



SANFORD

3 August, 2022

Sanford Records “Good” Third Quarter, Despite Lingering Covid Impacts

New Zealand seafood company Sanford Limited (NZX:SAN) has released a third quarter update for 2022, showing its wildcatch division as the standout performer for the period.

Overall sales volumes are up 14.4% versus Q3 2021. Other notable results include:

- **Wildcatch:** pricing up 7.6% on Q3 2021. Sales volumes at 16.6k GWT for the quarter are better than the prior comparable period (14.2k GWT in Q3 2021) and best quarter of 2022 so far.
- **Greenshell Mussels:** least well performing division, due to labour constraints impacting ability to supply. Pricing in this division up in Q3 by 7.4% versus the prior comparable period.
- **Salmon:** continues to trade at consistent levels overall to the prior comparable period. A strong quarter on pricing, up 23% on Q3 2021. Inventory remains at very low levels.

CEO Peter Reidie says “we are continuing on the pathway to recovery and see this as a good third quarter, compared to the same period last year. Covid’s lingering impact and New Zealand’s tighter immigration settings mean labour markets are tight. This is affecting our ability to meet the demand for our products. Our Greenshell Mussels division is the most affected by this, meaning our performance in this division remains behind our expectations.”

“Wildcatch continues to perform strongly as the engine room of our business. This will help power our plans for growth and capital investment to take the business forward, as discussed in our [Strategy Refresh launched in June](#). Inventory levels are at their lowest in three years, reflecting strong demand.

“Catch volumes in wildcatch were affected somewhat by tight crewing on our vessels, as our teams managed the impact of Covid-19 over the period. Fortunately, we have been mostly successful at keeping this off our boats, using stringent testing processes.”

In its Greenshell Mussels division, labour limitations have seen Sanford switch volume out of the higher value half shell product and into meat and whole mussels.

Sanford’s Salmon division sales pricing continues to improve, with slightly softer sales volumes versus the prior comparable period.

Mr Reidie says the company is keeping a watchful eye on managing mortality levels in changing climatic conditions.

“We are seeing lower stock in water numbers due to [previously reported](#) higher rates of summer mortalities (3.5% of all fish stock from January to March). We have plans in place to manage risks in this area for the coming summer, including increasing pen spacing and providing oxygen enhancement to more of our farm when needed.”

Mr Reidie says that overall “we know we have plenty of work still to do to manage the ongoing uncertainty we are experiencing, due to a range of factors, including the tight labour market, inflationary pressures and ongoing waves of Covid-19. However, demand is strong, and our products continue to be sought after in New Zealand and globally.”

Sanford’s full year results will be announced in November.

See the following pages for graphs containing divisional data

For further information, please contact:

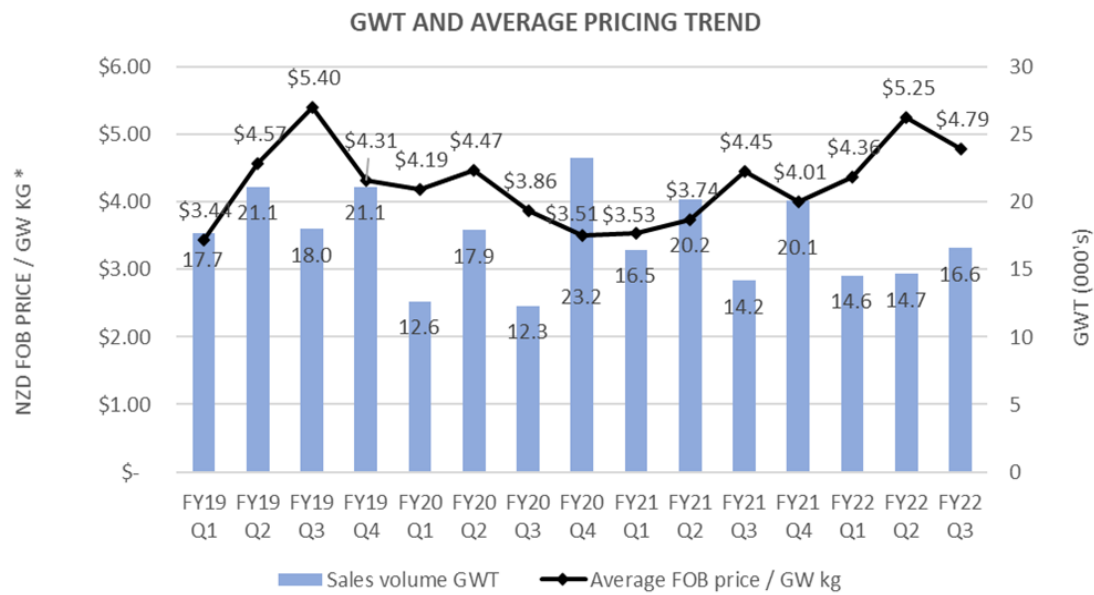
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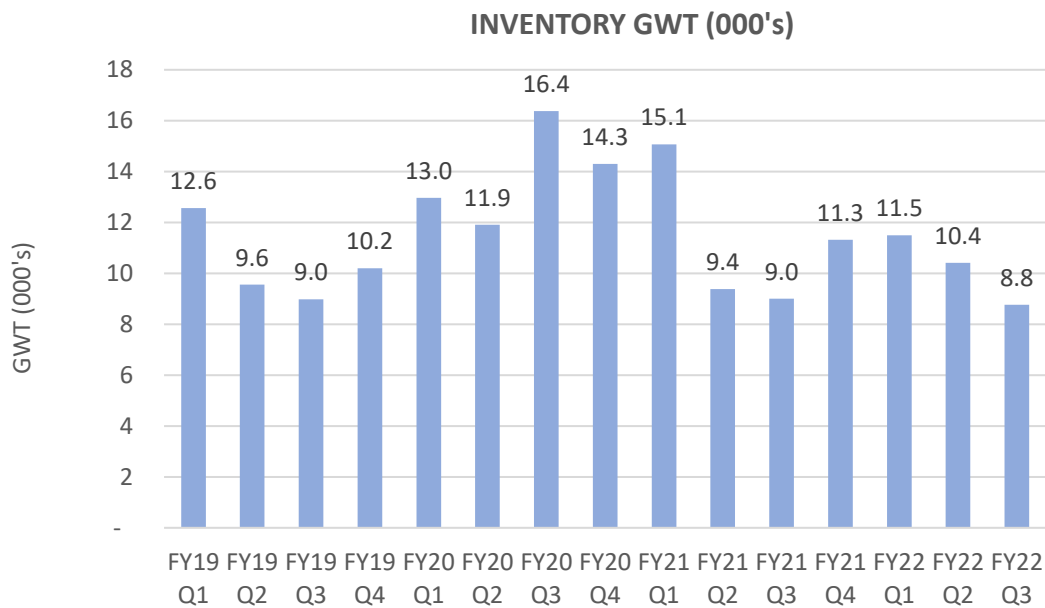
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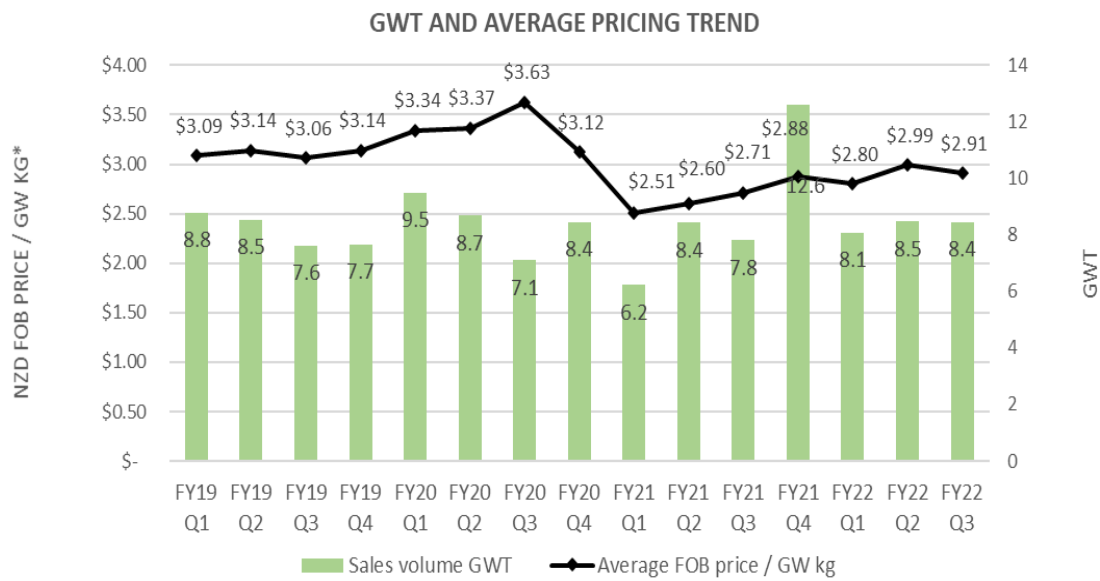
Wildcatch division: quarterly data – sales volume and pricing



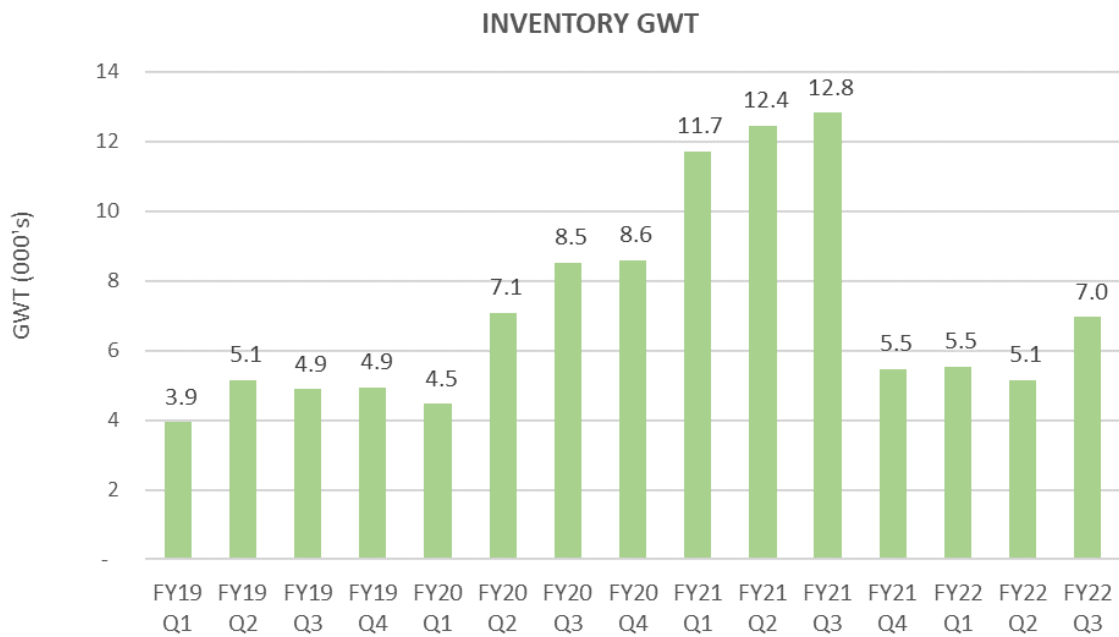
Wildcatch division: quarterly data – inventory



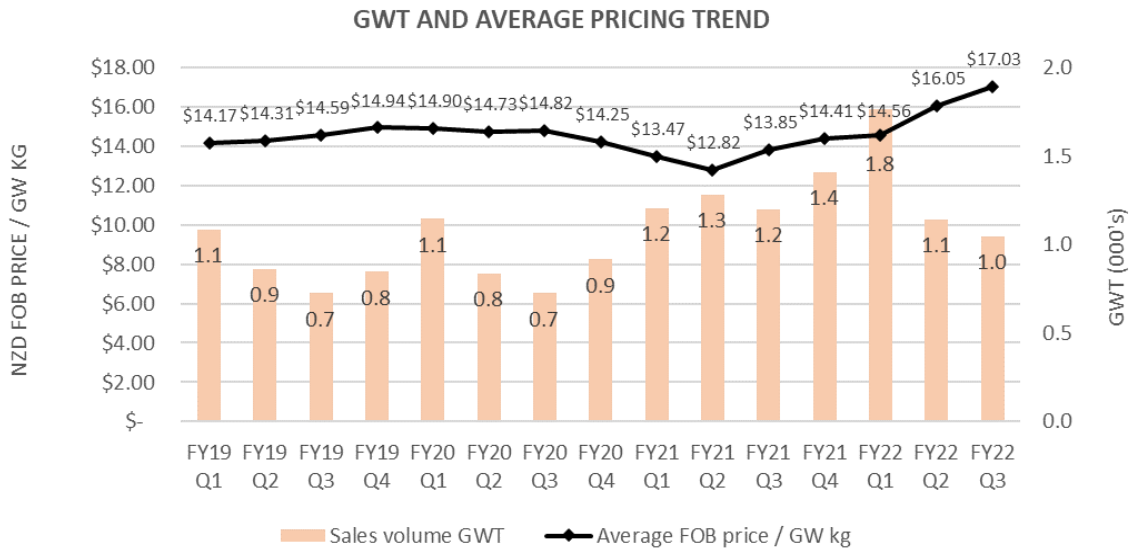
Mussels division: quarterly data – sales volume and pricing



Mussels division: quarterly data – inventory



Salmon division: quarterly data – sales volume and pricing



Salmon division: quarterly data – inventory

