balance at 30 September 2025                                              |      | 94,690           | 274                            | 1,265                  | (577)                      | —                          | 644,753              | 740,405  | 367                         | 740,772         |
| Balance at 01 October 2023                                                |      | 94,690           | —                              | 1,085                  | 7,569                      | 211                        | 581,016              | 684,571  | 380                         | 684,951         |
| Profit for the year (after tax)                                           |      | —                | —                              | —                      | —                          | —                          | 19,685               | 19,685   | (15)                        | 19,670          |
| Other comprehensive income                                                |      |                  |                                |                        |                            |                            |                      |          |                             |                 |
| Foreign currency translation differences                                  |      | —                | —                              | 68                     | —                          | —                          | —                    | 68       | —                           | 68              |
| Hedging gains recognised in other comprehensive income                    |      | —                | —                              | —                      | 14,119                     | —                          | —                    | 14,119   | —                           | 14,119          |
| Deferred tax on change in reserves                                        |      | —                | —                              | —                      | (3,953)                    | —                          | —                    | (3,953)  | —                           | (3,953)         |
| Cost of hedging gains recovered to the income statement                   |      | —                | —                              | —                      | —                          | (293)                      | —                    | (293)    | —                           | (293)           |
| Deferred tax on cost of hedging gains                                     |      | —                | —                              | —                      | —                          | 82                         | —                    | 82       | —                           | 82              |
| Total comprehensive income                                                |      | —                | —                              | 68                     | 10,166                     | (211)                      | 19,685               | 29,708   | (15)                        | 29,693          |
| Distributions to shareholders                                             | 17   | —                | —                              | —                      | —                          | —                          | (10,286)             | (10,286) | —                           | (10,286)        |
| Balance at 30 September 2024                                              |      | 94,690           | —                              | 1,153                  | 17,735                     | —                          | 590,415              | 703,993  | 365                         | 704,358         |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 1 – General Information

(a) Reporting entity

Sanford Limited (‘the parent’ or ‘the Company’) is a profit-orientated company that is domiciled and incorporated in New Zealand. The Company is registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange (NZX). The Company is an FMC entity for the purposes of Part 7 of the Financial Markets Conduct Act 2013.

The financial statements presented are for Sanford Limited (‘Sanford’ or ‘the Group’) as at and for the year ended 30 September 2025. The Group comprises the Company, its subsidiaries, and its investments in joint arrangements and associates.

In accordance with the Financial Markets Conduct Act 2013, where a reporting entity prepares consolidated financial statements, parent disclosures are not required.

The Group is a large and long-established fishing and aquaculture farming business devoted entirely to the farming, harvesting, processing, storage and marketing of quality seafood products and investments in related activities.

Note 2 – Basis of Preparation

(a) Statement of compliance

The financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards as appropriate for Tier 1 for-profit entities. They also comply with International Financial Reporting Standards.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following which are measured on the bases set out below:

- Derivative financial instruments: interest rate swaps, fuel swaps, and forward exchange contract are measured at fair value.
- Biological assets: in-water salmon and mussel assets are measured at fair value less costs to sell.
- Inventories are measured at lower of cost and net realisable value.
- Assets held for sale are measured at the lower of fair value less cost to sell and carrying value.

(c) Foreign currency

Functional and presentation currency

These financial statements are presented in New Zealand dollars (NZD), the Company’s functional currency. All financial information presented in NZD has been rounded to the nearest thousand dollars (unless described as millions within the notes to these financial statements).

Foreign currency transactions

Foreign currency transactions are translated to NZD at the exchange rates ruling at the dates of the transactions. At balance date foreign currency monetary assets and liabilities are translated at the closing rate. The exchange variations arising from these translations are recognised in the income statement.

Foreign operations

Foreign operations are entities within the Group, the activities of which are based in a country other than New Zealand, or are conducted in a currency other than NZD. The assets and liabilities of foreign operations are translated into NZD at the closing rate, while revenues and expenses are translated at rates approximating the exchange rate ruling at the date of the transaction. Exchange variations are taken directly to the foreign currency translation reserve.

(d) Use of estimates and judgements

The preparation of financial statements requires the Board of Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts in the financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Accounting policies, and information about judgements, estimates and assumptions that have had a significant impact on the amounts recognised in the financial statements are disclosed in the relevant notes as follows:

- Valuation of deferred tax assets and liabilities (refer note 7)
- Valuation of biological assets (refer note 10)
- Valuation of inventories (refer note 11)
- Impairment testing of property, plant and equipment (refer note 12)
- Impairment testing of intangible assets (refer note 14)

Note 2 – Basis of Preparation (continued)

(d) Use of estimates and judgements (continued)

- Valuation of financial instruments (refer note 18)
- Determination of lease term and incremental borrowing rates (refer note 19).

Estimates are identified by a grey tint in the notes to the financial statements.

(e) Significant accounting policies

Accounting policies are disclosed within each of the applicable notes to the financial statements and are identified by a teal tint.

The Group’s accounting policies have been applied consistently to all periods presented in these financial statements.

(f) New and amended accounting standards and interpretations adopted

The Group early adopted the Amendment to IAS 1: Presentation of Financial Statements, Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants in the prior financial year ended 30 September 2024.

No other new or amended accounting standards and interpretations that became effective for the year ended 30 September 2025 have a material impact on the Group.

A number of new standards and interpretations effective at 30 September 2025 (for annual periods beginning 01 January 2025, 2026 and 2027) are not mandatory for the Group but are available for early adoptions. The Group did not early adopt any of the new standards and interpretations. The impact of these new standards and interpretations on the financial statements has not been assessed.

Note 3 – Segment Reporting

Executive management of the Group monitors the operating results of the wildcatch and aquaculture (mussels and salmon) divisions. Operating divisions’ performances are evaluated based on operating profit or loss. Capital expenditure consists of additions of property, plant and equipment and intangible assets.

The Group’s key operating divisions are:

- Wildcatch – responsible for catching and processing deepwater fish species, and the leasing of Annual Catch Entitlements (ACE) for North Island inshore species; and
- Aquaculture – responsible for farming, harvesting and processing mussels and salmon.

The Group has determined that the divisions above should be aggregated to form one reportable segment to reflect the farming, harvesting, processing and selling of seafood products, due to the aggregated manner in which performance is monitored.

The criteria as set out in paragraph 12 of NZ IFRS 8 Operating Segments was considered in determining the aggregation of the operating divisions. In aggregating these operating divisions into one reportable segment, the Group identified similarities in the following:

Similar economic characteristics

The Group considered and identified similarities in economic characteristics in the wildcatch and aquaculture divisions. The Group concluded, having considered several factors, that the operating segments exhibited similar long-term economic characteristics because the impact of these factors is expected to be similar across all operating divisions. This is supported by the following observations:

Foreign exchange

A large proportion of the Group’s sales are derived from exporting seafood products. Movements in foreign exchange rates have a significant influence on the degree of profitability of the Group.

Competitive and operating risks

The operating risks are similar for all of the seafood products in which the Group trades, due to the vagaries of nature and its impact in respect of weather patterns, nutrients in the oceans, parasites and disease.

The global growth in seafood product demand and rising commodity prices has led to a heightened competitive environment in which the Group trades; this applies in a similar manner across all of the operating divisions.

Economic and political risk

Economic prosperity and political stability for countries in which Sanford’s customers are based have a direct impact across the Group in its ability to derive increasing positive returns to shareholders.

Other variables impacting profit

There are many other variables that directly or indirectly impact the profitability of the operating divisions such as international trade rules and tariffs and climate change. The Group has assessed that the operating divisions are similarly impacted by these variables.

Nature of the products

All of the seafood products have similar nutritional factors; principally they are a good source of protein and relatively low in fat.

Notes to the Financial Statements

for the year ended 30 September 2025

Note 3 – Segment Reporting (continued)

Similar nature of production processes

The Group has determined that all of the seafood products produced for its customers are harvested from the sea. In addition, certain fish species and mussels have hand-opening or machine-opening processes involved in the final completion of the production chain.

The type or class of customer for the product

The Group sells products derived from all of its operating divisions to five (2024: four) of its top ten customers. The Group's customers are largely of a wholesale nature.

The methods used to distribute the product

The Group's sales team is structured geographically and not by product type or by operating division.

The nature of the regulatory environment

Both aquaculture and fish products are governed by the quality control regulations set by the Ministry for Primary Industries in New Zealand and those countries to which the Group exports. In respect of vessels, these must meet Maritime New Zealand regulations; this requirement is similar for all operating divisions.

Revenue by geographical location of customers

|                           | 2025    | 2024    |
|---------------------------|---------|---------|
|                           | \$000   | \$000   |
| New Zealand               | 228,437 | 222,699 |
| North America             | 113,034 | 125,188 |
| Europe                    | 88,996  | 66,183  |
| China                     | 61,013  | 78,573  |
| Australia                 | 39,798  | 43,631  |
| Other Asia                | 16,698  | 19,019  |
| Middle East               | 10,225  | 4,000   |
| South Korea               | 8,853   | 5,493   |
| Japan                     | 7,836   | 10,516  |
| Africa                    | 3,546   | 764     |
| Hong Kong                 | 3,224   | 2,882   |
| Pacific                   | 1,437   | 2,117   |
| Central and South America | 1,012   | 1,848   |
| Revenue                   | 584,109 | 582,913 |

The revenue information above is based on the delivery destination of sales.

The Group has one customer who accounts for more than 10% of total sales for the year (2024: no customers accounted for more than 10% of total sales).

Note 4 – Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group, the performance obligations are satisfied and the revenue can be reliably measured, regardless of when payment is made. Revenue is measured at the fair value of the consideration received or receivable.

**Domestic sales**

The performance obligation for domestic sales is satisfied upon delivery of the products to the customer or collection of the goods by the customer. Payment terms generally range between seven days and 20th of the month following invoice date.

**Export sales**

The performance obligation is satisfied upon transfer of legal title in line with the relevant incoterms. The Group typically acts as agent in arranging transport and insurance under such arrangements. Revenue is recognised net of the associated costs of these arrangements. Payment terms vary between customers and export destinations.

**Revenue from leasing of Annual Catch Entitlements (ACE)**

ACE is the annual right to catch a specific amount of a relevant fish stock within the quota management system for the duration of a fishing year and is allocated annually to quota owners of that fish stock. Lease income is derived from transferring to industry lessees the right to catch the allocated fish stock as stipulated under the ACE.

Lease arrangements involving ACE are treated as operating leases as the risks and rewards of ownership to the underlying fish species quota – from which an ACE is derived – are not substantially transferred to the lessee. Lease income is recognised over the period when the lessee has the right to fish under the ACE.

|                                       | 2025    | 2024    |
|---------------------------------------|---------|---------|
|                                       | \$000   | \$000   |
| Revenue from contracts with customers | 562,702 | 567,903 |
| Revenue from ACE lease income         | 21,407  | 15,010  |
|                                       | 584,109 | 582,913 |

**Revenue in relation to contract assets**

Of the revenue recognised this year \$nil (2024: nil) was originating from contract assets due to performance obligations being satisfied before the end of the year. The Group recognises this revenue from the satisfaction of performance obligations prior to consideration received from these customers, in line with the above. In addition, the payment terms for these assets are also in line with the above.

Notes to the Financial Statements

for the year ended 30 September 2025

Note 5 – Expenses and Other Income

|                                                                                                   |      | 2025    | 2024    |
|---------------------------------------------------------------------------------------------------|------|---------|---------|
|                                                                                                   | Note | \$000   | \$000   |
| <b>(a) Administrative and other expenses include:</b>                                             |      |         |         |
| KPMG statutory audit fees                                                                         |      | 400     | 375     |
| KPMG limited assurance – greenhouse gas (GHG) emissions disclosures                               |      | 29      | –       |
| Other auditors’ fees for non-financial audit services <sup>†</sup>                                |      | 281     | 72      |
| Impairment of investment                                                                          | 13   | –       | 2,956   |
| Impairment of advance to Two Islands NZ Co Limited                                                |      | –       | 176     |
| Impairment of property, plant and equipment                                                       | 12   | 515     | 14,837  |
| Impairment of intangibles                                                                         | 14   | 2,595   | 1,832   |
| Impairment of right-of-use assets                                                                 | 19   | 69      | 187     |
| Impairment of assets classified as held-for-sale                                                  |      | 266     | –       |
| Share-based payment expensed                                                                      | 16   | 219     | –       |
| Restructuring costs                                                                               |      | 580     | 1,495   |
| Donations                                                                                         |      | 116     | 406     |
| Research and development                                                                          |      | 185     | 572     |
| <b>(b) Personnel expenses included in cost of sales, administrative and distribution expenses</b> |      |         |         |
| Wages and salaries (including short-term employee benefits)                                       |      | 121,205 | 127,266 |

In the prior period, personnel expenses were presented for the Company only. The comparative figure has been restated to reflect the expense for the Group. This restatement does not have an impact on any other disclosures within the financial statements.

<sup>†</sup> Non-financial audit services include but are not limited to health and safety and quality audits.

(c) Other income

30 September 2025 – Gain on sale of North Island Mussels Limited assets

Refer to note 12(b) for details.

30 September 2024 – Sale of North Island inshore fisheries assets

Refer to note 20(b) for details.

Note 6 – Finance Income and Expense

|                                                                                                                                                                                                                                                                                                                                       |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Finance income comprises interest income on funds invested and dividend income. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group’s right to receive payment is established, which in the case of quoted securities is the ex-dividend date. |  |
| Finance expenses comprise interest expense on borrowings and impairment losses recognised on financial assets (except for trade receivables), as well as non-trading currency exchange losses.                                                                                                                                        |  |

|                                                                   |      | 2025          | 2024          |
|-------------------------------------------------------------------|------|---------------|---------------|
|                                                                   | Note | \$000         | \$000         |
| <b>Finance income</b>                                             |      |               |               |
| Interest income                                                   |      | 1,511         | 1,270         |
|                                                                   |      | <b>1,511</b>  | <b>1,270</b>  |
| <b>Finance expense</b>                                            |      |               |               |
| Interest expense on bank loans                                    |      | 11,005        | 15,546        |
| Interest expense on leases                                        | 19   | 2,088         | 2,036         |
| Interest expense on lease liabilities classified as held for sale |      | 566           | 555           |
|                                                                   |      | <b>13,659</b> | <b>18,137</b> |
| <b>Net finance expense</b>                                        |      | <b>12,148</b> | <b>16,867</b> |

Note 7 – Taxation

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income (OCI), in which case it is recognised in OCI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |
| Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |
| Deferred tax is:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
| <ul style="list-style-type: none"><li>• Recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes</li><li>• Not recognised for the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future</li><li>• Measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at balance date.</li></ul> |  |

7.1 Income tax expense

|                                                                      | 2025          | 2024          |
|----------------------------------------------------------------------|---------------|---------------|
|                                                                      | \$000         | \$000         |
| Current period                                                       | 19,109        | 6,300         |
| Adjustments for prior periods                                        | (1,155)       | (1,272)       |
|                                                                      | <b>17,954</b> | <b>5,028</b>  |
| <b>Deferred tax expense</b>                                          |               |               |
| Origination and reversal of temporary differences                    | 7,150         | 11,191        |
| Adjustments for prior periods                                        | 1,165         | 1,506         |
|                                                                      | <b>8,315</b>  | <b>12,697</b> |
| <b>Income tax expense</b>                                            | <b>26,269</b> | <b>17,725</b> |
| <b>Reconciliation of effective tax rate</b>                          |               |               |
| Profit for the year                                                  | 63,692        | 19,670        |
| Income tax expense                                                   | 26,269        | 17,725        |
| <b>Profit before income tax</b>                                      | <b>89,961</b> | <b>37,395</b> |
| <b>Tax at current rate of 28%</b>                                    |               |               |
| Non-taxable capital gain                                             | (306)         | –             |
| Unrecognised tax losses                                              | 469           | 2,908         |
| Tax legislation changes                                              | –             | 1,722         |
| Impairment of investment                                             | –             | 828           |
| Non-deductible expenses                                              | 320           | 716           |
| Impairment of goodwill                                               | 596           | 408           |
| Capitalised asset timing differences                                 | 56            | 325           |
| Adjustments for prior periods                                        | (10)          | 316           |
| Different foreign tax rate                                           | (28)          | 40            |
| Other                                                                | (17)          | (9)           |
|                                                                      | <b>1,080</b>  | <b>7,254</b>  |
| <b>Income tax expense</b>                                            | <b>26,269</b> | <b>17,725</b> |
| <b>Imputation credit account</b>                                     |               |               |
| Imputation credits available for use in subsequent reporting periods | 58,097        | 58,957        |

Tax legislation changes in 2024

Tax legislation changes that came into effect in the 2025 income tax year removed the ability for entities to claim tax depreciation deductions for commercial and industrial buildings with an estimated useful life of 50 years or more. This change impacted deferred tax in 2024 financial year as the tax base was reduced to reflect future tax deductions which were no longer available. Sanford recorded the deferred tax impact, an increase in the liability and corresponding tax expense in the 2024 profit and loss statement.

The Group’s imputation credits are available to be attached to dividends paid by Sanford Limited.

Notes to the Financial Statements

for the year ended 30 September 2025

Note 7 – Taxation (continued)

7.2 Deferred tax

|                                                   | 2025         |                  |                      |              |
|---------------------------------------------------|--------------|------------------|----------------------|--------------|
|                                                   | Balance      | Recognised in    | Recognised in Other  | Balance      |
|                                                   | 30 September |                  |                      | 30 September |
|                                                   | 2024         | Income Statement | Comprehensive Income | 2025         |
|                                                   | \$000        | \$000            | \$000                | \$000        |
| Movement in temporary differences during the year |              |                  |                      |              |
| Property, plant and equipment                     | 9,266        | 5,306            | –                    | 14,572       |
| Intangible assets                                 | 19,357       | 4,855            | –                    | 24,212       |
| Trade receivables                                 | (92)         | 45               | –                    | (47)         |
| Derivative financial instruments                  | 6,896        | –                | (7,121)              | (225)        |
| Biological assets                                 | 12,078       | (2,009)          | –                    | 10,069       |
| Leases (net)                                      | (300)        | (338)            | –                    | (638)        |
| Share-based payment scheme                        | –            | (61)             | (55)                 | (116)        |
| Other assets                                      | (3,559)      | 517              | –                    | (3,042)      |
| Net deferred tax liability                        | 43,646       | 8,315            | (7,176)              | 44,785       |

|                                                   | 2024         |                  |                      |              |
|---------------------------------------------------|--------------|------------------|----------------------|--------------|
|                                                   | Balance      | Recognised in    | Recognised in Other  | Balance      |
|                                                   | 30 September |                  |                      | 30 September |
|                                                   | 2023         | Income Statement | Comprehensive Income | 2024         |
|                                                   | \$000        | \$000            | \$000                | \$000        |
| Movement in temporary differences during the year |              |                  |                      |              |
| Property, plant and equipment                     | 4,367        | 4,899            | –                    | 9,266        |
| Intangible assets                                 | 13,613       | 5,744            | –                    | 19,357       |
| Trade receivables                                 | (108)        | 16               | –                    | (92)         |
| Derivative financial instruments                  | 3,025        | (82)             | 3,953                | 6,896        |
| Biological assets                                 | 10,023       | 2,055            | –                    | 12,078       |
| Leases (net)                                      | (557)        | 257              | –                    | (300)        |
| Other assets                                      | (3,367)      | (192)            | –                    | (3,559)      |
| Net deferred tax liability                        | 26,996       | 12,697           | 3,953                | 43,646       |

Note 7 – Taxation (continued)

7.2 Deferred tax (continued)

Deferred tax recognised in OCI relates to tax on the effective portion of the change in fair value of cash flow hedges, and on the cost of hedging gains or losses.

Deferred tax asset and liability associated with leases in the Group are as follows:

|                                     | 2025     | 2024    |
|-------------------------------------|----------|---------|
|                                     | \$000    | \$000   |
| Deferred tax associated with leases |          |         |
| Asset                               | 19,536   | 8,456   |
| Liability                           | (18,898) | (8,156) |
|                                     | 638      | 300     |

A deferred tax asset has not been recognised in respect of the following item because it is not probable that future taxable profit will be available against which the Group can utilise the benefits. There is no expiry time for the use of these tax losses.

|                                                    | 2025   | 2024   |
|----------------------------------------------------|--------|--------|
|                                                    | \$000  | \$000  |
| Unrecognised deferred tax asset                    |        |        |
| Net tax losses attributable to the joint operation | 28,056 | 24,053 |

Note 8 – Cash and Cash Equivalents

Cash and cash equivalents includes deposits that are subject to insignificant risk of changes in their fair value. Cash and cash equivalents are classified and measured at amortised cost in the statement of financial position. These financial instruments are short term in nature and the carrying amount is considered to be a reasonable approximation of fair value.

|                          | 2025   | 2024   |
|--------------------------|--------|--------|
|                          | \$000  | \$000  |
| Cash on hand and at bank | 11,589 | 14,475 |

Note 9 – Trade and Other Receivables

Trade and other receivables are financial assets classified and measured at amortised cost less allowance for doubtful debts. Short-term trade receivables are not discounted. These financial instruments are short term in nature and the carrying amounts are considered to be a reasonable approximation of fair values.

(a) Trade receivables

|                                                          | 2025   | 2024   |
|----------------------------------------------------------|--------|--------|
|                                                          | \$000  | \$000  |
| Gross trade receivables                                  | 62,866 | 83,521 |
| Less: Allowance for doubtful debts (refer to note 18(a)) | (197)  | (354)  |
|                                                          | 62,669 | 83,167 |

(b) Other receivables and prepayments

|                             |       | 2025  | 2024  |
|-----------------------------|-------|-------|-------|
|                             | Note  | \$000 | \$000 |
| Other receivables           |       | 2,673 | 2,714 |
| Prepayments                 |       | 2,655 | 2,160 |
| Advances to related parties | 22(b) | 170   | 211   |
|                             |       | 5,498 | 5,085 |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 10 – Biological Assets

Biological assets include pre-harvest salmon and mussel stocks, and are measured at fair value less costs to sell, with any change therein recognised as cost of sales in the income statement. This method of valuation falls into Level 3 on the fair value hierarchy (refer to note 18). Biological assets are transferred to inventories at the date of harvest.

|                                                                                                  | 2025     |         |          |
|--------------------------------------------------------------------------------------------------|----------|---------|----------|
|                                                                                                  | Mussels  | Salmon  | Total    |
|                                                                                                  | \$000    | \$000   | \$000    |
| Balance at beginning of year                                                                     | 27,613   | 51,183  | 78,796   |
| Changes due to biological transformation and movement in fair value less estimated costs to sell | 37,316   | 823     | 38,139   |
| Harvested produce transferred to inventories                                                     | (36,469) | (7,088) | (43,557) |
| Balance at 30 September 2025                                                                     | 28,460   | 44,918  | 73,378   |
| Current                                                                                          | 13,602   | 25,907  | 39,509   |
| Non-current                                                                                      | 14,858   | 19,011  | 33,869   |
|                                                                                                  | 28,460   | 44,918  | 73,378   |

|                                                                                                  | 2024     |         |          |
|--------------------------------------------------------------------------------------------------|----------|---------|----------|
|                                                                                                  | Mussels  | Salmon  | Total    |
|                                                                                                  | \$000    | \$000   | \$000    |
| Balance at beginning of year                                                                     | 25,667   | 40,859  | 66,526   |
| Changes due to biological transformation and movement in fair value less estimated costs to sell | 24,163   | 16,728  | 40,891   |
| Harvested produce transferred to inventories                                                     | (22,217) | (6,404) | (28,621) |
| Balance at 30 September 2024                                                                     | 27,613   | 51,183  | 78,796   |
| Current                                                                                          | 16,472   | 39,085  | 55,557   |
| Non-current                                                                                      | 11,141   | 12,098  | 23,239   |
|                                                                                                  | 27,613   | 51,183  | 78,796   |

Note 10 – Biological Assets (continued)

**Risk factors**

The Group is exposed to a number of risks relating to its growing of salmon and mussel stocks. These include storms, marine predators, biosecurity incursions and other contamination of the water space. The Group has extensive processes in place to monitor and mitigate these risks including insurance of salmon and mussels, regular inspection of the growing areas and contingency plans in the event of an adverse climatic event.

**Fair value risk and sensitivity**

The Group is exposed to financial risks relating to the production of biological assets (salmon and mussels) arising from climate change volatility, climatic events, disease and contamination of water space.

The estimation of the fair value of in-water salmon and mussels is based on several assumptions. Changes in these assumptions will impact the fair value calculation. The profit which is achieved on the sale of inventory will differ from the calculations of fair value of biological assets because of changes in key factors such as the final sales destinations of inventory sold, changes in selling prices, foreign exchange rates, harvest weight, growth rates, mortality, input costs and costs to sell, and differences in quality of harvested salmon and mussels.

With all other variables remaining constant:

- A 10% increase/decrease in average future sales prices would increase/decrease the fair value of biological assets and profit before tax by \$7.2m (2024: \$7.1m)
- A 10% increase/decrease in biomass (future harvest volumes) would increase/decrease the fair value of biological assets on hand and profit before tax by \$6.9m (2024: \$7.8m).

**Determining fair value**

**Salmon**

The pre-harvest salmon stock has been valued with reference to their stage of development, the length of the growth cycle, number in the water, assumptions in respect of biomass and feed conversion rates, and the fair value less costs to sell per kg at the point of harvest. The fair value less costs to sell per kg at the point of harvest is determined with reference to Q4 FY25 market prices, net of estimated cost up to the date of harvest. The fair value measurement commences at the date of transfer to seawater as this is considered the point at which the fish commence their growth cycle.

**Mussels**

The pre-harvest mussel stock has been valued with reference to their stage of development, the length of the growth cycle for the mussels in the regions being farmed, the fair value less costs to sell per kg at point of harvest, and the physical quantity in the water at balance date. The fair value less costs to sell per kg at the point of harvest is determined with reference to Q4 FY25 market prices, net of estimated cost up to the date of harvest. The fair value measurement commences at the date of seeding as this is considered the point at which the mussels begin their growth cycle.

Note 11 – Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less any applicable marketing, selling and distribution costs. The selling price is estimated with reference to prices obtainable in the current market.

Cost is based on the weighted average cost principle and includes expenditure incurred in acquiring the inventory and bringing it to its existing condition and location. In the case of processed inventories and work in progress, cost includes an appropriate share of overheads. Fixed overheads are allocated on the basis of normal operating capacity. The cost of items transferred from biological assets is their fair value less costs to sell at the date of transfer.

|                                                    | 2025    | 2024     |
|----------------------------------------------------|---------|----------|
|                                                    | \$000   | \$000    |
| Seafood – at cost                                  | 86,705  | 67,652   |
| Net realisable value provision                     | (9,963) | (12,014) |
|                                                    | 76,742  | 55,638   |
| Packaging, fishing gear, fuel and stores – at cost | 15,594  | 17,725   |
|                                                    | 92,336  | 73,363   |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 12 – Property, Plant and Equipment

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses.

Property, plant and equipment is allocated to the respective cash-generating units and assessed for indicators of impairment annually. Where indicators of impairment are noted an impairment test is performed at the cash-generating unit’s level.

Costs may include:

- The consideration paid on acquisition of the asset
- The cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use
- The costs of dismantling and removing the items and restoring the site on which they are located
- Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset.

The capitalisation of expenditure ceases when the asset is ready for use, at which point depreciation commences. Capital work in progress of \$6.3m is included within the relevant category of property, plant and equipment below (2024: \$44.6m).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure that increases the economic benefits derived from an asset is capitalised.

Depreciation of property, plant and equipment, other than land, is calculated using a straight-line basis and is expensed over the useful life of the asset.

Depreciation methods, useful lives and residual values are reassessed at least annually. Leased assets are depreciated over the shorter of the lease term and their estimated useful lives. Estimated useful lives (years) are as follows:

|                                    | 2025  | 2024  |
|------------------------------------|-------|-------|
| Buildings (freehold and leasehold) | 20–25 | 20–25 |
| Fishing vessels:                   |       |       |
| Hulls                              | 10–30 | 15–30 |
| Engines                            | 5–15  | 10–15 |
| Electronic equipment               | 3–4   | 3–4   |
| Machinery and plant                | 1–10  | 1–10  |
| Motor vehicles                     | 5     | 5     |
| Office fixtures and fittings       | 2–10  | 2–7   |
| Marine farm assets                 | 3–15  | 3–15  |

Note 12 – Property, Plant and Equipment (continued)

|                                                | 2025         |                    |                     |                 |                     |                |
|------------------------------------------------|--------------|--------------------|---------------------|-----------------|---------------------|----------------|
|                                                | Land         | Freehold Buildings | Leasehold Buildings | Fishing Vessels | Plant and Equipment | Total          |
|                                                | \$000        | \$000              | \$000               | \$000           | \$000               | \$000          |
| <b>Cost</b>                                    |              |                    |                     |                 |                     |                |
| Balance at beginning of year                   | 1,429        | 22,757             | 34,664              | 317,111         | 154,112             | 530,073        |
| Additions                                      | –            | –                  | 78                  | 19,539          | 1,995               | 21,612         |
| Disposals                                      | –            | –                  | (53)                | (4,229)         | (1,293)             | (5,575)        |
| Effect of movements in exchange rates          | –            | –                  | 76                  | –               | 7                   | 83             |
| Balance at end of year                         | 1,429        | 22,757             | 34,765              | 332,421         | 154,821             | 546,193        |
| <b>Accumulated depreciation and impairment</b> |              |                    |                     |                 |                     |                |
| Balance at beginning of year                   | –            | (8,894)            | (15,165)            | (172,678)       | (115,517)           | (312,254)      |
| Depreciation                                   | –            | (930)              | (398)               | (17,852)        | (8,292)             | (27,472)       |
| Impairment                                     | –            | –                  | (27)                | –               | (488)               | (515)          |
| Effect of movements in exchange rates          | –            | –                  | (41)                | –               | (7)                 | (48)           |
| Disposals                                      | –            | –                  | 45                  | 3,516           | 1,094               | 4,655          |
| Balance at end of year                         | –            | (9,824)            | (15,586)            | (187,014)       | (123,210)           | (335,634)      |
| <b>Net book value at 30 September 2025</b>     | <b>1,429</b> | <b>12,933</b>      | <b>19,179</b>       | <b>145,407</b>  | <b>31,611</b>       | <b>210,559</b> |

(a) Auckland site sale of perpetual right to lease land and building assets

In January 2025 a conditional sale and purchase agreement was signed to sell the Auckland site’s perpetual right to lease the land and buildings. The Board expects the sale to complete in the 12 months after 30 September 2025.

This did not give rise to any change to the accounting as the fair value adjustment and related impairment was recognised in the year ended 30 September 2024, noted below. The assets and lease obligations continue to be disclosed as held-for-sale.

In 2024 the Group reassessed the use of its leased Auckland premises and negotiated the sale of its perpetual right to lease the Auckland premises and buildings thereon. The right-of-use assets arising from the perpetual right to lease the land and associated buildings were presented as assets held for sale at 30 September 2024. The conditional sale and purchase agreement with the developer, which was due to be signed imminently, provided evidence to the fair values of the right-of-use asset and the buildings, resulting in the building being impaired by \$4.2m from its carrying value in the prior year ended 30 September 2024.

Refer to note 20 for details on assets classified as held for sale.

(b) Closure of North Island Mussels Limited mussels processing facility

In 2024 the North Island Mussels Limited (NIML) processing plant, based in Tauranga, was closed. NIML is a joint operation in which Sanford Limited has a 50% shareholding to farm, process and sell mussels. Land, buildings, plant and equipment at the Tauranga site were actively marketed for sale in 2024 and as such were classified as held for sale at 30 September 2024. Total book value of assets held for sale less impairment was \$1.7m. Sanford’s share of impairment was \$6.4m as recognised in the 2024 income statement.

The sale was completed this financial year for our share of the consideration of \$2.7m, resulting in a gain on sale of \$1.0m, which is included in other income in the income statement.

As this is a joint operation, the Group recognises its share of NIML’s assets, liabilities, revenues and expenses. The numbers presented are therefore representative of the Group’s 50% share only.

Notes to the Financial Statements

for the year ended 30 September 2025

Note 12 – Property, Plant and Equipment (continued)

(c) Bioactive assets

The concept of our marine extract facility in Blenheim was to profitably produce commercial quantities of several bioactive products. The facility has not been implemented nor operated as originally intended and is now principally focused on mussel powder alone. In 2024 the Group determined that plans for oil and collagen products did not form part of the business strategy going forward. These assets were therefore impaired by \$3.9m as at 30 September 2024.

|                                                | 2024  |                    |                     |                 |                     |           |
|------------------------------------------------|-------|--------------------|---------------------|-----------------|---------------------|-----------|
|                                                | Land  | Freehold Buildings | Leasehold Buildings | Fishing Vessels | Plant and Equipment | Total     |
|                                                | \$000 | \$000              | \$000               | \$000           | \$000               | \$000     |
| <b>Cost</b>                                    |       |                    |                     |                 |                     |           |
| Balance at beginning of year                   | 2,309 | 22,108             | 65,661              | 291,035         | 162,631             | 543,744   |
| Additions                                      | –     | 833                | 869                 | 36,097          | 7,826               | 45,625    |
| Disposals                                      | –     | (18)               | –                   | (10,021)        | (6,448)             | (16,487)  |
| Assets classified as held for sale             | (880) | (166)              | (31,884)            | –               | (9,899)             | (42,829)  |
| Effect of movements in exchange rates          | –     | –                  | 18                  | –               | 2                   | 20        |
| Balance at end of year                         | 1,429 | 22,757             | 34,664              | 317,111         | 154,112             | 530,073   |
| <b>Accumulated depreciation and impairment</b> |       |                    |                     |                 |                     |           |
| Balance at beginning of year                   | –     | (7,984)            | (33,484)            | (165,857)       | (109,165)           | (316,490) |
| Depreciation                                   | –     | (935)              | (1,898)             | (15,407)        | (7,789)             | (26,029)  |
| Impairment                                     | –     | (62)               | (5,731)             | –               | (9,044)             | (14,837)  |
| Assets classified as held for sale             | –     | 83                 | 25,948              | –               | 9,899               | 35,930    |
| Disposals                                      | –     | 4                  | –                   | 8,586           | 582                 | 9,172     |
| Balance at end of year                         | –     | (8,894)            | (15,165)            | (172,678)       | (115,517)           | (312,254) |
| Net book value at 30 September 2024            | 1,429 | 13,863             | 19,499              | 144,433         | 38,595              | 217,819   |

Commitments

The estimated capital expenditure for property, plant and equipment contracted for at reporting date but not provided is \$4.9m for the Group (2024: \$4.4m).

Note 13 – Investments

The Group’s interest in equity-accounted investees comprises interests in those associates and joint ventures disclosed in note 21.

Associates are those entities in which the Group has significant influence, but not control or joint control over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement rather than the rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Group’s share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

The Group’s other investments comprise shareholdings in other companies which do not constitute controlling interests, nor does the Group have significant influence over the investees. As these are not held for trading, the Group has elected these equity instruments to be classified and measured at fair value through OCI.

Note 13 – Investments (continued)

|                                                                                                                                       |      | 2025         | 2024          |
|---------------------------------------------------------------------------------------------------------------------------------------|------|--------------|---------------|
|                                                                                                                                       | Note | \$000        | \$000         |
| <b>Equity-accounted investees</b>                                                                                                     |      |              |               |
| <b>(a) Summary financial information for equity-accounted investees, not adjusted for the percentage ownership held by the Group:</b> |      |              |               |
| Current assets                                                                                                                        |      | 3,702        | 4,377         |
| Non-current assets                                                                                                                    |      | 6,108        | 6,146         |
| <b>Total assets</b>                                                                                                                   |      | <b>9,810</b> | <b>10,523</b> |
| Current liabilities                                                                                                                   |      | 648          | 718           |
| Non-current liabilities                                                                                                               |      | 1,839        | 1,911         |
| <b>Total liabilities</b>                                                                                                              |      | <b>2,487</b> | <b>2,629</b>  |
| Revenue                                                                                                                               |      | 5,114        | 5,662         |
| Expenses                                                                                                                              |      | (5,478)      | (5,890)       |
| <b>Loss</b>                                                                                                                           |      | <b>(364)</b> | <b>(228)</b>  |
| <b>(b) Movements in carrying value of equity-accounted investees:</b>                                                                 |      |              |               |
| Balance at the beginning of the year                                                                                                  |      | 1,157        | 4,279         |
| Share of profit                                                                                                                       |      | 101          | 139           |
| Impairment of investment in Two Islands Co NZ Limited                                                                                 | 5    | –            | (2,956)       |
| Sale of investment in Two Islands Co NZ Limited                                                                                       |      | –            | (200)         |
| Dividends received from associates                                                                                                    | 22   | (690)        | (383)         |
| Acquisition of shares in associate                                                                                                    | 22   | 278          | 278           |
| <b>Balance at 30 September</b>                                                                                                        |      | <b>846</b>   | <b>1,157</b>  |
| <b>Other investments</b>                                                                                                              |      |              |               |
| Shares in other companies                                                                                                             |      | 104          | 104           |
|                                                                                                                                       |      | <b>950</b>   | <b>1,261</b>  |

Sale of investment in Two Islands

In 2024 the Group sold its equity-accounted investment in Two Islands Co NZ Limited, including its subsidiary Two Islands Co Australia Pty Limited, resulting in an impairment of \$2.9m in the comparative year. An advance to Two Islands Co NZ Limited of \$0.2m including interest was written off also. Refer to note 22. Two Islands Co NZ Limited and its subsidiary were in the business of manufacturing and distributing dietary supplements in New Zealand and Australia.

Note 14 – Intangible Assets

Purchased fishing quota is carried at cost less impairment losses. Quota and licences which are initially recognised on the basis of previous permits, catch history or when purchased through business combinations are initially valued at fair value on allocation. Fair value is determined by reference to Crown tender prices and market prices available close to the time of the acquisition. This became the deemed cost upon the adoption of NZ IFRS.

Marine farm licences are recorded at cost or, when purchased through business combinations, are initially measured at fair value.

Marine farm licences and fishing quota have indefinite useful lives and are not amortised but are tested annually for impairment at reporting date.

Fishing quota has no expiry date and is therefore deemed to have an indefinite useful life. Marine farm licences are deemed by the directors to have indefinite useful lives as it is highly probable that they are renewed, and the costs of renewal are expected to be minimal.

Expenditure on research and development activities, undertaken with the prospect of gaining new scientific or technical knowledge, is expensed as incurred. Expenditure on development activities, whereby research findings are applied to a plan or a design for the production of new or substantially improved products or processed, is capitalised if the product or process is commercially and technically feasible, and the Group has sufficient resources to complete development. Other development expenditure is expensed as incurred.

Notes to the Financial Statements

for the year ended 30 September 2025

Note 14 – Intangible Assets (continued)

|                                         | 2025          |                      |          |                       |                   |          |
|-----------------------------------------|---------------|----------------------|----------|-----------------------|-------------------|----------|
|                                         | Fishing Quota | Marine Farm Licences | Goodwill | Intellectual Property | Computer Software | Total    |
|                                         | \$000         | \$000                | \$000    | \$000                 | \$000             | \$000    |
| Cost                                    |               |                      |          |                       |                   |          |
| Balance at beginning of year            | 387,092       | 103,524              | 4,398    | 3,660                 | 10,821            | 509,495  |
| Additions                               | –             | 558                  | –        | –                     | –                 | 558      |
| Disposals                               | –             | (158)                | –        | –                     | –                 | (158)    |
| Effect of movements in exchange rates   | 9             | –                    | 19       | –                     | –                 | 28       |
| Balance at end of year                  | 387,101       | 103,924              | 4,417    | 3,660                 | 10,821            | 509,923  |
| Accumulated amortisation and impairment |               |                      |          |                       |                   |          |
| Balance at beginning and end of year    | (9,896)       | (1,244)              | (2,432)  | (3,599)               | (2,237)           | (19,408) |
| Amortisation                            | –             | –                    | –        | (61)                  | (1,689)           | (1,750)  |
| Impairment                              | –             | –                    | (1,985)  | –                     | (610)             | (2,595)  |
| Balance at end of year                  | (9,896)       | (1,244)              | (4,417)  | (3,660)               | (4,536)           | (23,753) |
| Carrying amount at 30 September 2025    | 377,205       | 102,680              | –        | –                     | 6,285             | 486,170  |

Impairment of goodwill

In 2025 the Group impaired the goodwill balance of \$2.0m associated with Saltwater Seafoods, an Australian seafood trading business acquired in 2020.

In 2024 the Group impaired the goodwill balance of \$1.4m associated with Enzaq, a mussel powder business acquired in 2017.

|                                         | 2024          |                      |          |                       |                   |          |
|-----------------------------------------|---------------|----------------------|----------|-----------------------|-------------------|----------|
|                                         | Fishing Quota | Marine Farm Licences | Goodwill | Intellectual Property | Computer Software | Total    |
|                                         | \$000         | \$000                | \$000    | \$000                 | \$000             | \$000    |
| Cost                                    |               |                      |          |                       |                   |          |
| Balance at beginning of year            | 387,090       | 102,616              | 4,375    | 3,660                 | 10,598            | 508,339  |
| Additions                               | –             | 1,274                | –        | –                     | 223               | 1,497    |
| Disposals                               | –             | (366)                | –        | –                     | –                 | (366)    |
| Effect of movements in exchange rates   | 2             | –                    | 23       | –                     | –                 | 25       |
| Balance at end of year                  | 387,092       | 103,524              | 4,398    | 3,660                 | 10,821            | 509,495  |
| Accumulated amortisation and impairment |               |                      |          |                       |                   |          |
| Balance at beginning and end of year    | (9,522)       | (1,244)              | (974)    | (2,867)               | (536)             | (15,143) |
| Amortisation                            | –             | –                    | –        | (732)                 | (1,701)           | (2,433)  |
| Impairment                              | (374)         | –                    | (1,458)  | –                     | –                 | (1,832)  |
| Balance at end of year                  | (9,896)       | (1,244)              | (2,432)  | (3,599)               | (2,237)           | (19,408) |
| Carrying amount at 30 September 2024    | 377,196       | 102,280              | 1,966    | 61                    | 8,584             | 490,087  |

Note 14 – Intangible Assets (continued)

14.1 Market capitalisation

The Group’s market capitalisation has been below the carrying amount of net assets from September 2020 onwards. At 30 September 2025 the Group’s market capitalisation was \$517m (2024: \$353m) and the carrying value of its net assets was \$741m (2024: \$704m). Accounting standards consider this to be an indicator of impairment. The Group does not believe the current share price provides an accurate reflection of the fair value of the net assets, due to factors such as:

- Management do not consider that the share price factors in rising global seafood prices, continuing strong demand, and the likelihood of profitability improving across the business.
- The likelihood that the market value of the Group’s New Zealand fishing quota (recognised within the Wildcatch cash-generating unit) materially exceeds its carrying value. In 2022 the sale of CRA2, CRA7 and CRA8 quota realised a consideration of \$52.7m whereas the carrying value was \$8.3m. For 2025, management has obtained an updated independent valuation of the Group’s remaining New Zealand fishing quota which shows headroom over the \$377m carrying value recorded in the financial statements, which is in excess of the market capitalisation shortfall.

Recently management obtained an updated independent valuation of Sanford as a whole, with the carrying amount of the Group’s net assets’ value falling within this range of valuation.

Management undertakes impairment testing in respect of the cash-generating units which contain the New Zealand fishing quota and marine farm licences using the value-in-use methodology. This testing results in positive headroom between the value of these cash-generating units and the carrying amount of their net assets, indicating that there is no impairment at the cash-generating unit level.

14.2 Cash-generating units

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount, which is the greater of its value in use and its fair value less costs to sell. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

Impairment losses directly reduce the carrying amount of assets and are recognised in the income statement. For goodwill and intangible assets that have indefinite lives, recoverable amount is estimated at each reporting date.

The table below outlines the allocations of intangible assets and goodwill with indefinite useful lives to CGUs:

|                         | 2025          |                      |         |
|-------------------------|---------------|----------------------|---------|
|                         | Fishing Quota | Marine Farm Licences | Total   |
|                         | \$000         | \$000                | \$000   |
| New Zealand Wildcatch   | 376,155       | –                    | 376,155 |
| New Zealand Aquaculture | 846           | 102,680              | 103,526 |
| Australia Seafood       | 204           | –                    | 204     |
|                         | 377,205       | 102,680              | 479,885 |

|                         | 2024          |                      |          |         |
|-------------------------|---------------|----------------------|----------|---------|
|                         | Fishing Quota | Marine Farm Licences | Goodwill | Total   |
|                         | \$000         | \$000                | \$000    | \$000   |
| New Zealand Wildcatch   | 376,155       | –                    | –        | 376,155 |
| New Zealand Aquaculture | 846           | 102,280              | –        | 103,126 |
| Australia Seafood       | 195           | –                    | 1,966    | 2,161   |
|                         | 377,196       | 102,280              | 1,966    | 481,442 |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 14 – Intangible Assets (continued)

14.2 Cash-generating units (continued)

Wildcatch and Aquaculture – impairment testing and assumptions

| Impairment testing and assumptions                                                                                                                                                                                                                                                                                                                                                                                                                             |  |  |  |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|
| Based on impairment testing undertaken in the current year, no impairment is required for New Zealand fishing quota or marine farm licences given the recoverable amount of both the New Zealand Wildcatch and Aquaculture CGUs exceed the carrying value of their net assets.                                                                                                                                                                                 |  |  |  |  |
| Impairment testing was performed on the applicable CGUs to determine whether fishing quota and marine farm licences were impaired using a discounted cash flow model based on value in use. Key assumptions for earnings and capital expenditure are based on actual historical results and estimates of future earnings. The future earnings assumptions are largely based on the Group maintaining its profitability as well as other strategic initiatives. |  |  |  |  |
| Growth from expansionary capital items is excluded from the assessment as required by NZ IAS 36.                                                                                                                                                                                                                                                                                                                                                               |  |  |  |  |

The table below sets out key assumptions used in the discounted cashflow models for the two CGUs.

|                                                      | Wildcatch         |                   | Aquaculture       |                   |
|------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                                      | 2025              | 2024              | 2025              | 2024              |
| Future cashflows modelled period                     | 5 years           | 5 years           | 5 years           | 5 years           |
| Reporting periods of future cashflows                | FY26 – FY30       | FY25 – FY29       | FY26 – FY30       | FY25 – FY29       |
| Post-tax discount rates (range)                      | 7.9% – 8.9%       | 8.0% – 9.0%       | 7.9% – 8.9%       | 8.0% – 9.0%       |
| Post-tax discount rates (mid-point adopted)          | 8.4%              | 8.5%              | 8.4%              | 8.5%              |
| Terminal growth rate                                 | 2.20%             | 2.25%             | 2.20%             | 2.25%             |
| Compound annual growth rate (CAGR) of EBIT per annum | 12.1%             | 24.8%             | 2.2%              | 10.2%             |
| Compounding period                                   | 5 years from FY26 | 5 years from FY25 | 5 years from FY26 | 5 years from FY25 |
| Headroom – recoverable amount over carrying amount   | \$83.9m           | \$109.4m          | \$336.6m          | \$93.0m           |

Sensitivity analysis – impairment testing

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| The Group has conducted an analysis of the sensitivity of the impairment test to changes in key assumptions used to determine the recoverable amounts for the applicable CGUs. The recoverable amounts in the New Zealand Wildcatch and Aquaculture CGUs are not sensitive to reasonably possible changes in assumptions of the Group’s terminal growth and discount rates. However, the recoverable amounts are sensitive to reasonably possible changes in assumptions of the Group’s earnings growth expectations. |  |
| <ul style="list-style-type: none"><li>For the Aquaculture CGU, if the future earnings assumption was assumed to have a CAGR of -27.1% (2024: 1.2%) over the compounding period, then the carrying amount would approximately equal the recoverable amount.</li><li>For the New Zealand Wildcatch CGU, earnings would have to fall to a CAGR of 7.0% (2024: 18.4%) over the compounding period for the carrying amount to equal the recoverable amount.</li></ul>                                                      |  |

14.3 Goodwill

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Goodwill represents the excess of the consideration transferred over the fair value of the net identifiable assets of the acquired business. Goodwill is carried at cost less accumulated impairment losses.                                                                                                                                                                                                                                                                                                                                             |
| The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the income statement. |

Note 14 – Intangible Assets (continued)

14.4 Computer software

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Software-as-a-Service (SaaS) arrangements are service contracts providing the Group with the right to access the cloud provider’s application software over the contract period. As such the Group does not receive a software intangible asset at the contract commencement date. For SaaS arrangements, the Group assesses if the contract will provide a resource that it can ‘control’ to determine whether an intangible asset is present. If the Group cannot determine control of the software, the arrangement is deemed a service contract and any implementation costs, including costs to configure or customise the cloud provider’s application software, are recognised as operating expenses when incurred. |
| Where the SaaS arrangement supplier provides both configuration and customisation services, judgement has been applied to determine whether each of these services are distinct or not from the underlying use of the SaaS application software. If distinct, such costs are expensed as incurred when the service is provided. If not distinct, such costs are expensed over the SaaS contract term.                                                                                                                                                                                                                                                                                                                      |
| In implementing SaaS arrangements, the Group has incurred customisation costs which creates additional functionality to a cloud-based software. Management has determined that it has rights to the intellectual property and has owned the developed software which meets the definition and recognition criteria for an intangible asset.                                                                                                                                                                                                                                                                                                                                                                                |
| Cost incurred for the development of software that enhances or modifies, or creates additional functionality to an on-premise software, that meets the definition and recognition criteria of intangible assets are recognised as intangible assets. These costs are recognised as intangible software assets when they are available for use, and subsequently amortised over the useful life of the software on a straight-line basis. The estimated useful life for computer software is between three and ten years.                                                                                                                                                                                                   |
| Sanford impaired computer software assets of \$0.6m in the current year ended 30 September 2025 (2024: \$nil).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

Note 15 – Trade and Other Payables

| Trade and other payables                                                                                                                                                                                                                                                                                                        |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Trade and other payables are financial liabilities, classified and measured at amortised cost. As these are short term in nature the carrying amount is considered to be a reasonable approximation of fair value.                                                                                                              |  |
| Provisions                                                                                                                                                                                                                                                                                                                      |  |
| The Group recognises a provision when the Group has a present obligation – legal or constructive – as a result of a past event, it is more likely than not that the resulting liability from the obligation will be required to be settled, and the amount required to settle can be reliably estimated.                        |  |
| Employee entitlements                                                                                                                                                                                                                                                                                                           |  |
| (i) Long-service leave                                                                                                                                                                                                                                                                                                          |  |
| The Group’s net obligation in respect of long-service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using an actuarial technique. Changes in long service leave provision are recognised in the income statement. |  |
| (ii) Short-term benefits                                                                                                                                                                                                                                                                                                        |  |
| Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.                                                                                                                                                                                              |  |

|                             | 2025   | 2024   |
|-----------------------------|--------|--------|
|                             | \$000  | \$000  |
| Current liabilities         |        |        |
| Trade payables              | 15,298 | 15,149 |
| Other payables and accruals | 14,969 | 21,328 |
| Employee entitlements       | 7,139  | 8,071  |
| Restructuring provision     | –      | 99     |
|                             | 37,406 | 44,647 |
| Non-current liabilities     |        |        |
| Employee entitlements       | 674    | 1,260  |
|                             | 674    | 1,260  |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 16 – Capital/Reserves and Earnings Per Share

(a) Translation reserve

This reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of liabilities that hedge the Group's net investment in a foreign subsidiary.

(b) Share-based payments reserve

This reserve comprises the fair value of equity instruments granted under the long-term incentive plan.

(c) Cash flow hedge and cost of hedging reserve

The cash flow hedge reserve comprises the effective portion of changes in the fair value of derivative contracts for highly-probable forecast transactions.

The cost of hedging reserve contains the cumulative net change in fair value on foreign currency options which are excluded from the hedge designations of foreign currency risk.

(d) Share capital and earnings per share

|                                       | Ordinary Shares |               |
|---------------------------------------|-----------------|---------------|
|                                       | 2025            | 2024          |
|                                       | No. of Shares   | No. of Shares |
| On issue at beginning and end of year | 93,626,735      | 93,626,735    |

All issued shares are fully paid. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to Sanford's residual assets. In respect of the Company's shares that are held by the Group, all rights are suspended until those shares are reissued.

The calculation of earnings per share (EPS) at 30 September 2025 was based on the following:

|                                                                 | 2025       | 2024       |
|-----------------------------------------------------------------|------------|------------|
| Profit attributable to ordinary shareholders ('000s of dollars) | 63,690     | 19,685     |
| Weighted average number of ordinary shares outstanding          | 93,506,137 | 93,506,137 |
| Earnings per share (cents)                                      | 68.1       | 21.1       |

Share options issued under the long-term incentive plan are contingently issuable potential ordinary shares but are not dilutive in the current period.

(e) Treasury shares and the long-term incentive scheme

In 2025, the Board approved the establishment of a long-term incentive option plan (the Plan). In accordance with the Plan, the Board may grant options to employees of the Company to acquire fully-paid shares in the Company (the Options). The objectives of the Plan are to reward and retain key employees, drive longer-term performance and align incentives of participants with the interests of the Company's shareholders, and encourage longer-term decision-making by participants.

On 18 December 2024, as approved by an ordinary resolution of shareholders at the Sanford Annual Shareholders' Meeting, the Group issued 1,800,000 Options to the Managing Director under the Plan with a grant date of 15 November 2024, vesting in approximately three years and subject to the satisfaction of other conditions as documented in the Plan. Upon exercise of the Options at vesting, the Managing Director will be issued one ordinary share in Sanford per Option exercised.

The Group may facilitate the issue of Sanford shares to the Managing Director by purchasing treasury shares pursuant to terms in the Plan. The Group has not acquired any Sanford Limited shares in 2025. Total treasury shares held at 30 September 2025 is 120,598 shares (2024: 120,598 shares).

Note 17 – Dividends

The following dividends were declared and paid by the Company for the year ended 30 September:

|                                                                                                                        | 2025  | 2024   |
|------------------------------------------------------------------------------------------------------------------------|-------|--------|
|                                                                                                                        | \$000 | \$000  |
| – Final dividend in respect of the 2024 year was 05 cents per share (Final dividend 2023 year: 06 cents per share)     | 4,676 | 5,610  |
| – Interim dividend in respect of the 2025 half year was 05 cents per share (Interim dividend 2024: 05 cents per share) | 4,676 | 4,676  |
|                                                                                                                        | 9,352 | 10,286 |

On 17 November 2025, the Board declared a final dividend for the year ended 30 September 2025 of 05 cents per share.

Note 18 – Financial Instruments

Classification and measurement

**Classification and measurement of financial assets**

Financial assets are classified into three categories depending on their contractual cash flow characteristics and the Group's business model for managing the financial assets. These categories are:

- Amortised cost
- Fair value through profit or loss
- Fair value through OCI.

A financial asset which is a debt instrument is measured at amortised cost only if both the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest.

However, the Group may choose at initial recognition to designate a debt instrument that meets the amortised cost criteria as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch.

For investments in equity instruments that are not held for trading nor managed on a fair value basis, the Group has elected to measure these at fair value through OCI.

Derivative financial instruments which are not designated in an effective hedge relationship are classified as fair value through profit or loss.

**Classification and measurement of financial liabilities**

Financial liabilities are classified as either amortised cost or fair value through profit or loss. The Group may choose at initial recognition to designate a financial liability as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch. All financial liabilities of the Group are measured at amortised cost except for derivative financial instruments which are measured at fair value. Changes in the fair value of derivative financial liabilities are recognised in profit or loss except when the derivative instrument is designated in an effective hedge relationship.

Specific accounting policies for the Group's financial assets and liabilities are described below.

Exposure to credit, interest rate, foreign currency, fuel price and liquidity risks arise in the normal course of the Group's business. Derivatives may be used as a means of reducing exposure to fluctuations in foreign exchange rates, interest rates and fuel prices. While these instruments are subject to the risk of subsequent changes to market rates, such changes would generally be offset by opposite effects on the items being hedged.

The Group is not exposed to substantial other market price risk arising from financial instruments.

Fair value measurement

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows using market interest rates. The fair value of forward foreign exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using market interest rates. The fair value of foreign currency options is estimated using option valuation methods with reference to current spot rates and market volatility. The fair value of fuel swaps is estimated using forward fuel prices at reporting date.

Notes to the Financial Statements

for the year ended 30 September 2025

Note 18 – Financial Instruments (continued)

Fair value hierarchy

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(a) Credit risk

Credit risk, the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, arises principally from the Group’s receivables from customers.

The Group does not generally require collateral in respect of trade and other receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Reputable financial institutions (defined as having a minimum credit rating of A-) are used for investing and cash-handling purposes.

Maximum exposure to credit risk

The carrying amount of financial assets represents the Group’s maximum credit exposure.

The Group has not renegotiated the terms of any financial assets which would result in the carrying amount no longer being past due or avoid a possible past due status.

The Group’s maximum exposure to credit risk for trade and other receivables (excluding prepayments and statutory tax receivables by geographic regions is as follows:

|                             | 2025   | 2024   |
|-----------------------------|--------|--------|
|                             | \$000  | \$000  |
| New Zealand                 | 22,445 | 34,516 |
| Europe                      | 18,854 | 19,833 |
| North America               | 14,834 | 17,619 |
| Asia                        | 2,632  | 9,382  |
| Australia                   | 2,923  | 3,922  |
| Other                       | 1,795  | 911    |
| Trade and other receivables | 63,483 | 86,183 |

The status of trade receivables at the reporting date is as follows:

|                         | Gross Receivables | Allowance for Doubtful Debts | Gross Receivables | Allowance for Doubtful Debts |
|-------------------------|-------------------|------------------------------|-------------------|------------------------------|
|                         | 2025              | 2025                         | 2024              | 2024                         |
|                         | \$000             | \$000                        | \$000             | \$000                        |
| Not past due            | 56,571            | —                            | 72,867            | —                            |
| Past due 0 – 30 days    | 5,548             | —                            | 9,882             | —                            |
| Past due 31 – 90 days   | 550               | —                            | 200               | —                            |
| Past due 91 – 120 days  | 66                | (66)                         | 134               | —                            |
| Past due 121 – 365 days | 131               | (131)                        | 438               | (354)                        |
|                         | 62,866            | (197)                        | 83,521            | (354)                        |

Note 18 – Financial Instruments (continued)

(a) Credit risk (continued)

Impairment assessment – expected credit losses

The Group applies the simplified approach to providing for expected credit losses prescribed by NZ IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The loss allowance provision on trade receivables that are individually significant is determined by an evaluation of the exposures on a line-by-line basis. For trade receivables which are not significant on an individual basis, collective impairment is assessed on a portfolio basis based on the number of days overdue, and taking into account the historical loss experience in portfolios with a similar number of days overdue. The expected credit losses incorporate forward-looking information and relevant macroeconomic factors.

(b) Liquidity risk

Liquidity risk represents the Group’s ability to meet its contractual obligations. The Group evaluates its liquidity requirements on a daily basis.

The Group has secured bank loans which contain debt covenants. A breach of covenant may require accelerated repayment of the loans earlier than indicated in the loan contract.

The following table sets out the contractual and expected cash flows for all financial liabilities and derivatives.

|                                       | 2025                            |                                 |                  |             |           |           |                   |
|---------------------------------------|---------------------------------|---------------------------------|------------------|-------------|-----------|-----------|-------------------|
|                                       | Statement of Financial Position | Contractual Cash Out/(In) Flows | 6 months or less | 6–12 months | 1–2 years | 2–5 years | More than 5 years |
|                                       | \$000                           | \$000                           | \$000            | \$000       | \$000     | \$000     | \$000             |
| Bank loans                            | 105,000                         | 112,120                         | 2,023            | 41,277      | 2,540     | 66,280    | —                 |
| Trade payables                        | 15,298                          | 15,298                          | 15,298           | —           | —         | —         | —                 |
| Other payables                        | 14,969                          | 14,969                          | 14,969           | —           | —         | —         | —                 |
| Total non-derivative liabilities      | 135,267                         | 142,387                         | 32,290           | 41,277      | 2,540     | 66,280    | —                 |
| Forward exchange contracts            | (302)                           | (348)                           | 1,172            | (866)       | (552)     | (102)     | —                 |
| Interest rate swaps                   | 1,547                           | 1,779                           | 251              | 393         | 561       | 574       | —                 |
| Fuel swaps                            | 601                             | 616                             | 252              | 328         | 36        | —         | —                 |
| Total derivative liabilities (assets) | 1,846                           | 2,047                           | 1,675            | (145)       | 45        | 472       | —                 |

|                                       | 2024                            |                                 |                  |             |           |           |                   |
|---------------------------------------|---------------------------------|---------------------------------|------------------|-------------|-----------|-----------|-------------------|
|                                       | Statement of Financial Position | Contractual Cash Out/(In) Flows | 6 months or less | 6–12 months | 1–2 years | 2–5 years | More than 5 years |
|                                       | \$000                           | \$000                           | \$000            | \$000       | \$000     | \$000     | \$000             |
| Bank loans                            | 200,000                         | 252,846                         | 5,976            | 6,009       | 176,746   | 64,115    | —                 |
| Trade payables                        | 15,149                          | 15,149                          | 15,149           | —           | —         | —         | —                 |
| Other payables                        | 21,328                          | 21,328                          | 21,328           | —           | —         | —         | —                 |
| Total non-derivative liabilities      | 236,477                         | 289,323                         | 42,453           | 6,009       | 176,746   | 64,115    | —                 |
| Forward exchange contracts            | (28,689)                        | (29,275)                        | (5,941)          | (7,371)     | (10,807)  | (5,156)   | —                 |
| Interest rate swaps                   | (314)                           | (571)                           | (1,022)          | (27)        | 80        | 447       | (48)              |
| Fuel swaps                            | 1,933                           | 1,983                           | 1,053            | 659         | 271       | —         | —                 |
| Total derivative liabilities (assets) | (27,070)                        | (27,863)                        | (5,910)          | (6,739)     | (10,456)  | (4,709)   | (48)              |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 18 – Financial Instruments (continued)

(b) Liquidity risk (continued)

Bank loans and borrowings

Bank loans and borrowings are recognised initially at fair value, net of attributable transaction costs. Subsequent to initial recognition, bank loans and borrowings are measured at amortised cost, applying the effective interest method.

Banking facilities, expiry dates and balances of then secured and syndicated bank loans for the Group are illustrated in the table below.

| 2025        |          |         |
|-------------|----------|---------|
| Expiry Date | Facility | Balance |
|             | \$000    | \$000   |
| April 2026  | 60,000   | 40,000  |
| April 2028  | 80,000   | 65,000  |
| April 2029  | 20,000   | –       |
|             | 160,000  | 105,000 |

| 2024                    |          |         |
|-------------------------|----------|---------|
| Expiry Date             | Facility | Balance |
|                         | \$000    | \$000   |
| November 2025           | 40,000   | 30,000  |
| March 2026 – April 2026 | 85,000   | 85,000  |
| April 2026              | 95,000   | 55,000  |
| April 2028              | 30,000   | 30,000  |
|                         | 250,000  | 200,000 |

Facilities

The Group completed refinancing activities in the 2025 year. Expiry dates for the Group’s banking facilities were extended, and the total facility limit was reduced from \$250m as at 30 September 2024 to \$160m.

Interest rates

Interest rates on the above loans ranged from 3.43% – 4.06% (2024: 5.62% – 6.65%).

Security and covenants

All bank loans are syndicated and secured by a general security interest over property and a mortgage over all quota shares. All borrowings are subject to borrowing covenant arrangements, which include interest cover ratio, gearing ratio and ratios of assets and earnings before interest, taxes, depreciation and amortisation (EBITDA) between Sanford and the Guaranteeing Group. Compliance with covenant arrangements are reported to lenders quarterly. The Group has complied with all covenants during 2025 (2024: all covenants were complied with).

Note 18 – Financial Instruments (continued)

(c) Market risk

Financial risk management and hedge accounting

Market risk is the risk that arises from changes in foreign exchange rates, interest rates and commodity (specifically fuel) prices. Such changes will affect the Group’s earnings and/or the value of its holdings of financial instruments. These risks arise due to the Group having financial instruments that would be impacted by changes in these market factors.

The Group enters into derivative contracts, being forward exchange contracts, foreign currency options and interest rate swaps, to manage exposure to foreign currency and interest rate risks. The Group also enters into commodity swaps to manage fuel price risk. Senior management is involved in the operation and oversight of risk management and derivative activities. Regular reporting of activities is provided to the Board of Directors which provides the policy for the use of derivative instruments. In accordance with its Treasury Policy, the Group does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as held for trading and classified at fair value through profit or loss.

The Group initially recognises derivatives at fair value when the Group becomes a party to the contractual provisions of the instrument, and subsequently remeasures these at fair value at each balance date. All derivatives are classified as Level 2 on the fair value hierarchy explained above. The resulting fair value gain or loss on remeasurement is recognised in profit or loss immediately, unless the derivative is designated and effective as a hedging instrument, in which case the timing of recognition in profit or loss depends on the nature of the designated hedge relationship.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in other comprehensive income (OCI) to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the income statement. For cash flow hedges of financial items (e.g. forecast sales), the changes in fair value deferred in OCI are transferred to the profit or loss when the hedged item affects the profit or loss.

The Group designates only the intrinsic value of options into hedging relationships. The time value of the options is treated as a cost of hedging. Changes in fair value of the time value component of the option contract are deferred in OCI over the term of the hedge. For transaction-related hedged items, the cumulative change in fair value deferred in OCI is recognised in profit or loss at the same time as the hedged item. If the hedged item first gives rise to the recognition of a non-financial asset or a non-financial liability, the amount in equity is removed and recorded as part of the initial carrying amount of the hedged item. If the hedged item gives rise to the recognition of a financial asset or liability, then the amount in equity is recognised in profit or loss at the same time as the hedged item is recognised in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued retrospectively. The cumulative gain or loss previously recognised in OCI remains there until the forecast transaction occurs, or is immediately recognised in profit or loss if the transaction is no longer expected to occur.

Fair value measurement

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows using market interest rates. The fair value of forward foreign exchange rate contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using market interest rates. The fair value of foreign currency options is estimated using option valuation methods with reference to current spot rates and market volatility. The fair value of fuel contracts is estimated using forward fuel prices at reporting date.

Interest rate risk

The Group is exposed to interest rate risk through its cash balances, short-term and long-term borrowings. The Group adopts a risk management strategy of managing the exposure to interest rate risk through a proportion of fixed and floating rate borrowings. To meet this strategy, the Group uses interest rate swaps to fix between 25% and 75% of the floating rate exposure on long-term borrowings in line with its Board-approved Treasury Policy. In the current period, the Group designated the highly-probable forecast transactions and the interest rate swap contracts into cash flow hedge relationships.

Interest rate swap contracts are recognised within derivative financial instruments in the statement of financial position as at reporting date. The fair value gains and losses on these derivatives were recognised in OCI and transferred to profit or loss when the underlying transactions affected the profit or loss within finance expenses in the income statement. The amounts designated as the hedged item in qualifying cash flow hedges mirror the amounts designated as hedging instruments as set out below; therefore, the Group has established a 1:1 hedge ratio.

Hedge ineffectiveness is only recognised for accounting purposes if it results in movements in the value of the hedge instrument in excess of those on the hedged item. The source of any ineffectiveness would be largely due to credit valuation adjustments and timing of cash flows. No ineffectiveness arose on cash flow hedges of interest rate risk during the year (2024: none).

Notes to the Financial Statements

for the year ended 30 September 2025

Note 18 – Financial Instruments (continued)

(c) Market risk (continued)

Interest rate risk (continued)

Interest-bearing variable rate instruments and related derivatives re-price as follows:

|                            | 2025            |                     |                |                 |                 |                      |
|----------------------------|-----------------|---------------------|----------------|-----------------|-----------------|----------------------|
|                            | Total           | 6 months<br>or less | 6–12<br>months | 1–3 years       | 3–5 years       | More than<br>5 years |
|                            | \$000           | \$000               | \$000          | \$000           | \$000           | \$000                |
| Cash and cash equivalents  | 11,589          | 11,589              | –              | –               | –               | –                    |
| Bank loans                 | (105,000)       | (105,000)           | –              | –               | –               | –                    |
| Interest rate swaps        |                 |                     |                |                 |                 |                      |
| Notional cash inflows      | 86,000          | 86,000              | –              | –               | –               | –                    |
| Notional cash outflows     | (86,000)        | (10,000)            | (6,000)        | (35,000)        | (35,000)        | –                    |
| <b>Total variable rate</b> | <b>(93,411)</b> | <b>(17,411)</b>     | <b>(6,000)</b> | <b>(35,000)</b> | <b>(35,000)</b> | <b>–</b>             |

|                            | 2024             |                     |                 |                 |                 |                      |
|----------------------------|------------------|---------------------|-----------------|-----------------|-----------------|----------------------|
|                            | Total            | 6 months<br>or less | 6–12<br>months  | 1–3 years       | 3–5 years       | More than<br>5 years |
|                            | \$000            | \$000               | \$000           | \$000           | \$000           | \$000                |
| Cash and cash equivalents  | 14,475           | 14,475              | –               | –               | –               | –                    |
| Bank loans                 | (200,000)        | (200,000)           | –               | –               | –               | –                    |
| Interest rate swaps        |                  |                     |                 |                 |                 |                      |
| Notional cash inflows      | 152,000          | 152,000             | –               | –               | –               | –                    |
| Notional cash outflows     | (152,000)        | –                   | (26,000)        | (31,000)        | (80,000)        | (15,000)             |
| <b>Total variable rate</b> | <b>(185,525)</b> | <b>(33,525)</b>     | <b>(26,000)</b> | <b>(31,000)</b> | <b>(80,000)</b> | <b>(15,000)</b>      |

Effects of hedge accounting on the financial position and performance

The tables below demonstrate the impact of hedged items and the hedging instruments designated in hedging relationships.

|                                                       | 2025         |                             |                  |              |                                                            |                               |
|-------------------------------------------------------|--------------|-----------------------------|------------------|--------------|------------------------------------------------------------|-------------------------------|
|                                                       | Nominal      | Weighted<br>Average<br>Rate | Carrying Amounts |              | Change in Fair Value<br>used to Measure<br>Ineffectiveness | Cash Flow<br>Hedge<br>Reserve |
|                                                       |              |                             | Assets           | Liabilities  |                                                            |                               |
| <b>Cash flow hedges</b>                               | <b>\$000</b> |                             | <b>\$000</b>     | <b>\$000</b> | <b>\$000</b>                                               | <b>\$000</b>                  |
| <b>Interest rate risk</b>                             |              |                             |                  |              |                                                            |                               |
| Hedged item: NZD floating rate exposure on borrowings | (105,000)    | 3.87%                       | n/a              | n/a          | 1,556                                                      | n/a                           |
| Hedging instrument: Interest rate swaps               | (86,000)     | 3.41%                       | –                | (1,547)      | (1,547)                                                    | 1,547                         |

Note 18 – Financial Instruments (continued)

(c) Market risk (continued)

Effects of hedge accounting on the financial position and performance (continued)

|                                                       | 2024      |                             |                  |             |                                                            |                               |
|-------------------------------------------------------|-----------|-----------------------------|------------------|-------------|------------------------------------------------------------|-------------------------------|
|                                                       | Nominal   | Weighted<br>Average<br>Rate | Carrying Amounts |             | Change in Fair Value<br>used to Measure<br>Ineffectiveness | Cash Flow<br>Hedge<br>Reserve |
|                                                       |           |                             | Assets           | Liabilities |                                                            |                               |
| Cash flow hedges                                      | \$000     |                             | \$000            | \$000       | \$000                                                      | \$000                         |
| <b>Interest rate risk</b>                             |           |                             |                  |             |                                                            |                               |
| Hedged item: NZD floating rate exposure on borrowings | (200,000) | 6.32%                       | n/a              | n/a         | (307)                                                      | n/a                           |
| Hedging instrument: Interest rate swaps               | (152,000) | 3.45%                       | 314              | –           | 314                                                        | (314)                         |

Foreign currency risk

The Group is exposed to foreign currency risk as a result of sales and purchases denominated in foreign currencies, as well as the foreign currency exposure arising from USD-denominated fuel purchases. The Group has entered into forward exchange contracts and foreign currency options (hedging instruments) to hedge the variability in cash flows arising from foreign exchange rate movements in relation to foreign currency sales (hedged item) up to two years forward. Minimum and maximum hedging levels for the next two years expected sales volumes are stipulated by its Board-approved Treasury Policy. In the current period, the Group designated the highly-probable forecast transactions and the forward exchange contracts and options into cash flow hedge relationships.

Forward exchange contracts and foreign currency options are recognised within the derivative financial instruments in the statement of financial position as at reporting date. The fair value gains and losses on these derivatives were recognised in OCI and transferred to profit or loss when the underlying transactions affected the profit or loss within revenue and cost of sales in the income statement. The amounts designated as the hedged item in qualifying cash flow hedges mirror the amounts designated as hedging instruments as set out below; therefore, the Group has established a 1:1 hedge ratio.

Hedge ineffectiveness is only recognised for accounting purposes if it results in movements in the value of the hedge instrument in excess of those on the hedged item. The source of any ineffectiveness would be largely due to credit risk adjustments on the derivatives and timing of cash flows. No ineffectiveness arose on cash flow hedges of foreign currency transactions during the year (2024: none).

As at 30 September 2025, the Group’s exposure to foreign currency risk for the next 12 months can be summarised as follows:

| (figures are NZD)                                                    | 2025          |                |           |              |            |
|----------------------------------------------------------------------|---------------|----------------|-----------|--------------|------------|
|                                                                      | USD           | AUD            | JPY       | EUR          | GBP        |
|                                                                      | \$000         | \$000          | \$000     | \$000        | \$000      |
| Cash                                                                 | 3,271         | 289            | 50        | 667          | 185        |
| Trade receivables                                                    | 49,954        | 1,576          | –         | 1,129        | –          |
| Trade payables                                                       | (3,769)       | (2,115)        | –         | (2)          | (42)       |
| Net statement of financial position exposure before hedging activity | 49,456        | (250)          | 50        | 1,794        | 143        |
| Forecast net receipts/(net payments)                                 | 295,082       | (24,176)       | –         | 6,075        | –          |
| Net cash flow exposure before hedging activity                       | 344,538       | (24,426)       | 50        | 7,869        | 143        |
| Forward exchange contracts and options                               | (295,388)     | 19,920         | –         | (4,212)      | –          |
| <b>Net un-hedged exposure</b>                                        | <b>49,150</b> | <b>(4,506)</b> | <b>50</b> | <b>3,657</b> | <b>143</b> |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 18 – Financial Instruments (continued)

(c) Market risk (continued)

Foreign currency risk (continued)

|                                                                      | 2024      |          |         |         |       |
|----------------------------------------------------------------------|-----------|----------|---------|---------|-------|
|                                                                      | USD       | AUD      | JPY     | EUR     | GBP   |
| (figures are NZD)                                                    | \$000     | \$000    | \$000   | \$000   | \$000 |
| Cash                                                                 | 1,279     | 1,058    | (71)    | 2,894   | (76)  |
| Trade receivables                                                    | 64,780    | 2,064    | –       | 2,503   | –     |
| Trade payables                                                       | (3,845)   | (2,917)  | –       | (724)   | –     |
| Net statement of financial position exposure before hedging activity | 62,214    | 205      | (71)    | 4,673   | (76)  |
| Forecast net receipts/(net payments)                                 | 295,082   | (26,374) | 1,765   | (1,621) | –     |
| Net cash flow exposure before hedging activity                       | 357,296   | (26,169) | 1,694   | 3,052   | (76)  |
| Forward exchange contracts and options                               | (320,452) | 26,118   | (1,544) | –       | –     |
| Net un-hedged exposure                                               | 36,844    | (51)     | 150     | 3,052   | (76)  |

The Group’s policy is not to hedge operating cash flows denominated in EUR and GBP. However, at the Board’s discretion hedges can be taken on these currencies. Therefore, EUR hedges do exist for near-term contracted sales. In 2024 the EUR hedge related to cash outgoings expected to be incurred in 2025 for a capital project which was completed in 2025.

Effects of hedge accounting on the financial position and performance

The tables below demonstrate the impact of hedged items and the hedging instruments designated in hedging relationships.

|                                                                      | 2025             |        |             |                                                      |                         |
|----------------------------------------------------------------------|------------------|--------|-------------|------------------------------------------------------|-------------------------|
|                                                                      | Carrying Amounts |        |             | Change in Fair Value used to Measure Ineffectiveness | Cash Flow Hedge Reserve |
|                                                                      | Nominal          | Assets | Liabilities |                                                      |                         |
| Cash flow hedges*                                                    | \$000            | \$000  | \$000       | \$000                                                | \$000                   |
| Foreign currency risk                                                |                  |        |             |                                                      |                         |
| Hedged item: Forecast transactions denominated in foreign currencies | 279,680          | n/a    | n/a         | (1,366)                                              | n/a                     |
| Hedging instruments: Forward exchange contracts                      | 279,680          | 4,203  | (3,901)     | 302                                                  | (302)                   |

|                                                                      | 2024             |        |             |                                                      |                         |
|----------------------------------------------------------------------|------------------|--------|-------------|------------------------------------------------------|-------------------------|
|                                                                      | Carrying Amounts |        |             | Change in Fair Value used to Measure Ineffectiveness | Cash Flow Hedge Reserve |
|                                                                      | Nominal          | Assets | Liabilities |                                                      |                         |
| Cash flow hedges*                                                    | \$000            | \$000  | \$000       | \$000                                                | \$000                   |
| Foreign currency risk                                                |                  |        |             |                                                      |                         |
| Hedged item: Forecast transactions denominated in foreign currencies | 300,591          | n/a    | n/a         | (26,287)                                             | n/a                     |
| Hedging instruments: Forward exchange contracts                      | 300,591          | 28,760 | (71)        | 28,689                                               | (28,689)                |

\* Includes all hedges of forecast future transactions.

Note 18 – Financial Instruments (continued)

(c) Market risk (continued)

Fuel price risk

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Group is exposed to fuel price risk through its purchases of fuel for its fishing fleet.                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Fuel price risk is the risk of loss to the Group due to adverse fluctuations in fuel prices in USD terms. The currency exposure arising from USD fuel costs is managed separately (see foreign currency risk management). The Group’s fuel price risk has the following contractually specified components: gas oil and shipping costs.                                                                                                                                                                             |
| The Group enters into gas oil commodity swaps to reduce the variability in those components of fuel costs, which historically have comprised approximately 80% (2024: 80%) of total fuel cost for the year. Minimum and maximum hedging levels for the next two years’ expected purchase volumes are stipulated by its Board-approved Treasury Policy. A 1:1 hedge ratio is used, reflecting the match of the hedging instruments and the component exposures in the fuel costs.                                    |
| Fuel swaps are recognised within the derivative financial instruments in the statement of financial position as at reporting date and were designated as the hedging instruments in qualifying cash flow hedges. The fair value gains and losses on these derivatives were recognised in other comprehensive income and transferred from OCI and included in the initial carrying amount of inventory. When the fuel is consumed it is expensed to the profit or loss within cost of sales in the income statement. |
| Hedge ineffectiveness is only expected to result from credit valuation adjustments and any shortfalls in the amounts of the expected exposures. Hedge ineffectiveness is only recognised for accounting purposes if it results in movements in the value of the hedge instrument in excess of those on the hedged item. Any ineffectiveness is recognised within cost of sales in the income statement.                                                                                                             |
| All fuel derivative contracts mature within 18 months of reporting date (2024: 12 months).                                                                                                                                                                                                                                                                                                                                                                                                                          |

Reconciliation of changes in hedge reserves

The movements in the fair value of hedging instruments which are deferred to the cash flow hedge reserve during the year are set out below, together with changes in the cost of hedging reserve, and the tax thereon:

|                                                             | 2025                              |               |                 |          |
|-------------------------------------------------------------|-----------------------------------|---------------|-----------------|----------|
|                                                             | Hedging Instruments used to Hedge |               |                 | Total    |
|                                                             | Interest Rate Risk                | Currency Risk | Fuel Price Risk |          |
| Recognised in statement of changes in equity hedge reserves | \$000                             | \$000         | \$000           | \$000    |
| Balance at beginning of year                                | 226                               | 18,902        | (1,393)         | 17,735   |
| Changes in cash flow hedge reserve – changes in fair value  | (1,862)                           | (24,903)      | 1,332           | (25,433) |
| Deferred tax on reserve movements                           | 521                               | 6,973         | (373)           | 7,121    |
| Balance at end of year                                      | (1,115)                           | 972           | (434)           | (577)    |

|                                                             | 2024                              |               |                 |         |
|-------------------------------------------------------------|-----------------------------------|---------------|-----------------|---------|
|                                                             | Hedging Instruments used to Hedge |               |                 | Total   |
|                                                             | Interest Rate Risk                | Currency Risk | Fuel Price Risk |         |
| Recognised in statement of changes in equity hedge reserves | \$000                             | \$000         | \$000           | \$000   |
| Balance at beginning of year                                | 5,156                             | 385           | 2,239           | 7,780   |
| Changes in cash flow hedge reserve – changes in fair value  | (6,847)                           | 26,009        | (5,043)         | 14,119  |
| Changes in cost of hedging reserve – changes in fair value  | –                                 | (293)         | –               | (293)   |
| Deferred tax on reserve movements                           | 1,917                             | (7,199)       | 1,411           | (3,871) |
| Balance at end of year                                      | 226                               | 18,902        | (1,393)         | 17,735  |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 18 – Financial Instruments (continued)

(c) Market risk (continued)

Sensitivity to changes in market prices or rates

All derivatives are measured at fair value and changes in market inputs used to determine these fair values would have an impact on Sanford’s financial statements. For each type of market risk that the entity is exposed to at the end of the reporting period, the sensitivity analysis below shows the impacts of reasonably plausible changes in the relevant market variables on the profit or loss and OCI for the period. The effects of a variation in a particular assumption is calculated independently of any changes in another assumption. As this sensitivity analysis is only on financial instruments (derivative and non-derivative), these ignore the offsetting impacts of future forecast transactions designated as hedged items to the derivatives held.

|                                                                            | 2025                               |                                    | 2024                               |                                    |
|----------------------------------------------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|                                                                            | \$000                              | \$000                              | \$000                              | \$000                              |
| <b>Other comprehensive income, net of tax will increase/(decrease) by:</b> | <b>Increase in Rates or Prices</b> | <b>Decrease in Rates or Prices</b> | <b>Increase in Rates or Prices</b> | <b>Decrease in Rates or Prices</b> |
| <b>Sensitivity to changes in interest rates</b>                            |                                    |                                    |                                    |                                    |
| 100 basis points change in interest rates                                  | 1,520                              | (1,578)                            | 2,909                              | (2,706)                            |
| <b>Sensitivity to changes in foreign exchange rates</b>                    |                                    |                                    |                                    |                                    |
| 10% change in foreign exchange rates                                       | 18,098                             | (22,118)                           | 19,432                             | (24,740)                           |
| <b>Sensitivity to changes in fuel prices</b>                               |                                    |                                    |                                    |                                    |
| 10% change in fuel prices                                                  | 674                                | (1,862)                            | 2,706                              | (3,037)                            |
| <b>Profit after tax will increase/(decrease) by:</b>                       |                                    |                                    |                                    |                                    |
| <b>Sensitivity to changes in interest rates</b>                            |                                    |                                    |                                    |                                    |
| 100 basis points change in interest rates                                  | (143)                              | 143                                | 98                                 | (24)                               |
| <b>Sensitivity to changes in foreign exchange rates</b>                    |                                    |                                    |                                    |                                    |
| 10% change in foreign exchange rates                                       | 2,536                              | (3,099)                            | 2,165                              | (2,765)                            |

(d) Capital management

The Group’s policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of capital structure on shareholders’ return is recognised also and the Group acknowledges the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The allocation of capital between its specific business operations and activities is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The process of allocating capital to specific business segment operations and activities is undertaken independently of those responsible for the operation.

The Group’s policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

There have been no material changes in the Group’s management of capital during the period.

(e) Master netting arrangements

Sanford enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master agreements. The ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because the Group does not currently have any legally enforceable right to offset recognised amounts. Under the ISDA agreements the right to offset is enforceable only on the occurrence of future events such as a default on the bank loans or other credit events. The potential net impact of this offsetting is shown below. Sanford does not hold and is not required to post collateral against its derivative positions.

Net derivatives after applying rights of offset under ISDA agreements

|                        | 2025           | 2024          |
|------------------------|----------------|---------------|
|                        | \$000          | \$000         |
| Derivative assets      | 4,521          | 29,920        |
| Derivative liabilities | (6,367)        | (2,850)       |
| <b>Net amount</b>      | <b>(1,846)</b> | <b>27,070</b> |

Note 19 – Right-of-Use Assets and Lease Liabilities

(a) Right-of-use assets

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received and an estimate of costs to dismantle and remove the underlying asset. The right-of-use asset is subsequently carried at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. These assets are depreciated over the expected lease term. The expected lease term may include the taking-up of lease extension options, if the Group is reasonably certain of exercising such options.

|                                                | 2025               |                     |                                |                      |                 |
|------------------------------------------------|--------------------|---------------------|--------------------------------|----------------------|-----------------|
|                                                | Land and Buildings | Plant and Equipment | Annual Catch Entitlement (ACE) | Marine Farm Licences | Total           |
|                                                | \$000              | \$000               | \$000                          | \$000                | \$000           |
| <b>Cost</b>                                    |                    |                     |                                |                      |                 |
| Balance at beginning of year                   | 13,069             | 17,894              | 44,253                         | 5,916                | 81,132          |
| Adjustments to existing right-of-use assets    | 718                | 5,433               | (87)                           | 2,637                | 8,701           |
| Additions                                      | 24                 | 486                 | –                              | 398                  | 908             |
| Remeasurements                                 | 1,616              | 109                 | 8,211                          | 3,239                | 13,175          |
| Disposals                                      | (327)              | (1,250)             | –                              | (1,243)              | (2,820)         |
| Effect of movement in exchange rates           | 37                 | –                   | –                              | –                    | 37              |
| <b>Balance at end of year</b>                  | <b>15,137</b>      | <b>22,672</b>       | <b>52,377</b>                  | <b>10,947</b>        | <b>101,133</b>  |
| <b>Accumulated depreciation and impairment</b> |                    |                     |                                |                      |                 |
| Balance at beginning of year                   | (4,031)            | (7,356)             | (33,917)                       | (3,077)              | (48,381)        |
| Adjustments to existing right-of-use assets    | (486)              | 465                 | –                              | (776)                | (797)           |
| Depreciation                                   | (1,583)            | (3,877)             | –                              | (1,113)              | (6,573)         |
| Depreciation – ACE                             | –                  | –                   | (8,515)                        | –                    | (8,515)         |
| Impairment                                     | (69)               | –                   | –                              | –                    | (69)            |
| Disposals                                      | 348                | 1,118               | –                              | 1,212                | 2,678           |
| Effect of movement in exchange rates           | (26)               | –                   | –                              | –                    | (26)            |
| <b>Balance at end of year</b>                  | <b>(5,847)</b>     | <b>(9,650)</b>      | <b>(42,432)</b>                | <b>(3,754)</b>       | <b>(61,683)</b> |
| <b>Net book value at 30 September 2025</b>     | <b>9,290</b>       | <b>13,022</b>       | <b>9,945</b>                   | <b>7,193</b>         | <b>39,450</b>   |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 19 – Right-of-Use Assets and Lease Liabilities (continued)

(a) Right-of-use assets (continued)

|                                                | 2024               |                     |                                |                      |                 |
|------------------------------------------------|--------------------|---------------------|--------------------------------|----------------------|-----------------|
|                                                | Land and Buildings | Plant and Equipment | Annual Catch Entitlement (ACE) | Marine Farm Licences | Total           |
|                                                | \$000              | \$000               | \$000                          | \$000                | \$000           |
| <b>Cost</b>                                    |                    |                     |                                |                      |                 |
| Balance at beginning of year                   | 12,157             | 18,169              | 39,111                         | 9,038                | 78,475          |
| Additions                                      | 85                 | 380                 | 2,891                          | 66                   | 3,422           |
| Remeasurements                                 | 867                | 31                  | 2,251                          | (183)                | 2,966           |
| Disposals                                      | (48)               | (686)               | –                              | (3,005)              | (3,739)         |
| Effect of movement in exchange rates           | 8                  | –                   | –                              | –                    | 8               |
| <b>Balance at end of year</b>                  | <b>13,069</b>      | <b>17,894</b>       | <b>44,253</b>                  | <b>5,916</b>         | <b>81,132</b>   |
| <b>Accumulated depreciation and impairment</b> |                    |                     |                                |                      |                 |
| Balance at beginning of year                   | (2,650)            | (4,155)             | (26,171)                       | (5,165)              | (38,141)        |
| Depreciation                                   | (1,314)            | (3,749)             | –                              | (917)                | (5,980)         |
| Depreciation – ACE                             | –                  | –                   | (7,746)                        | –                    | (7,746)         |
| Impairment                                     | (91)               | (96)                | –                              | –                    | (187)           |
| Disposals                                      | 28                 | 644                 | –                              | 3,005                | 3,677           |
| Effect of movement in exchange rates           | (4)                | –                   | –                              | –                    | (4)             |
| <b>Balance at end of year</b>                  | <b>(4,031)</b>     | <b>(7,356)</b>      | <b>(33,917)</b>                | <b>(3,077)</b>       | <b>(48,381)</b> |
| <b>Net book value at 30 September 2024</b>     | <b>9,038</b>       | <b>10,538</b>       | <b>10,336</b>                  | <b>2,839</b>         | <b>32,751</b>   |

Impairment testing

All right-of-use assets not held for sale were assessed for impairment within the relevant cash-generating unit and assessed for indicators of impairment annually.

(b) Lease liabilities

At the inception of the lease contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the Group has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from the use of the asset throughout the term. The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses the incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rates as at the commencement date
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Note 19 – Right-of-Use Assets and Lease Liabilities (continued)

(b) Lease liabilities (continued)

The lease liability is measured at amortised cost using the effective interest rate method. The liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate and if the Group revises its assessment as to whether it will exercise a purchase, extension or termination option. A corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in the income statement if the carrying amount of the right-of-use asset has been reduced to zero.

Leases are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for more than 12 months after the balance date.

Short-term leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases. The Group recognises the lease payments associated with the leases as an expense on a straight-line basis over the lease term.

Variable lease payments not included in the measurement of the lease liability

Variable lease payments which do not depend on an index or a rate are excluded from the measurement of the lease liability and recognised as an expense in the period in which the event or condition that triggers those payments occurs.

Leasing activities

The Group leases mainly land and buildings, plant and equipment, annual catch entitlement (ACE) and marine farm licences. Land and building and plant and equipment leases are typically for periods of between 1 and 20 years (2024: 1 and 20 years) with a number of extension options. Rent is either fixed or reset periodically based on an index or rate. The lease of ACE for use on the Company’s fishing vessels is for periods of between 1 and 5 years (2024: 3 and 5 years), and is renegotiated periodically based on commercial rates. Marine farm licence leases are for periods of between 4 and 25 years (2024: 1 and 12 years) and are typically linked to the period of the licence or consent. Rent may be adjusted on the basis of annual fixed percentage increases, Consumer Price Index (CPI) movements, rent negotiations or market reviews.

The Group has estimated the potential future cash outflows arising from optional lease renewal periods, should it exercise these extension options, would result in an increased lease liability of \$2.1 million (2024: \$2.3m).

Determination of lease term

The lease term is the non-cancellable period of a lease, together with periods covered by an option (available to the lessee only) to extend or terminate the lease if the lessee is reasonably certain to exercise/not to exercise that option. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise/not exercise an option. This may include the existence of large penalties for early termination, the incurrence of significant maintenance costs in meeting early return obligations, the uniqueness of the underlying asset being leased or consideration as to whether leasehold improvements still carry significant value. Such assessment is reviewed if a significant event or change in circumstances occurs which affects this assessment and is within the control of the Group. Certain property leases, for which there is no readily identifiable alternative property available, include an additional renewal period where one is available under the lease contract or where the Group considers the exercise of renewal options highly likely.

Determination of incremental borrowing rate

The Group determines the incremental borrowing rate by obtaining the rates from various external financing sources and makes certain adjustments to reflect the term and currency of the lease and the type of asset being leased.

Notes to the Financial Statements

for the year ended 30 September 2025

Note 19 – Right-of-Use Assets and Lease Liabilities (continued)

(b) Lease liabilities (continued)

Amounts recognised as lease liabilities are presented below.

|                                           | 2025               |                     |                                |                      |          |
|-------------------------------------------|--------------------|---------------------|--------------------------------|----------------------|----------|
|                                           | Land and Buildings | Plant and Equipment | Annual Catch Entitlement (ACE) | Marine Farm Licences | Total    |
|                                           | \$000              | \$000               | \$000                          | \$000                | \$000    |
| Balance at beginning of year              | 9,551              | 11,109              | 10,834                         | 2,837                | 34,331   |
| Adjustments to existing lease liabilities | 153                | 5,850               | –                              | 1,247                | 7,250    |
| Additions and remeasurements              | 1,640              | 594                 | 8,211                          | 3,617                | 14,062   |
| Interest cost                             | 650                | 928                 | 126                            | 384                  | 2,088    |
| Repayments of principal and interest      | (1,903)            | (4,373)             | (9,104)                        | (1,032)              | (16,412) |
| Terminations                              | (74)               | (348)               | –                              | (7)                  | (429)    |
| Effect of movement in exchange rates      | 12                 | 503                 | –                              | –                    | 515      |
| Balance at end of year                    | 10,029             | 14,263              | 10,067                         | 7,046                | 41,405   |
| Represented by:                           |                    |                     |                                |                      |          |
| Current                                   | 1,427              | 3,688               | 8,874                          | 617                  | 14,606   |
| Non-current                               | 8,602              | 10,575              | 1,193                          | 6,429                | 26,799   |
|                                           | 10,029             | 14,263              | 10,067                         | 7,046                | 41,405   |

|                                      | 2024               |                     |                                |                      |          |
|--------------------------------------|--------------------|---------------------|--------------------------------|----------------------|----------|
|                                      | Land and Buildings | Plant and Equipment | Annual Catch Entitlement (ACE) | Marine Farm Licences | Total    |
|                                      | \$000              | \$000               | \$000                          | \$000                | \$000    |
| Balance at beginning of year         | 9,725              | 14,151              | 13,408                         | 3,716                | 41,000   |
| Additions                            | 948                | 389                 | 5,143                          | (117)                | 6,363    |
| Interest cost                        | 588                | 717                 | 620                            | 111                  | 2,036    |
| Repayments of principal and interest | (1,692)            | (4,269)             | (8,337)                        | (873)                | (15,171) |
| Terminations                         | (22)               | (31)                | –                              | –                    | (53)     |
| Effect of movement in exchange rates | 4                  | 152                 | –                              | –                    | 156      |
| Balance at end of year               | 9,551              | 11,109              | 10,834                         | 2,837                | 34,331   |
| Represented by:                      |                    |                     |                                |                      |          |
| Current                              | 1,145              | 3,268               | 9,105                          | 371                  | 13,889   |
| Non-current                          | 8,406              | 7,841               | 1,729                          | 2,466                | 20,442   |
|                                      | 9,551              | 11,109              | 10,834                         | 2,837                | 34,331   |

Note 19 – Right-of-Use Assets and Lease Liabilities (continued)

(b) Lease liabilities (continued)

Present value of future rentals payable

|                            | 2025      |          |        | 2024      |          |        |
|----------------------------|-----------|----------|--------|-----------|----------|--------|
|                            | Principal | Interest | Gross  | Principal | Interest | Gross  |
|                            | \$000     | \$000    | \$000  | \$000     | \$000    | \$000  |
| Less than one year         | 14,606    | 1,488    | 16,094 | 13,889    | 1,072    | 14,961 |
| Between one and five years | 17,332    | 4,288    | 21,620 | 14,163    | 2,862    | 17,025 |
| More than five years       | 9,467     | 4,971    | 14,438 | 6,279     | 2,892    | 9,171  |
| Total                      | 41,405    | 10,747   | 52,152 | 34,331    | 6,826    | 41,157 |

Lease expenses included in profit or loss

|                                                     | 2025  | 2024  |
|-----------------------------------------------------|-------|-------|
|                                                     | \$000 | \$000 |
| Short-term leases                                   | 2,595 | 5,095 |
| Short-term leases of Annual Catch Entitlement (ACE) | 7,050 | 2,844 |
|                                                     | 9,645 | 7,939 |

Note 20 – Assets Held for Sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are recognised in the income statement.

The criteria for the held-for-sale classification are regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment, and right-of-use assets are not depreciated once classified as held for sale.

(a) Auckland site's sale of perpetual right to lease land and building assets

Assets associated with the sale of perpetual right to lease Auckland land and building assets are as follows. Refer to note 12 for details on the closure.

|                                  | 2025     | 2024     |
|----------------------------------|----------|----------|
|                                  | \$000    | \$000    |
| Assets                           |          |          |
| Right-of-use assets              | 14,373   | 12,807   |
| Buildings                        | 5,243    | 5,243    |
| Total                            | 19,616   | 18,050   |
| Liabilities                      |          |          |
| Lease obligation                 | (13,538) | (12,908) |
| Net held-for-sale asset position | 6,078    | 5,142    |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 20 – Assets Held for Sale (continued)

(b) Closure of North Island Mussels Limited (NIML) mussels processing facility

Assets associated with the 2024 closure of the NIML mussels processing facility are as follows. Refer to note 12 for details on the closure.

|                                  |                   |
|----------------------------------|-------------------|
|                                  | 30 September 2024 |
|                                  | \$000             |
| Assets                           |                   |
| Land                             | 880               |
| Buildings                        | 776               |
| Net held-for-sale asset position | 1,656             |

Note 21 – Group Entities

Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value (excluding transaction costs), as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expense arising from intra-group transactions, are eliminated on consolidation.

Joint arrangements

A joint arrangement is an arrangement where two or more parties have joint control. The Group classifies its joint arrangements as either joint operations or joint ventures depending on the legal, contractual or other rights and obligations. Where the interest in the joint arrangement is in the net residual of the business, the arrangement is a joint venture. Joint ventures are accounted for using the equity method, which is detailed in note 13. Where the Group has rights to the assets, and obligations for liabilities of the joint arrangement, this is a joint operation. The Group recognises its share of assets, liabilities, revenues and expenses of each joint operation.

Note 21 – Group Entities (continued)

Basis of consolidation (continued)

The Group comprises the Company and the following principal entities:

|                                                      | 2025<br>Interest<br>Held (%) | 2024<br>Interest<br>Held (%) | Balance Date | Principal Activity                    |
|------------------------------------------------------|------------------------------|------------------------------|--------------|---------------------------------------|
| Subsidiaries:                                        |                              |                              |              |                                       |
| New Zealand                                          |                              |                              |              |                                       |
| Auckland Fish Market Limited                         | 100                          | 100                          | 30 September | Auction                               |
| Sanford Fish Market Limited                          | 100                          | 100                          | 30 September | Retail                                |
| Sanford Investments Limited                          | 100                          | 100                          | 30 September | Investment company                    |
| Sanford LTI Limited                                  | 100                          | 100                          | 30 September | Holding company                       |
| Shellfish Production & Technology NZ Limited         | 100                          | 100                          | 30 September | Research company                      |
| BreedCo Limited                                      | 80                           | 80                           | 30 September | Research company                      |
| Auckland Fishing Port Limited                        | 67                           | 67                           | 31 March     | Wharf company                         |
| Australia                                            |                              |                              |              |                                       |
| Sanford Australia Pty Limited                        | 100                          | 100                          | 30 September | Seafood wholesale                     |
| Sanford Seafoods (Australia) Pty Limited             | 100                          | 100                          | 30 September | Holding company                       |
| Joint Operation:                                     |                              |                              |              |                                       |
| New Zealand                                          |                              |                              |              |                                       |
| North Island Mussels Limited                         | 50                           | 50                           | 30 September | Mussel farming and seafood processing |
| Joint Ventures and Associates:                       |                              |                              |              |                                       |
| New Zealand                                          |                              |                              |              |                                       |
| San Won Limited                                      | 50                           | 50                           | 30 September | Cold storage                          |
| New Zealand Japan Tuna Company Limited               | 46.74                        | 46.74                        | 30 September | Fish catching and processing          |
| Trident Systems General Partner Limited              | 42.53                        | 42.53                        | 30 September | Research company                      |
| Precision Seafood Harvesting General Partner Limited | 33.33                        | 33.33                        | 30 September | Research company                      |
| Precision Seafood Harvesting Limited                 | 25                           | 25                           | 30 September | Research company                      |

Notes to the Financial Statements

for the year ended 30 September 2025

Note 22 – Related Party Transactions

(a) Basis of transactions

Related parties of the Group include the joint ventures, associates and joint operation disclosed in note 21.

Transactions with related parties have been entered into in the ordinary course of business.

(b) Material transactions and balances with related parties

|                                     |      | Transaction Value<br>Joint Ventures and Associates |        | Transaction Value<br>Joint Operation |          |
|-------------------------------------|------|----------------------------------------------------|--------|--------------------------------------|----------|
|                                     |      | 2025                                               | 2024   | 2025                                 | 2024     |
|                                     |      | \$000                                              | \$000  | \$000                                | \$000    |
|                                     |      |                                                    |        |                                      |          |
|                                     | Note |                                                    |        |                                      |          |
| <b>Income/(Expenses)</b>            |      |                                                    |        |                                      |          |
| Management fees                     |      | 200                                                | 195    | –                                    | –        |
| Sales                               |      | 4                                                  | 4      | 1,274                                | 3,166    |
| Interest received                   |      | 4                                                  | 16     | 2,024                                | 2,358    |
| Dividends received                  | 13   | 690                                                | 383    | –                                    | –        |
| Acquisition of shares in associates | 13   | (278)                                              | (278)  | –                                    | –        |
| Purchases                           |      | (2,634)                                            | (477)  | (16,323)                             | (19,328) |
|                                     |      | (2,014)                                            | (157)  | (13,025)                             | (13,804) |
|                                     |      |                                                    |        |                                      |          |
|                                     |      | Amounts Owing from/(to)<br>Related Parties         |        |                                      |          |
|                                     |      | 2025                                               | 2024   |                                      |          |
|                                     |      | \$000                                              | \$000  |                                      |          |
| Associates                          | 9(b) | 170                                                | 211    |                                      |          |
| Joint operation                     |      | 33,631                                             | 34,818 |                                      |          |
|                                     |      | 33,801                                             | 35,029 |                                      |          |

The advance to Two Islands Co NZ Limited, inclusive of interest charged, was impaired to \$nil in 2024.

In respect of the joint operation, the transaction values and amounts owing are eliminated on consolidation and are therefore for information purposes only.

Interest is charged on balances between New Zealand-related parties at rates linked to the market. All related party balances are repayable on demand. The parties have agreed not to call upon the loans within 12 months from reporting date.

Note 23 – Key Management Personnel Compensation

Key management personnel compensation comprised:

|                                          | 2025   | 2024   |
|------------------------------------------|--------|--------|
|                                          | \$000  | \$000  |
| Salary and short-term employee benefits* | 10,582 | 13,301 |
| Directors’ fees                          | 630    | 500    |
| Redundancy payments                      | 137    | 301    |
|                                          | 11,349 | 14,102 |

Key management personnel is defined as the executive and their direct reports.

\* The FY25 disclosure includes short-term incentives (STI) provided and not paid as at 30 September 2025 (\$1.3m). FY24 includes the provision for contracted and provided STI which was paid on 16 December 2024 (\$1.3m).

Note 24 – Contingent Liabilities

|            | 2025  | 2024  |
|------------|-------|-------|
|            | \$000 | \$000 |
| Guarantees | 801   | 801   |

The Group has guarantees with its commercial banking partners. In this respect the Group treats the guarantee contracts as contingent liabilities until such times as it becomes probable that the Group will be required to make payments under the guarantees.

Note 25 – Subsequent Events

The Board approved a final dividend of 05 cents per share for the year ended 30 September 2025 on 17 November 2025. (2024: a final dividend of 05 cents per share was approved for the year ended 30 September 2024). Refer to note 17.



## Independent Auditor’s Report

To the shareholders of Sanford Limited

### Report on the audit of the consolidated financial statements

**Opinion**

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 September 2025;
- the consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements of Sanford Limited (the **Company**) and its subsidiaries (the **Group**) on pages 34 to 79 present fairly in all material respects:

- the Group’s financial position as at 30 September 2025 and its financial performance and cash flows for the year ended on that date;
- in accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards (**IFRS Accounting Standards**) issued by the International Accounting Standards Board.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Sanford Limited in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standards 1 and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report.

Our firm has provided other services to the Group in relation to assurance over greenhouse gas emissions. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

### Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at \$3.0 million determined with reference to a benchmark of the Group’s total revenue. We chose the benchmark because, in our view, this is a key measure of the Group’s performance.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion.

Our procedures were undertaken in the context of and solely for the purpose of our audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

| The key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Valuation of Quota and Marine Farm Licences</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>Refer to Note 14 to the financial statements.</p> <p>The Group holds Quota and Marine Farm Licences in New Zealand and Australia, recognised as indefinite life intangible assets, across three cash-generating units (CGUs) of \$479.9m (2024: \$479.5m). The accounting standards require assets with an indefinite useful life are tested for impairment annually.</p> <p>Valuation of these assets is a key audit matter due to the uncertainty in the growth and discount rates used in the cash flow forecasts that support the carrying value.</p> <p>In addition to the above, the carrying amount of the Group’s net assets as at 30 September 2025 was \$741m, which is more than the market capitalisation of \$517m. This is an indicator of impairment and required additional analysis and interpretation.</p> <p>Marine Farm Licences are renewed periodically with minimal cost of renewal and are deemed to be indefinite life intangibles and are not amortised.</p> | <p>The procedures we performed to evaluate the impairment assessments included:</p> <ul style="list-style-type: none"><li>assessing whether the methodology adopted was consistent with accepted valuation approaches of IAS 36 Impairment of Assets;</li><li>evaluating the key assumptions by comparing to historical trends, approved budgets, business plans and external market data;</li><li>comparing the discount rates and terminal growth rates applied to the estimated future cash flows to relevant benchmarks using KPMG valuation specialists;</li><li>challenging the above assumptions and judgements by performing sensitivity analysis and considering a range of outcomes based on various scenarios;</li><li>evaluating the estimate of the recoverable amount of the Group as a whole, including evaluating the work performed by the Group’s external valuation specialist; and</li><li>considering the appropriateness of the disclosures in the financial statements.</li></ul> <p>In relation to the judgement that the Marine Farm Licences are indefinite life intangibles, we evaluated the status of the Marine Farm Licence renewal, including the likelihood of renewal and costs expected to be incurred upon renewal.</p> |

### Other information

The directors, on behalf of the Group, are responsible for the other information. The other information comprises information included in the entity’s Annual Report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears materially misstated.

If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Use of this independent auditor’s report

This independent auditor’s report is made solely to the shareholders. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent auditor’s report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholders for our audit work, this independent auditor’s report, or any of the opinions we have formed.

Independent Auditor’s Report (continued)

To the shareholders of Sanford Limited (Group)

Responsibilities of directors for the consolidated financial statements

The directors, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability of the Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board (XRB) website at:

[xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/](http://xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/)

This description forms part of our independent auditor’s report.

The engagement partner on the audit resulting in this independent auditor’s report is Laura Youdan.

For and on behalf of:

KPMG

KPMG  
Auckland

17 November 2025

Directory

As at 17 November 2025

Board of Directors

Sir Robert McLeod, Chair  
KNZM, LLB/BCom, FCA

David Mair  
BE (Civil), MBA

Tom McClurg  
B.Ag.Sc, RLV, M.Sc.  
(Natural Resource Management)

Joanne Curin  
BCom, FCA

Craig Ellison  
M.Sc. (Zoology)

John Strowger  
LLB (Hons)

Officers

David Mair, Managing Director  
Paul Alston, Chief Financial Officer  
Vaughan Wilkinson, Strategy and  
Innovation Officer  
Debra Lumsden, Chief People Officer

Registered Office

22 Jellicoe Street  
Freemans Bay  
Auckland 1010  
New Zealand

PO Box 443  
Shortland Street  
Auckland 1140  
New Zealand

Website: [sanford.co.nz](http://sanford.co.nz)

Principal Bankers

ANZ Bank New Zealand Limited  
Bank of New Zealand

Solicitors

Chapman Tripp  
Russell McVeagh

Group Auditor

KPMG, Auckland

Stock Exchange

The Company’s shares trade on the  
New Zealand Stock Exchange (NZX).

NZX Trading Code: SAN

Share Registrar

Computershare Investor Services Limited  
Private Bag 92 119  
Victoria Street West  
Auckland 1142  
New Zealand

159 Hurstmere Road  
Takapuna  
Auckland 0622  
New Zealand

Managing your Shareholding

Online: [investorcentre.com/nz](http://investorcentre.com/nz)

To change your address, update your payment  
instructions and to view your investment portfolio  
including transactions.

Email: [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

Please assist our registrar by quoting your  
CSN or shareholder number.

