



2021 PŪRONGO TAPATAHI Ā TAU



**Ko te pae tawhiti,
whāia kia tata;
ko te pae tata,
whakamaua kia tīna**

**Seek out distant horizons
and cherish those you attain**



Welcome to our sixth Integrated Annual Report

We are delighted to present you with our inaugural digitised integrated annual report for the 2020/21 financial year available at www.ar.moana.co.nz. In line with our refreshed sustainability strategy, the time is right to change up our traditional reporting.

E whakahihī ana mātou i te whakawhāititanga o te pepa ka pau i a mātou, me te whakawhānuitanga o te whakamahinga hangarau. Kei runga mātou i te huarahi e whāiti iho ai tā mātou puhanga hauhā, ā, ka āwhina tēnā me tēnā o ngā huringa whakaaro, huringa whanonga.

I te tau nei, e takea ana tā mātou hanga matihiko i tēnei mea te Hononga tūturu. Te hononga ki ō mātou tāngata, tō mātou wāhi, ā mātou hua. Nā runga i te hononga nei, ka hoatu kōrero mātou ki a koe nō roto mai i ā mātou pūrongo mai i te tau kua hipa e pā ana ki ā mātou taunakitanga i ngā putanga ōhanga, putanga hapori, putanga kāwanatanga, putanga taiao hoki mō Aotearoa, arā, ma te whakamahi i te kiriata me te pakiwaituhi.

We are proud to reduce our paper usage and maximise technology adoption. We're on a journey to reduce our carbon footprint and every incremental shift in mindset and behaviour helps.

Our digital format this year is based on Hononga tūturu – true connection. Connection with our people, our place and our product. Through this connection we provide you information from the past year reporting on how we contribute to economic, social, governance and environmental outcomes for Aotearoa through the use of videos and animation.





Chairperson's report – Tā te tiamana pūrongo

Covid19 continues to be a challenge this year, however we have not stopped looking to horizons to seek out opportunities which deliver greatest value to our shareholders.

It's not a journey we take alone.

Nō mātou te whiwhi i te kāhui pakari o ngā rōpū Māori e mahi tahi ai mātou. Kia mahi tahi ana, kia tapatahi ana te hāpai o te hoe, ka nui whakarahara te painga mō ō mātou tāngata.

I taea rā ō mātou hapori te tautoko i ngā wā o te taumahatanga nui nā runga i te mahinga tahitanga o te tokomaha. Ka tautoko tonu mātou i ngā whānau huri noa i te motu, mā te roherohenga tuku iho, me te āta poipoi i ngā whakahaerenga mahinga ika.

We are fortunate to have a strong network of Māori organisations we work with. When we collaborate and work as one, is where the benefits for our people are immense.

Support for our communities in times of greatest need has been possible through the collaborative efforts of many. We continue to support whānau across the motu through customary quota and active influence in fisheries management.

E koa ana tō mātou Ohu ki te pūrongo i te moni whiwhi, arā e \$10.8 miriona mō te tau pūtea 2020/21. Pērā me ētahi tau o mua, ko te utunga pūtea nei ki ō mātou iwi pupurihea tētahi painga nui, painga kikokiko tonu ki te tokorahi.

Koinei taku tau whakamutunga, ā, e mihi ana ahau ki ō mātou kaimahi katoa i Moana, ngā kaihiika whai kirimana me ngā kairuku. Kua whakaatu anō rātou i tō rātou manawaroa, kua mau ki te hoe, me te mahi i te mahi e tika ana.

He pai rawa tō mātou tira e ārahina ana e Steve Tarrant, ā, kua eke rātou ki te taumata, ki tua noa atu hoki hei manaaki i ngā iwi, inā hoki mai anō i te horanga o te mate urutā.

Tēnei au te tāoki nei hei Heamana, ā, he hōnore nui te noho ki a Moana i ngā tau e iwa nei, ka eke rā ki tōna tūranga hei kamupene hiika nui rawa nō ngā iwi tōna katoa, puta i Aotearoa.

Ka nui tōku whakahīhi i te whanaketanga o te tohu, te rautaki toitū oranga, me te pakaritanga ā-pūtea o te kamupene.

Tēnei te wawata ake i te tōnuitanga nui mō Moana New Zealand, ōna iwi pupurihea, tōhu Ohu me ō tatou kaimahi katoa ki tua o te pae.

Hinerangi Raumati-Tu'ua
Director, Chair of the Board



WATCH THE VIDEO ON YOUTUBE
<https://youtu.be/2ERgdh1r2BE>

Our Board is pleased to report a dividend of \$10.8 million for the 2020/21 financial year, compared to \$8.8m last year. As in prior years, this financial payment to our Iwi shareholders represents a substantial, tangible benefit to the many.

As this is my last year on the Board, I would like to acknowledge all of our Moana staff, contract fishers and divers. They have once again shown their resilience, put their heads down and gotten on with the mahi that needs doing.

We have a great team led by Steve Tarrant, who have gone above and beyond to serve iwi, particularly since the onset of the pandemic.

As I retire as Chair, it has been a real privilege to be part of Moana for the past nine years, as it has grown into its space of being Aotearoa's largest iwi owned fishing company.

The development of the brand, the sustainability strategy and the financial strength of the company make me incredibly proud.

I wish Moana New Zealand, its iwi shareholders, the Board and all of our kaimahi the very best for the future.

\$10.8
million for
the 2020/21
financial year

pāngia kinotia ngā haonga me ngā moni utunga mō Moana, mō ētahi atu kaupurihea hoki o PNF.

E pakari tonu ana ngā tūnga rerenga mahi a PNF ahakoa te ngāueue o te hiahoko o te māketē me ngā utu. Tērā ko te tūhura i ētahi hangarau hou, hangarau atamai kia pai atu ai ngā pūnaha kōunga, me ētahi atu momo hua nō runga i ngā taumata uara o runga ake.

E mau tonu ana te hiahoko nunui ki te 'Jasus edwardsii' o Aotearoa ki te haurua tuatahi o te kaupeka hou i roto i tētahi wā taumaha, waihoki i te wā nei kei mua i te Mahere a PNF, he nui atu te tuhenetanga katoa, ā, kei te taumata 95% ngā haonga hokonga ora.

Pāua tūwā (Wild Abalone)

Te taha ki te pāua tūwā, e pēhia tonutia ana ngā utu mai i te tōmuritanga o te TP20 tae atu ki te wā tauhoko o te Tau Hou Hainamana mō te TP21, me te aha kei raro ngā utu tūturu i ngā taumata i maheretia huri noa i ngā momo hua tauhoko katoa.

Nā te māmā o ngā utu o ngā hua a Awherika ki te Tonga i whakatauria ai ngā utu mō ngā māketē hua ora, ngā māketē hua pōwhā hoki.

Kua piki anō te hiahoko ki te pāua pōwhā mai anō i te TP20, engari kihai ngā i piki anō, ka aroha hoki. Heoi, i kite mātou i ngā utu e piki ana i te tōmuritanga o te tau mō ngā hua ora, me te hiahoko anō hoki, he whāiti haere nō ngā haonga a Awherika ki te Tonga, me te tupuranga hoki o te āwangawanga o te kaihoko ki te nui o te pāua Ahitereiriana.

I whakapaipai tonu tō mātou tira haonga i ētahi āhuatanga matua e rua o te pāua ora, te tukunga wai me te morehutanga. E kitea haeretia ana tērā i roto i te māketē, ka piki anō te hiahoko mai.

Ka piki te hokonga o ngā hua pōwhā i te tōmuritanga o te kaupeka, he āwangawanga nō ngā kaihoko tarāwhare i te whaiwāhitanga ki ngā kaupuke, me ngā takamuritanga i runga i te Kōwhēori19, me te aha ka wawe ake te hoko a ngā kiritaki mō te Tau Hou Hainamana 2022 tēnā i te nuinga o te wā, me te pai hoki o ngā utu.

Pāua kahurangi (Blue Abalone)

I te paunga o te TP20, i arotakea katoatia te pakihi hei tautohu mēnā rānei ka taea tā mātou pakihi pāua kahurangi te whakahaere kia whai hua ai.

Ka tautohua e ngā putanga o te arotake tētahi hiahia nui ki te tauri atu i tētahi tauri tupuranga ki tētahi tauri whakaukaka kia ū ai te wāhanga nei. Ko te hua o te tau tuatahi o te tauri mahi nei, o te anga utu hoki ko te pikinga nunui o te whanonga, o ngā moni utunga hoki ki tua o te Mahere.

Kua tino eke tā mātou whakamatua i te pāmahana i te wā o te raumati nā te whakairinga o te ārai ki te tuanui, me te unuhanga hoki o tā mātou pūnaha papa, kāore nei i hoahoatia mō ā mātou momo ika. Me te aha ka tino heke ngā tāmatematenga, ā, ka tuputupu tonu te pāua i te wā o te raumati. Kātahi anō ka penei.

Ka eke te tukunga pāua kahurangi ora ki tōna tino taumata i te tau nei, me te kaha anō o te hiahoko i roto o Haina me Taiwan, ā, ka eke te moni puta mō te tau katoa ki tua o te Mahere mā te 12%.

PNF continues to ensure the robustness of its supply chain functions despite volatility around market demand and pricing. This includes exploring new, innovative technology to improve quality systems and alternative product forms further up the value chain.

The heightened demand for New Zealand 'Jasus edwardsii' has continued into the first half of the new season in a challenging environment which is currently tracking ahead of the PNF Plan with an improved net surplus and live sales volumes at 95%.

For pāua tūwā, price pressure from late FY20 carried into the Chinese New Year sales period for FY21 with actual prices below planned levels across all product formats.

South African exports at low prices dictated pricing for both live and canned markets.

Volume demand for Chinese New Year canned pāua sales rebounded from FY20, but unfortunately pricing did not. However, we did experience late season price improvement in our live channel both in pricing and demand as South African supply reduced and buyer concerns over Australian abalone access increased.

Our harvest team continued to make improvements in two key quality traits for live pāua, water loss and survivability. This is beginning to be recognised in market, further increasing our demand.

Late season canned volume exports increased due to importer concerns over shipping access and delays due to Covid19 disruptions, with clients buying earlier for Chinese New Year 2022 than they normally would and at improved prices.

At the end of FY20, a full business review was completed to identify if our pāua kahurangi business could be run profitably.

Findings identified a clear need to shift from a growth model to a stabilisation model to solidify this business unit. The first year of a new operating model and cost structure has resulted in a turnaround of performance and near breakeven earnings exceeding Plan.

Installation of insulation in the roof of our sheds and also decommissioning our tray system, not designed for our species, has been successful in controlling our temperatures during the summer period. This resulted in a significant reduction in mortality and continued growth of pāua during the summer period for the first time.

Pāua kahurangi experienced a record live export year, with strong demand from China and Taiwan and full year revenue exceeded Plan by 12%.

He mea akiaki te pikinga utu i te tōmuritanga o te kaupeka nā te āwangawanga o ngā kaituku tarāwhare ka whāia e te Kāwanatanga Hainamana te pāua Ahitereiriana, pērā anō i te kōura Ahitereiriana.

I āta whakamāngaingaitia ngā tukunga pāua ora i te hauwhā whakamutunga kia wātea tonu ai ngā rāngai tuputupu ki te haurua tuatahi o te FY22, engari he nui atu te hiahia i te putunga pāua, me te aha nāna i āwhina ki te hiki anō i ngā utu mō te FY22.

Price improvement in the latter part of the season was driven by importer concern that Australian abalone could be targeted by the Chinese Government as Australian lobster has been.

Live exports were deliberately slowed in the last quarter to protect grow-on stock availability to the first half of FY22, but demand exceeded supply and this has helped push pricing up further for FY22.



Kai ora (Ready to Eat)

Ko tā mātou pakihi kai ora te momo hua i pāngia kinotia rawa, nā ngā taumahatanga o te Kōwheori19 e pā tonu mai ana i te TP20.

Ka takamuri te tīmatanga o te whakaputanga kai mā te rua marama mō te kirimana Ope Kātua Whenua Moemoeā, nā runga i te torotoru o ngā whakangungu ope taua i te wā o ngā rāhui Kōwheori19, me te nui rawa o ngā ō taua i ahuahua.

Me te aha, ka whāiti iho ngā haonga i te hauwhā tuawhā o te TP21 me te hauwhā tuatahi o te FY22. I kite hoki mātou kāore he hokonga atawhai tangata i maheretia rā, he tahuri whakaroto kē nō ngā whenua e kaha ana ki te tautoko ā-pūtea i aua mahi i te horanga o te Kōwheori19, ā, ka parea atu ngā pūtea ki te tautoko i ngā take rāhui tarāwhare.

I tōia roatia ngā mahi o te whakarewanga o ā mātou kai rite-kia-kainga ki ngā toa, he tautohu nō ngā rangahau paerongo tuatahi me whakawhanake tonu ētahi tohutaka.

Ka whakapau kaha tō mātou tira whanaketanga hua hou ki te Papaioea i whanaketanga rārangi hua hou, ā, he pai rawa ngā putanga o ngā aromātai paerongo tuarua. Ka whakarewaina ki ngā toa hokohoko hei te FY22.

I oti hoki ngā mahi whai ture, ngā mahi tohu kai hoki i te tau nei mō te whakarewanga o ngā kai rite-kia-kainga mā runga Amazon ki Amerika hei huarahi hou ki te māketete hei te FY22.

I te Aperira i kopoua e mātou tētahi Kaiwhakahaere Whanaketanga Pakihi ā-Ao hei āwhina i te whanaketanga o ā mātou āheinga kai ora ā muri nei. Ka arotahi ia ki ngā hua kai ora tauhoko, ki te whanaketanga māketete hoki, ā, he nui te wāhi ki ia i roto i ngā hinonga whakarewanga e rua nei.

Our kai ora business was the most adversely affected of our product streams, due to carryover effects of Covid19 from FY20.

Production commenced fully two months later than usual for the Australian Defence Force contract, as a result of curtailed military exercises during Covid19 lockdowns and overstocking of military stores.

Volume compressed into quarter four of FY21 and quarter one of FY22 as a result. We also experienced a lack of humanitarian sales budgeted due to the countries that fund such work becoming more insular through Covid19 and channelling funding toward support of domestic lockdown issues.

Delays were incurred on our retail ready-to-eat product launch as initial sensory research identified that certain recipes needed more development.

Our new product development team in Palmerston North worked hard on range re-development and second round sensory evaluations were very favourable and we will be proceeding to retail launch in FY22.

Foundation compliance and labelling work was also done this year for the launch of ready-to-eat meals via Amazon in the USA as a new route to market in FY22.

To assist future development of our kai ora opportunities, in April we appointed an International Business Development Manager who focuses on retail kai ora product and market development and who has been integrally involved in both launch projects.

Tio (Oysters)

I heke te nui o te tio i whakaputaina mā te 89,000 taihana i te roa o te wā pūrongo, he kore nō te hāoa o te pāua tūwā mai i te Akuhata ki te Hepetema.

Nā ngā waipuke o Te Taitokerau i pēnei ai, me te aha ka nui ngā pāmu i katia, ka kore te pāua tūwā e kohia taea noatia te mutunga o te TP21.

E pāngia kinotia tonu ana tā mātou mahere tupuranga e te kahurakiraki o te putanga o te tio pirianga. E 67 ōrau noa iho te tio pirianga katoa, he mea whakaputa i runga i te kirimana, i whiwhi. Ka tōia roatia atu ki te FY23 te whakahokinga o te haonga nā runga i te itiiti o ngā haonga.

Ka kore e tīmata te whakaputanga tauhoko tuatahi a te paonga o Moana i hangaia houtia, taea noatia te Pepuere 2022, hei muri atu rānei, nā runga i ngā rāhui Kōwhiri19 me ngā raruraru o te rārangī mahi.

He whānui kē te pānga kino a te māketē tūranga mahi taumaha, me ngā kawenga rawa i te ao, ki te tukunga o tā mātou hinonga Tio Transformation.

Me te aha kua tōia roatia tā mātou mahere tuatahi mō te tukunga o te haumitanga pūtea, \$15.9 miriona, i whakaritea hei takahuri i ā mātou mahinga pāmu hei hangarau pāmu huripoki, i tīmata rā i te Noema 2021.

I te roanga o te tau pūtea, i tino eke tā mātou hokonga i te 10.6 heketēa whaitua wai i ētahi wāhi rautaki nui mō te whakatupu hua, hei tautoko i te rautaki tupuranga nui tonu. Kei te Hiku o te Ika, kei Pēwhairangi hoki ēnei.

Ko ngā taumahatanga nui o te Tio ko ngā haonga iti iho i ngā haonga i Maheretia mā te 11 ōrau, me ngā te iti hoki o te nuinga o ngā tio, ā, he pōturi iho ngā pāpātanga tupuranga i tēnei tau huri noa i te umanga.

He iti iho te utu taurite i te Mahere, ahakoa i mau tonu ngā utu tio mai i te TP20 ki te TP21, nā te ranunga o ngā rahinga, nā ngā haonga iti iho i te Mahere hoki.

I pāngia kinotia ngā haonga tio ora e ngā rāhui tāmutumutu i ngā māketē matua, i te taha o ngā utu rererangi nui atu i te mahere, me te aha ka itiiti iho ngā tio i te Mahere.

He pai te whanonga o tō mātou kaihoko hou i roto Rūhia, ka eke ki tua o te Mahere mō te tio ora ki te māketē nei, ahakoa ngā rāhui ā-rohe huhua. I kite hoki mātou i te hiahoko nui ki te hua pātio i te tōmuritanga o te kaupeka, me te aha ka kaha atu te hiahoko i te Whenua Moemoeā me Hong Kong i ngā haonga, ā, ka kaha te hiahoko tarāwhare i te roa o te tau, me te aha ka eke ki tua noa atu o te Mahere ko ngā hokonga toahoko me ngā hokonga waenga.

Annual production volumes across the reporting period were down by 89,000 dozen, driven by shortages in the procurement of wild volumes through August and September.

This shortage was a result of the Northland floods which caused significant farm closures preventing harvesting of wild supply at the end of FY21.

Reliability of spat supply continues to impact our growth plan. We only received 67 percent of total spat plan produced under contract. Recovering supply resulting from the shortage will stretch into FY23.

Our first commercial run out of the new built Moana hatchery will not commence until at least February 2022, as a result of the impact of Covid19 lockdowns and supply chain issues.

A challenging job market and international shipping are having a broader operational impact on our Tio Transformation project rollout.

This has meant delays to our initial plan for roll out of \$15.9 million capital investment earmarked to transform our farming operation to a new farm technology which enables semi-automation which commenced in November 2021.

Across the past financial year, we successfully purchased 10.6 hectares of new water space in key strategic growing areas to support our overarching growth strategy. These are situated in the Far North and Bay of Islands.

The main challenges in Tio were the 11 percent lower than Plan production volumes and a grade fall weighted toward smaller oysters, with industry-wide growth rates slower than usual this year.

Lower average pricing than Plan was achieved, despite oyster pricing holding from FY20 to FY21, due to size mix and lower than Plan live volumes.

Sporadic lockdowns in key markets also adversely impacted live volumes and combined with higher than plan airfreight rates, left tio sales volumes short of Plan.

The performance of our new buyer in Russia was positive, as they exceeded Plan for live to this market, despite several localised lockdowns. We also experienced strong late season frozen demand with Australian and Hong Kong demand exceeding supply and very strong domestic demand all year, with both retail and wholesale sales well ahead of Plan.



Sealord

Sealord had a strong year despite Covid19 operational challenges. Reported NPAT of \$31.7 million was \$5.1 million higher than Plan and \$2.4 million higher than last year (Moana's share being 50%).

I eke te putanga nei ahakoa te hekenga o te haonga tūwā mā te 6 ōrau mai anō i tērā tau, arā e 99,267 tāna, ā, ka rāhuitia e te Kāwanatanga ngā kaumoana rāwaho, me te aha ka takamuri ngā rewanga waka i te tīmatanga o te tau, me te tau wheketere nihoroa hoki.

He nui atu te moni hokonga ā-tau i pūrongo mā te 15% mai anō i tērā tau, arā e \$458 miriona, ahakoa e 8 noa iho ngā marama o te TP20 i hua ai he moni mai i te kamupene hāmana nei a Petuna Aquaculture, i muri mai i te rironga i a Sealord o ngā hea e toe ana i te Pepuere 2020.

Ko te mea pai, i mua kē i te Mahere me te TP20 e haere ana ko te UMMT mai i tā mātou pakihi hiika matua me Petuna Aquaculture anō hoki, ā, nā te arotahi pū ki ngā taipitopito mahinga, nā te raungāwari o ngā hokonga mātou i āwhina ki te hiki i ngā taumahatanga o te Kōwhēori19. Ka whakamāmātia tēnei e ngā huanga iti iho mai i te ngā kamupene hiika nō mātou hoki te 50%, arā i a Westfleet me Australian Longline. Me te aha ka taumaha hoki ngā pakihi nei i te iti haere o te hiahoko ratonga kai, me ngā pānga o te Kōwhēori19 i ngā whakariteritenga ki ngā mākete matua, ki ngā ika matua hoki.

Ahakoa te pikinga o ngā hokonga ki rāwāhi mā te 13 ōrau ki runga i ā te TP20, he taumaha tonu te wāhanga nei, arā he takamuri ana ngā kaupuke kawē rawa me ngā tauranga, ngā utu taumaha, me te iti o te hiahoko ratonga kai. He māmā iho ngā utu mō ētahi kai rangatira, engari he nui ake mō ngā ika utu iti pēnei me te tawatawa me te mangā nā runga i ngā raruraru Kōwhēori o tukunga rawa i ētahi atu wāhi o te ao.

E tuputupu tou ana ā Sealord hokonga kai pātio ki te Whenua Moemoeā, 17 ōrau te piki mai i te tau ō mua. Ka whakamāmātia tēnei āhuatanga e ngā hokonga kai mata (Petuna), kai pātio hoki (haonga tūwā a Sealord) nā runga i ngā nōhanga rāhuitanga, me te kore noa e āhei ki te kai ki ngā whare kai.

Hui katoa, he iti iho ngā moni hokonga ā-tau i ā tērā tau i Aotearoa mā te 5 ōrau, ko te take nui ko te pikinga nunui o te hokono o te tuna moana me te hāmana pōwhā ki ngā toa hokomaha mō te wā kotahi nei, i te wā o te nōhanga rāhui Kōwhēori19 tuatahi i te TP20.

This result was achieved despite wild catch of 99,267 metric tonnes being down 6 percent on last year, with Government imposed restrictions on foreign crew delaying sailings at the beginning of the year and a poor squid season.

Reported sales revenue of \$449 million was 13 percent above last year, although FY20 included only 8 months of revenues from salmon subsidiary Petuna Aquaculture, following Sealord's acquisition of the remaining shares in February 2020.

Positively, EBIT from both our core fishing business and Petuna Aquaculture were ahead of Plan and FY20 with careful focus on operational detail and sales flexibility helping us to navigate through the Covid19 challenges. Offsetting this were lower results from 50 percent owned fishing subsidiaries Westfleet and Australian Longline, with both businesses suffering from a decline in foodservice demand and Covid19 logistics impacts on key markets and species.

Although export sales were 13 percent above FY20, this segment continued to be a challenge, with ongoing shipping and port delays, as well as congestion charges and low foodservice demand. Pricing was down on certain higher-end species, but higher on lower value species such as mackerel and barracouta due to Covid19 supply issues elsewhere in the world.

Sealord's Australian frozen retail sales continued to grow steadily, up 17 percent on last year. This was offset by lower fresh (Petuna) and frozen (Sealord wild catch) foodservice sales due to lockdowns and less eating out opportunities.

Overall New Zealand sales revenues were 5 percent below last year, mainly due to the one-off surge in canned tuna and salmon supermarket sales during the first Covid19 lockdown in FY20.





Outlook

When writing my report 12 months ago we were pleased with how well the business had traversed the emergence of Covid19 and were hoping that trading conditions would improve over the next 12 months and be on trend towards 'business as usual'. It is now apparent that the world might not return to 'pre Covid19' days any time soon.

Me uratau tonu, me atamai tonu mātou i te ao hou nei. E whakapono tonu ana mātou ka taea te 'ao māori hou' te tāro i runga i te pakari o tā mātou kete rawa whānui; te ārahitanga pakari; ngā hoanga ki ngā kairato, ngā kaupupurihea me ngā kiritaki; me te kaha hoki o te hiahoko ki ā mātou kaimoana, ki ā mātou kai ora.

Me whakapau kaha hoki kia noho ai hei 'wāhi mahi pai rawa atu' ahakoa te māketē kaimahi uaua, e taumaha ai te kopounga, te pupuritanga hoki o ngā kaimahi.

Ka whai tonu te wāhanga Ika ki te whakawhānui i te uara o te huinga roherohenga e kūtia nei, e whakawhāititia nei e ngā panonitanga kino ki te HTKW, inā hoki te hāpuka, tae atu ki te whakaetanga a te ahumahi hei waiho i te 10% o te tarakihi ki Te Tairāwhiti. Mā te whakawhitinga māketē, me ngā mahi hou i te mahinga me te whakaputanga kai, e ngaringari haere ai te uara i ngā hōngere e tika ana, hei reira pai atu ai te wehenga o te utu hoko i te utu whakaputa. E hoko kē ana mātou i ngā kai kounga, me te aha kāore he hua hei kapo wawe nei kia tere ai te tupuranga, ā, ko tētahi āheinga ko tā mātou momo kai e piri atu ai tā mātou tohu, e rite ana mā te kiritaki.

Te taha ki te pāua tūwā, e whakaaro ana mātou ka ngaringari te pikinga o te utu o ā mātou kai pōwhā, ā, mō te wā o te Tau Hou Hainamana te nuinga o ngā hokonga me te hiahoko hoki. Tērā te āwangawanga ka kore e wātea mai ngā kaupuka kawē rawa, me te aha e tonu pāwawe ana ngā kiritaki. Ahakoa te whanaketanga o ētahi atu momo kai (pāua ora, me te Pātio Tere Takitahi, PTT rānei) me ētahi atu hōngere, ka nui tonu tā mātou whirinaki ki te hiahoko o te Tau Hou Hainamana ki ā mātou kai pōwhā. E takoto ana te mānuka ki ngā utu o ētahi atu momo kai e hokona ana ki Haina, nā ngā hua pāmu tarāwhare me ētahi atu whenua hoki, me te tūraru anō ka iti iho ngā utu i runga i ngā matea ā-moni nei, me te hiahia ki te hoko i ngā putunga hua, inā rā ko ngā hua PTT.

Ahakoa e ora tonu ana ngā moni utunga kōura i te tukituki ā-tōrangapū a Ahitereiria ki a Haina, kāore i oaitia te taupātanga tonutanga o ngā tukunga rawa i te Whenua Moemoeā ki Haina. Me te aha e puta mai ana i te korenga o te kōura Ahitereiriana ko te āheinga ki te whakawhiti ki ētahi momo kōura nō ngā wāhi mahana atu, ki te kōura pāmu hoki, me te aha ka pāngia kinotia pea ngā utu wā roroa mō te kōura o Aotearoa. Nā runga i te wā i tautohua ai te moni whiwhi mai i PNF, me te whakaaro ki te utu me te wehenga o ngā utu i ngā nama, kua Whakamaheretia e mātou kia iti iho tō Moana wāhanga o ngā moni utunga mā te 25% i te TP22.

We must continue to adapt and innovate in this new environment. We remain confident that the 'new normal' can be navigated drawing on the strength of our diversified portfolio; strong leadership; supplier, shareholder and customer relationships; and strength of demand for our kaimoana and kai ora.

We must also strive to be 'the best place to work' in the face of a very tight labour market where the attraction and retention of staff is increasingly difficult.

Ika will continue to look to increase value from a constrained quota base which has been reduced by adverse TACC changes in particular hapuka bass, as well as an industry agreement to shelve 10% of east coast tarakihi. Incremental value will be delivered by appropriate channel and market switch, and processing and product innovation, where margins are improved. We are already selling premium product which means there are no quick wins with extracting additional margin growth, our target with a branded consumer ready format being one opportunity.

For pāua tūwā we are expecting a gradual improvement in pricing for our canned format where a significant proportion of demand and sales is for the peak Chinese New Year season. In response to concerns about sea freight availability customers are ordering earlier than normal. While we are developing other formats (live and Individual Quick Frozen or IQF) and channels we remain heavily dependent on Chinese New Year demand for our canned products. Pricing for other formats which are sold to China also face price pressure from both domestic farmed product and other countries, where there is risk that lower pricing is driven by cashflow requirements and the need to move stock, particularly with respect to IQF product.

While our kōura earnings continue to benefit from the geo-political tension between Australia and China, the continued blockage of direct Australian exports into China is not guaranteed. Subsequently the lack of supply of Australasian kōura is creating opportunity for substitution from other warmer water wild varieties and farmed lobster, which potentially could have an adverse impact on the longer term pricing for supply from Aotearoa. Due to both timing of the recognition of income from PNF and a cautious assumption as to price and margin realisation we have planned for Moana share of earnings to be down by over 25% in FY22.

Te taha ki te pāua kahurangi, i ngā marama 12 e tū mai nei ka arotahi tonu ki te tukutuku i ngā moni utunga ukauka mā te hoko tōmua me te hokohoko. Nā tētahi tāmatematenga pirianga nunui nō te toru tau, i kūtia ai ngā haonga e wātea ana, ā, me āta manaaki kia whiwhi tonu ai ngā kiritaki ki te kai nei mō ngā tau 12 nei. Ko tā mātou whāinga ko te kai ora ki Haina, ā, ahakoa he iti rawa ā mātou haonga i te taha o ngā pāua pāmu huri i te ao, e hiahokona tonutia ana ā mātou hua rongomaiwhiti. Kāore e kore ka uaua pea te taha ki ā mātou utu nā runga i ngā whakataunga utu a ō mātou hoa whakataetae nunui (pēnei me Awherika ki te Tonga me te Whenua Moemoeā) me ā rātou utu whakaputa pāua iti kē, me te hiahia anō kia hokona tonutia ngā kai.

Ko te aronga nui mō ngā mahi a tā mātou pakihī tio i ngā marama 12 nei kia eke i te paonga hou ko ngā pae e tika ana mō te tukutukunga o ngā haonga arumoni pirianga, me te whakahaere tonu i te hinonga whakaihiihi tio, me te kora noa e whakarururu i te tupuranga pirianga i runga pāmu, i te tukunga kai ki te kiritaki hoki. Ka hua ake he nama i ā te pakihī mahi mō ngā rawa o te paonga me ngā āheinga pāmu. Kātahi anō ka puta ake ngā moni utunga i ngā hokonga pāwawe, nā runga i te roa o te oranga o te tio, arā 18 ki te 24 marama. Ka pāngia kinotia te haonga e wātea ana hei te tau 2022 me te tau 2023 e te mūhorenga paonga i te tau 2020 me te tau 2021. E whakaarohia ana ka rite te nui o ngā hua e hokona ana ki tō tērā tau, ā, ka piki ngā utu ki ngā taumata ō mua i te horanga o te Kōwheri19.

Tuia ki ngā putanga pūtea, ka whai tonu mātou kia kore noa e pā te mamae ki ō mātou tāngata. He mārama tā mātou rautaki mō te haumarutanga me te hauora, ā, kāore he huringa kē.

For pāua kahurangi the next 12 months will continue to be focused on delivering steady earnings through continuous offtake and sales. Due to a significant spat mortality event three years ago the volume available for sale is constrained and will need to be carefully managed so that customers have access to 12 month supply. Our target market is live to China and while our volumes are miniscule compared to global farmed output there is demand for our unique product offering. Naturally we face price pressure due to the pricing behaviour of our far larger competitors (including South Africa and Australia) who have lower costs of production and by necessity need to keep moving stock.

The operational focus in the next 12 months for our tio business is for the new hatchery to successfully meet appropriate milestones for delivery of commercial volumes of spat and to continue rolling out the tio transformation project, without disruption to on-farm growth and supply to customers. Costs will be incurred by the business as we resource up the hatchery and on farm capability before the earnings from increased off take appear, given the 18 to 24 month life cycle of tio. A spawning failure in 2020 and 2021 will also impact the available supply in 2022 and 2023. Total sales volumes are expected to be similar to the year just gone while pricing is expected to improve to pre Covid19 levels.

In addition to the financial outcomes we will continue to pursue zero harm for our people. Our safety and wellbeing strategy is clear and non-negotiable.

Steve Tarrant
Chief Executive Officer

 **WATCH THE VIDEO ON YOUTUBE**
<https://youtu.be/kBvrdGbURLc>





Moana New Zealand Snapshot

We are proudly 100% Māori owned and strive to achieve greater value each year for our Iwi shareholders by operating our business efficiently and living true to our values.



100%

Māori owned

36

Long-term Iwi partnerships

\$126m

Dividends paid to Iwi to date

983

Students from 10 Northland schools supported through Kiwi Can

58

Iwi shareholders

\$14.1m

Paid to Māori contract fishers, oyster growers and pāua divers

\$10.8m

Dividend for the year



8

Processing facilities

10

Contract oyster growers (60% are Māori)

37

Contract divers (70% are Māori)

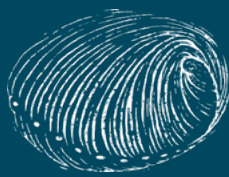
39

Full-time contract fishing vessels (64% of our Ika catch is caught by Māori owned vessels, 79% with Māori crew)

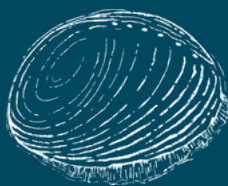
321

Employees

Harvest



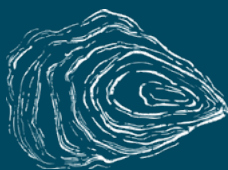
Pāua Kahurangi
Blue Abalone



Pāua Tūwā
Wild Abalone



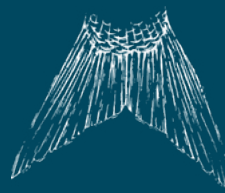
Kōura
Lobster



Tio
Oyster



Kai Ora
Ready to Eat Meals



Ika
Fin Fish

\$4.2m ↓ North America

\$7.0m ↓ China

Market

3
Retail outlets

\$16.2m ↓ Rest of Asia*

\$33.9m ↑ Australia

\$2.0m ↑ Other**

\$64.2m ↓ New Zealand***

* Singapore, Hong Kong, Taiwan

** Europe, Pacific Islands and Middle East

↓ ↑ Up or down on previous year

*** Europe, Pacific Islands and Middle East





Focusing on what matters to our stakeholders

Moana New Zealand have completed three full bi-annual materiality assessments. The last one being completed in 2020 and the next due in 2022. The assessment is designed to inform the business on what stakeholders believe is most important.

The top five topics that emerged as most important to stakeholders in 2020 through the ranking process overall were:

	2020	What we did
1	Endangered species protection and bycatch reduction	Continued support for the Black Petrel Working Group, Precision Seafood Harvesting (page 48) and the Māui Dolphin Drone project (page 46) This year we also once again supported our contract fishers to visit Great Barrier to assist in bird banding
2	Kaimoana utilisation	Continue to support Kai Ika project (page 27)
3	Innovation in fishing to improve sustainability	Continued investment in Precision Seafood Harvesting (page 49) and begun our Tio Transformation project (page 52)
4	Improve operations through employee consultation	Brought our people together to workshop ideas to decarbonise our operations (page 32) and conducted engagement workshops which identified operational improvements that were implemented
5	Execute our strategies, do the right thing	Launched our refreshed sustainability plan – Hononga Tutūru (page 29) and reviewed our overall five year aspirational strategy and reported plans actions against actual

Te hanga uara mō ō mātau kaipupurihea

Our inputs

Our purpose

As guardians of Māori fishing assets we are dedicated to contributing to the wellbeing of future generations.

Our vision

We connect the world to the true taste and rare magic of Aotearoa's best kaimoana.

Ō mātau whakaurunga Our partnerships

The commitment to building strong partnerships with Iwi, customers, suppliers, fishers and third parties built through value creation with far reaching benefits for all Māori. We consider partnerships critical to our performance and always welcome new partners who share our values.

Ō mātau hua Our product

Time and money invested in protecting the taonga we have been entrusted with while doing our part to ensure we lighten our harvest and farming practices.

Continuously striving for best practice packaging and plastics.

Iwi

Iwi are at the heart of our business, be it harvesting, farming, producing or working together for the betterment of Iwi.

Hononga tūturu True connection

Our story is of 'true connection', true provenance, true to nature and true for generations. It shows connection between our people, our product and our place. The interconnectedness shows the responsibility of sustainability sits with us all in everything we do.

Ō mātau wāhi Our place

Ensuring we actively play our part in reducing our emissions and sharing our target of carbon neutral by 2040. Playing our part in understanding the effects of land based activities on the Moana.

Ō mātau tāngata Our people

The care we have for our people and our investment in continuous development enabling them to be the best they can be, who live our values and have meaningful relationships in the communities we operate in.

Our tikanga (values) underpin the framework of integrated thinking which is applied to our inputs:

Whakapapa

Manaakitanga

Kaitiakitanga

Whakatipuranga

Creating value for our Iwi shareholders

Our outputs



Ō mātou whakaurunga — **Our partnerships**

- Creating value and opportunities beyond a dividend for our shareholders
- Collaborating with our shareholders for the greater good
- Supporting communities where we operate
- Provide an annual dividend to all 58 Iwi



Hononga tūturu — **True connection**

- Living our values in everything we do
- Going above and beyond what is expected of us by law
- Guided by tikanga, Moana leads seafood sustainability conversations



Ō mātou tāngata — **Our people**

- Keeping our people safe – zero harm culture
- Career pathways and talent development programmes
- Hikoi ki te Ora – our wellbeing programme



Ō mātou wāhi — **Our place**

- As custodians for our future generations, protect, restore and enhance the domain of Tangaroa and Papatūānuku
- Reducing our use of fresh water
- Understanding effects of land based activities on the Moana
- Our response to climate change



Ō mātou hua — **Our product**

- Lighten our harvest and farming practices
- Addressing plastics and packaging
- Collaborative fisheries management
- Responsible Fisheries Awareness training for all contract fishers
- Embracing harvest and farming method innovation

We are owned by all Iwi across the motu and return an annual dividend to Iwi shareholders which upholds our value of whakatipuranga – prosperity for future generations.



Ō mātou whakaurunga

Our Partnerships





Achieving better leverage in the kōura market

Back in 2015–16 we announced our joint venture partnership with Port Nicholson Fisheries which for Moana New Zealand, meant a 60 percent partnership value.

Me te aha he nui te mana o te iwi Māori ki te tuku i te kōura ora ki waho ki te ao whānui, i runga i te whakaaro hou nei kia nui atu ai te uara nama ki te māketē.

E ai ki te Tumuaki o Port Nicholson Fisheries, ki a Grant Absalom, ko tēnei tauira o te whakaurunga tētahi o ngā mea angitu rawa puta noa i Aotearoa.

Ko te take nui kē, hei tāna ka whakaaturia ki ngā iwi e taea ana e ngā iwi te mahi tahi.

“Mai anō i te tau 2015, kua eke mai ētahi atu iwi ki runga i te waka, me te aha kei roto mātou i te māketē i te ao, i te pō. Ināianei, he māngai ō mātou puta i te Ika Tapu a Māui katoa, tae atu ki te Taihuo o te Waka, ā, ki te Rēkohu hoki.

“Waihoki kei roto i ā mātou haonga ko ētahi momo ika kei ngā pae kounga katoa, mai i ngā paerua tae rawa ki te F, me te aha ka hora i a mātou te kai nei i te roanga ake o te tau.

“He pai atu ā mātou mōhiotanga, tā mātou uara nama hoki, he mōhio nō ngā kaitohatoa matua i Haina e āhei ana mātou ki te tukutuku tonu atu i ngā hua. He mea nui tērā, ko Haina hoki tō mātou māketē nui rawa,” hei tāna.

“Koirā mātou i kopou ai i tētahi kaiwhakahaere whanaketanga pakihī ā-ao e matatau ana ki te reo Mandarin, e wero ana hoki i a mātou. Mātua rā ko te mōhio ki te māketē o Haina, me te āta tiro-tiro i te ratonga kai, i te tauhokonga wharekai anō hoki ki te kimi tomokanga mā mātou.”

Ka whakaaturia te pae tawhiti tahi nei mō te āpōpōtanga o Moana me Port Nicholson e te waitohutanga o te whakaurunga mahinga tahi, e te whakaekenga mai o ngā iwi katoa i te takanga o te wā, e te ahunga tūpato hoki mō te tiaki mahinga ika, mō ngā rāngai kōura ora anō hoki.

That makes Māori a force in exporting live lobster to the world based on an original concept to achieve better leverage in the market.

Chief Executive Officer for Port Nicholson Fisheries, Grant Absalom, says that the limited partnership model is one of the more successful across Aotearoa.

Most importantly, he feels it demonstrates to Iwi that Iwi can work together.

“Other Iwi have come on board since 2015 so it means we’re in the market all the time. We now have representation through the entire North Island, to the top of the South Island and the Chatham Islands.

“It also gives us a mix of fish through all grades from double grades right through to Fs which means that we can supply year-round.

“We get better intel and leverage because key distributors in China know we have the ability to supply consistently. That’s really important as China is our biggest market,” he says.

“That’s why we hired an international business development manager who is fluent in Mandarin and challenges us. Number one is market knowledge of China and drilling into the food service and restaurant trade to see if there’s a way in.”

In signing the joint venture partnership and getting all Iwi on board over time, taking a conservative approach to fisheries management and healthy kōura stocks represents a shared vision for the future between Moana and Port Nicholson.



E hāngai ana tēnei hanga ki ngā tikanga whakahaere, ā, te mārama hoki ki ngā huarahi pai ki te mahi tahi, he whai wāhi nō te iwi Māori ki ngā mahinga ika tauhoko i te ao, i te pō.

“Reanga atu, reanga atu, toitū ai te pakihi Māori. Engari mō ētahi atu pakihi tauhoko ko te pūtea kē te mea nui, ā, te putanga atu, kua puta rawa atu.”

Ko te tohu o tērā āhuatanga ko te ārahitanga atamai, ko ngā whakataua atamai e pā ana ki te whakamahinga tahitanga o ngā rauemi me ngā hanganga o te wā nei.

Kei runga o te Rēkohu ko tō Port Nicholson taupuni ki Owenga, me tō Moana New Zealand taupuni ki Waitangi.

Kāore aua rōpū e rua e hāneanea i te tukunga kautanga atu o ngā tāruke huri noa i Aotearoa, me te kore noa e takoha atu i te aha. Kua āta whakaarohia tērā āhuatanga i roto i te horopaki o te mahinga tahi, arā mā te whakatairangatanga hapori.

“Ka tuku pūtea mātou mō te hōpua kaukau o te kura, me te hari atu i te kaiako hoki mā runga rererangi, māna ngā tamariki hei ako ki te kaukau,” hei tā Absalom.

“Ka tautoko ā-pūtea mātou i te hutupōro, te netipōro, me te whakataetae hiika. Kei te whakahaere hoki mātou i tētahi hōtaka aukati mate whakamomori ki te Rēkohu.”

Inā rā ko te iwi kē tērā te kōkiri nei i te tupuranga o tā mātou whakaurunga mahinga tahi ki Port Nicholson Fisheries.

E ai ki a Absalom he nui tonu te tautoko a ngā kaimahi o Moana i āna kaimahi, ā, e taea ana taua āhuatanga te whakawhānui.

“I te roanga o te hātepe māketē, arā ngā hua painga-nui, nō mātou te whiwhi ki te mahi tahi ki te Tumuaki, ki a Steve Tarrant, me te Kaiwhakahaere Matua o te Hokonga me te Whakatairangatanga, ki a Dean Pennell, tae atu ki te whānau o Moana. Nō reira hei aha te hoahoa anō i te wira, he huhua kē ngā whakaaro, ngā māramatanga i whakatakatoria.

“I whai wāhi mātou ki Prepared Foods i roto o te Papaioea. Kei tō mātou wheketere ko ngā pāua a Moana, ā, me ka raruraru rātou ka āwhina atu mātou. Ki te raruraru mātou, ka āwhina mai rātou.

“E mau tonu ana te tauira, engari kua pakari atu ngā mahinga tahi i waenga i ngā hinonga e rua nei.

“He pai te uara.”

That is in line with organisational tikanga and to better understand ways of working together since Māori will always be involved in commercial fisheries.

“Māori business is there for generation after generation. Other corporate businesses are there for the bottom line and then when they bail out, they bail out.”

Testament to that is intelligent leadership and decision making around shared use of existing resources and infrastructure facilities.

On the Chatham Islands, Port Nicholson has a depot at Owenga and Moana New Zealand’s depot is at Waitangi.

Neither organisation is comfortable simply putting in kōura pots around Aotearoa and not giving back. That has been considered thoughtfully in the context of the partnership through community sponsorship.

“We sponsor the school pool and fly an instructor in to teach the kids how to swim,” says Absalom.

“We sponsor youth rugby, netball, the fishing competition. We’re also doing a suicide prevention programme on the Chathams.”

Clearly it is the people propelling growth of our joint venture partnership with Port Nicholson Fisheries.

Absalom says support his staff receive from Moana staff is noteworthy and there is opportunity to grow that.

“Through the market process of value-add products we’ve been fortunate enough to work with CEO Steve Tarrant, GM Innovation Sales and Marketing Dean Pennell and the Moana whānau so instead of reinventing the wheel, there’s been some good, shared insights.

“We’ve had access to Moana’s Prepared Foods in Palmerston North. We have Moana pāua in our factory and if they’re short, we help out. If we’re short, they help us.

“The model has stayed the same but collaboration between the two entities has grown.

“It’s good value.”

“Through the market process of value-add products we’ve been fortunate enough to work with Steve, Dean and the Moana whānau so instead of reinventing the wheel, there’s been some good, shared insights.”



Grant Absalom
*Chief Executive Officer,
Port Nicholson Fisheries*

Nā te mātāmua, nā te tangata o Santy Maria, arā nā Roger i tuku ika ki ngā iwi o Te Tai Tokerau.

“I tautoko mātou i ngā hapu o te rohe, ā, he mea nui rawa ki a mātou, arā he kaupurihe nō rātou o Moana New Zealand, koirā hoki tētahi kamupene e hiika ai ahau māna. Hei kaihiika Māori, he pai rawa mōku. E rikarika ana te ngākau ki te āwhina i a Moana e ōna kaupurihe.”

Kāore ō Moana New Zealand ake waka hao ika, engari kē ia ka whakarite kirimana mō te tāruru o te kamupene a tētahi whānau, ko taua whānau anō ngā kaimahi o runga, e rite tahi nei ngā mātāpono ki ōna.

“Whakautu ai mātou i ngā kaumoana, kia rite anō ki ētahi atu, ā, tūturu e hokihoki ana ngā utu ki a mātou ko te whānau, engari he nui atu ngā painga i ngā utu he mōhio nō mātou he tokorahi ngā tāngata e āwhinatia ana e mātou. Koirā te mea nui ki ahau,” hei tā Roger.

I tautoko hoki a Moana New Zealand i tētahi kāhui rōpū Māori kāore-mō-te-pūtea, arā ko One Whānau at a Time, ko Food Rescue, ko Ngāti Hine Toa a Muriwai Māori Women’s Welfare League nāna nei i tautoko ngā kuia, ngā kaumātua huri noa i Te Tai Tokerau, arā ki te kai maoa.

E ai ki te kaiwhakatū ōna, ki a Hone Martin: “Nō te rua wiki i hoatu ai mātou i tētahi kai. Te taenga mai o tā Moana koha ka mīharo katoa ahau.

“Kua tae atu āu ika ki ngā tōpito katoa o Te Tai Tokerau. Ka nui te mihi. I te rā nei, e rima rau ngā kai ika mata e tukuna ana e mātou. Nō te kāinga nei ngā kaumoana katoa e āwhina mai ana.”

E ai ki te Kaiwhakahaere Matua o Inshore mō Moana New Zealand, ki a Mark Ngata: “He kaimahi matua mātou, he hōnore nui te mahi ahakoa te pikinga o ngā taumata ohiti, me te tuku kaimoana anō ki ngā whānau i roto i ngā rohe.

“Ka taea tēnei mā roto i te mahi anake o ō mātou kaihiika me ō rātou whānau. E āhei ana mātou ki te tuku kai ki ngā māketē o tāi, o uta, tae rawa atu ki ō tātou marae. Ka koa te ngākau i ngā mahinga tahi ki ētahi atu hinonga e pukumahi ana i roto i ngā hapori, e āwhina ana i ō tātou tāngata.”

Brother Roger who skips the Santy Maria out of Mangonui supplied fish for Northland Iwi.

“We supported the local hapu around the area and it’s especially significant because they are also shareholders in Moana New Zealand which is a company I fish for. As a Māori fisher, it’s a perfect fit for me. For me to help out Moana and their shareholders is something I’m keen to do.”

Moana New Zealand doesn’t own any fishing vessels, instead, it contracts a fleet of whānau owned-and-operated businesses which share its values.

“We pay our crew as we normally would, really the costs are coming back to me and my family but the benefits outweigh the costs because I know we’re helping so many people. That’s what I’m about,” says Roger.

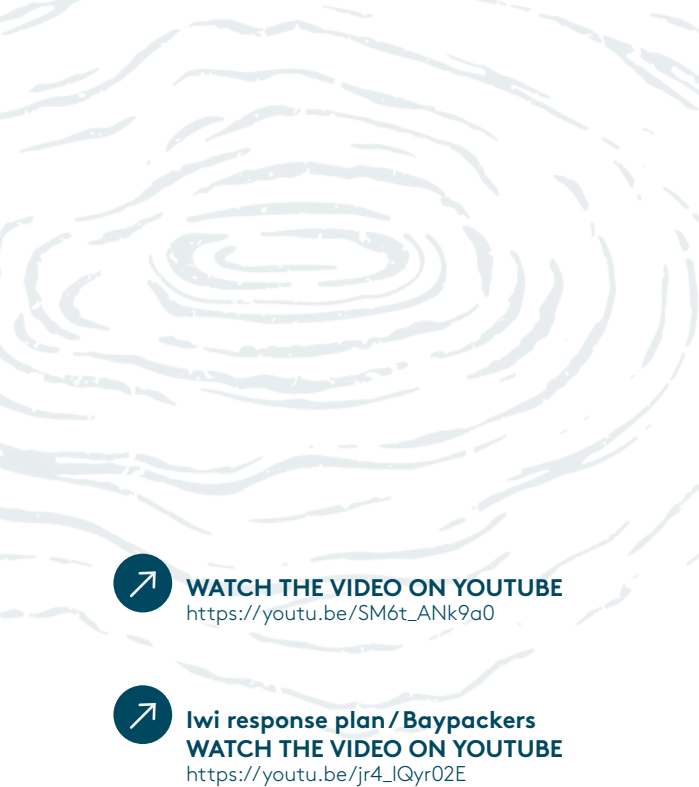
Moana New Zealand also supported a network of not-for-profit Māori organisations, One Whānau at a Time, Food Rescue and Ngāti Hine Toa a Muriwai Māori Women’s Welfare League which supported kaumatua and kuia throughout Northland with cooked meals.

Founder, Hone Martin, says: “Two weeks ago we gave out one meal. When Moana’s koha came in it blew me away.

“Your fish has gone right across the north. We’re very thankful. Today we’re giving away five hundred meals with fresh fish. The crew helping us are all local community.”

Mark Ngata, General Manager of Inshore for Moana New Zealand, says: “As essential workers, it’s a privilege to operate through changing alert levels and provide kaimoana to our whānau in the regions.

“This is only possible through the mahi of our fishers and their whānau. We can supply domestic and export markets but also provide for our marae. Partnerships with other entities which are busy in the communities helping our people make it a good feeling.”



Hone Martin, Founder One Whānau at a Time

 **WATCH THE VIDEO ON YOUTUBE**
https://youtu.be/SM6t_ANk9a0

 **Iwi response plan / Baypackers**
WATCH THE VIDEO ON YOUTUBE
https://youtu.be/jr4_LQyr02E



A Decade of Growth

This year Moana New Zealand and the Iwi Collective Partnership (ICP) celebrate ten years of collaboration, a significant milestone.

Ka whakakotahi te WAI i ngā iwi kia whakapakaritia tahitia ai ngā pānga hiika tauhoko, i runga i te kaitiakitanga me ngā tikanga Māori.

Ka hoki ngā whakaaro o te Tumuaki, o Maru Samuels, ki ngā akoranga me ngā painga o te ngahurutanga tau tuatahi.

“He mahi taumaha te hiika tauhoko ki uta. Nā tā tātou tauira mahainga tahi i mārama ai mātou ki aua taumahatanga, ā, nāna hoki i hōhonu ai tō mātou mōhio ki te pakihi o Moana.”

He 1.5 mano tāna o te ika, te pāua, me te roherohenga tānukunuku hoki e mahia ana e te ICP, me te aha he nui te hua ki a Moana me ngā iwi pupurihea whānui hoki.

Kia pau te ngahurutanga tau, ka arotakea ai e aua rōpū te reanga mai o ngā hua – hei arotake i ngā āhuatanga huhua katoa e tāpiri painga ana ki tua noa atu i te tāra, i te hērenge.

“He nui noa atu ngā mahi kia pai atu ai te hīkina o ngā mānuka e tuputupu ana ki te ikawhaitira ō-uta. E rangahau ana te ICP i te wāhi ki ngā tikanga, ki te mātāuranga hoki hei āwhina atu.”

Kua whanake ngā iwi i roto i te ngahurutanga tau nei, ā, kua whanake hoki ngā matea, ngā wawata o ētahi o rātou, tae rawa atu ki ngā āheinga ki ngā rohe.

The ICP draws together Iwi to collectively optimise commercial fishing interests, underpinned by kaitiakitanga and tikanga Māori.

Chief Executive, Maru Samuels, reflects on learnings and benefits of the first decade.

“Inshore commercial fishing is a challenging business. Our collaboration model has not only given us insight into those challenges but has deepened our understanding of the Moana business.”

The ICP flow through 1.5 thousand tonne of ika, pāua and highly migratory quota providing significant value both to Moana and wider iwi shareholders.

After a decade, the parties will review the flow of value – to assess all the different aspects which contribute to value beyond dollars and cents.

“There is more to do to better address the growing inshore finfish challenges. The ICP is undertaking research on how tikanga and mātāuranga can assist in that regard.”

Iwi have matured in the decade and for some their needs and aspirations have evolved to explore new opportunities.



“Inshore commercial fishing is a challenging business. Our collaboration model has not only given us insight into those challenges but has deepened our understanding of the Moana business.”



Maru Samuels
Chief Executive, ICP



“We reached out to Moana New Zealand which came onboard and started supplying hundreds and hundreds of kilograms of fish. We were able to serve what was a small community and is now a large community of fish head recipients. Ever since then it has grown to what it is today.”

– Dallas Abel,
Project Coordinator,
LegaSea on Moana New Zealand’s
contribution to The Kai Ika Project



Kai Ika project
WATCH THE VIDEO ON YOUTUBE
<https://youtu.be/7rm94v9Fotg>

Hononga tūturu

True Connection



**true provenance,
true to nature,
true for generations**



Hononga tūturu – Our story is about true connection

E whakaatu ana te whakaahua nei i te kōrero mō tō mātou tohu Moana, nō te tau 2016 i whakarewaina ai. I te tōmuatanga o te tau nei ka hui tō mātou Ohu Toitūrangā Ora hei whakahou i tā mātou tāroinga whakapūmau mauri ora, ka hāngai ki tō mātou uara (manaakitanga, whakapapa, whakatipuranga, kaitiakitanga) ko ngā mahi i hiahia rā mātou ki te whakatutuki, ka hāngai hoki ki tō mātou kōrero tohu Moana.

Mō te 'hononga tūturu' tō mātou kōrero. Hāngai ki te ūkaipō, takenga tūturu, mō ngā uri whakatipu. Ka whakaatu i te hononga o tō mātou tāngata, ā mātou hua, me tō mātou wāhi. Ka whakaatu ngā honohononga tahitanga i te haepapa o te toitūrangā mauri ora kei runga i a tātou katoa. He wāhi tō tēnā, tō tēnā ki te whakamāmā i ā tātou pānga kino ki te taiao, ahakoa kei te kāinga, kei tō tātou hapori, kei te kāinga rānei.

Ko te kaitiakitanga tētahi o tō mātou uara, ā, ka aro i a mātou te hiranga o te haere ki tua noa atu o tā te ture e whakahau mai ai i a mātou. E kaitiaki ai i te rā nei, me whakapau kaha kua ki te whakamāmā i te takahi a te waewae, engari kē ia ko te āheinga ki te tautoko i ngā mahi e whakapakari nei i te tangata, i te taiao hoki.

E whakatūturu ai mātou i ngā uara, me haepapa, me ngākau whiwhita, me atamai te kamupene e haumi nei i te kaupapa tōtika hei tautoko i ā mātou mahi, i ā mātou āheinga huamoni hoki.

He kamupene kaimoana a Moana New Zealand e whirinaki ana ki ngā rāngai ika taurikura, me ngā whanga hoki e pai ai mātou mahi pāmu. Kei te taimoana māori ēnei mahi e haere ana, ā, kāore tō mātou mana i runga i ērā. Nō mātou te mana ki te āhua o tā mātou mahi ki te taiao, me tō mātou whanonga e hāngai ana. E āhei ana mātou ki te akiaki hoki i tō mātou hoa kia haere tahi ai i te haerenga nei, arā ki te whakarekē i ngā āhuatanga.

This image depicts our Moana brand story, launched in 2016. When our Sustainability Working Group met earlier this year to begin refreshing our sustainability journey, the tasks we wanted to achieve rang true to our values (manaakitanga, whakapapa, whakatipuranga and kaitiakitanga) and to our Moana brand story.

Our story is of 'true connection'. True provenance, true to nature and true for generations. It shows the connection between our people, our product and our place. The interconnectedness shows the responsibility of sustainability sits with all of us. We all have our part to play in reducing our impacts on the environment, be that at work, within our communities and at home.

With one of our core values being kaitiakitanga, we recognise the importance of going above and beyond what is legally required of us. To be kaitiaki today requires investing in not only lessening our footprint, but where we can also support activities that regenerate people and nature.

Being true to our values requires being a responsible, ambitious and innovative company that invests in the right initiatives to underpin our future operations and profitability.

As a seafood company Moana New Zealand depends on thriving fish stocks and on harbours for our farming operations. These occur in the natural marine environment that we have minimal control over. What we can control is how we interact with the environment and our associated behaviours. We can also encourage partners to share in our journey to bring about change.



WATCH THE VIDEO ON YOUTUBE
<https://youtu.be/Y2I5OFBBJGY>





Sustainability

Living our values in everything we do. We acknowledge the connection between ngā tangata me te taiao (people and the environment) which are to be honoured for future generations.

Led by tikanga and to be true to our value of kaitiakitanga, we engage with iwi, staff and stakeholders to identify, invest in and solve key sustainability challenges.

Key areas of focus



Engagement

Rolling out this strategy to our people and ensuring they understand our aspirations and how we can all play our part is key to our success. This is a journey for us all.

This strategy will be underpinned by a robust measurement system so we can better understand the benefits and enable sound decision making in the future.

We know there is a lot of work to do and we can't do it alone. We are committed to continuing to build strong partnerships that activate meaningful change at pace. We invite you along on our journey.



Lighten our harvest and farming

This project involves us getting a better understanding on where we do and don't fish and why.

We want to understand what habitats or areas are significant and why.

Overlaying this with where we currently fish will assist in making good decisions on where we fish in the future.

In our farming operations, our tio team have already started the tio transformation project which reduces 99.7% of in-water infrastructure and significantly improves working conditions for our people.



Plastic and packaging

We have already begun getting a baseline of what plastics we use and we're constantly looking at alternatives to design out hard to recycle plastics.

We intend to work with suppliers to develop recycling programmes for products where no environmentally friendly alternative exists.



Climate change response

We've set an ambitious target to be carbon neutral by 2040.

To get there we will be taking an in-depth look into where we can reduce our carbon emissions and understand what investment is required for change.

We know, in the short term, there will be areas where we will be unable to make significant shifts because technology doesn't yet exist. For emissions we can't eliminate, we will be looking at how can we offset our remaining emissions by planting trees. The right trees, in the right place.



Minimise use of fresh water

Water is precious resource and with the impacts of climate change, will be more so into the future. We need to change our behaviours around the use of fresh water today, for tomorrow.

We'll be reducing our use wherever possible through measuring and investing in equipment and processes that drive water efficiencies.

Harvesting rainwater is one way we intend to reduce our use of freshwater and already have a pilot programme in place in our Nelson based tio hatchery.



WATCH THE VIDEO ON YOUTUBE
<https://youtu.be/xdNMUDS9IJ8>



The beginning of our decarbonisation roadmap

Our people are our greatest asset. Having set an ambitious target of carbon neutral by 2040, when it came to beginning our decarbonisation journey, it's our people that have had the greatest ideas on just how we can get there.

Ko tētahi aronga matua i puta ake i tā mātou arotake hiranga ko te whakapai i ngā mahi mā te akoako ki ngā kaimahi. I whakarongo mātou.

I te Akuhata, i whakahuihui mātou i tētahi rōpū kaimahi Moana mai i ngā wāhanga katoa o te pakihī, i ngā tūranga huhua hoki. Ehara te mahi i te kohikohi whakaaro noa iho ki te whakawhāiti puhanga hauhā, engari kē ia ko te whakaaro ki tā mātou whakamahinga wai māori, me ngā mahi kia iti iho te wai.

He nui, he iti ngā whakaaro i puta. E mōhio ana mātou he take tō tēnā, tō tēnā.

I nāianei e wherawhera haere ana mātou i aua whakaaro hei tautohu i ngā hangarau, i ngā mahi atamai rānei hei tautoko i aua whakaaro, me te ine anō i ngā puhanga i aukatia mā te whakatinana i aua whakaaro.

One of the key focus areas that arose from our materiality assessment was to improve operations through employee consultation. We listened.

In August we brought together a group of Moana people from all parts of our business, in varying roles. The task was to not only brainstorm ideas to reduce our carbon emissions but also to think about our freshwater consumption and opportunities to use less.

We're now working through those ideas to identify what technology or innovations exist to support these ideas and measure emissions saved through implementation.

Our community connection

Moana are proud to support the communities in which we operate. Here's a couple of examples.



Papa Hone's
One Whānau at a Time

 **WATCH THE VIDEO ON YOUTUBE**
https://youtu.be/g7m2PGHeF_4



Graeme Dingle Foundation
Whangaroa Kiwi Can Raft Race

 **WATCH THE VIDEO ON YOUTUBE**
<https://youtu.be/bwcXr23O7iY>





—
Ō mātou
—
tāngata

—
Our people





Our People

Total employees



291
permanent employees

12
casual employees

18
fixed term employees

39% Wāhine (women)

61% Tāne (men)

34% total workforce are Māori

55% of our executive team is Māori

25% of new recruits were Māori



Covid19 support for our people

Last year in the annual report we committed to measuring ourselves against strengthening diversity, inclusion and belonging. Covid19 has in fact unified our approach to a whānau-centric workplace culture which brings together our people who operate in remote communities and in urban centres.

I whai mātou kia waere te huarahi o ā mātou mahi puta i ngā whaitua katoa, he ratonga matua hoki mātou. Ā ko te whai mahi, ko te whai pūtea tētahi aronga matua i te takanga o te wā, me te aronga o ā mātou whakaputanga kōrero ki ō mātou kaimahi. Ka tautohu, ka mahi tahi ki ngā whakauru ā-rohe, ki ō mātou tāngata, ki ngā iwi hoki huri noa i Aotearoa hei whakaū ka āhei mātou ki te kopou mai i ngā tāngata pūmanawa nui ki roto o Moana, i te taha o ō ngā mātanga i whakapakaritia i konei, mā roto i ētahi mahi whakatairanga i roto o Moana katoa.

He pakihi ā-motu mātou, ā, nā konei i arotahitia ai ō mātou kaiwhakahaere rōpū, kaiwhakahaere wāhi mahi hoki. Ka hāpai rātou i te mānuka, ka rawe hoki te tukutuku kōrero nunui ki ngā kaimahi o aua wāhi kia whāia ai ngā tikanga, ngā tikanga whanonga hoki. Ko te mea nui ko te āta whakaea i te haepapa ā-pūtea ki ō mātou kaupurihea, me te manaaki i ō mātou tāngata e ai ki tō mātou mātāpono, arā te manaakitanga. Nā konei i noho ai ko te whāinga tikanga hei inenga angitu nunui i te roanga o te wā pūrongo mō Te Tangata, Te Ahurea.

I tautoko mātou i ngā kaimahi i runga i ngā ritenga kaimahi hou, i te maramatanga hoki ki te utu me ngā rā whakatā e tika ana.

I mahi tahi tonu mātou ki ō mātou hoa ūniana, i tua atu i te whiriwhiringa tahitanga, kia haumaruru ai ō mātou tāngata, ā mātou mahi hoki e haere tonu nei.

We worked to ensure unimpeded operations across our sites as an essential service, with employment and income a key focus as time progressed and the focus of communication to our staff. Identifying and working with regional partners, our people and lwi across Aotearoa to ensure we are able to bring the best talent into Moana along with our own homegrown talent through a number of internal promotions across Moana.

We are a nationwide business and that brought into focus our line managers and site managers who stepped up and did a terrific job disseminating critical communications to site staff to ensure compliance and best practice procedures were followed. Maintaining the balance of being fiscally responsible to our shareholders and ensuring our people are looked after in line with our value of manaakitanga was key. As such compliance was one of the critical success measures over the course of the reporting period for People and Culture.

We supported staff with revised employee protocols and clarity on pay and leave entitlements.

We continued to work closely with our union partners, beyond collective bargaining, to ensure the safety of our people and continued operations.



Mike Kenney



Carmen Kent



Engagement

Ahakoia kihai mātou i wātea ki te tuku atu i te tātāritanga ūnga o ngā tau e rua nei, nā te Kōwhiri 19, i hāpai tonu ō matou tira i te whakapāpātanga ki ō mātou tāngata hei kaupapa nui i roto i ēnei wā taumaha.

Ko te mahere mahi, ko te whakarongo, ko te whakatinanatanga hoki ngā kaupapa whakapāpātanga nui huri noa i Moana e hiahia ana mātou ki te whakamātau, inā koa ko te tuku kōrero rāroto, ko te whakamānawa hoki.

Whilst we were unable to roll out the bi-annual engagement survey due to Covid19, our teams continued to make engagement with our people a priority in these challenging times.

Action planning, listening and implementing are the key engagement initiatives across Moana we are looking to assess, particularly around internal communication and recognition.



Leadership and development

I oti i te Ohu Whakahaere tētahi hui i waho i te tari i te Pēpuere, e rua rā te roa, i reira hoahoa ai i tētahi hōtaka ārahitanga kia hua ai te hononga, te kotahitanga e hiahia ana kia pai atu te whanonga o Moana. I takea mai te hōtaka i te whanaketanga o te piripono, te māramatanga, me te wetenga o ngā here kia pai ai te mahi tahi.

Me whai pūkenga, me whai taputapu, me whai rauemi ō mātou kaiārahi kia pai te whakapakari i ō rātou tira, kia eke ai ngā mahi ki te taumata. Taea noatia tēnei rā, nuku atu i te 50% o ngā kaiārahi kua whai i tētahi kōhi whakahaerenga matua e hāngai ana ki ngā kaupapa taketake.

I oti te Wāhanga Tahī o te whanaketanga o te poutarāwaho – Te Tūhura, Te Whātoro – tae atu ki te arotake o ngā taputapu kei a mātou kē, ki ngā uiui rāroto hoki.

He poutarāwaho hukihuki tā mātou, a, kua tīmata ki te waihanga rauemi mō ngā akoranga.

The Executive Leadership Team completed a two day offsite in February, where it designed a leadership programme to create connection and alignment critical to improving Moana's performance. The programme is based on developing deeper levels of trust, understanding and unlocking teamwork.

Our people leaders must have the skills, tools, and resources to grow their teams, and drive high performance. To date over 50% of leaders have completed a core management course focused on fundamentals.

Phase One of our development framework – Discover and Explore – was completed which included review of existing materials and internal interviews.

We have an initial draft framework and commenced content creation of learning modules.

50%
of leaders have completed
a core management
course focused on
fundamentals



Nutana Wiki

Safety and wellbeing

We continue to have a strong focus on critical and other risks to mitigate and control throughout FY21.

Ko te tūraru nui ko tērā e taumaha ai āna putanga ahakoa te nui, te iti rānei o te whakapae ka hua ake taua tūraru.

He mea whakatau ā mātou aronga tūraru i runga i te tātaritanga raraunga i kohia rā i ngā tau torutoru kua hipa, nā runga i tō mātou kaha ki te pūrongo, ahakoa te māmā atu o ngā putanga engari he kaha ake te putaputa mai.

He mahi pai rawa te tātaritanga mō te whakahaerenga o te haumarutanga o ā mātou kaimahi huri noa i ngā rohe, ā, e piki ana te kaha o te tautoko mai i te horanga o te mate urutā.

I tupu tā mātou pūrongo hauata, pūrongo mātaitanga hoki mā te 17 ōrau i te tau kua hipa, ā, e 42 ōrau te pikinga mai anō i te FY19. Kua pēnei ahakoa ngā nōhanga rāhui, ā, ka koa te ngākau.

Ka homai tā mātou hanganga pūrongo i ngā māramatanga rooro ki ngā hinonga, e pai ai tā mātou aro atu, tā mātou pare rauemi atu hoki.

Ko ngā tatauranga e aroa nuitia e mātou ko te nui o te whakapāpātanga e pā ana ki te pūrongo, ki te ūnga hoki a ngā kaiārahi me ngā kaimahi. E kōmai ana te ngākau ki te mātai i ngā pikinga o ngā pūrongo whānui, me te ūnga o ā mātou kaiārahi ki te hauora me te haumarutanga, e 52 ōrau te nui o te pikinga.

Ahakoa tā mātou kaha ki te whakamahi i ngā kōrero o roto i ā mātou kauwhata, e mārama ana ki a mātou ko te tino tohu nunui ko te kōrerohanga mai a ā mātou tāngata, ā mātou kaiārahi me ā mātou kaimahi e ū ana ki ngā kōrero haumarutanga – hui komiti mai, Tackle Box mai, hui kete maitai mai.

Ko te āhuetanga e kitea ai te angitu ko te whaitua e hāneanea ai, e kaha ai ā mātou tāngata ki te kōrero mai, ki te marohi i tētahi

Critical risks are those which can have serious consequences regardless of whether there is high or low likelihood of the risk to eventuate.

Our risk focus areas were determined by an analysis of the data we have collected over the past few years through our increased reporting, although which can have lesser consequences but are more frequent and probable.

The analysis was an extremely worthwhile undertaking for the safety management of our staff across the regions which served us increasingly well as the pandemic continued.

Our incident and observation reporting increased by 17 percent on last year and has increased 42 percent since FY19. This was despite lockdown impediments which is very pleasing.

Our reporting structure provides us with enduring insights into events which we can direct our focus and resources to.

Numbers we focus on are our levels of engagement around reporting and participation by leaders and workers. We are delighted to observe increases in our overall reporting and our leader participation in health and safety, which grew by 52 percent.

While we do utilise the information found in our graphs, pie charts and histograms, we understand the real measure that will make a difference is our people speaking up and our leaders and workers engaging in safety conversations – whether that is at committee meetings, through the Tackle Box or toolbox meetings.

Having an environment where our people are the comfortable to speak up and suggest an idea, create a solution to a problem or highlight an issue is where we will find success.

whakaaro, ki te waihanga i tētahi urupare ki te urupounamu, ki te whakamiramira rānei i tētahi take.

Kāore e kore he tūmau te noho a te haumarutanga hei kaupapa matua. He rite hoki te nui o te hanga whaitua whaihua, whaitua whakahihiko hoki i ō mātou tāngata, e ora ā-pūtea ana, e haepapa ā-oranga tonutanga ana, kia pai ai te pānga ki ō mātou kaimahi, ō rātou whānau, me ō mātou kaupuriheia. Koirā te kamupene e whai nei a Moana.

Kāore tētahi e kapo i te mana o tētahi, ā, ehara i te kaupapa nui e piki ana, e heke ana i te rārangi.

Kua noho mai tēnei hanga hei āhuetanga mahi, hei āhuetanga mahi tahi mō mātou katoa i Moana. Ko te inenga angitu matua ko te haumarutanga, ko te pikinga o te oranga o ō mātou kaimahi.

E koa ana te ngākau ki te pūrongo ake i te ārahitanga e whakaaturia tonutia ana e tō mātou Ohu Tumu. Nuku atu i te rua tekau mā rima ngā toronga a ngā tumu mō te haumarutanga me te hauora ki ngā wāhi o Moana huri noa i Aotearoa.

E tiroiro atu ai ngā kanohi haumarutanga hou ki ngā wāhi mahi, ko ngā toronga nei te wā e kite ai ngā Tumu i tā mātou rautaki e whakatinanatia ana, me te noho tahi hoki ki ō mātou kaimahi i ngā rohe.

Moana New Zealand's Wellbeing Survey attracted a solid participation rate of 67% across all sites

Nā te rāhui anake o te Kōwhēori 19 i te Ākuhata te hōtaka i aukati atu, engari e rikarika ana te ngākau kia tau mai ngā Tumu hei te roanga o FY22.

Nā ngā kaupapa hauora o tā mātou hōtaka, o Hīkoi te Ora, i kaha ai te ūnga mai o ngā tāngata i ngā wāhi mahi katoa. Ko ētahi kaupapa ko te Wiki o te Reo o Hāmoa, ko te rīwhi i ngā mīhini hoko kai ki ngā kai ora i ētahi o ō mātou wāhi nui, ko te Rā Hāte Māwhero, ko Mātariki, ko ngā Toa Kīhai i Whakataukītia, me Oranga ā-Pūtea, ā-Hinengaro hoki.

I whakahaeretia hoki tā mātou Tatauranga Hauora tuatahi, ā, he pai hoki te whai wāhitanga mai, arā e 67 ōrau. I whakautua hoki ētahi ki ngā reo o Tonga, o Hāmoa, me te reo Ingarihi. Nā ngā tatauranga nei i pai ai tā mātou hanga i ētahi atu kaupapa e aro ana ki ngā āhuetanga e tino pīrangitia ana, e tino hiahia ana.

Ko Moana New Zealand tētahi o ngā hunga tuatahi ki te whakamahi i te hangarau pātū kirikakā hei maitai i roto i te kete, kia ū ai te haerenga tonutanga o ā mātou mahi, me te oranga o ā mātou kaimahi hoki.

Ko mātou te rōpū tuarua o te motu ki te whakatū pātū kirikakā hei kaupapa i te Kōwhēori 19, ā, i muri mai hoki kia ea ai ngā rītenga OMAR mō te tukunga ki Haina. Ka tukuna e ngā pātū kirikakā kia haere te tangata i tirohia ki ētahi wāhanga o te whare i Maungareia mehemea he pāmahana ora tōna.

Koinei tētahi tauri o tā mātou rautaki mō te Kōwhēori 19. Ko ētahi atu whakaritenga ko te tukutuku kōrero, ko ngā whakamāramatanga o ngā karo ārai mate, ko te tautoko i ō mātou tira i roto i ngā panonitanga taumata ōhiti, me te āta wherawhera i ngā hiahia o ā mātou mema e mahi ana ki te kāinga, ki te muranga mai o te ahi anō hoki.

Without question safety will always be a key priority. Equally important thought is creating a productive and engaging environment for our people, being financially viable, being sustainably responsible and making a positive change to our staff, their whānau and our shareholders' lives. This is the company Moana continues to strive to be.

One does not supersede the other, it isn't a priority whereby it moves up and down the list.

It is now becoming a way of operating and collaborating for all of us at Moana. Our critical success measure is the safety and improved wellbeing of our kaimahi.

We are pleased to report the ongoing leadership being shown by our Board. There were more than twenty-five director health and safety visits at Moana sites across Aotearoa.

To provide fresh safety eyes across the site, visits also provide Directors an opportunity to see our strategy in action and to spend some time with our regional staff.

The schedule was only stopped in its tracks by the August Covid19 lockdown, but we look forward to hosting our Directors throughout FY22.



Wiri Tio Team

Wellbeing initiatives through our wellbeing programme, Hīkoi ki te Ora, resulted in strong participation at all sites. These included Samoan Language Week, replacing vending machines at some of our larger facilities with healthy alternatives, Pink Shirt Day, Matariki, Unsung Heroes, Financial and Mental Wellbeing.

We also conducted our first Wellbeing Survey and received a healthy 67 percent participation rate with a number of responses in Tongan, Samoan and English. The results of the survey enable us to develop further initiatives targeted at areas most wanted and needed.

Moana New Zealand is an early adopter of fever screen technology as another tool in our toolkit to provide continuity of our business and monitoring the health of our kaimahi.

We were the second organisation in the country to implement fever screens in response to Covid19 and latterly as an OMAR requirement for China exports. The fever screens only allow access to parts of our Mt Wellington premise if the monitored person records a safe temperature reading.

This is one example of our Covid19 response. Other measures include communication, supporting information around vaccinations, supporting our teams through changes to alert levels, being responsive to the needs of our team members working at home and to our frontline workers.



Kaimahi feature on pioneer TV programme

A highlight for our people this year was seeing themselves and our operations feature in a full length episode for the first-ever series of Home, Land and Sea.

Nā Te Māngai Pāho te pūtea tautoko, ā, ka whakaaturia ngā pakihi ā-whānau, ā-hapū, ā-iwi hoki e pā ai te rongo o te iwi Māori ki te ao.

Nā te whai wāhitanga atu o Moana New Zealand i kotahi ai ō mātou tāngata i te roa o te wā taumaha nei, ā, i rongo mātou i te reka o te whai wāhi ki tētahi āhuatanga motuhake.

Mai i te wheketere ki te muranga ahi, ki ngā kaimahi ika, ki ngā kaihao ika pāmu huri noa i ngā rohe e mahi ai mātou, ka mau i te kiriata nei ngā taumata katoa e whai ai tō mātou pakiwaitara, tō mātou ingoa hoki ki te piki.

He hōnore ki a mātou i te whaiwāhitanga atu, ā, ka whakamānawa hoki i te takinga ā mātou i tō mātou kōrero i runga Whakaata Māori. Tēnei ka mihi ki a Jack Media, Te Māngai Pāho, me ngā kaimahi katoa i whakapuaki i ō rātou whakaaro ki te motu.

Funded by Te Māngai Pāho, it showcases whānau, hapū and iwi-based enterprises putting Māori on the global map.

Moana New Zealand's inclusion connected our people during a difficult year and made us feel part of something special.

From the factory and frontline, to our process workers and farm harvesters across regions where we operate, the programme captured everything our brand story and name exists to achieve.

We felt privileged to be included and grateful to tell our story on Māori Television. We thank Jack Media, Te Māngai Pāho and all staff who shared their views with the nation.



WATCH THE FULL VIDEO

<https://www.maoritelevision.com/shows/home-land-and-sea/S01E010/home-land-and-sea-episode-10>

Scholarship recipients the future of industry

Leaving a legacy for an individual as esteemed as Whaimutu Dewes is best summed up by Māori intergenerational customary practices. For those living near the coastline, being able to gather, provide and eat kaimoana – particularly in front of marae and homes for pataka – is at the heart of Māori identity.

Kua hangā e Moana New Zealand te karahipi Te Pae Tawhiti hei mihi ki ngā koha nui, ki te titikaha hoki o Whaimutu ki ngā mahinga ika Māori. Ia tau, ia tau whakawhiwhia ai ki tētahi tauira wānanga Māori e whai ana i tētahi tohu e pā ana ki ngā akoranga ā-tai, te ahumoana, te whakapaitanga kaimoana rānei.

I noho tahi mātou ko ngā kaiwhiwhi karahipi tuatahi, arā ko Daria Bell rāua ko Te Atawhai Amaru-Tibble.

He aha te pānga o tō whakapapa ki tō whakaaro ki te whai i ngā akoranga ahumoana?

Daria:

He Māori ahau, ā, e whakapono ana ahau ka āwhina tērā ki te hoatu kaimoana ki tōku whānau, ā, haere ake nei. He wāhanga nunui te kaimoana o tōku ahurea, me te hora hoki i te kai ki te tēpu. Nāna ahau i whakaawe hei kaitiaki, hei tiaki i ngā taonga kei a tātou. Ko tēnei mea te ahumoana he kimi mahi e ora tonu ai te mauri, kia whakatūturutia ai te mauri ora, me te hoatu anō i te kaimoana mā te whānau, mā Aotearoa, mā te ao whānui anō hoki.

Atawhai:

Me hoki rā ki aku taketake, ki te Rēkohu rā anō. Ka hūnuku atu tōku koroua i Timaru ka moe ai i tōku kuia, ā, ka timata rāua ki te hī ika. I mua tata tonu i te horanga nuitanga o te kōura ka wehe rāua, ka hoki anō i muri tonu mai. Nā reira i whiria ai te taukaea tānekaha i roto i tōku whānau ki ngā mahi hī ika, ā, ki ōku whakaaro he huarahi akoranga pārekareka te ahumoana, te mahi ika hei whai māku.

He momo ika, he āhuatanga oranga taimoana rānei tāu e pai ai?

Daria:

Ko te kina, te pāua, te kōura me ngā ika – te tāmure, te tarakihi me te haku. Ko ngā mea e tino hiahia ai tōku whānau ki te hao. Nā tōku tupuranga i pēnei ai ngā wāhanga e pai ai ahau, me ngā momo ika e waia ai te iwi Māori ki te kohi.

Atawhai:

Ko te kōura. E tino pīrangī ana ahau kia mārama mai ōna nekehanga, tōna nōhanga, me pēhea te whakapūmau i tōna mauri, me pēhea te whakatupu. Ko te pāmu moana uriuri te kaiwhakahihiri i ahau. Kua kite au i ngā kaupapa moana uriuri ki Amerika, e hangaia ai ngā pūnaha nōhanga ākau horihori kia pai ai te noho, te tupu hoki o ētahi momo kōura e āhua rite ana i roto i te ora.

To acknowledge Whaimutu’s long contribution and commitment to Māori fisheries, Te Pae Tawhiti Scholarship has been created by Moana New Zealand. It’s awarded annually to a Māori tertiary student enrolled in marine studies, aquaculture or in a kaimoana enhancement-related field.

We sat down with inaugural scholarship recipients Daria Bell and Te Atawhai Amaru-Tibble.

How does your whakapapa influence your decision to study aquaculture?

Daria:

Being Māori I believe that it will help me to provide kaimoana for my whānau in the future. Kaimoana is a big part of my culture and putting food on the table. It’s influenced me as kaitiaki to look after what we have. Aquaculture is about finding more sustainable practices to ensure we’re safeguarding as well as producing kaimoana for whānau, for New Zealand and for the world.

Atawhai:

It goes back to my roots on the Chatham Islands. My great grandfather moved from Timaru to marry my great grandmother and they started fishing. They left just before the crayfish boom and returned just after. That seeded a strong bond within my extended whānau towards fisheries and I reckon aquaculture and fisheries is an interesting study path to go down.

Are there particular species or marine life aspects you’re most interested in?

Daria:

Kina, pāua, kōura and ika – snapper, tarakihi, kingfish. All the ones that my whānau are most interested in harvesting. My interest areas are influenced by my upbringing and by the species Māori are accustomed to gathering.

Atawhai:

Kōura. I really want to understand its movement, habitat, how we can make it a more sustainable species, and how it can be farmed. I’m particularly motivated by deep sea farming. I’ve seen deep sea initiatives in the US which create artificial reef habitat systems enabling similar kōura species to live and grow healthily.





Sealord whānau get to health appointments

Sealord and Te Taihū Māori health and wellness provider Te Piki Oranga are working together to help make it easier for whānau in the Nelson Tasman region access health and wellbeing services.

E tuku pūtea ana te kaiāpai rangatōpū tuatahi o Te Piki Oranga, a Sealord, mō ngā tau e toru kei mua i te aroaro hei whakaea i ngā utu hāereere a ngā whānau ki ngā huinga, ā, ki te āwhina i ō Te Piki Oranga kaimahi ki te haere ki ngā whānau, ki ō rātou kāinga.

E ai ki te Tumuaki o Te Piki Oranga, ki a Anne Hobby, he huhua ā Te Piki Oranga kirimana hei tuku ratonga hauora ki ngā whānau, engari he rite tonu te korenga ō rātou e āhei ki te haere ki ngā ratonga e hiahia ai rātou.

“He taupā tūturu te korenga ō te waka ki te pikinga o te ora o te tangata,” hei tā Hobby. “Kāore ētahi whānau huhua e whai wāhi ki te waka, ki te moni rānei hei hoko penehīni, hei whakautu tēkihi, hei whakautu pahī rānei. Me ka uaua te nekeneke haere, he uaua tonu atu māna. Te tamōtanga i te huinga, ka uaua kē atu mā te tangata te whai i tāna mahere whakapiki oranga.

“Nō reira, ka āwhina atu a Sealord i ngā whānau ki te whakaea utu hāereere, ka tokomaha atu ngā tātanga e taetae atu ana ki ngā huinga. He whakaurunga papai tēnei – e manahau ana mātou e kite ana a Sealord i te pai o ā mātou mahi.”

E ai ki te Tumuaki o Sealord, ki a Doug Paulin, inā rā te māori noa o te piringa nei, te whakatairangatanga nei mō Sealord.

“Nō te iwi Māori te hāwhe o Sealord, ā, he Māori te 15% o ō mātou kaimahi. He mea nui ki a mātou te tautokonga o ngā whānau o ō mātou tātanga, me ō rātou hapori hoki.”

Te Piki Oranga’s first corporate sponsor, Sealord is contributing funds for the next three years to cover both whānau transport costs to get to appointments, and to help get Te Piki Oranga’s kaimahi to whānau at home.

Te Piki Oranga Tumuaki Anne Hobby said Te Piki Oranga holds several contracts to deliver health and wellness services to whānau, but often they can’t get to the services they need.

“A lack of transport options can be a legitimate barrier to people having better health”, Hobby said. “Many whānau don’t have access to a car, or money for petrol, taxis or bus fares. If their mobility is impaired, it is even harder for them. It can really set some people back in their health improvement plan if they miss an appointment.”

“So, having Sealord helping whānau with travel costs means more people can get to their appointments. It is a fantastic partnership - we are thrilled Sealord can see value in the work we do.”

Sealord CEO Doug Paulin said that the sponsorship is a natural fit for Sealord.

“Sealord is half-owned by Māori and 15% of our employees are Māori. It is important to us to support our people’s whānau and their communities.”



From the left, Sealord CEO Doug Paulin and Te Piki Oranga Tumuaki Anne Hobby.

Ō mātou wāhi

Our place





Demand Flex

E tautoko tonu ana mātou i te kaupapa whakakore-warō a Aotearoa kia pai atu ai te whakamahinga o te pūngao toitū, me te tauritanga atu i ngā koranehe.

I te tau 2019, i piri atu tō mātou wāhi mahi i te Papaioea ki Demand Flex, ā, i te tau nei e eke ana tō mātou wāhi mahi i Maungarei ki runga i te waka.

Ko tā Demand Flex he whakahoki i te hiko ki te pūnaha hiko i ngā wā o te kainga nuitanga o te hiko, me te aha ka kore e mate ki te tahuri ki ngā puna pūngao whatungarongaro kia ngata ai te hiahia o te māketē ki te hiko.

I ngā wā e hiahia ana, ka aunoa te whakawetonga o ētahi maitai i tautuhia, ka whāiti iho te kaikai hiko. Kātahi te pūngao ka pareā, ka 'whakahokia ki te pūnaha' rānei.

We continue to support Aotearoa's decarbonisation journey to better utilise renewable energy and its move away from fossil fuels.

Back in 2019 our Palmerston North site signed up to Demand Flex and this year our Mt Wellington site also jumped on board.

Demand Flex is all about providing power back to the grid during periods of high consumption, reducing the need to switch to non-renewable energy sources to meet market demand for energy.

When required, it automatically switches off specified equipment, reducing the load. This energy is then diverted or 'given back to the grid'.

“The system has been running seamlessly and smoothly since it was installed. It’s a real buzz for our people knowing we’re giving back to the grid when its needed.”

- Mohammed Khan, Palmerston North Site Manager.



WATCH THE FULL VIDEO

<https://www.simplyenergy.co.nz/demand-flexibility/>



Māui drone gets off the ground

Back in February this year the Māui drone project was officially launched by Prime Minister Jacinda Ardern and Minister for Oceans and Fisheries David Parker.

He mahinga tahi te Hinonga Matatopa Māui nei i waenga i a MAUI63, te Manatū Ahu Matua (MPI), me WWF-New Zealand, ā, e tautokona ana e Moana me Sanford.

Kua whakapiritia e MAUI63, he rōpū kaua-mō-te-pūtea, i te matatopa nui me te punenga rorohiko (AI) hei kimi, hei whai i te popoto. Ka āwhina te Hinonga Matatopa Māui ki te whakakī i ngā kete kōrero pūtaiao mō te noho a te ika nei ki hea, ki hea, me te āhua o tāna whakamahi i tōna nōhanga.

Ka āwhina aua raraunga i ngā kaihanga kaupapa here, ngā kaupūtaiao, te umanga hiika, te iwi whānui, me ētahi atu hoki ki te whakatūturu ka whaihua te tiakitanga tonutanga o te momo ika nei e tino mōrearea ana.

E ai ki a Minita Parker mā te matatopa e whai wāhi nui ai tātou, mō te wā tuatahi, ki ngā kōrero whakahirahira mō te popoto, me te iti noa ake o te utu i ē ētahi atu huarahi kohikohi raraunga.

Ka tautohua e te AI ngā popoto takitahi mā ngā tohu urutira, ā, ka āhei ki te whakawehewehe i ngā kātua me ngā kūao.

Hei tā te Tumuaki o Moana, hei tā Steve Tarrant, he mea nui kia hāngai te tautokonga o te atamaitanga ki ngā mātāpono a te kamupene.

“Kei te hāputa o te kaupapa ko te kaitiakitanga, nō reira te pānga mai o te rongō o te Hinonga Matatopa Māui, ka tere tonu tā mātou tautoko i te tira rangahau. He wāhi tō tēnā, tō tēnā o tātou ki te tiaki i te taonga nei.”

Me whai ngā matatopa katoa, ngā mea taumaha ake i te 25 kg, i te hātepe whakaaetanga māori, te hātepe motuhake hoki, kia whakaaetia ai kia rere, mehemea ka haumaruru te whakamahinga ōna. Te whiwhinga o te whakaaetanga a Te Mana Rererangi Tūmatanui o Aotearoa, kua rewa ake te matatopa, ā, e akoako haere ana ngā kaihautū ki te rere.

E rikarika ana te ngākau ki te whāriki i ētahi atu pitopito kōrero hei ākuanei.

The Māui Drone Project is a collaboration between MAUI63, the Ministry for Primary Industries (MPI) and WWF-New Zealand, supported by Moana and Sanford.

MAUI63, a non-profit organisation, has combined a large drone with artificial intelligence (AI) to find and track Māui dolphins. The Māui Drone Project will help to fill critical science gaps about the mammal's distribution and how they use their habitat.

This data will help policy-makers, scientists, the fishing industry, the public, and others to ensure ongoing effective protection of this critically endangered species.

Minister Parker says the drone will provide powerful and unparalleled access to important information about Māui dolphins, at a fraction of the cost of other data collection methods.

A.I. will uniquely identify individuals via fin markings and will be able to distinguish between adults and calves.

Moana CEO Steve Tarrant says supporting innovation that aligns with the company's values is important.

“Kaitiakitanga is at the forefront of our kaupapa, so when we heard about the Māui Drone Project we threw our support behind the research team. We all have a role to play in protecting these taonga species.”

Every drone 25kgs or above needs to go through a special and regular certification process before it's allowed to fly, proving it's safe for use. Having received CAA approval the drone is up in the air and pilots are currently building up flight time.

We look forward to bringing you more developments in the near future.



Ō mātou hua

Our product





Co-funding commercial fishing with careful precision

Ko tēnei mea, te Precision Seafood Harvesting (PSH) tētahi hōtaka, e iwa tau te roa, i whakahaeretia i raro i tētahi Whakaurunga Whanaketanga Ahumatua i te taha o te Manatū Ahu Matua, e whai nei ki te whakawhanake, ki te whakamātau i te hangarau hao tipakopako ki runga waka pūhoro tauhoko.

Te taha ki ngā au mahi i oti i raro i te hōtaka tuatahi, ko Moana New Zealand tētahi o ngā kaihaumi ngātahi tuatahi, me Plant & Food Research hoki, e haumi tonu ana i te hōtaka PSH.

Tērā te hangarau kōwae hiika e whanake haere ana, e kīia nei ko Tiaki.

E whakapono ana mātou ki ngā painga ā-tauhoko o te hangarau nei, me te aha ka rite tonu te putaputa o ngā hua kaimoana o te taumata hou o te kounga, i haa rā e ora tonu ai te mauri.

Ko te putanga e manakohia ana e mātou, ka whaihua, ka manawaroa te umanga hiika o Aotearoa.

E koa ana te ngākau ki te pūrongo ake kua whakaaetia tā mātou tono pūtea hou, ā, ka haere tonu ngā rangahau, ngā whanaketanga kia pai ake ai te hangarau pūhoro nei.

Precision Seafood Harvesting (PSH) was a nine-year programme under a Primary Growth Partnership with the Ministry for Primary Industries which aimed to develop and trial selective trawl technology on commercial fishing vessels.

With the workstreams completed under the first programme, Moana New Zealand is one of three industry co-investors alongside Plant & Food Research which will continue to invest in the PSH programme.

Modular fishing technology development, or Tiaki as it is known, translates to 'care'.

We believe in the commercial benefits of this technology which results in the supply and consistency of new premium quality, sustainably harvested seafood products.

We hope this will lead to a more productive and resilient New Zealand fishing industry.

We are pleased to report that our revised funding application has been approved and research and development will continue to improve this trawl technology.

Kua taunakitia te pikinga o te morehutanga, te kōwhiringa, me ngā painga o te kounga, e tūmanako nei mātou ka hokona ukaukatia ki tāwāhi.

Kia hāngai ai ki te kaitiakitanga, ko te whakaaro o te PSH he whakaputa kaimoana kounga ake i hāoa kia ora ake ai te mauri, ā, ka noho ngā kai nei hei mea nui kē ki ngā kiritaki matatika e whakatau nei i ā rātou hokonga.

E kōkiri ana ā Moana New Zealand haumitanga tahitanga i ētahi kokiritanga kaupapa pēnei me te rangahau rārangi ratonga, te whakawana i te ingoa o ā Aotearoa mahinga ika i te ao, te whakarite i ngā hangarau hou hei hoko atu, me te whakatau i ngā momo ika e whāia ana, me te whakahaerenga mahinga ika.

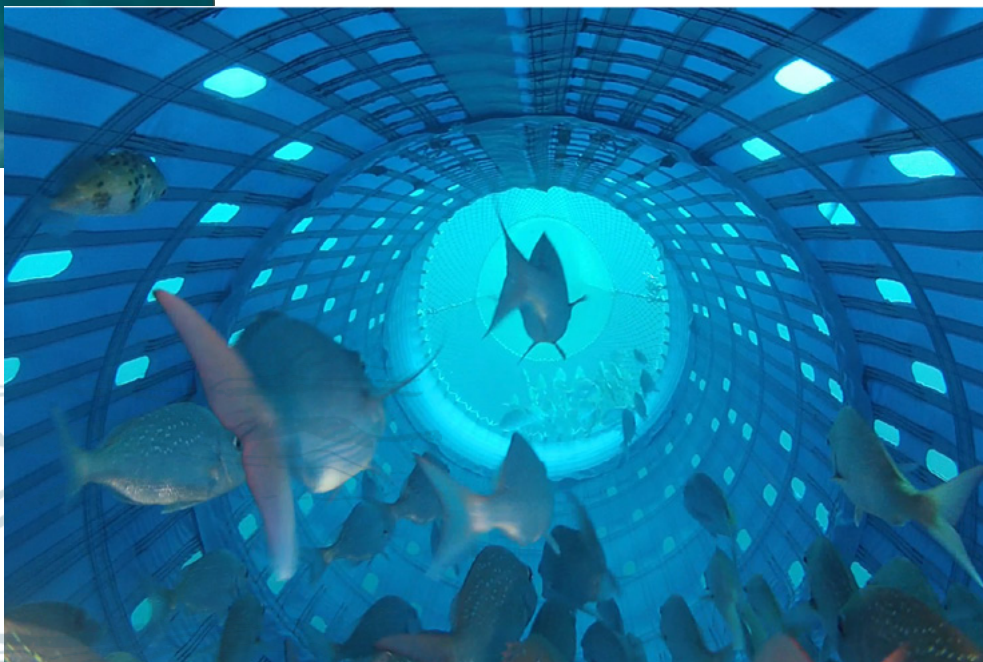
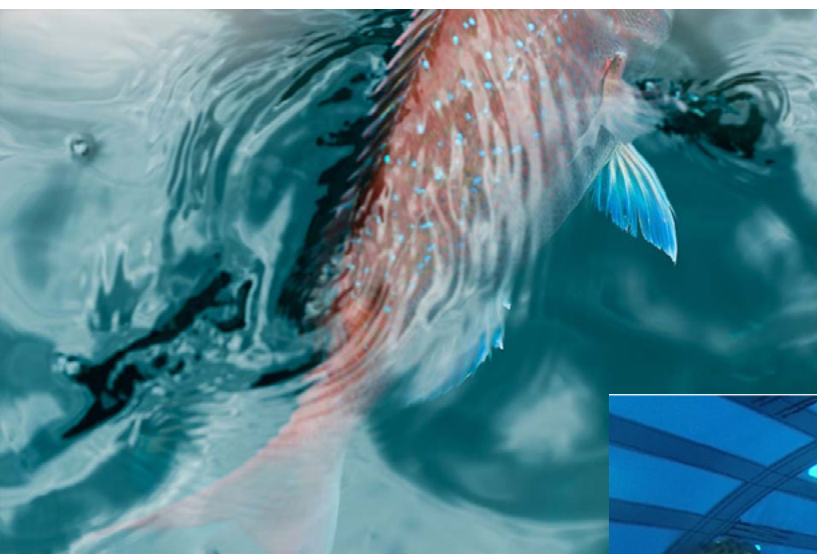
E rikarika ana te ngākau ki te hoatu i ngā kōrero hou ki a koutou.

Fish species have proven increased survivability, selectivity and quality benefits which we hope will lead to offshore commercialisation long-term.

In line with kaitiakitanga, PSH is intended to produce higher quality, more sustainably harvested seafood products which are of increasing importance to ethical consumers when making purchasing decisions.

Moana New Zealand's co-investment continues a number of priority steps including supply chain research, enhancing Aotearoa's global fisheries reputation, commercialising prototype technology and agreeing target species and fisheries area management.

We look forward to keeping you updated.



WATCH THE VIDEO ON YOUTUBE
https://youtu.be/igL3xLz_-UA



Transparency of data and reporting

Hand in hand with development of modular fishing technology is the importance of existing data and reporting to enhance New Zealand’s global fisheries reputation.

E mōhiotia ai he mea hao ā mātou kaimoana kia toitū ai te mauri ora, mai i ō tātou wai horomata, ka whakahaere tō mātou Wāhanga ō-Uta i ngā raraunga haonga mā ngā kaihiika whai kirimana.

Kātahi mātou ka whakahoki i te pūtea ki ō mātou kaihiika e ai ki te roherohenga i tohaina rā e mātou, me te āta whakarite anō i ngā ika hei whai mā tēnā tira kaumoana, mā tēnā tira, me te wā hoki o te tau. He mea kapo, he mea tuari hoki ngā raraunga i te wā e kapohia ai, me te aha ka tino mōhio mātou e hao ana ngā ika i ngā tōpito katoa o te mahinga ika, ā, e hao ana mātou i ngā ika anake e hiahia ana e te māketē.

He pēnei anō te ritenga mō ngā momo katoa o te ika whaitira, te pāua me te kōura.

Ko ēnei kōrero tētahi o ngā maitai hei āwhina i te Manatū Ahu Matua e manaaki nei i ngā rāngai ika. he pākaha hoki te tiakina o ngā raraunga ki tō mātou Wāhanga ō-Uta, ā, he auau tonu te arotake o Moana New Zealand e MPI.

Ko tētahi tauria o tēnei hanga ko tō mātou Wāhanga ō-Uta e tautoko ana i te whakawhāitanga o ngā haonga hāpuku, kia hāngai ai ki ngā kōrero e tukuna mai ana e ngā kaihiika whai kirimana, kia ora tonu ai te mauri o ngā rāngai mō ngā whakatipuranga e haere mai nei.

Waihoki, e wātea ana ō mātou kaihiika whai kirimana katoa ki ngā whakangungu kaihiika haepapa hei tuari kōrero mō te pūrongo raraunga haonga, te haumarutanga, te whanonga kaumoana, me te manaaki i te mauri o te moana.

I te tau pūrongo nei, i oti i tō mātou Wāhanga ō-Uta tētahi arotake rautaki o ā mātou hātepe mō te pūrongo raraunga haonga, ā, ko te whāinga matua o te hāpai i te whakatipuranga – arā ko te tōnuitanga ki tua rā mā ngā iwi katoa.

Ko te putanga o te arotake, kua whakaritea tētahi tūranga hou, ko te Kaiwhakamahere Roherohenga, Ratonga hoki.

To ensure our kaimoana products are sustainably caught from our pristine waters, our Inshore Division manages catch data on behalf of contract fishers.

We then reimburse our fishers based on quota allocated by us and manage which species each fishing crew should target, in which fisheries management area, at which time of year. Because information is captured and shared in real-time, it helps ensure our catch is well spread and we are catching only to market demand.

It is the same across all species of ika (finfish), pāua and kōura (lobster/crayfish).

This information is one tool used to assist Ministry for Primary Industries manage fish stocks. The data is maintained rigorously through our Inshore Division and Moana New Zealand is audited regularly by MPI.

An example of this is our Inshore Division advocating for reductions in hapuku catch limits reflecting information supplied by contract fishers, to ensure healthy stock levels for generations to come.

Further, all of our contract fishers are invited to fisher responsibility training to share knowledge about catch data reporting, safety, vessel operator conduct and caring for the sustainability of the ocean.

This reporting year our Inshore Division conducted a strategic review of our processes around the reporting of catch data, with the overall objective of upholding whakatipuranga – or prosperity for the future on behalf of all Iwi.

As a result of the review, a new position Quota & Supply Planner has been created.



Roger Rawlinson

“We have a responsibility and duty of care to be transparent as kaitiaki.”

- Moana New Zealand





Leading Pacific tio innovation

We are delighted to update you on Moana's investment to transform our tio (oyster) farms across harbours in Northland and the Coromandel.

Ko mātou te mea nui katoa o ngā kaimahi pāmu tio, ngā kaituku rawa o te motu, ā, ko tō mātou haepapa hei kaitiaki he whakaputa, he hao mātaitai e toitū tonu ai te mauri, ā, he pono tā mātou kawe i te haepapa nei.

He whāinga nui tā mātou, arā kia tāruatia te whakaputanga tio mō te tau 2026, ā, e \$21 miriona kua haumitia e mātou hei whakawhānui i ngā pāmu me ngā āheinga mahi tio kia tutuki ai taua whāinga.

E hāngai ana te whāinga tupuranga nei ki tā te Kāwanatanga whāinga mō te uara umanga ahumoana, arā e \$3 piriona mō te tau 2030.

He putanga pai o tā mātou hinonga whakaihiihi tio whānui tonu ko ngā āheinga whakapānga ki te ao mātauranga, ki ngā hāpori hoki. He pērā anō te whakamahinga o ngā kairato o te rohe hei hanga i tō mātou paonga tōhua i hangaia mō taua take anō.

Kei tō mātou toa kaimoana i runga ipurangi, kei ōu toa hokomaha ā-rohe hoki ā mātou tio.

We are the largest oyster farmer and exporter in the country and our responsibility as kaitiaki to sustainably produce and harvest shellfish is not a responsibility we take lightly.

We have an ambitious target to double our oyster production by 2026 and we have invested \$21 million to grow oyster farming and operations capability and meet this target.

This growth ambition is in line with the Government's target for an aquaculture industry value of \$3 billion by 2030.

Academic and community engagement opportunities have been positive outcomes from our broader tio transformation project, as has use of local suppliers to construct our purpose-built hatchery.

Our tio are now available via our online kaimoana store and in your local supermarkets.



\$21m
invested in oyster farming
and operations capability

Ko mātou te mea nui katoa o ē Aotearoa kaiwhakaputa tio, kaituku tio hoki, ā, e mārama ana ko tō mātou oranga tonutanga ko ngā mahi atamai o te ahumoana.

Kua roa mātou e whakatupu tio ana ki rō kete. Nā te hangarau hou nei i āhei ai te whakaaunoatanga o ētahi āhuatanga o te whakaturanga, o te raweketanga hei whakapai atu i ngā ritenga tupuranga. Ko te rerekētanga matua ko te huringa o ngā kete i runga taura, me te pāhūri kia āhei ai te whakaaunoatanga. E māunu ana hoki, kāore i te mau ki tētahi aranga kotahi.

As New Zealand's largest tio producer and exporter, we recognise that innovation in aquaculture will sustain us in the future.

We have grown oysters in baskets for a long time. The new technology enables semi-automation of farming and manipulation to improve growing conditions. The key difference is a change in orientation of the baskets on lines with an axle that enables the semi-automation. It is also floating rather than in fixed positions.



E eke ai tēnei, kua tīmata ō mātou tira ki Pāren-garenga, Whangaroa me te Tara o te Ika i te hātepe ki te whakarite i ngā whaitua waiwai kia here ai ngā kete ki te taura e noho nei ki te mata o te wai i waenga pou. Tērā ko te unu i ngā pou rākau tawhito, ko tōna 99.7% o ngā hanganga o te wā nei i rō wai.

Ka whakatupu mātou i te nuinga o ā mātou tio pirianga e hoko nei mātou ki tō mātou ake pāmu ki Whakatū, ā, ākuanei whakaputa ai mātou i ā mātou ake tio pirianga ki te paonga i hangaia i mua tata nei. Kātahi ka haria atu ki ō mātou pāmu ki rō whanga ka whakatupuria ai.

He 18 marama te roa o te hātepe, ā, ka haria ā mātou tio ki Wiri, ki te Tara o te Ika rānei kia māhititia ai hei hoko ki ngā kiritaki tarāwhare, ngā kiritaki o tāwāhi hoki.

Ka taea te hoko tio ora, tio mātao, tio pātio rānei. Ina tata nei mātou i tīmata ai ki te tukutuku ki ngā toa hokomahi i ngā pūhera tio anga tahi, e ono tio ki te pūhera, tekau mā rua rānei.

He hinonga whakahihiko tēnei e ahu atu ana ki tua o te pae, ko tōna pūtake ko ō mātou tikanga nui, ko te kaitiakitanga me te whakatipuranga.

To achieve this our teams at Pāren-garenga, Whangaroa and the Coromandel have begun the process of converting our water space ready for baskets to be attached to ropes which sit on the surface of the water between posts. That involves removing older wooden posts, 99.7% of existing in-water infrastructure.

We grow the majority of our tio spat we purchase in our own nursery at our Nelson site and will soon be producing our own spat at our newly constructed hatchery. It is then transported to our harbour farms to be grown out.

After about an 18-month process, our tio make the journey to Wiri or the Coromandel to be graded for sale to domestic and export customers.

Our oysters are available live, chilled, and frozen. We have also recently started supplying supermarkets with half dozen and dozen packs where the oysters are in half shells.

This is an exciting future-focused development underpinned by our core values of kaitiakitanga and whakatipuranga.



WATCH THE VIDEO ON YOUTUBE
<https://youtu.be/X97CsilPHoE>



Hatchery opening preview

Moana New Zealand's Nelson Hatchery was due to open late in 2021 but has unfortunately been delayed due to Covid19. When operational, it will give us reliable spat supply for our premium all-season oyster.

Ka tōia mai ngā tāngata pūmanawa nui e tō mātou whare ahumoana whakaihūwaka ki tō mātou umanga, he take nui tērā i te ao, i te pō.

E \$4.9 miriona kua haumitia e mātou, ā, e whakahihī ana mātou i te hokonga mai o ā mātou rākau i taua rohe anō, mai i Nelson Pine, nāna i homai ngā pou toko tū tonu. E mihi ana ki te pakihī kāmura, ki a IMB, nāna nei te whare i hanga.

E 67 ngā pā harakeke i whakatōngia e mātou i te taha o te huarahi hei mihi ki ngā manuhiri. I te Hūrae ka tāngia te kawa ki ngā tari, ngā whakairo me ngā pou i mua i te whakatuwheratanga ōkawa.

I pāngia kinotia tā mātou wātaka e te Kōwhēori19, inā hoki e ngā nōhanga rāhui me te taenga mai o ngā rauemi. E rorotu ana te ngākau ka tīmata ngā whakamātautau whakaputa hua hei te Hānuere 2022, ā, hei te marama o tua atu puta ai ngā hua tuatahi hei hoko atu.

Tēnā whāia te tāroinga ataata o te whare o Moana New Zealand ki Whakatū.

Our leading marine facility will attract quality talent to our sector which is always a priority.

We have invested \$4.9 million and are proud to have sourced timber locally from Nelson Pine which supplied the sustainable structural elements. We thank local construction firm IMB which built it.

We planted sixty-seven native flaxes along the driveway to welcome site visitors. A blessing was held in July to open the offices and bless the carvings and the pou ahead of officially opening.

Covid19 has impacted our timeline, particularly with regards to lockdowns and material supply. We remain optimistic that trial production runs will commence in February 2022 with our first commercial batch ready the following month.

Please enjoy a visual tour of our Moana New Zealand based in Nelson.



WATCH THE VIDEO ON YOUTUBE
<https://youtu.be/EOUXj2UVyCA>

\$4.9m
invested in the Nelson
Hatchery sourced timber





NZ-farmed shellfish match tofu's low carbon footprint

Moana New Zealand were part of a study just-released by sustainability experts Thinkstep-ANZ which found New Zealand-farmed shellfish have among the lowest carbon footprints of all animal proteins, similar to the footprint of the plant-based protein tofu.

Ko te Life Cycle Assessment (LCA), nā te Manatū Ahu Matua me Aquaculture New Zealand te pūtea tautoko, tētahi tātaritanga mātotoru o te roanga o te oranga o te kuku (Perna canaliculus), o te tio (Crassostrea gigas) hoki i whakatupuria i Aotearoa.

Whiriwhiria ai e LCA te oranga katoa o te mātaitai pāmu mai i te moana ki te kono ki tua noa atu. Arā ko te kohi pirianga (mātaitai pūhou), tae atu ki te wā whakatupu ki runga pāmu, te haonga, te mahinga, te pūheratanga, te tukunga, te takanga kai, me te karawhiunga o ngā anga me ngā pūhera.

Ka ahuhua ngā rauemi pēnei me te penehīni, te waka me te pūngao o te mahinga hua hei tātai i te katoa o te pānga kino ki te taiao.

Ka kitea e te rangahau nei he rite te pānga o te mātaitai i whakatupuria (mai i te pāmu ki te wā o te hokonga tarāwharetanga) ki tā te tofu, ā, he rite rānei, he iti iho rānei tāna puhanga hauhā ki ētahi atu momo pūmua kararehe katoa i rangahaua, tae atu ki te mīti kau, te manu, ngā kai miraka me ngā hēki e mahia mai ana i tāwāhi.

E ai ki te Kaiwhakahaere Matua o Aquaculture, ki a Fiona Wikaira, "e kaikā ana a Moana kia whai wāhi ki te Arotake Oranga o ā mātou tio whakatupu. He kamupene kaimoana mātou, nō te Māori tōna katoa, ā, ko te kaitiakitanga tētahi o ā mātou tikanga. Koirā mātou i titikaha ai ki te whakamārama i te puhanga hauhā, me te whakatakoto anō i tētahi mahere whakawhāiti i ā mātou pānga kino, ā, me te hora hoki i te kaimoana kounga e wawatatia ana e ā mātou kiritaki."

Ka tautokona te ahumahi ahumoana e te Rautaki Ahumoana a te Kāwanatanga, kia mahia mai kia \$3 piriona mō te tau 2035, ā, ka arohia hoki te pitomata o te ahumoana kia noho mai hei wāhanga nui o te ōhanga puhanga iti, te ōhanga o āpōpō.

The Life Cycle Assessment (LCA), co-funded by the Ministry for Primary Industries and Aquaculture New Zealand, is an in-depth analysis of the life cycle of farmed Greenshell mussels (Perna canaliculus) and farmed Pacific oysters (Crassostrea gigas) in New Zealand.

A LCA considers the full life cycle of farmed shellfish from ocean to plate and beyond. It covers everything from collecting spat (the juvenile shellfish), through the grow-out phase on the farm, harvesting, processing, packaging, shipping, and food preparation, to disposing of used shells and packaging.

Inputs such as fuel, transport and energy used in processing are accumulated to calculate the total environmental footprint.

The study found that the impact of farmed shellfish (from farming to domestic retail stage) is comparable to tofu and their carbon footprint is comparable to or lower than all other forms of animal protein considered by the referenced study, including overseas-produced beef, poultry, dairy and eggs.

Fiona Wikaira, GM Aquaculture, says "Moana was eager to be part of the Life Cycle Assessment of our farmed oysters. As a Māori-owned seafood company, one of our core values is kaitiakitanga (guardianship). That is why we are committed to understanding our carbon footprint and building a reduction plan to minimise our impacts and provide our customers with the premium seafood they expect."

The Government's Aquaculture Strategy backs the aquaculture industry to generate \$3 billion by 2035 and acknowledges the potential for aquaculture to be a significant part of a low emissions future economy.

Carbon footprints of different dietary proteins on the global market – production to retail only (in kg CO₂e / 100g protein)

This chart shows global production data. For proteins other than mussels and oysters, it does not necessarily reflect New Zealand conditions. Frozen half-shell products have been chosen because they are the most common product exported from New Zealand.

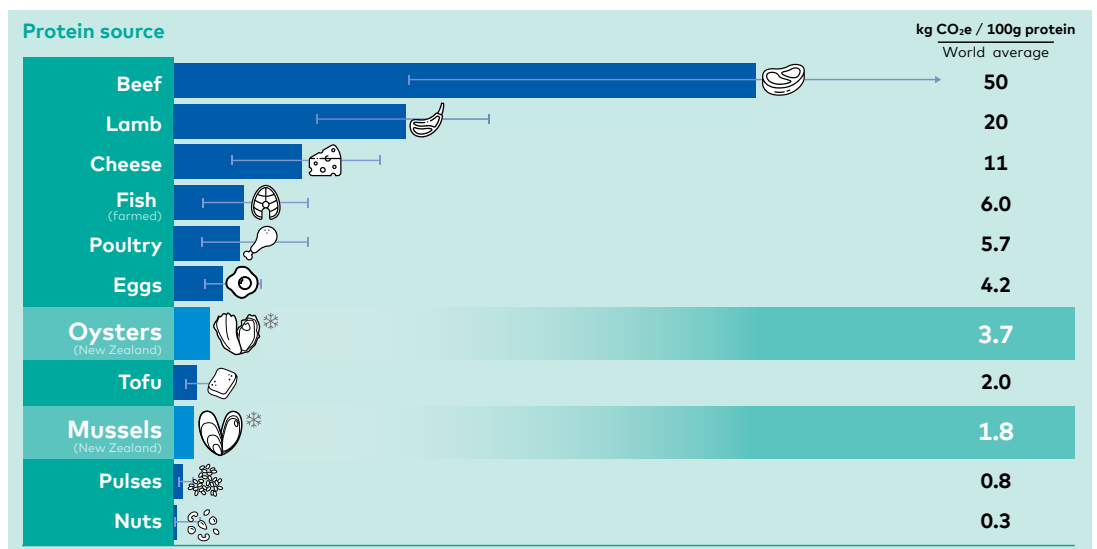




Table of Meeting Attendance for Directors

Attendance records of Board and Committee meetings for the year ended 30 September 2021.

Directors	Board (9)		Health and Safety Committee (5)		Audit and Risk Committee (4)		Remuneration Committee (3)	
	Attended	Required	Alan (C)	Greg	Hinerangi	Jason	Mavis	Tony
			Mavis	Liz	Tony(C)	Glenn	Hinerangi(C)	Liz
Hinerangi Raumati-Tu'ua Appointed 15/1/12	9	9	4	-	4	4	3	3
Alan Gourdie Appointed 01/11/13	8	9	5	5	-	-	-	-
Tony Hannon Appointed 01/11/13	8	9	3	-	4	4	3	3
Liz Ward Appointed 01/11/13	9	9	5	5	-	-	3	3
Jason Witehira Appointed 01/12/18	7	9	-	-	4	4	-	-
Greg Summerton Appointed 01/05/19	9	9	4	5	-	-	-	-
Mavis Mullins Appointed 01/08/20	8	9	5	5	-	-	2	3
Glenn Hawkins Appointed 01/10/20	8	9	2	-	4	4	-	-



Grant Shuker
Chief Finance Officer

Tumu Pūtea Whakakapi

Grant joined Moana New Zealand in 2004. He is a qualified accountant and joined after a number of years working for a professional services firm primarily involved in financial and business process improvement assignments.

Since joining, Grant has spent most of his time in the Fin fish area and has a passion for supporting earnings improvement through insightful financial analysis, while appreciating that practical solutions must be delivered.



Karen Funnell
Group Safety and Wellbeing Manager

Kaiwhakahaere Hauora, Haumarutanga o te Kāhui

Karen joined us from the Port sector in Wellington in July 2017. She has a Diploma in Health and Safety Management with over 20 years' experience in operational management including health and safety. Karen is dedicated to the safety and health of people in the workplace and is proud to be part of a whanau-centric organisation.



Katrina Thomson
Group People and Culture Manager

Kaiwhakahaere Take Tangata o te Kāhui Te Aitanga-a-Hauiti and Te Aitanga-a-Māhaki

Katrina has a BSocSc (Waikato) majoring in Labour Studies and HR. Katrina joined Moana in 2015, previously working in national and regional leadership positions in the private prison sector, and in government working with industry groups and small businesses.

Katrina is married to Akerei and has four children. Katrina is proud to work for a fully Māori owned company, is conscious of the responsibility we have, she is passionate about people development and ensuring we are contributing to providing financially and socially for future generations – nga lwi katoa.



Mark Ngata
General Manager - Inshore

Kaiwhakahaere Matua Ō-Uta Ngāti Porou

Mark joined Moana in May 2020 from Ngāti Porou Seafoods and has nearly three decades of experience within the fishing/seafood sector in Southern Africa and New Zealand.

Mark is very passionate about delivering premium New Zealand kaimoana to key markets and developing a truly sustainable business which tells a compelling product and people story and engages consumers, taking them on a journey from sea to plate.

Mark has significant operational experience coupled with a grounding in the history of Māori fisheries and collaboration.



Michelle Cherrington
Group Communications and Sustainability Manager

Kaiwhakahaere Whakapānga, Toitū-Oranga o te Kāhui Ngāti Awa, Te Whānau-ā- Apanui

Michelle joined the Moana New Zealand whanau in 2012, having spent almost ten years in communications and marketing roles within the building industry.

Michelle grew up in Wairaka, Whakatane next to the awa and the moana and understands Māori have always had a deep connection in caring for te taiao. Working for an lwi-owned company, she appreciates Moana New Zealand's responsibility to addressing important challenges within the fishing industry to ensure the wellbeing of our future generations.



Dean Pennell
General Manager Sales and Innovation

Ngai te Rangī and Ngati Kahu o Tauranga

Dean has spent the last ten years in leadership roles at Industrial Tube Manufacturing, most recently as Chief Executive. Prior to joining Industrial Tube, Dean held a number of senior marketing and sales roles across the agribusiness sector including Tatua Cooperative Dairy Company, Deep Cove Fisheries and Weddel New Zealand.

In all these roles Dean has focussed on building sustainable organisations with particular emphasis on premiumisation and value add.

Dean enjoys travelling, seeing new places and meeting new people and loves to spend time with his growing family, including his new mokopuna.

Kupu o te pūnaha whakahaere roherohehenga

Quota management system terminology

Pūnaha Whakahaere Roherohehenga (PWR)

I whakaurua mai te (PWR) i te tau 1986 ki te whakahaere, ki te tiaki hoki i ngā mahinga ika tauhokohoko o Aotearoa. He mea whakarite i runga i te ariā waihanga tika rawa i roto i ngā Roherohehenga Tauhoko Motuhake (RTM) kia toitū tonu ai mā te whakarite rāhui ā tau mō ia momo ika tauhokohoko.

Roherohehenga Tauhoko Motuhake (RTM)

I tohaina ngā RTM mō ngā ika o uta katoa me ngā hī ika wai hōhonu, na i tēnei rā e 100 ngā momo ika, huinga momo ika rānei, e whakahaeretia ana i ngā rāngai ika 636 motuhake i raro i te RTM. Ko ngā roherohehenga o ia rāngai ika i tohaina mō ake tonu atu, he mea ine mā ngā hea roherohehenga ukauka. Ka taea e ngā kaipupuri roherohehenga te hoko atu, te rīhi i aua roherohehenga, tika hopu ika rānei, me te whiriwhiri mō āhea o roto i te tau hauhaketa ai aua roherohehenga.

Haonga Ika ā Tau (HIT)

I te timatanga o ia tau hī ika, ka taea e ngā kaipupuri roherohehenga te HIT i puta mai i a rātau hea roherohehenga. He tika tā te HIT kia hauhaketa he tūtanga ika rite i tētahi rohe mō te tau kotahi. Ka rerekē te HIT mai i tētahi tau ki tētahi tau, inā te nui o te Haonga Tauhokohoko Katoa e Whakaaetia ana (HTKW) ka whakaritea e te Minita Tautiaki i Ngā Tini a Tangaroa.

Quota Management System (QMS)

The QMS was introduced in 1986 to manage and conserve New Zealand's commercial fisheries. It is based on the concept of creating property rights in Individual Transferable Quota (ITQ) and ensuring sustainability by setting an annual limit on total commercial catches from each fish stock.

Individual Transferable Quota (ITQ)

ITQ was allocated for all main inshore and deepwater fisheries, and today 98 species, or groups of species, are managed as 642 separate fish stocks under the QMS. The quota allocated for each fish stock is in perpetuity, and is measured in a fixed number of quota shares. Quota owners are able to buy, sell and lease their quota or catch rights, and to choose the method and the time of year they harvest their catches within these limits.

Annual Catch Entitlement (ACE)

At the beginning of each fishing year, quota owners are entitled to ACE generated from their quota shares. The ACE gives a right to harvest a specified quantity of a fish stock in an area for one year. ACE varies from year to year depending on the Total Allowable Commercial Catch (TACC) level set by the Minister of Primary Industries.

Haonga Ika Katoa e Whakaaetia ana (HIKW)

Ko te HIKW te huinga o ngā ika ika ka mau mai i tētahi rāngai ika i tētahi wā, he tau te roa i te nuinga o te wā, ka tohaina ki te hunga hī tauhokohoko, tikanga, rēhia rānei. Mā te Minita Tautiaki i Ngā Tini a Tangaroa tēnei e whakarite ka mutu ana te kōrerorero ki te hunga hī, ka whakatauria ki te taumata teitei e whakaaetia ana i te nuinga o te wā.

Haonga Tauhokohoko Katoa e Whakaaetia ana (HTKW)

Ko te wāhanga o te HIKW ka tohaina ki te hunga hī tauhokohoko e mōhingia ana he HTKW.

Huanga Toitū Ikeike (HTI)

HTI, ko te huanga rarahi rawa ka taea tonutia te mau i tētahi rāngai ika i ia tau i runga i te korenga o taua rāngai ika e heke rawa.

Utunga Hara

Ko te utunga hara he utu ka tae ki te Kāwanatanga hei karo mō te hī pokanoa i te ika kare i te HIT o te tangata nāna i hopu. I waiha Ngātia hei akiaki i ngā kaihi ki te hoko HIT e rite ana ki a rātau hopunga i ia tau.

Total Allowable Catch (TAC)

The TAC is the total regulated catch from a fish stock in a given time period, usually a year, and is allocated to commercial, customary and recreational fishers. This catch limit is set by the Minister of Primary Industries after consultation with fishers, and is generally set at the maximum sustainable yield.

Total Allowable Commercial Catch (TACC)

The proportion of the TAC allocated to commercial fishers is known as the TACC.

Maximum Sustainable Yield (MSY)

MSY is the largest average catch or yield that can continuously be taken from a fish stock each year without depleting that stock.

Deemed Values

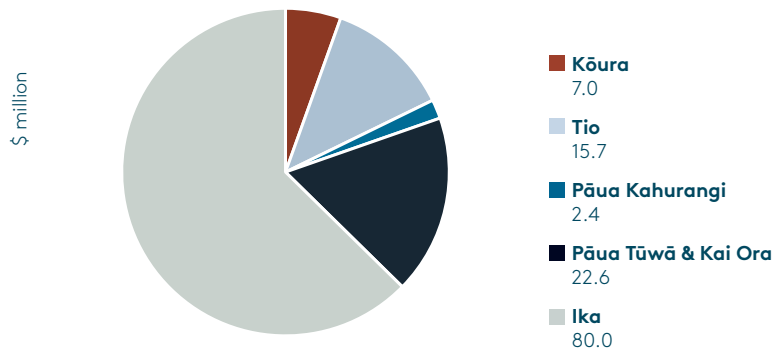
Deemed values are civil payments made to the Crown as a defence for landing catch of QMS species for which the individual fisher holds no ACE. They are designed to act as an incentive for fishers to obtain ACE which matches their catch for each fishing year.

Whakahararātanga ā pūtea

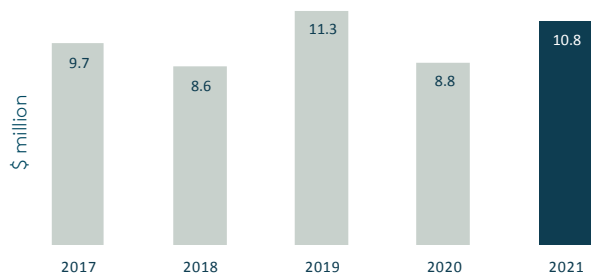
Financial highlights

FOR THE YEAR ENDED 30 SEPTEMBER 2021

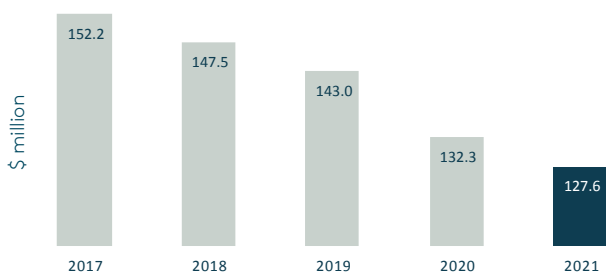
Sales by species



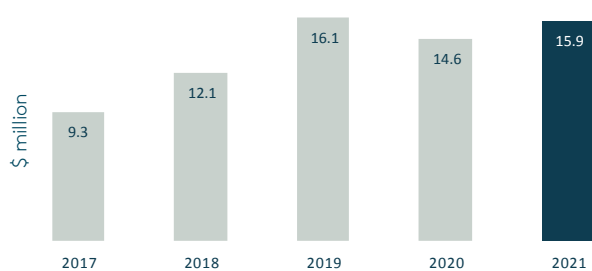
Dividend paid



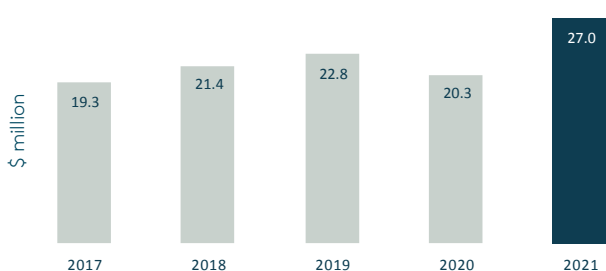
Total Revenue



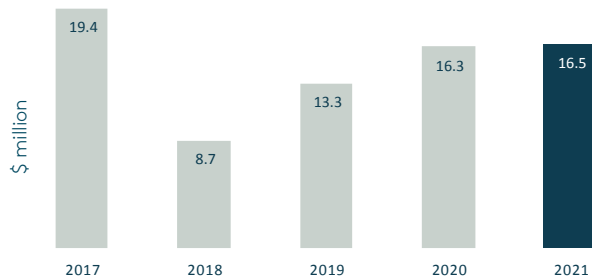
Profit Contribution from Sealord



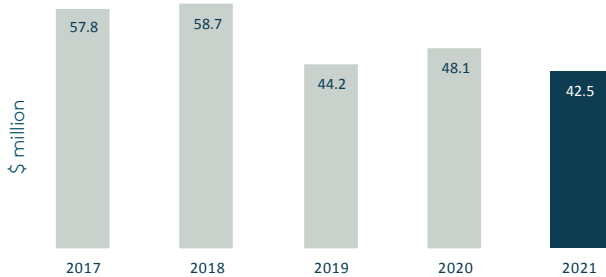
Profit for the Year



Operating Cash Flow



Bank Debt (Net of Cash)



Taukī tahua pūtea

_____ **Financial statements**

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Taukī tapatahi moni whiwhi

Consolidated income statement

FOR THE YEAR ENDED 30 SEPTEMBER 2021

\$000's	Note	2021	2020
Sale of goods		120,269	123,117
Other revenue		7,364	9,140
Total revenue	15	127,633	132,257
Cost of sales	13	(99,700)	(104,461)
Gross profit		27,933	27,796
Other income/(expenses)	14	797	(612)
Distribution expenses	13	(5,242)	(4,151)
Administrative expenses	13	(16,494)	(15,367)
Finance expenses	13	(2,106)	(2,562)
Share of Sealord profit	4	15,853	14,641
Share of profit of associates & joint ventures	5	7,545	880
Profit before income tax		28,286	20,625
Income tax expense	17	(1,240)	(285)
Profit for the period		27,046	20,340

The above Income Statement should be read in conjunction with the accompanying notes.

Taukī tapatahi whānui moni whiwhi

Consolidated statement of comprehensive income

FOR THE YEAR ENDED 30 SEPTEMBER 2021

\$000's	Note	2021	2020
Profit for the period		27,046	20,340
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss (Losses) / gains from:			
Cash flow hedges	2	1,082	1,612
Share of Sealord other comprehensive income	4	1,970	10,248
Income tax relating to components of comprehensive income	2 & 18	(189)	(282)
Other comprehensive income for the year net of tax		2,863	11,578
Total comprehensive income for the year net of tax, attributable to the shareholders		29,909	31,918

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Ripanga kaute tapatahi o te tūranga pūtea

Consolidated statement of financial position

AS AT 30 SEPTEMBER 2021

\$000's	Note	2021	2020
Assets			
Current assets			
Cash & bank balances	20	388	75
Trade & other receivables	21	10,312	8,691
Inventories	22	5,624	7,734
Biological assets	9	6,816	6,530
Income tax	17	-	564
Derivative financial instruments	28	296	289
Total current assets		23,436	23,883
Non-current assets			
Property, plant & equipment	23	55,252	47,948
Right of use assets	24	10,002	5,610
Investment in Sealord Group Limited	4	242,195	235,189
Investments in associates & joint ventures	5	3,146	2,680
Other investments	6	109	-
Quota shares	8	245,345	244,608
Goodwill	10	4,710	4,710
Intangibles	25	6,076	6,134
Deferred tax	18	469	830
Derivative financial instruments	28	133	-
Total non-current assets		567,437	547,709
Total assets		590,873	571,592
Liabilities			
Current liabilities			
Trade & other payables	26	10,720	8,721
Provisions	11	13,778	11,922
Lease liabilities	24	779	1,922
Redeemable preference shares	12	20,000	20,000
Income tax	17	1,157	-
Derivative financial instruments	28	598	620
Total current liabilities		47,032	43,185
Non-current liabilities			
Borrowings	27	42,920	48,171
Lease liabilities	24	5,321	2,813
Derivative financial instruments	28	415	1,328
Total non-current liabilities		48,656	52,312
Total liabilities		95,688	95,497
Net assets		495,185	476,095
Equity			
Shareholders' equity			
Capital contributed	2	286,979	286,979
Cash flow hedging reserve	2	(481)	(1,374)
Associates' derivative financial instruments & other reserves		741	(1,229)
Retained earnings		207,946	191,719
Total shareholders' equity		495,185	476,095

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

For and on behalf of the Board, who authorised the issue of these Financial Statements on 30 November 2021.



Hinerangi Raumati - Tu'ua
Chair



Anthony Hannon
Chair of the Audit & Risk Committee

Taukī tapatahi tūtanga rerekētanga

Consolidated statement of changes in equity

FOR THE YEAR ENDED 30 SEPTEMBER 2021

\$000's	Note	Capital contributed	Cash flow hedging reserve	Associates' derivative financial instruments & other reserves	Retained earnings	Total equity
Balance at 1 October 2020		286,979	(1,374)	(1,229)	191,719	476,095
Net profit		-	-	-	27,046	27,046
Other comprehensive income for year, net of tax		-	893	1,970	-	2,863
Dividend provision	3	-	-	-	(10,819)	(10,819)
Balance at 30 September 2021		286,979	(481)	741	207,946	495,185
Balance at 1 October 2019		286,979	(2,704)	(11,477)	180,225	453,023
Net profit		-	-	-	20,340	20,340
Other comprehensive income for year, net of tax		-	1,330	10,248	-	11,578
Dividend provision	3	-	-	-	(8,846)	(8,846)
Balance at 30 September 2020		286,979	(1,374)	(1,229)	191,719	476,095

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Taukī tapatahi aurere pūtea

Consolidated statement of cash flows

FOR THE YEAR ENDED 30 SEPTEMBER 2021

\$000's	Note	2021	2020
Cash flows from operating activities			
Cash was provided from:			
Receipts from customers		126,778	128,024
Government grant received		-	2,181
Interest received		77	83
Taxation received		952	920
		127,807	131,208
Cash was disbursed to:			
Payments to suppliers & employees		108,941	111,791
Interest paid		2,106	2,562
Taxation paid		295	555
		111,342	114,908
Net cash flows from operating activities	16	16,465	16,300
Cash flows from investing activities			
Cash was provided from:			
Dividends received		13,416	7,711
Sale of property, plant & equipment		77	18
Loan repayment from Sealord		3,804	-
		17,297	7,729
Cash was disbursed to:			
Purchase of property, plant & equipment		11,235	3,453
Purchase of quota		737	1,889
Shares purchased in investment		109	7,200
Acquisition of intangibles		419	540
		12,500	13,082
Net cash flows from investing activities		4,797	(5,353)
Cash flows from financing activities			
Cash was provided from:			
Proceeds of borrowings		8,900	7,000
		8,900	7,000
Cash was disbursed to:			
Repayment of borrowings		13,704	6,800
Payment of lease liabilities		7,299	3,417
Dividends paid to shareholders		8,846	11,270
		29,849	21,487
Net cash flows from financing activities		(20,949)	(14,487)
Net (decrease)/increase in cash held		313	(3,540)
Cash at the beginning of the period		75	3,615
Cash at the end of the year	20	388	75
Comprising:			
Cash and bank balances		388	75

The Statement of Cash Flows above should be read in conjunction with the accompanying notes.

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. Reporting Entity and Basis of Presentation

Corporate Information

Aotearoa Fisheries Limited, trading as Moana New Zealand (the Company) was incorporated in New Zealand on 26 November 2004. The Moana New Zealand Group of Companies consists of the Company, its subsidiaries and associates (the Group).

The Group's principal activities during the year were the harvesting, procurement, farming, processing, and marketing of sustainably produced seafoods to consumers in domestic and major international markets. The registered office of the Group is 1-3 Bell Avenue, Mt Wellington, Auckland.

Basis of Preparation

The financial statements have been prepared on the historical cost basis except where indicated otherwise within the specific accounting policies.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000's), unless otherwise indicated.

Statement of Compliance

These general purpose financial statements for the year ended 30 September 2021 have been prepared in accordance with generally accepted accounting practice (GAAP), and comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards as appropriate for profit-oriented entities. The financial statements also comply with International Financial Reporting Standards ('IFRS'), and with the requirements of the Companies Act 1993, the Financial Reporting Act 2013 and the Māori Fisheries Act 2004.

New Accounting Standards and Interpretations

The Group adopts new standards and interpretations in the period in which they become mandatory. There have been no new or amended standards that have an impact on the Group's financial statements for the year ended 30 September 2021.

There have been no new standards or amendments to standards that are not yet effective and have not been early adopted by the Group that materially impact the Group's financial statements for the year ended 30 September 2021.

Accounting Policies

There have been no changes in accounting policies.

Basis of Consolidation

The financial statements incorporate the financial statements of the Company and all subsidiaries (these are entities controlled by the Company and significant subsidiaries are listed in Note 5, collectively the Group). Control is achieved where the Company has power over the investee, is exposed, or has rights to variable returns from its involvement with the investee and has the ability to use this power to influence these returns.

All significant inter-company transactions are eliminated on consolidation. Subsidiaries' accounting policies are consistent with the policies adopted by the Group.

Significant Accounting Judgements, Estimates and Assumptions

Management is required to make judgements, estimates, and assumptions that affect the reported amounts in the financial statements. Management bases its judgements and estimates on historical experience and on various other factors it believes to be reasonable under the circumstances. Actual results may differ from these estimates. The principal areas of judgements and estimates made in preparing the financial statements include impairment of quota and goodwill, and marine biological assets. Further details of these judgements may be found in the relevant notes to the financial statements.

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Shareholders' Equity

(a) Capital Contributed

Pursuant to the Māori Fisheries Act, the Company received certain assets and liabilities in 2004, of which the net fair value was treated as a shareholders' capital contribution.

The following table is a summary of the share capital.

	2021 Number of shares	2021 Book value of shares \$000	2020 Number of shares	2020 Book value of shares \$000
Voting shares	125,000	-	125,000	-
Income shares (fully paid)	250,000	286,979	250,000	286,979
Shares at end of year	375,000	286,979	375,000	286,979

(b) Voting Shares

All the voting shares are held with Te Ohu Kai Moana Trustee Limited, and confer all the rights to vote as under the Companies Act. The voting shares have no rights to dividends or other distributions.

(c) Income Shares

Under the Māori Fisheries Act, 80% of the income shares are to be held with mandated iwi organisations, with Te Ohu Kai Moana Trustee Limited holding 20%. Te Ohu Kai Moana Trustee Limited is still holding income shares in trust for iwi that have yet to be allocated under the Māori Fisheries Act. Income shares carry an equal right to dividends and share in other distributions, including assets on a wind-up.

	2021 Number of Shares	2021 % of Total Shares	2020 Number of Shares	2020 % of Total Shares
Te Ohu Kai Moana Trustee Limited (to be allocated)	3,332	1.33%	3,332	1.33%
Te Ohu Kai Moana Trustee Limited (held on trust)	50,000	20.00%	50,000	20.00%
Ātiawa Ki Whakarongotai Holdings Limited	146	0.06%	146	0.06%
Ātiawa Nui Tonu Fisheries Limited	518	0.21%	518	0.21%
Hokotehi Settlement Quota Holding Company Limited	176	0.07%	176	0.07%
Ika Toa Limited	1,532	0.61%	1,532	0.61%
Kahungunu Asset Holding Company Limited	15,748	6.30%	15,748	6.30%
Koata Limited	260	0.10%	260	0.10%
Maruehi Fisheries Limited	486	0.19%	486	0.19%
Muaūpoko Trading Company Limited	560	0.22%	560	0.22%
Ngāi Tahu Fisheries Investments Limited	12,220	4.89%	12,220	4.89%
Ngāi Tamanuhiri Asset Holding Company Limited	356	0.14%	356	0.14%
Ngāitakoto Holdings Limited	150	0.06%	150	0.06%
Ngāi Te Rangi Fisheries AHC Limited	3,078	1.23%	3,078	1.23%
Ngāpuhi Asset Holding Company Limited	31,582	12.63%	31,582	12.63%
Ngāruahine Fisheries Limited	964	0.39%	964	0.39%
Ngā Wairiki - Ngāti Apa Developments Limited	724	0.29%	724	0.29%
Ngāti Apa Ki Te Ra To Assets Holding Company Limited	192	0.08%	192	0.08%
Ngāti Awa Asset Holdings Limited	3,902	1.56%	3,902	1.56%
Ngāti Kahu Fisheries Limited	2,134	0.85%	2,134	0.85%
Ngāti Manawa Tokowaru Asset Holding Company Limited	462	0.18%	462	0.18%
Ngāti Maru (Taranaki) Fishing Limited	266	0.11%	266	0.11%
Ngāti Mutunga o Wharekauri Asset Holding Company Limited	334	0.13%	334	0.13%
Ngāti Porou Seafoods Limited	18,732	7.49%	18,732	7.49%
Ngāti Pukenga Iwi Fish Holdings Limited	366	0.15%	366	0.15%
Ngāti Ranginui Fisheries Holding Company Limited	1,952	0.78%	1,952	0.78%

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 Number of Shares	2021 % of Total Shares	2020 Number of Shares	2020 % of Total Shares
Ngāti Rarua Asset Holding Company Limited	238	0.10%	238	0.10%
Ngāti Ruanui Fishing Limited	1,672	0.67%	1,672	0.67%
Ngāti Tuwharetoa Fisheries Holdings Limited	10,078	4.03%	10,078	4.03%
Ngāti Whare Holdings Limited	206	0.08%	206	0.08%
Ngāti Whatua Fisheries Limited	3,862	1.54%	3,862	1.54%
Ngātiwai Holdings Limited	1,212	0.48%	1,212	0.48%
Pare Hauraki Asset Holdings Limited	4,012	1.60%	4,012	1.60%
Rangitāne Holdings Limited	370	0.15%	370	0.15%
Rangitāne o Te Ika A Maui Limited	978	0.39%	978	0.39%
Raukawa Asset Holding Company Limited	2,666	1.07%	2,666	1.07%
Raukawa Ki Te Tonga AHC Limited	5,800	2.32%	5,800	2.32%
Rongowhakaata Iwi Asset Holding Company Limited	1,098	0.44%	1,098	0.44%
Tama Asset Holding Company Limited	184	0.07%	184	0.07%
Taranaki Iwi Fisheries Limited	1,768	0.71%	1,768	0.71%
Tapuika Holding Limited	525	0.21%	525	0.00
Te Aitanga ā Māhaki Trust Asset Holding Company Limited	1,326	0.53%	1,326	0.53%
Te Arawa Fisheries Holding Company Limited	11,411	4.56%	11,411	4.56%
Te Ātiawa (Taranaki) Holdings Limited	4,166	1.67%	4,166	1.67%
Te Ātiawa Asset Holding Company Limited	578	0.23%	578	0.23%
Te Aupōuri Asset Holding Company Limited	2,406	0.96%	2,406	0.96%
Te Hoiere Asset Holding Company Limited	372	0.15%	372	0.15%
Te Kumukumu Limited	668	0.27%	668	0.27%
Te Kupenga o Maniapoto Limited	9,086	3.63%	9,086	3.63%
Te Pataka O Tangaroa Limited	968	0.39%	968	0.39%
Te Patiki Holdings Limited	306	0.12%	306	0.12%
Te Urungi O Ngati Kuri Limited	1,426	0.57%	1,426	0.57%
Te Waka Pūpuri Pūtea Limited	3,534	1.41%	3,534	1.41%
Tūhoe Fish Quota Limited	8,754	3.50%	8,754	3.50%
Waikato-Tainui Fisheries Limited	13,702	5.48%	13,702	5.48%
Whaingaroa Fisheries Company Limited	600	0.24%	600	0.24%
Whakatōhea Fisheries Asset Holdings Company Limited	2,976	1.19%	2,976	1.19%
Whanganui Iwi Fisheries Limited	2,880	1.15%	2,880	1.15%
Total shares	250,000	100.00%	250,000	100.00%

(d) Cash Flow Hedging Reserve

\$000's	2021	2020
Balance at beginning of the year	(1,374)	(2,704)
Net gains on cash flow hedges (post tax)	893	1,330
Balance at end of the year	(481)	(1,374)

This reserve records the gains or losses on cashflow hedging instruments that are determined to be effective hedges.

The cumulative deferred gain or loss on hedges is recognised in the Income Statement when the hedged transaction impacts revenue or expense, or is included as a basis adjustment to the non-financial hedged item, consistent with the applicable accounting policy (refer note 28).

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

3. Dividend Declared

On 29 November 2021, the Directors approved a gross dividend of \$13.1 million (2020: \$10.7 million), resulting in a net cash dividend after Māori authority credits to shareholders of \$10.8 million. This has been accrued in the financial statements under the requirements of the Māori Fisheries Act 2004, to pay at least 40% of profit back to shareholders. The dividend will be paid in December 2021.

The dividend is calculated as follows:

\$000's	2021	2020
Profit for the year	27,046	20,340
Dividend as a percentage of profit	40.0%	43.5%
Dividend	10,819	8,846

The following shows the dividend components:

\$000's	2021	2020
Dividend declared after balance date	13,114	10,722
Māori authority credits	(2,295)	(1,876)
Net cash dividend to shareholders	10,819	8,846

Dividend per share	\$43.27	\$35.38
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4. Investment in Sealord Group

(a) Investment Details

Kura Limited is the 100% owner of Sealord Group Limited (Sealord), with Moana New Zealand owning a 50% interest in Kura Limited. Kura Limited is a joint venture incorporated in New Zealand, with Nippon Suisan Kaisha Limited owning the other 50% ownership interest and voting rights.

The principal activities of Sealord are catching, procurement, processing and marketing of seafood in New Zealand and internationally. The Company's investment in Sealord is accounted for using the equity accounting method as outlined in note 5.

In January 2020 the Company purchased additional shares in Sealord for \$7.2 million. An equivalent purchase of Sealord shares was also made by Nippon Suisan Kaisha Limited.

The Company advanced to Sealord two loans of \$3.5m, one in 2017 and one in 2016 for the construction of a new deep sea vessel. Both loans are denominated in EUR. An equivalent loan to Sealord was also made by Nippon Suisan Kaisha Limited. The loans to Sealord are for five years, renewable for a further three years and are unsecured. Moana New Zealand charges interest to Sealord at the same interest cost to Moana New Zealand from its banker. Further details of this loan are described in note 27.

During the year the loan made to Sealord in 2016 was repaid.

\$000's	2021	2020
Kura Limited	242,195	235,189

(b) Movements in Carrying Amount

The movement in the carrying value of the investment in Kura Limited is as follows:

\$000's	2021	2020
Balance 1 October	235,189	209,371
Share of profit/ (loss) after tax	15,853	14,641
Share of other comprehensive income	1,970	10,248
Share of dividends	(6,566)	(6,438)
Share purchase	-	7,200
Loan advance	(447)	167
Loan payment	(3,804)	-
Balance at 30 September	242,195	235,189

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

(c) Summarised Financial Information

On 3 February 2020 Sealord increased its 50% shareholding in Petuna Aquaculture to 100%. As such from this date onwards Petuna is a consolidated subsidiary of Sealord hence the balances presented below have moved compared to prior year.

The summarised financial information is extracted from the audited Kura Limited Statement of Financial Position.

\$000's	As at 30 September 2021	As at 30 September 2020
Current assets	322,471	261,290
Non-current assets	703,434	720,559
	1,025,905	981,849
Current liabilities	(115,083)	(137,079)
Non-current liabilities	(389,290)	(345,752)
	(504,373)	(482,831)
Net Assets	521,532	499,018

\$000's	For the year ended 30 September 2021	For the year ended 30 September 2020
Revenue	449,312	398,760
Expenses	(417,605)	(369,487)
Profit for the year	31,707	29,273
Other comprehensive income/ (expenses)	3,939	20,497
Total comprehensive income/ (loss) for the year	35,646	49,770

Included within the summarised financial information above are the following items, extracted from the audited Kura Limited Statement of Financial Position;

\$000's	As at 30 September 2021	As at 30 September 2020
Cash and cash equivalents	6,404	7,538
Current financial liabilities (excluding trade and other payables and provisions)	(34,065)	(63,125)
Non-current financial liabilities (excluding trade and other payables and provisions)	(324,025)	(289,832)
Depreciation and amortisation	(35,980)	(31,881)
Interest income	25	265
Interest expense	(11,221)	(11,965)
Income tax expense/ (income)	(12,598)	(13,552)

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

5. Investments in Subsidiaries, Associates and Joint Ventures

The Group's share of results of equity accounted joint ventures and associates are included in these consolidated financial statements from the date that joint control or significant influence begins, until the date that joint control or significant influence ceases.

Under the equity method, an investment in a joint venture or associate is initially recognised in the balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture or associate less any impairment losses.

Goodwill relating to an associate or a joint venture is included in the carrying amount of the investment and is assessed for impairment as part of that investment.

(a) Investment Details (excluding Kura Limited)

\$000's	2021	2020
Investments in associates	1,650	810
Investments in joint ventures	1,496	1,870
Total	3,146	2,680

(b) Investment in Subsidiaries

Details of the Group's significant subsidiaries are as follows:

Significant Subsidiary	Principal Activity
AFL Investments Limited	Investment company
Moana Pacific Fisheries Limited	Non trading company, licensed fish receiver
Pacific Marine Farms Limited	Investment company
Prepared Foods Processing Limited	Investment company
Pupuri Taonga Limited	Quota owner
Prepared Foods 2009 Limited	Owns the Prepared Foods trading name

All subsidiaries are 100% owned, direct subsidiaries of the Group, and are incorporated in New Zealand and have a 30 September balance date.

(c) Investment in Associates

On 1 April 2016, the Company entered into an amalgamation with Port Nicholson Fisheries to form the largest Māori owned lobster processing business in New Zealand. The Company's share in the limited partnership is based on each limited partners annual catch entitlement contribution to the partnership. This is currently at 56.8%. The limited partnership is managed by Koura Inc General Partner Limited. The Company has a 25% share in the general partner, and therefore has significant influence over the limited partnership. The Company's investment in the limited partnership has been accounted for as an associate.

Details of the Group's associates are as follows:

Associate	Ownership interests		Principal Activity
	2021	2020	
Port Nicholson Fisheries Limited Partnership	57%	58%	Harvests and markets lobster
Trident Systems Limited Partnership	16%	16%	Inshore fisheries research

The associates are incorporated in New Zealand and have a 30 September balance date, with the exception of Port Nicholson Fisheries Limited Partnership which is 31 March.

The movement in the carrying value of the investment in associates is as follows:

\$000's	2021	2020
Balance 1 October	810	1,154
Share of profit after tax	7,629	863
Share of distributed profits	(6,789)	(1,207)
Balance at 30 September	1,650	810

Pitopito kōrero mō ngā tauā pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The summarised financial information in respect of the Group's associates is set out below is set out below:

\$000's	2021	2020
Current assets	11,893	8,690
Non-current assets	4,510	4,789
	16,403	13,479
Current liabilities	(8,633)	(7,046)
Non-current liabilities	(4,864)	(5,016)
	(13,497)	(12,062)
Net Assets	2,906	1,417
Revenue	86,029	20,201
Expenses	(72,631)	(21,454)
(Loss)/Profit for the year and total comprehensive income	13,398	(1,253)

(d) Investment in Joint Ventures

Details of the Group's joint ventures are as follows:

Joint Venture	Balance Date	Ownership interests		Principal Activity
		2021	2020	
Auckland Fishing Port Limited	31 March	33%	33%	Holds an Auckland fishing wharf lease
Baypackers Limited Partnership	30 September	20%	20%	Harvests & markets wet fish
Inshore Fisheries JV Limited Partnership	30 September	50%	50%	Harvests & markets wet fish
Jemco Limited	30 September	40%	40%	Market aquaculture products
Oceanz Seafood Licensing	30 September	50%	50%	Seafood franchise operator
Prepared Foods Limited	30 September	50%	50%	Markets canned abalone
Precision Seafood Harvesting JV Limited Partnership	30 September	33%	33%	Harvesting, research & development

All the joint ventures are incorporated in New Zealand.

The movement in the carrying value of the investment in joint ventures (excluding Kura Limited) is as follows:

\$000's	2021	2020
Balance 1 October	1,870	1,918
Share of profit after tax	(84)	17
Share of dividends	(60)	(65)
Impairment of investment	(230)	-
Balance at 30 September	1,496	1,870

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

An assessment of the market value of the shareholding in Oceanz Seafood Licensing was undertaken at the year end and identified that the carrying value of the investment was higher than the estimated recoverable amount. An impairment of \$0.23m was recognised to write down the carrying amount to the estimated market value.

The summarised financial information in respect of the Group's joint ventures (excluding Kura Limited) is set out below:

\$000's	2021	2020
Current assets	3,218	4,151
Non-current assets	5,576	2,351
	8,794	6,502
Current liabilities	(1,108)	(1,892)
Non-current liabilities	(3,528)	(10)
	(4,636)	(1,902)
Net Assets	4,158	4,600
Revenue	31,854	27,226
Expenses	(32,047)	(27,230)
(Loss)/Profit for the year and total comprehensive income	(193)	(4)

6. Other Investments

During the year the Company acquired a 1.7% interest in Smart Oysters PTY Ltd a software company specialising in aquaculture farm operations management software.

The carrying value of other investments is as follows:

Balance at 30 September	2021	2020
	109	-

Details of the Group's other investments are as follows:

Investment	Ownership Interests		Principal Activity
	2021	2020	
Smart Oysters PTY Ltd	2%	0%	Software Company

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7. Related Party Transactions

The immediate parent and ultimate controlling party respectively of the Group is defined under the Māori Fisheries Act 2004 (refer note 2). Details of the interest in Sealord Group Limited is disclosed in note 4. Details of interests in subsidiaries, associates, and joint ventures are disclosed in note 5.

Details of the year-end related party receivables and payables are disclosed in notes 21 and 26 respectively.

(a) Transactions between the Group and Sealord Group Limited

During the year there have been transactions between the Group and Sealord Group Limited (Sealord) as follows:

\$000's	2021	2020
Sales to Sealord	975	208
Other revenue from Sealord	5,860	5,544
Purchases from Sealord	(5,963)	(13,135)
Dividend received from Sealord	6,566	6,438
Interest received from Sealord	62	69
Loan repayment from Sealord	3,804	-
Foreign exchange movements on loan advance to Sealord	447	(167)

(b) Transactions between the Group and its Associates and Joint Ventures

During the year the Company leased berthage from Auckland Fishing Port for \$0.2 million (2020: \$0.2 million)

During the year there have been transactions between the Group and its associates and joint ventures as follows:

\$000's	2021	2020
Sales to associates & joint ventures	34,491	33,470
Other revenue from associates & joint ventures	514	511
Purchases from associates & joint ventures	(12,201)	(11,539)

(c) Transactions with Other Related Parties

During the year, the Company purchased Annual Catch Entitlement (ACE) of \$9.2 million (2020: \$5.9 million) from Te Ohu Kai Moana Trustee Limited and other shareholders.

During the year Pupuri Taonga Trust Limited recovered quota ownership costs of \$5.8 million (2020: \$5.5 million) from Sealord Group Limited

During the year there have been transactions between the Group and companies associated with its Directors as follows:

\$000's Company	2021		2020	
	Purchased Services	Sales	Purchased Services	Sales
Bancorp Corporate Finance Limited	108	-	34	-
Contact Energy Limited	-	-	192	-
Foodstuffs North Island	6	8,761	8	9,103
Ngāti Porou Seafoods Group	-	-	280	285
Quality Ocean International Limited	85	633	14	769
	199	9,394	528	10,157

(d) Compensation of Key Management Personnel

The remuneration of the Board of Directors has been disclosed in note 13.

The remuneration of the Chief Executive Officer and his direct reports during the year was as follows:

\$000's	2021	2020
Short term benefits	3,021	3,663
Total compensation	3,021	3,663

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8. Quota Shares

Quota shares are treated as an asset with an indefinite life, as the shares are issued under the Quota Management System, which is based on individual transferable quota property rights. Quota shares purchased are recorded at cost. Quota shares are not amortised and are carried at cost less any accumulated impairment losses.

Impairment losses are recognised whenever the carrying amount of an asset exceeds its recoverable amount. Quota shares are tested for impairment annually or whenever there is an indication of impairment on an individual basis or at a cash-generating unit level. The indefinite life assessment is reviewed annually to determine whether it continues to be supportable.

Determining whether the carrying value of quota is impaired is based on an estimation of the value-in-use or fair value less costs to sell of the quota. Fair value is determined by taking the average of three independent market valuations on each species. These valuations were based a comparable sales methodology, factoring in the following Level 2 and 3 inputs; historical and current FishServe data, market intelligence and advice from professional industry valuers. Adjustments were made for current knowledge of market values on certain species.

The three brokers who provided valuations were:

- Aotearoa Quota Brokers Limited;
- Finest Kind Limited; and
- Quota Management Systems Limited.

The value-in-use of the quota shares is assessed under a discounted cash flow model for the relevant cash generating unit if the fair value of any of the individual quota shares within that cash generating unit is below its carrying amount. Where the value-in-use of quota shares was calculated to determine the recoverable amount, this was prepared on the basis described note 10.

The carrying amounts were determined to be lower than their recoverable amount for all quota.

\$000's	2021	2020
Carrying amount at 1 October	244,608	242,719
Additions	737	1,889
Disposals	-	-
Carrying amount at 30 September	245,345	244,608

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9. Biological Assets

Biological assets relate to the Group's inventories of live shellfish growing on farms owned and operated by the Group. Biological assets are stated at fair value less point-of-sale costs, by reference to market prices, with any change therein recognised in the Income Statement. Biological assets are transferred to inventory at the time of harvest.

The following valuation assumptions have been adopted in determining the fair value of the Groups biological assets:

- Costs are based on current average costs and are variable depending on the biological assets location and age being assessed.
- Revenue is based on current pricing and expected levels of production, with an assessment made about the long term future returns for each product.

Biological assets are valued at market prices less harvesting, and post harvest costs, and are measured using Level 3 valuations (refer note 28 (g)) and there were no transfers between levels during the year.

\$000's	2021	2020
Balance at beginning of year	6,530	6,986
Change in values less estimated point-of-sale costs	6,049	4,924
Harvested produce transferred to inventories	(5,763)	(5,380)
Total biological assets	6,816	6,530

The following unobservable inputs were used to measure the Group's biological assets:

\$000's	Fair Value at 30 September 2021	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Oysters	2021: 5,317	Estimated market price of volumes produced less costs	Annual oyster yield	The higher the yield the higher the fair value
	2020: 5,034		Annual price per dozen per season	The higher the price the higher the fair value
Pāua	2021: 1,500	Estimated market price of volumes produced less costs	Annual pāua yield	The higher the yield the higher the fair value
	2020: 1,496		Annual price per kg per season	The higher the price the higher the fair value

Included in the cost of sales in the Group is a fair value increase of \$0.286 million (2020: decline \$0.456 million) in relation to biological assets.

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10. Goodwill

The acquisition method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. The excess of the cost of the business combination, any non controlling interests of the acquiree and the fair value of the acquirers previously held equity interest in the acquiree over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. Goodwill is currently held only in the Ika cash-generating unit. The recoverable amount is the higher of fair value less cost to sell and value-in-use. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss is recognised immediately in the Income Statement and is not reversed in a subsequent period.

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires an estimate of the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. A discount factor of 6.00% per annum (2020: 6.00% per annum) was applied in the value-in-use models.

Cash flows were projected based on actual 2021 operating results and the 2022 financial budget approved by the Directors. Value-in-use calculations cover a five-year period with forecasted cash flows through to 2026 with a terminal value. The 2022 budget EBIT is applied out to 2026 assuming 1% (2020: 1%) growth. The cash flows beyond that five year period have been extrapolated, assuming 1% growth. Any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of cash-generating units.

The key assumptions used in the value in use calculations:

- (i) Sales growth - growth in sales was determined by management who have in-depth experience in the industry;
- (ii) Budget margins - based on historical margins; and
- (iii) Price inflation - forecast consumer price indices were applied to raw material costs and overheads.

The carrying amount of the Ika business unit was determined to be lower than the recoverable amount and no impairment loss was recognised.

\$000's	2021	2020
Opening net carrying amount	4,710	4,710
Impairment adjustment	-	-
Closing net carrying amount	4,710	4,710

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11. Provisions

The Group has two significant provisions. These are employee benefits, and dividend obligations.

\$000's	2021	2020
Employee benefits	2,959	3,076
Dividend obligations	10,819	8,846
Total provisions	13,778	11,922

Employee Benefits

Liabilities for annual leave, long service leave, and accumulating sick leave are accrued and recognised in the Statement of Financial Position. The liability for annual leave is measured at the amount expected to be paid when the leave liability is settled.

The liability for long service leave is recognised and measured at the present value of expected future payments made in respect of services provided by employees up to reporting date. Consideration is given to expected future wage and salary levels and probability of employee departures and periods of service.

The liability for accumulating sick leave is recognised based on what expectation that the Group has that it will pay sick leave with respect to the unused entitlement that has accumulated at the reporting date. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to contributions.

Dividend Obligation

Under the requirements of the Māori Fisheries Act 2004, the Company must pay at least 40% of profit back to shareholders. This obligation to pay a dividend has been recognised as a provision.

Movements in each class of provision during the financial year are set out below:

\$000's	Employee benefits	Dividend	Total
Year ended 30 September 2021			
Carrying amount at start of year	3,076	8,846	11,922
Additional provision recognised	1,870	10,819	12,689
Utilised during the year	(1,987)	(8,846)	(10,833)
Carrying amount at end of year	2,959	10,819	13,778
Year ended 30 September 2020			
Carrying amount at start of year	3,478	11,270	14,748
Additional provision recognised	2,172	8,846	11,018
Utilised during the year	(2,574)	(11,270)	(13,844)
Carrying amount at end of year	3,076	8,846	11,922

12. Redeemable Preference Shares

On 22 December 2004, AFL Investments Limited issued \$20 million redeemable preference shares to Moana New Zealand. Contemporaneously the \$20 million redeemable preference shares were transferred to Te Ohu Kai Moana Trustee Limited as repayment of a \$20 million shareholder loan transferred to Moana New Zealand as part of the assets transferred under the Māori Fisheries Act. The non-interest bearing redeemable preference shares comprise 20 million shares with an issue price of \$1 per share.

The redeemable preference shares agreement allowed Te Ohu Kai Moana Trustee Limited to put the redeemable preference shares to Moana New Zealand at any date from 29 November 2011 to 29 November 2019. In June 2019 a Variation Deed was signed extending the term of the put option to 29 November 2024. The redemption price is to be determined through negotiation between the parties, but cannot exceed \$1 per share.

At the Te Ohu Kai Moana Trustee Limited Hui-a-tau held on 31 March 2016, Iwi resolved that the redeemable preference shares should be cancelled by converting them into ordinary shares. These shares will be transferred to Iwi at the same time as Te Ohu Kai Moana Trustee Limited's voting and Income shares in Moana New Zealand, as part of the share capital changes to be made under the revisions to the Māori Fisheries Act.

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13. Expenses

The following items are included in cost of sales, distribution expenses, and administrative expenses;

\$000's	Note	2021	2020
Amortisation of intangibles	25	477	606
Fees paid to auditors by for:			
Audit fees for the Group's financial statements		182	155
Fees paid to auditor by associated entities:			
Audit fees for Inshore Fisheries Joint Venture LP		12	11
Other assurance services		11	17
Tax and related advisory services		37	9
Bad debts		3	-
Defined contribution expense (Kiwisaver)		634	628
Depreciation	23 & 24	8,144	6,264
Directors' fees		438	429
Donations		8	35
Doubtful debts	21	65	28
Employee benefits expense		28,002	25,534
Net loss on disposal of assets		11	29
Research & development		88	230

Interest expense is accrued on a time basis using the effective interest method.

All other borrowing costs are recognised in the Income Statement, in the period in which they are incurred.

\$000's	2021	2020
Finance expenses		
interest on bank loans & overdrafts	1,890	2,323
Interest on lease liabilities	216	239
	2,106	2,562

14. Other income/(expenses)

Transactions in foreign currencies are recorded using the exchange rates prevailing at the dates of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing at the date when the valuation was determined (spot rate at the transaction date or a rate approximating that rate). Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Any foreign exchange gains and losses arising from these transactions are recognised in the Income Statement, except when deferred in equity as qualifying cash flow hedges as outlined in note 28.

\$000's	2021	2020
Net foreign currency exchange gain/(loss)	798	(618)
Net foreign currency exchange gain/(loss) on hedged sales	(1)	6
	797	(612)

Pitopito kōrero mō ngā taukī pūtea

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FOR THE YEAR ENDED 30 SEPTEMBER 2021

15. Revenue

(a) Revenue from contracts with customers

Revenue from the sale of goods is recognised at a point in time either when the goods are dispatched or when goods have reached their destination, depending on the terms and agreements with customers and when documentary evidence supports the customer taking ownership and control of the product. A receivable is recognised at this point as the right to payment becomes unconditional and only the passage of time is required before payment from the customer. Due to the perishable nature of seafood there is the potential of returns, claims and rejects from the customer. The impact of claims and returns have been assessed and found to be not significant to the revenue recognised and hence there are no impacts on the Group's revenue recognition. There is no variable consideration or financing components and payment terms are ordinarily within 30 days. Revenue is shown net of any goods and services tax, rebates and discounts, measured at fair value of the consideration received or receivable.

000's Market	Revenue	
	2021	2020
North America	4,269	4,445
China	6,995	12,036
Rest of Asia (Singapore, Taiwan, Hong Kong)	16,186	18,204
Australia	33,901	30,440
Other (Europe and Pacific Islands)	2,033	1,684
New Zealand	64,249	65,448
	127,633	132,257

(b) Other Revenue

(i) Rental income from operating leases is recognised on a straight line basis over the lease term.

(ii) Dividend income is recognised when received.

(iii) Interest received is accrued on a time basis using the effective interest method.

\$000's	Note	2020	2019
Dividends received		1	1
Interest received		77	83
Wage Subsidy		-	2,181
Other income		372	242
Rental income		540	578
Revenue from related parties	7	6,374	6,055
		7,364	9,140

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16. Cash Flow Statement Reconciliation

(a) operating activities

\$000's	2021	2020
Reported profit for the year	27,046	20,340
Add/(deduct) non-cash items and non-operating items:		
Depreciation, amortisation and impairment	8,851	6,850
Movement in fair value of biological assets	(286)	456
Share of profit of associates & joint ventures	(23,398)	(15,521)
Loss on sale of property, plant & equipment	11	29
Unwinding of prepayments	-	(2,232)
Unrealised foreign currency (gain)/loss	(14)	(191)
Bad debts	2	-
Other	13	21
Change in fair value of foreign exchange contracts & interest rate swaps	(182)	(564)
Decrease/(increase) in deferred tax	361	565
Movement in working capital		
Decrease/(increase) in receivables & prepayments	(1,621)	6,830
Decrease/(increase) in inventory & biological assets	1,824	(1,408)
Increase/(decrease) in payables & accruals	1,999	(788)
Increase/(decrease) in employee entitlements	(117)	(402)
Increase/(decrease) in other assets/liabilities	1,721	369
Add/(deduct) items classified as investing activities	6,789	1,207
Add/(deduct) items classified as financing activities	(6,534)	739
Net cash flows from operating activities	16,465	16,300

17. Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities on the current period's taxable income and any adjustments in respect of previous years.

Income tax is recognised in the income statement, apart from when it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

\$000's	2021	2020
Current tax expense	1,068	2
Deferred tax expense	172	283
Total income tax expense/(benefit)	1,240	285

The tax on the profit differs from the theoretical amount that would arise using the applicable New Zealand Corporation tax rate or Māori authority tax rates as follows:

\$000's	2021	2020
Profit/(Loss) before tax	28,286	20,625
Income tax at applicable rate	5,938	4,589
Non-taxable income included in accounting profit	(2,585)	(2,279)
Expenses not deductible	491	458
Other	(27)	46
Imputation credits	(2,577)	(2,529)
Total income tax expense/(benefit)	1,240	285

The company is a Māori authority and is taxed at the Māori authority tax rate. Other entities in the Group are taxed at the corporate tax rates.

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18. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised in the Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised.

The movement in deferred tax assets during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax asset \$000's	Tax depreciation	Derivative financial instruments	Tax losses recognised	Provisions and other	Total
At 1 October 2020	1,030	292	-	(492)	830
Movement					
- Income Statement	(112)	-	-	(60)	(172)
- Equity	-	(189)	-	-	(189)
At 30 September 2021	918	103	-	(552)	469
At 1 October 2019	1,083	574	276	(538)	1,395
Movement					
- Income Statement	(53)	-	(276)	46	(283)
- Equity	-	(282)	-	-	(282)
At 30 September 2020	1,030	292	-	(492)	830

The following are the income tax effects relating to Comprehensive Income

Group	Before tax amount	Tax (expense) /benefit	Net of tax amount	Before tax amount	Tax (expense) /benefit	Net of tax amount
\$000's	2021	2021	2021	2020	2020	2020
Cash flow hedges	1,082	(189)	893	1,612	(282)	1,330
Associates' derivative financial instruments	1,970	-	1,970	10,248	-	10,248
	3,051	(189)	2,863	11,860	(282)	11,578

19. Imputation Credit Account

\$000's	2021	2020
Balance at beginning of year	14,184	13,531
Imputation credits attached to dividends received	2,577	2,529
Imputation credits attached to dividends paid and accrued	(2,295)	(1,876)
Imputation credits attached to tax paid and refunded	2,411	-
Balance at end of year	16,877	14,184

Comparative numbers have been restated to reflect the actual balance of imputation account held at the Inland Revenue.

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20. Cash and Bank Balances

Cash and bank balances in the Statement of Financial Position comprise cash at bank and short-term deposits with an original maturity of three months or less.

\$000's	2021	2020
Cash at bank & in hand	388	75
Total cash & bank balances	388	75

21. Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for expected credit losses.

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all receivables as they all display the same risk profile. Related party receivables are mainly trade in nature and are on terms consistent with external customers.

\$000's	2021	2020
Trade receivables	8,507	7,420
Provision for loss allowance	(102)	(39)
Other receivables & prepayments	1,608	1,247
Receivables - Joint ventures	299	63
Total receivables & prepayments	10,312	8,691

Bad and Doubtful Trade Receivables

The average credit period on sales of goods is 27 days (2020: 24 days). No interest is charged on trade receivables. The Group maintains a provision for estimated losses expected to arise from customers being unable to make required payments. Receivables are reviewed periodically for impairment and bad debts are written off in the period in which they are identified.

The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default. The Group considers an event of default as occurring when information obtained (internally and externally) indicates a debtor is unlikely to pay its creditors including the Group. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information relating to the debtor and general economic conditions of the debtors.

As for the exposure at default, this is represented by the assets' gross carrying amount at the reporting date.

Before accepting a new customer the Group performs credit checks, including, but not limited to verifying credit references, performing company checks and investigating any previous defaults, to assess the creditworthiness of the new customer. In determining the recoverability of a trade receivable the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The Group has recognised a loss of \$0.065 million (2020: \$0.028 million) in respect of bad trade receivables during the year ended 30 September 2021.

The Group does not hold any collateral in respect of the balances above.

\$000's	2021	2020
Balance at 1 October	39	11
Expected credit loss	65	28
Amount written off during the year	(2)	-
Balance at 30 September	102	39

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22. Inventories

Inventory is stated at the lower of cost or net realisable value.

Cost is determined on a weighted average basis and includes the expenditure incurred in bringing inventory to its existing condition and location. Costs include an appropriate share of fixed overheads, which are allocated on the basis of normal production capacity. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

\$000's	2021	2020
Raw materials at cost	562	1,853
Finished goods at cost	3,198	3,947
Finished goods at net realisable value	874	1,077
Packaging materials & fish bins	990	857
Total inventories	5,624	7,734

The cost of inventories recognised in the Group as an expense during the year was \$47.1 million (2020: \$51.7 million), and includes \$1.023 million writedown (2020: \$0.048 million writedown) in respect of inventory to net realisable value.

23. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Any gains and losses on the disposal of property, plant and equipment are recognised in the Income Statement. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset. Impairment is tested when there are indicators of impairment.

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment), and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made on a prospective basis when considered necessary.

All assets are depreciated on a straight line basis with the exception of motor vehicles, which are depreciated on the diminishing value basis.

	Years
Buildings	5-50
Leasehold improvements	3-30
Furniture, fittings, and office equipment	2-10
Marine farm structures	14
Motor vehicles	3-8
Plant and machinery	2-20
Vessels	2-14

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\$000's	Land	Buildings	Leasehold improvements	Furniture, fittings, & office equipment	Marine farm structures	Motor vehicles	Plant & machinery	Vessels	Capital work in progress	Total
Year ended 30 September 2021										
Opening net carrying amount	8,461	21,587	31	1,332	1,929	2,166	10,175	313	1,954	47,948
Additions	-	203	-	138	813	280	1,266	34	8,501	11,235
Disposals	-	-	(18)	-	-	(36)	(36)	-	-	(90)
Depreciation charge for the year	-	(1,054)	(10)	(278)	(242)	(478)	(1,732)	(47)	-	(3,841)
Impairment (losses) / reversal charged to Income Statement	-	-	-	-	-	-	-	-	-	-
Closing net carrying amount	8,461	20,736	3	1,192	2,500	1,932	9,673	300	10,455	55,252
Balance at 30 September 2021										
Cost	8,461	28,631	327	3,287	6,619	3,188	30,900	993	10,455	92,862
Accumulated depreciation	-	(7,895)	(324)	(2,095)	(4,119)	(1,256)	(21,227)	(693)	-	(37,609)
Net carrying amount	8,461	20,736	3	1,192	2,500	1,932	9,673	300	10,455	55,252

\$000's	Land	Buildings	Leasehold improvements	Furniture, fittings, & office equipment	Marine farm structures	Motor vehicles	Plant & machinery	Vessels	Capital work in progress	Total
Year ended 30 September 2020										
Opening net carrying amount	8,461	22,040	45	1,458	1,256	2,388	10,470	308	1,819	48,245
Additions	-	603	-	152	852	277	1,391	43	135	3,453
Disposals	-	-	-	-	-	(46)	(2)	-	-	(48)
Depreciation charge for the year	-	(1,056)	(14)	(278)	(179)	(473)	(1,684)	(38)	-	(3,722)
Impairment (losses) / reversal charged to Income Statement	-	-	-	-	-	20	-	-	-	20
Closing net carrying amount	8,461	21,587	31	1,332	1,929	2,166	10,175	313	1,954	47,948
Balance at 30 September 2020										
Cost	8,461	28,428	362	3,149	5,806	3,096	30,969	960	1,954	83,185
Accumulated depreciation	-	(6,841)	(331)	(1,817)	(3,877)	(930)	(20,794)	(647)	-	(35,236)
Net carrying amount	8,461	21,587	31	1,332	1,929	2,166	10,175	313	1,954	47,948

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24. Leases

The Group leases certain property, plant and equipment. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases and leases of low value assets where the Group recognises the lease payments as an other operating expense on a straight-line basis over the term of the lease. Annual Catch entitlement multi year leases are prepaid in full on inception date.

The right of use (ROU) assets are initially measured at cost, which comprises the initial amount of the lease liability plus any prepaid lease payments. The ROU assets are subsequently depreciated using the straight line method over the shorter of the estimated useful lives of the ROU assets or the remaining estimated lease term. The estimated useful lives of ROU assets are determined on the same basis as similar owned assets within property, plant and equipment.

Lease liabilities are initially measured at the present value of the unpaid lease payments at commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate (IBR), which reflects the borrowing rates that could be obtained from financial institutions as if the Group had purchased the leased asset, with the term of the borrowing similar to the lease term. The weighted average rate applied on adoption of IFRS 16 in 2020 was 4.7%. ROU assets are tested for impairment in accordance with NZ IAS 36 Impairment of Assets, replacing the previous requirements to recognise a provision for onerous lease contracts.

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.

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. 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.

Right of Use Assets \$000's	Buildings	Plant and machinery	Annual Catch Entitlement	Motor Vehicles	Total
Balance at 1 October 2020	3,326	27	1,973	284	5,610
Additions	4,050	-	5,300	443	9,793
Terminations (Net)	(1,098)	-	-	-	(1,098)
Depreciation	(825)	(13)	(3,253)	(212)	(4,303)
Balance at 30 September 2021	5,453	14	4,020	515	10,002

\$000's	Buildings	Plant and machinery	Annual Catch Entitlement	Motor Vehicles	Total
Balance at 1 October 2019	4,210	40	1,989	443	6,682
Additions	-	-	1,470	-	1,470
Terminations (Net)	-	-	-	-	-
Depreciation	(884)	(13)	(1,486)	(159)	(2,542)
Balance at 30 September 2020	3,326	27	1,973	284	5,610

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Lease Liabilities - Maturity Analysis \$000's	2021	2020
Lease liabilities under NZ IFRS 16		
Less than one year	779	1,922
Between one and five years	1,679	2,380
More than five years	3,642	433
Total lease payable	6,100	4,735
Current	779	1,922
Non-current	5,321	2,813

The Group leases various property, plant and equipment under non-cancellable leases expiring within three months to 22 years. The leases have varying terms and have no option to purchase in respect of the leased operating plant and equipment in the financial year ended 30 September 2021. Annual Catch entitlement leases are prepaid in full on inception date for periods from 3 to 5 years and are negotiated based on commercial rates.

Amount Recognised in the Income Statement \$000's	2021	2020
Depreciation of right-of-use assets	(4,303)	(2,542)
Interest on lease liabilities	(216)	(239)
Short-term leases	(135)	(135)
Leases of low-value assets	(25)	(25)

The total cash outflow for leases in 2021 was \$7.5 million (2020: \$3.7 million)

\$000's	2021	2020
Opening Leases	4,735	6,682
Additions	9,783	1,470
Interest	216	239
Repayments	(7,515)	(3,656)
Terminations	(1,119)	-
Closings borrowings	6,100	4,735

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25. Intangibles

Intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful lives, residual values and amortisation method are reviewed at the end of each reporting period, with the effect of any changes being accounted for on a prospective basis.

Software is amortised over 2-5 years.

Marine farm licences are treated as an asset with an indefinite life as it is highly probable that the licences will be renewed and the costs of renewal are minimal. Marine farm licenses purchased are recorded at cost less any accumulated impairment losses. The carrying value of marine farm licences are reviewed annually for impairment, or whenever there is an indication of impairment. Impairment testing was performed using a discounted cash flow model based on value-in-use. A post-tax discount rate of 6.5% (2020: 6.5%) was applied. Future cash flows were projected for 5 years and a terminal growth rate of 1% (2020: 1%) was applied. Key assumptions on EBITDA and capital expenditure were based on actual results and business plans.

The forecasts for purposes of valuation are sensitive to changes in foreign exchange rates, projected operating earnings and cash flows in the terminal year.

\$000's	2021			2020		
	Marine farm licences	Software	Total	Marine farm licences	Software	Total
Opening net carrying amount	5,403	731	6,134	5,160	1,040	6,200
Additions	283	136	419	243	297	540
Disposals	-	-	-	-	-	-
Amortisation charge for the year	-	(477)	(477)	-	(606)	(606)
Closing net carrying amount	5,686	390	6,076	5,403	731	6,134
Cost	5,686	5,845	11,531	5,403	5,709	11,112
Accumulated amortisation	-	(5,455)	(5,455)	-	(4,978)	(4,978)
Net carrying amount	5,686	390	6,076	5,403	731	6,134

The amortisation charge for the year of \$0.477 million, (2020: \$0.606 million) is an administration expense in the Income Statement.

26. Trade and Other Payables

Trade and other payables are initially recognised at fair value and then subsequently measured at amortised cost.

\$000's	2021	2020
Trade payables	4,469	3,576
Sundry payables & accruals	5,177	3,089
Payables to related parties - Joint Ventures	1,073	2,056
Total Payables	10,720	8,721

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27. Borrowings

The Group has its banking facilities with Westpac New Zealand Limited, and its borrowing facility includes two tranches, Tranche A, and Tranche B.

The Tranche A loan is the main funding facility for Moana New Zealand and is subject to a floating interest rate. Tranche A matures on 30 November 2021. The Tranche B loan is for the specific purpose of lending to Sealord Group Limited, to enable Sealord Group Limited to pay the deposit on a new deep sea vessel (refer to note 4) and is denominated in Euros. Sealord Group Limited reimburses the Company for the borrowing cost of loan, and Sealord Group Limited takes all the foreign currency exposure risk. In August 2021 Sealord Group Limited repaid \$3.8m of the loan.

At 30 September 2021 the Group had entered new agreements with Westpac New Zealand Limited and Bank of New Zealand for \$50m each taking our undrawn amount to \$57.1m. (2020: \$41.8m) The maturity date of the new facilities is 30 November 2026 and are subject to a floating interest rate. The Group has negative working capital of \$23.6 million. The undrawn debt facilities of \$57.1 million exceed the negative working capital.

To hedge future interest rate risk, the Group has entered into a series of interest rate swap arrangements (refer note 28(c)). These hedging arrangements transform the future variable debt interest cash flows, attributable to changes in the bank-to-bank rate, back to a known fixed debt interest cash flow based on the relevant swap rate existing at the inception of the hedge relationship. During the year, the weighted average interest rate was 3.12%, (2020: 3.98%).

Interest is paid on Tranche A and B, and the cash flow hedge swap arrangements quarterly in arrears.

The bank loans are secured by a general security agreement over the assets of the Group and a mortgage over the quota shares. In addition there is a negative pledge, which with limited exceptions does not permit the Group to grant any security interest over its assets. The negative pledge deed requires the Group to maintain certain levels of shareholders' funds and operate within defined performance ratios. The banking arrangements also create restrictions over the sale or disposal of assets.

Throughout the year, the Company has complied with all covenant requirements.

\$000's	2021	2020
Bank loan - Tranche A - Moana New Zealand operations (secured)	39,200	40,200
Bank loan - Tranche B - Sealord Group Limited vessel loan (secured)	3,720	7,971
Total bank loan	42,920	48,171

2021 repayable as follows:	Less than one year	Between 1-2 years	Between 2-5 years	Greater than 5 years
Bank loans (secured)	-	-	-	42,920

2020 Repayable as follows:	Less than one year	Between 1-2 years	Between 2-5 years	Greater than 5 years
Bank loans (secured)	-	48,171	-	-

\$000's	2021	2020
Opening borrowings	48,171	47,805
Withdrawals	8,900	7,000
Repayments	(13,704)	(6,800)
Foreign exchange movements	(447)	166
Closings borrowings	42,920	48,171

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28. Risk Management

The Group manages its exposure to key financial risks in accordance with the Group's treasury risk management policy, which is approved by the Board. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

Derivative Financial Instruments

The Group uses derivative financial instruments such as forward exchange contracts, currency options and interest rate swaps to hedge its risk associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and subsequently re-measured at their fair value at each reporting date. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges).

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

The Group's policy is to apply cash flow and fair value hedging in accordance with NZ IFRS 9. The Group designates certain hedging instruments, which may include derivatives, embedded derivatives and non-derivatives in respect of foreign currency exchange risk, as either fair value hedges or cash flow hedges. Hedges of foreign currency exchange risk on firm commitments are accounted for as cash flow hedges.

Cash Flow Hedges

Cash flow hedges are hedges of the Group's exposure to variability in cash flow that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and that could affect profit or loss. The effective portion of any gain or loss on a hedging instrument is recognised in other comprehensive income and accumulated as a separate component of equity in the cash flow hedging reserve, while the ineffective portion is recognised in the profit or loss in the Income Statement.

Amounts taken to equity through the cash flow hedging reserve are transferred to the profit or loss in the Income Statement when the hedged transaction affects profit or loss, such as when a forecast sale or purchase occurs.

If a forecast transaction is no longer expected to occur, amounts previously recognised in the cash flow hedge reserve are transferred to profit or loss in the Income Statement. If a hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity in the cash flow hedging reserve remain in equity until the forecast transaction occurs.

Fair Value Hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of profit or loss relating to the hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Fair Value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- the fair value of derivative instruments is calculated using quoted market prices where available. Forward foreign exchange contracts are measured using observable market forward exchange rates and yield curves derived from observable market interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from observable market interest rates.

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Quantitative Disclosures

(a) Instruments Used by the Group

Derivative financial instruments are used by the Group in the normal course of business in order to hedge exposure to fluctuations in foreign exchange and interest rates.

At balance date the carrying value of foreign currency forward exchange contracts, currency options and interest rate swaps were:

\$000's	2021	2020
Current assets		
Forward currency contracts - cash flow hedges	296	289
	296	289
Non-current assets		
Interest rate swap contracts - cash flow hedges	133	-
	133	-
Assets	429	289
Current liabilities		
Forward currency contracts - cash flow hedges	(598)	(188)
Interest rate swap contracts - cash flow hedges	-	(432)
	(598)	(620)
Non-current liabilities		
Interest rate swap contracts - cash flow hedges	(415)	(1,328)
	(415)	(1,328)
Liabilities	(1,013)	(1,948)
Net total	(584)	(1,659)

(b) Foreign Currency Exchange Risk Management

The Group has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising in the normal course of business. The Group uses foreign currency forward exchange contracts and options to manage these exposures. The foreign currencies in which the Group primarily transacts are Australian dollars, United States dollars, British pounds, Euro and Japanese yen.

Where exposures are reasonably certain it is the Group's policy to hedge these risks as they arise. For those exposures that are less certain in their timing and extent, such as future sales and purchases, it is the Group's policy to cover a proportion of the anticipated exposures for a maximum period of twelve months forward.

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not in New Zealand dollars. Approximately 58% (2020: 60%) of the Group's sales are denominated in currencies other than the New Zealand dollar, whilst almost 100% of costs are denominated in New Zealand dollars.

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Foreign Exchange Sensitivity Analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the New Zealand dollar against the relevant foreign currency:

\$000's	Carrying Amount	Foreign Exchange Risk			
		10% decrease		10% increase	
		Profit	Equity	Profit	Equity
Cash & cash equivalents	-	-	-	-	-
Derivatives - cash flow hedges	(302)	-	(3,041)	-	2,489
Trade debtors	4,635	515	-	(421)	-
Trade creditors	1,032	(115)	-	94	-
Total increase / (decrease)		400	(3,041)	(327)	2,489

\$000's	Carrying Amount	Foreign Exchange Risk			
		10% decrease		10% increase	
		Profit	Equity	Profit	Equity
Cash & cash equivalents	10	1	-	(1)	-
Derivatives - cash flow hedges	106	-	(2,973)	-	2,433
Trade debtors	4,158	462	-	(378)	-
Trade creditors	1,104	(123)	-	100	-
Total increase / (decrease)		340	(2,973)	(279)	2,433

Forward Foreign Currency Exchange Contracts

The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates. No other sources of ineffectiveness emerged from these hedging relationships.

The notional principal amounts of the outstanding forward foreign exchange contracts at 30 September 2021 were \$34.5 million (2019: \$31.2 million). The hedged highly probable forecast transactions denominated in foreign currency are expected to occur at various dates during the next 12 months.

Forward currency contracts - cash flow hedges & fair value hedges	NZD Notional Amounts		Average Contract Rates	
	2021	2020	2021	2020
\$000's				
Maturity 0-12 months				
Sell New Zealand dollars / Buy Australian dollars	-	200	-	0.9195
Sell New Zealand dollars / Buy Euro dollars	1,048	-	0.5910	-
Sell Australian dollars / Buy New Zealand dollars	14,281	16,528	0.9362	0.9330
Sell JPY / Buy New Zealand dollars	191	223	78.0975	69.5954
Sell US dollars / Buy New Zealand dollars	19,021	14,300	0.7057	0.6583
	34,541	31,251		

Cashflow hedges movement

\$000's	2021	2020
Opening balance	79	(1,034)
Charged to equity	(319)	1,314
Transfer to profit or loss	(77)	35
Income tax expense	70	(236)
Closing balance	(247)	79

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(c) Interest Rate Risk

The Group's exposure to market interest rates relates primarily to the Group's long-term debt obligations.

The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt or derivatives. The Group's treasury policy is to have a level of fixed rate exposure as a percentage of total debt.

To manage its cash flow volatility arising from interest rate changes, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. These swaps are designated to hedge underlying debt obligations.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. No other sources of ineffectiveness emerged from these hedging relationships.

As at 30 September 2021, after taking into account the effect of interest rate swaps, 70% of the Group's interest rate exposures are fixed rate (2020: 99.5%).

Interest rate swap contracts with a nominal principal amount of \$30 million (2020: \$50 million), are exposed to fair value movements if interest rates change.

Interest Rate Sensitivity Analysis

At 30 September 2021, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

\$000'S	Profit for the year		Equity	
	Higher/(lower)		Higher/(lower)	
	2021	2020	2021	2020
+ 100 basis points	-	-	(503)	(588)
- 100 basis points	-	-	520	607

Interest rate swap contracts

Interest rate swap maturities \$000's	2021	2020
0-1 years	-	30,000
1-2 years	10,000	-
2-3 years	10,000	10,000
3-5 years	10,000	10,000
	30,000	50,000

Interest rate hedges movement \$000's	2021	2020
Opening balance	(1,453)	(1,670)
Charged to equity	737	(670)
Transfer to profit or loss	741	933
Income tax expense	(259)	(46)
Closing balance	(234)	(1,453)

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Interest rates used are as follows:	2021	2020
Interest rate swaps (excludes margin)	2.09% - 3.33%	2.99% - 3.33%
Loans	0.87% - 1.565%	0.87% - 2.90%
Bank overdraft	1.42%	1.42%
Cash	0.25%	0.25%

(d) Liquidity Risk

The liquidity risk management objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and committed available credit lines.

Management monitors rolling forecasts of the Group's liquidity against its undrawn borrowing facility. The table below reflects all contractually fixed payables for settlement, repayments and interest resulting from financial liabilities, including the net payments due pursuant to derivative financial instruments at 30 September 2021. For derivative financial instruments the net market value is presented, whereas for the other obligations the respective undiscounted cash flows for the respective upcoming fiscal years are presented. Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing at 30 September 2021.

At balance date, the Group has available approximately \$57.1 million (2020: \$41.8 million) of unused credit facilities available for its immediate use. These credit facilities expire on 30 November 2026.

2021						
\$000's	Financial Position	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Trade & other payables	10,720	10,720	10,720	-	-	-
Provisions	13,778	13,778	12,298	1,480	-	-
Borrowings	42,920	3,577	229	372	744	2,232
Redeemable preference shares	20,000	20,000	20,000	-	-	-
Guarantees	-	18,867	18,867	-	-	-
Lease Liabilities	6,100	8,610	521	521	1,367	6,201
Total non-derivative liabilities	93,518	75,552	62,635	2,373	2,111	8,433
Foreign exchange contracts	(247)	34,541	27,493	7,048	-	-
Interest rate swaps	(234)	(283)	-	-	(277)	(6)

2020						
\$000's	Financial Position	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Trade & other payables	8,721	8,721	8,721	-	-	-
Provisions	11,922	11,922	10,384	1,538	-	-
Borrowings	48,171	48,707	229	229	48,249	-
Redeemable preference shares	20,000	20,000	20,000	-	-	-
Guarantees	-	19,500	19,500	-	-	-
Lease Liabilities	4,735	5,262	1,036	1,035	1,536	1,654
Total non-derivative liabilities	93,549	114,112	59,870	2,803	49,785	1,654
Foreign exchange contracts	79	31,251	24,753	6,498	-	-
Interest rate swaps	(1,453)	(1,761)	(77)	(355)	626	(703)

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(e) Credit Risk

Credit risk arises from financial assets of the Group, which comprise bank balances, trade receivables, foreign currency forward exchange contracts and options. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure to credit risk is monitored on an ongoing basis.

Only major NZ registered banks are counter parties to the Group's financial instruments, and the Group does not anticipate non-performance by such counter parties.

At balance date there were no significant concentrations of credit risk other than with related parties with the result that the Group's exposure to bad debts is not significant.

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

\$000's	Gross receivables		Impairment		Expected credit loss %	
	2021	2020	2021	2020	2021	2020
Not past due	7,695	6,495	-	-	0.0%	0.0%
Past due 0 - 30 days	565	792	-	-	0.1%	0.2%
Past due 31 -120 days	167	113	22	19	1.9%	1.9%
Past due more than 120 days	80	20	80	20	100.0%	100.0%
Total	8,507	7,420	102	39		

(f) Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to shareholders through optimisation of the use of debt and equity. The Group's overall capital management strategy remained unchanged from the prior year.

The capital structure of the Group consists of debt, which includes borrowings disclosed in note 27, cash and bank balances and equity attributable to equity holders of Aotearoa Fisheries Limited, comprising issued capital, reserves and retained earnings as disclosed in notes 2 and 20 respectively. The borrowings disclosed in note 27 are subject to covenants based on the Group's capital. Throughout the year, the Company has complied with all covenant requirements.

The Groups's tangible assets are subject to a general security agreement held by the Groups's bank.

The gearing ratio at 30 September was as follows:

\$000's	Note	2021	2020
Borrowings	27	42,920	48,171
Less cash & bank balances	20	388	75
Net debt		42,532	48,096
Total shareholders 'equity		495,185	476,095
Net debt to equity ratio		9%	10%

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(g) Classification and Fair Values

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Interest rate swaps and foreign exchange contracts are measured at fair value subsequent to initial recognition, and are measured using Level 2 valuations. Biological assets are measured at fair value and are measured using Level 3 valuations. (refer note 9). Borrowings and redeemable preference shares for disclosure purposes are measured using Level 2 valuation inputs.

2021 \$000's	Derivative designated as hedging instrument	Financial assets at amortised cost	Financial liabilities at amortised cost	Carrying amount	Fair value
Current assets					
Foreign exchange contracts	296	-	-	296	296
Bank balances	-	388	-	388	388
Trade debtors	-	8,405	-	8,405	8,405
Other receivables	-	468	-	468	468
	296	9,261	-	9,557	9,557
Non current assets					
Interest rate swaps	133	-	-	133	133
Other assets	-	3,720	-	3,720	3,720
	133	3,720	-	3,853	3,853
Total assets	430	12,981	-	13,410	13,410
Current liabilities					
Foreign exchange contracts	598	-	-	598	598
Interest rate swaps	-	-	-	-	-
Trade creditors & other payables	-	-	10,720	10,720	10,720
Provisions	-	-	13,778	13,778	13,778
Lease liabilities	-	-	779	779	779
Redeemable preference shares	-	-	20,000	20,000	20,000
	598	-	45,277	45,875	45,875
Non current liabilities					
Lease liabilities	-	-	5,321	5,321	5,321
Interest rate swaps	415	-	-	415	415
Borrowings	-	-	42,920	42,920	42,920
	415	-	48,241	48,656	48,656
Total liabilities	1,013	-	93,518	94,531	94,531

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

2020 \$000's	Derivative designated as hedging instrument	Financial assets at amortised cost	Financial liabilities at amortised cost	Carrying amount	Fair value
Current assets					
Foreign exchange contracts	289	-	-	289	289
Bank balances	-	75	-	75	75
Trade debtors	-	7,381	-	7,381	7,381
Other receivables	-	172	-	172	172
	289	7,628	-	7,917	7,917
Non current assets					
Other assets	-	7,971	-	7,971	7,971
	-	7,971	-	7,971	7,971
Total assets	289	15,599	-	15,888	15,888
Current liabilities					
Foreign exchange contracts	188	-	-	188	188
Interest rate swaps	432	-	-	432	432
Trade creditors & other payables	-	-	8,721	8,721	8,721
Provisions	-	-	11,922	11,922	11,922
Lease liabilities	-	-	1,922	1,922	1,922
Redeemable preference shares	-	-	20,000	20,000	20,000
	620	-	42,565	43,185	43,185
Non current liabilities					
Lease liabilities	-	-	2,813	2,813	2,813
Interest rate swaps	1,328	-	-	1,328	1,328
Borrowings	-	-	48,171	48,171	48,171
	1,328	-	50,984	52,312	52,312
Total liabilities	1,948	-	93,549	95,497	95,497

29. Commitments

The Group has constructed an oyster hatchery in Nelson. At 30 September 2021 the value of contracts yet to be completed is \$0.642m. (2020: \$3.48m)

The Group has committed to the purchase of a water-jet pin boning machine. As at 30 September 2021 contracts has been signed to the value of \$1.5m (2020: Nil)

The Group has committed to converting all oyster farms to the flip-farm method. As at 30 September 2021 the value of contracts yet to be completed is \$1.5m (2020: Nil)

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2021

30. Contingent Liabilities and Contingent Assets

Kura Limited, a joint venture of Aotearoa Fisheries Limited, has given bank guarantees with the Group's share being \$6.1 million (2020: \$6.4 million).

All partners of the Precision Seafood Harvesting joint venture have issued a joint guarantee of \$10 million (2020: \$10 million).

Moana New Zealand has given a bank guarantee of \$2.8m (2020: \$3.1m) to Santy Maria Fishing Ltd for the purchase of a new fishing vessel. The guarantee applies for the term of the loan which has 9 years remaining.

31. Impact of Covid19

For Moana New Zealand Covid19 has made trading conditions in many of our export markets difficult, resulting in 'lumpy' access to foodservice and wholesale markets since October 2020. Lock downs and lack of international visitors have also affected our domestic foodservice and wholesale channels although strong demand enabled switch to other channels. Vaccination programmes offer hope of a return to near normal in both domestic and export markets, although the emergence of the more infectious delta variant illustrates that the timing of this return remains unclear.

It is also hoped travel bubbles emerge which improve the availability of airfreight and reduce costs, while the increasing disruption to seafreight is likely to take some time to resolve.

As trading partners open from lockdown, demand and pricing, in particular for our canned paua, continue to recover although not yet to pre-Covid19 levels.

Pūrongo a te kaitātari kaute rāwaho

Independent auditor's report

FOR THE YEAR ENDED 30 SEPTEMBER 2021



TO THE SHAREHOLDERS OF AOTEAROA FISHERIES LIMITED (TRADING AS MOANA NEW ZEALAND)

Opinion

We have audited the consolidated financial statements of Aotearoa Fisheries Limited and its subsidiaries, trading as Moana New Zealand (the 'Group'), which comprise the consolidated statement of financial position as at 30 September 2021, and the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements, on pages 66 to 103, present fairly, in all material respects, the consolidated financial position of the Group as at 30 September 2021, and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and International Financial Reporting Standards ('IFRS').

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group 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), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor, we have no relationship with or interests in the Company or any of its subsidiaries.

Audit materiality

We consider materiality primarily in terms of the magnitude of misstatement in the financial statements of the Group that in our judgement would make it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced (the 'quantitative' materiality). In addition, we also assess whether other matters that come to our attention during the audit would in our judgement change or influence the decisions of such a person (the 'qualitative' materiality). We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Group financial statements as a whole to be \$2.5 million.

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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter**How our audit addressed the key audit matter****Impairment of Quota Shares**

The Group has \$245.3 million (2020: \$244.6 million) of quota shares on its consolidated statement of financial position. Quota shares are intangible assets with indefinite useful lives, and are carried at cost less any accumulated impairment losses, as set out in Note 8.

As required under NZ IAS 36 Impairment of Assets, quota shares are tested for impairment on an annual basis by comparing the carrying amount to the recoverable amount. The recoverable amount is the higher of the value-in-use of the relevant cash generating unit, or the fair value less costs to sell of the quota shares.

The Group engaged three independent brokers to determine the fair value of the quota shares. The fair value used in the impairment test was determined by taking the average of the three independent market valuations on each species.

The value-in-use of the quota shares is assessed under a discounted cash flow model for the relevant cash generating unit if the fair value of any of the individual quota shares within that cash generating unit is below its carrying amount.

No impairment of quota shares was recognised in the current year.

This is a key audit matter because quota shares make up a significant portion of the asset base of the Group, and due to the significant assumptions required to determine the recoverable amount of the quota shares.

We agreed quota shares quantities to the Ministry of Fisheries records as this source data is a key input in the market valuations obtained from the independent brokers. We reviewed any quota share transactions including sales and acquisitions of quota shares.

We confirmed directly with the brokers that carried out the market valuations that those brokers are independent of the Group. We assessed the qualifications and relevant experience of the brokers.

We checked the mechanical accuracy of the calculation of the average of the three independent market valuations for each species, and ensured the inputs used in the calculation agreed to the valuation for each species obtained from each independent broker.

We challenged the market prices used by the independent valuers in their valuations by comparing a sample of fish stocks against recent quota transaction prices in the market.

We discussed the impact of COVID-19 on the quota valuations with the three independent brokers.

We challenged the assumptions used in the value-in-use model by comparing the forecasted sales, projected sales growth rates and budgeted margins against historical trends achieved in the business. We compared the forecast for the current year used in the prior year discounted cash flow models to actual current year results, to assess the reliability of the forecasts used in the discounted cash flow models.

We challenged the discount rates and terminal growth rates applied to forecasted cash flows in the value-in-use model by reference to market data. This involved comparing the rates against comparable companies operating in similar regions. We also performed sensitivity analyses to assess the impact that changes in the discount rates or terminal growth rates can have on the impairment test.

We tested whether there was sufficient headroom in the impairment tests. We assessed the associated disclosures required under NZ IAS 36 provided by the Group in relation to its quota shares impairment test.

Investment in Kura Limited (Sealord Group Limited)

The Group's equity accounted investment in Sealord Group Limited (Sealord) was \$242.2 million (2020: \$235.2 million) in the consolidated statement of financial position. The share of Sealord profit recognised in the consolidated income statement was \$15.9 million (2020: \$14.6 million) and represented 56% (2020: 71%) of the Group's profit before tax. Further details of the investment are included in Note 4.

This is a key audit matter due to the significance of the balance and a component auditor being utilised to perform the audit of Sealord. We therefore needed to assess whether sufficient audit evidence was obtained to enable us to reach our opinion on the consolidated financial statements as a whole.

We considered the impact of the nature, size and underlying risks associated with the Group's investment in Sealord Group Limited on the Group financial statements.

We assessed the application of the equity accounting method for the investment in the Group financial statements, including the alignment of accounting policies, treatment of related party balances and transactions, treatment of any distributions and impairment considerations. We agreed the relevant information used to calculate the Group's share of Kura Limited's net profit to the information reported by the component auditor.

We provided referral instructions to the component auditor and had regular communication and meetings with them to ensure that the nature, extent and timing of their procedures were appropriate for the purposes of the Group audit.

We engaged in direct contact with Sealord management as appropriate and discussed the key areas of audit focus including the carrying values of quota shares and other assets with the component auditor.

We also considered the component auditor's responses provided in accordance with our referral instructions and reviewed relevant documentation in the component auditor's audit file, challenging the work performed to ensure it appropriately covered the risks relevant to the Group audit.

Ētahi atu whakapuakitanga o te pūrongo ā tau

Other annual report disclosures

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. Principal Activities

The Group's principal activities during the year were the harvesting, procurement, farming, processing, and marketing of sustainably produced seafoods to consumers in domestic and major international markets.

2. Directors Holding Office During the Year

Alan Gourdie

Tony Hannon

Glenn Hawkins (appointed 1 October 2020)

Mavis Mullins

Hinerangi Raumati-Tu'ua

Greg Summerton

Liz Ward

Jason Witehira

Ngai Tahu

Ngāti Whakaue, Ngāti Maniapoto

Rangitane, Atihau Nui a Paparangi, Ngāti Ranginui, Ngāti Hainamana

Ngāti Mutunga, Waikato

Ngāi Tahu

Ngāti Porou

Ngāpuhi

3. Directors' Fees

	2021	2020
Whaimutu Dewes (ceased 30 September 2020)	-	97,500
Alan Gourdie	45,425	45,425
Tony Hannon	53,925	48,425
Glenn Hawkins (appointed 1 October 2020)	48,425	-
Mavis Mullins	47,925	7,570
Hinerangi Raumati-Tu'ua	100,500	51,425
Greg Summerton	45,425	45,425
Jamie Tuuta (ceased 14 July 2020)	-	39,938
Liz Ward	47,925	47,925
Jason Witehira	48,425	37,854
Total	437,975	421,487

Ētahi atu whakapuakitanga o te pūrongo ā tau

Other annual report disclosures

FOR THE YEAR ENDED 30 SEPTEMBER 2021

4. Directors' Interests

The following are particulars of general disclosures of interest by Directors of Aotearoa Fisheries Limited, holding office during the year up to 30 September 2021 pursuant to section 140(2) of the Companies Act, 1993.

Name	Entity	Nature of interest	Iwi affiliations
Alan Gourdie	Eden Park Trust	Board Member	
	Fidelity Life Assurance Company Limited	Director	
	Flat White Property Limited	Shareholder and Director	
	Quantiful Limited	Shareholder and Director	
	Tiny Cargo Limited	Director	
	Youtap Limited	Shareholder	
Tony Hannon	Bancorp Corporate Finance Limited	Shareholder	Ngai Tahu
	Carrington Trustees Limited (and subsidiaries)	Director	
	Farmgas Partners Limited	Director	
	General Capital Partners Limited (and subsidiaries)	Chair	
	Hannon Trust	Beneficial interest	
	Hannon Investment Trust	Beneficial interest	
	InfraCo Limited	Chair	
	Omni Health Limited (and related entities)	Chair/Indirect beneficial Interest	
	Relational Capital Limited (and related entities)	Director/Indirect beneficial interest	
	Rock Isle Forestry Limited	Director/Beneficial interest	
	Sealord Group Limited/Kura Limited	Director	
	Treble Cone Investments Limited (and related entities)	Director/Indirect beneficial interest	
Vomo Island Resort Group (and related entities)	Director/Indirect beneficial interest		
Wanaka Ski Racing Limited	Director		
Glen Hawkins	Glenn Hawkins & Associates Limited	Director/Shareholder	Ngāti Whakaue Ngāti Maniapoto
	Iwi Collective Partnership	Accountant	
	Life Skills For Life Trust	Chairman	
	Ngāti Raukawa Group	Accountant	
	Ngāti Whare Group	Accountant	
	Te Pani Winiata Partnership	Beneficial Interest	
	Whānau Ora Commissioning Agency Limited	Director	
Mavis Mullins	UNICEF	Director	Rangitane
	StockX Ltd	Director	Atihau Nui a Paparangi
	Hawkes Bay Rugby Union	Director	
	Te Hou Farms	Director	Ngāti Ranginui
	Runanga Rangitane o Tamaki Nui a Rua	Chair	Ngāti Hainamana
	Nga Whenua Rahui	Trustee	
	Atihau Whanganui Incorporation	Chair	
Hinerangi Raumati-Tu'ua	Maruehi Fisheries Ltd	Chair	Ngāti Mutunga
	Ngaruahine Fisheries Ltd	Chair	Waikato
	Ngā Miro Trust	Chair	
	Parininihi Ki Waitotara Incorporation	Member	
	Parininihi Ki Waitotara Trust	Trustee	
	Sealord Group Limited/Kura Limited	Director	
	Tainui Group Holdings Limited	Chair	
	Taranaki Iwi Fisheries	Director	

Ētahi atu whakapuakitanga o te pūrongo ā tau

Other annual report disclosures

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Hinerangi Raumati-Tu'ua cont.	Taranaki Iwi Holdings Management Limited	Director	
	Te Kiwai a Maui o Ngāruahine Ltd	Chair	
	Te Pou Herenga Pakihi LP	Chair	
	Te Pūia Tāpapa GP Limited	Director	
	Te Whakakitenga o Waikato Inc. Society	Executive member	
	Watercare Services Limited	Director	
Greg Summerton	Okains Bay Seafood Limited (and related entities)	Director/Shareholder	Ngāi Tahu
	Quality Ocean International Limited	Director/Shareholder	
	The GM Summerton Trust	Trustee	
	Waikene Station Limited	Director/Shareholder	
Liz Ward	Transport for NSW	Executive Director	Ngāti Porou
Jason Witehira	Foodstuffs North Island Limited	Director	Ngāpuhi
	JP & KA Witehira Asset Holdings Limited (& other personal entities)	Director/Shareholder	
	JP & KA Witehira 2010 Limited t/a New World Victoria Park	Director/Shareholder	
	Kotahi Rau Pukupuka Charitable Trust	Trustee	
	Miro Trading Partnership Limited	Shareholder	
	Kaikohe Berryfruit General Partnership Limited	Director (NAHC shareholder)	
	Tokerau Miro Limited Partnership	Shareholder	

Ētahi atu whakapuakitanga o te pūrongo ā tau

Other annual report disclosures

FOR THE YEAR ENDED 30 SEPTEMBER 2021

5. Remuneration of Employees

During the year from 1 October 2020 to 30 September 2021, the following number of employees, including employees who left the Company during the year, received remuneration, benefits, and redundancy payments that exceed \$100,000 in total.

\$000's	Group	
	2021	2020
\$100,000 - 110,000	8	4
\$110,001 - 120,000	6	3
\$120,001 - 130,000	4	9
\$130,001 - 140,000	9	7
\$140,001 - 150,000	2	2
\$150,001 - 160,000	2	4
\$160,001 - 170,000	1	1
\$170,001 - 180,000	2	1
\$180,001 - 190,000	1	2
\$190,001 - 200,000	2	-
\$200,001 - 210,000	2	1
\$210,001 - 220,000	3	2
\$220,001 - 230,000	3	1
\$230,001 - 240,000	1	2
\$240,001 - 250,000	-	3
\$250,001 - 260,000	-	2
\$260,001 - 270,000	1	-
\$280,001 - 290,000	1	1
\$290,001 - 300,000	-	1
\$300,001 - 310,000	1	-
\$310,001 - 320,000	1	3
\$320,001 - 330,000	1	-
\$350,001 - 360,000	1	-
\$360,001 - 370,000	-	1
\$370,001 - 380,000	-	1
\$460,000 - 470,000	-	1
\$660,001 - 670,000	1	-
\$890,000 - 900,000	-	1

Pukataki rangatōpū

Corporate directory

Tari Rēhita

Registered Office

1-3 Bell Avenue
Mt Wellington
Auckland 1060

Tau Pōti

Postal Address

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Tel: +64 9 302 1520

Kaitātari Kaute

Auditor

Deloitte Limited

Hunga Whare Mon

Bankers

Westpac New Zealand Limited
BNZ

Kaiwhakamāori

Translator

Maika Te Amo – Tapuika

Pāua Kahurangi

Blue Abalone

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Pāua Tūwā

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Tio

Oysters

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Whakangaonga

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