



**31 October 2023**

### **North Island inshore transaction with Moana unconditional**

On 22 May 2023, Sanford Limited (*Sanford*) (NZX: SAN) announced that it had agreed to sell the Annual Catch Entitlement (ACE) for much of its quota of North Island inshore species to Moana New Zealand through a new long-term agreement, subject to two conditions. On 13 September 2023, Sanford announced that the Commerce Commission had granted Moana a clearance in respect of the proposed transaction, satisfying the regulatory condition.

Sanford is pleased to confirm that the transaction has now become unconditional and is expected to settle today.

Sanford looks forward to working with Moana on this exciting opportunity for both companies, and it will now move to wind down its Auckland factory operations whilst facilitating the employment of affected staff with Moana where practicable.

As previously noted, the decision to enter into the transaction followed an internal review seeking to turnaround the inshore division, which was one of four strategic priorities announced in Sanford's 2022 Strategic Refresh. The transaction will greatly simplify inshore operations and establish a lower-risk annuity-like revenue stream for Sanford's North Island inshore ACE. The value for this package of ACE starts at nearly \$11m (annualised) for the first year and scales up to \$13m over the next five years before increasing in fixed increments of 1.5% per annum, against modest expenses. This will reduce the negative impact these operations are currently having on Sanford's bottom line. Overall, the transaction reduces volatility for Sanford's earnings and enables a re-focus on higher return parts of the business.

For further information, please contact:

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