



MOANA™
NEW ZEALAND

2021 PŪRONGO WEHERUA TAU

\\ INTERIM REPORT 2021 \\

TO 31 MARCH 2021

Te Pūrongo a te Tumu me te Tumuaki

Director and chief executive's report



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Health and safety of staff remains our top priority as we prepare to implement the Government's vaccination programme across our sites. We have invested in innovative technology to keep our staff safe and safeguard our products ahead of delivery to our key markets. Moana New Zealand's implementation of fever screens – just the second organisation in the country to do so – will record temperatures as staff access areas at our Mt Wellington site. As well as ongoing temperature checks across all export sites nationwide, we remain committed to ensuring our staff feel supported whilst remaining at the forefront of compliance requirements.

Aotearoa is fortunate to be in a post-lockdown environment which has been mostly back to business as usual barring two level four escalations in Auckland and level three across the rest of the country since the full lockdown. The rest of the world has not fared nearly so well, with resurgence rampant during the northern hemisphere winter, and some countries in the grip of third and fourth waves of infection.

For Moana New Zealand this has made trading conditions in many of our export markets difficult, resulting in 'lumpy' access to foodservice and wholesale markets since February 2020 when China first locked down. Vaccination programmes offer hope of a return to near normal, as trading partners vaccinate ever-increasing proportions of their population. It is hoped travel bubbles emerge which will improve our airfreight costs. These costs increased markedly on the back of reduced flight availabilities as business and holiday international travel ceased for extended periods.

Arotahi te pakihiki ki te oranga me te hauora o ngā kaimahi. Ka noho tonu tēnei ko tā mātau kaupapa nui, ka whakarite ai mātau ki te tuku i te hōtaka rongoā āraimate a te Kāwanatanga huri noa i ō mātau wāhi mahi. Kua haumitia e mātau ngā hangarau atamai kia maru ai ō mātau kaimahi, kia tiakina ai ā mātau hua i mua i te tukunga ki ngā māketete matua. Ka rikoata pāmahanatanga ngā pātū kirikakā i whakatūria e Moana New Zealand – ko mātau te rōpū tuarua noa iho ki te mahi i tēnei mahi – i te kuhunga mai o ngā kaimahi ki tō mātau wāhi mahi ki Mātairangi. E haere tonu ana ngā tirohanga pāmahana i ō mātau wāhi tuku rawa huri noa i te motu, ā, e titikaha tonu ana mātau ki te tautoko i ō mātau kaimahi, me te noho tonu hoki i te aroākapa mō te mahi nei, te whakatutuki herenga.

I muri mai i wā o te noho rāhui, nō Aotearoa te whiwhi i te hokinga ōna ki tōna āhukatanga ō mua, hāunga rā ngā pikitanga e rua ki te pae mataara whā i Tāmaki Makaurau, me te pae mataara toru i te nuinga atu o te motu. Kāore i pēnei rawa te pai i te ao whānui, e karawhiua anō ana i te takurua o te taha whakararo o te ao, ā, e waipukengia ana e te toru, e te whā o ngā ngaru tūātea o te mate nei.

Te taha ki Moana New Zealand, ka uaua hoki te āhukatanga ki te tauhokohoko ki ētahi o ō mātau māketete rāwāhi, me te aha he "hingarungaru" te pānga ki ngā māketete ratonga kai, māketete waenga mai anō i te Pēpuere 2020, i mau ai te rāhui tuatahi i Haina. Ko te hōtaka rongoā āraimate pea te huarahi ki te oranga, e whānui atu nei te nui o ngā taupori e rongoātia ana e ngā hoa tauhoko. Ko te manako ia ka puta ake he mirumiru haerenga, e māmā atu ai ā mātau utu kawenga mā runga rererangi. Ka nui te piki o aua utu i runga i te itiiti haere o ngā rererangi e wātea ana, he roa nō te mutu o ngā haerenga pakihiki, ngā haerenga hararei ki tāwāhi.

“The Moana New Zealand Wellbeing Survey attracted a solid participation rate of 67% across all sites.”

Safety and wellbeing

We are pleased to report a 51% increase in leadership and engagement, largely attributable to increasing visibility of our directors and leadership group to all sites. We continue to provide learning opportunities to leaders and encourage open communication from our people to talk about their tasks and what they have in place to keep themselves and each other safe.

Our lost time injury frequency rate has increased marginally. The majority of injuries were of a minor nature and not a result of any critical risk areas. Any injury is investigated so that we can minimise risk, decrease likelihood of a more significant injury developing, and lessen prevalence of the same injury reoccurring. Importantly, this provides learning opportunities well in advance of a more significant injury event.

Overall reporting has increased 12% and we continue to encourage reporting of all events no matter how minor. We will always encourage reporting of positive learnings such as observations and improvement opportunities.

One of Moana New Zealand's critical risk focus areas – guarding – has resulted in equipment improvements. Our review provided fresh insights which identified that making changes to our equipment reduces and, in some cases, eliminates likelihood of injury.

Across the reporting period Hiko i ki te Ora's kaupapa included: Celebrating Te Wiki o Te Reo Māori and Mental Health Awareness Week, Pink Shirt Day, celebrating our unsung heroes, and we offered seminars on financial wellbeing and nutrition.

Continuation of our wellbeing journey sees creation of policies and strategies which set out our programme to provide a Healthy Workplace. A wellbeing survey was recently undertaken which asked staff what was important to them. Along with physical health assessments offered to all kaimahi, the collective information enables delivery of specific work programmes targeted at areas identified as either wanted or needed.

Resources have also been developed to support wellbeing discussions 'Caring for Yourself', 'Caring for Your Team' and 'Checking in on One Another'.

Te haumarua, te hauora

E koa ana te ngākau i te pūrongotanga o te pikinga o te ārahitanga me te ūnga ki te mahi, mā te 51%, he hua o te mārama atu o te kitea o ō mātau tumu, ō mātau kaiārahi ki ngā wāhi mahi katoa. E whakarite tonu ana mātau i ngā akoranga mā ngā kaiārahi, me te akiaki hoki kia wātea ai ō mātau tāngata ki te kōrero mō ā rātau mahi, me ngā āhuatanga kua whakaritea kia maru ai rātau, ētahi atu hoki.

Ka iti noa te pikinga o te pāpātanga taotū mahue wā mahi. He hauiti kau te āhua o te nuinga o ngā taotū, ā, kāore ērā i heipū ake i ētahi take tūraru nui. Āta rangahau ai ngā taotū katoa kia pai ai tā mātau whakawhāiti i te tūraru, i te tūponotanga hoki kei heipū ake he taotūnga kino atu, ā, me te whakawhāiti hoki i te pānga anō o tēnei momo mate. Inā hoki, he akoranga hoki tēnei i mua noa atu i te pānga o tētahi taotū kino atu.

E 12% te pikinga o ngā pūrongo katoa, ā, e akiaki tonu ana mātau i te pūrongotanga o ngā taotūnga katoa ahakoa te iti, te nui rānei. Ka akiaki tonu atu mātau i te pūrongotanga o ngā akoranga pai hei tauira ko ngā kitenga, me ngā āhuatanga e taea ai te whakapaipai.

Ko te hua o tā Moana New Zealand arotahinga tūraru matua – arā te tiaki – ko te whakapaitanga maitai. He kitenga hou te homai a tā mātau arotake, te tautuhi rā ka whakaiti iho, ka whakakore noa rānei, te whakapaitanga maitai i te pānga o te taotūnga.

I te roanga o te wā pūrongo, ka whai wāhi ki te kaupapa Hiko i ki te Ora ko ēnei: Ko te whakanui i Te Wiki o te Reo Māori me te Wiki Whai Whakaaro ki te Mate Hinengaro, ko ō mātau tuahangata tē mihia ai, ā, i whakatū wānanga hoki mātau mō te oranga pūtea me te kai ora.

Ka haere tonu ā mātau mahi hauora, ka hangaia ētahi kaupapa here, ētahi rautaki hoki e whakatakoto ana i tā mātau hōtaka kia tū ai he Wāhimahi Ora. Ina tata nei whakahaeretia ai tētahi tirohanga hauora e uia rā ngā kaimahi mō te hauora, me ngā take nui ki a rātau. I te taha o ngā whakamātautau oranga tinana i tukuna rā ki ngā kaimahi katoa, nā te kohinga pūrongo i pai ai te tuku hōtaka mahi arowhāiti e hāngai ana ki ngā āhuatanga i tautuhia rā e hihiatia ana.

Kua hangaia hoki ētahi rauemi hei tautoko i ngā kōrerorero hauora, arā ko 'Te Tiaki i a Koe', 'Te Tiaki i tō Kāhui', me 'Te Whakapāpā i a Tātau anō'.

People and Culture

We continue to strengthen our foundation, connect our people to our tikanga and purpose, build a more resilient and collective way of working.

Organisational design and effectiveness

Our commitment to continuous improvement and developing an agile and responsive way of working starts with the effectiveness of our organisational structure. Ongoing review and refinement of organisational design, ensuring alignment to strategy is critical to unlocking performance, growing people capability and optimising profit. We operate in a volatile and ambiguous time, where the configuration of our organisation must move from complexity to clarity to best serve lwi, staff and customers.

Recognising disruptions are a reality and being ready and able to adapt to them is rapidly becoming a way of working at Moana New Zealand. Through introduction and embedding of robust governance and compliance practices, enhanced business and risk mitigation processes, we can capture value in new ways.

Learning and development

With a view to changing the way we grow talent, we have designed a learning and development framework which brings together foundational, vocational, management and leadership development pillars underpinned by our tikanga. The objective is to give skillset confidence to our people through future-focused development and career pathways.

Leadership capability and performance

Our frontline leaders must have the skills, tools and resources to grow their teams and drive performance. To date more than 25% of leaders have completed core management courses. We anticipate more than 50% completion through the remainder of 2021.

Te tangata, te ahurea

E haere tonu ana tā mātau whakapakari i tō mātau tūāpapa; te tūhonohono i ō mātau tāngata ki ā mātau tikanga me tō mātau pūtake; te takatū i tētahi āhuatanga mahi manawaroa, mahi tahi hoki.

Te whitake o te hoahoanga whakahaerenga

Inā rā tō mātau titikaha ki te whakapiki i ngā mahi, ki te whakawhanake huarahi mahi kia kōi ai, kia kakama ai, ā, ka tīmata i te whitake o te hoanga o ta mātau whakahaerenga. He mea nui rawa te arotake tonu, te whakapaipai tonu i te hoanga whakahaerenga, me te āta whakahāngai i ngā mahi ki te rautaki kia eke ai ngā mahi ki te taumata, kia tupu ai te āheinga tangata, kia nui rawa ai ngā moni hua. E mahi ana mātau i te wā o te ngāueue, o te rangirua, ā, me tahuri atu te hoanga o tā mātau whakahaerenga i te whīwhiwhi ki te māmā kia pai rawa ai te tautoko i ngā iwi, ngā kaimahi me ngā kiritaki.

Kua tere rawa te nohoanga mai o te kite i ngā pōrarururutanga, me te āheinga hoki ki te wetewete atu hei mahi matua i Moana New Zealand. Mā te whakauru me te whakapūmau i ngā tikanga pūioio mō te whakahaerenga me te whakatutukitanga herenga, tea atu ki ngā hātepe pakari mō te pakihī me te whakawhāiti tūraru, e pai ai te hopu uara ki ētahi atu huarahi.

Te ako, te whanake

I runga i te whakaaro ki te whakarerekē i te āhua o tā mātau whakatupu pūmanawatanga, ka hoahoa mātau i tētahi poutarāwaho mo te akoranga me te whanaketanga e kotahi ai ngā pou katoa e tokona ana e ā mātau tikanga. Arā te whanaketanga o ngā pūkenga taketake, mahi, whakahaerenga, ārahitanga hoki. Ka te whāinga ia ko te māia o ō mātau tāngata i ō rātau pūkenga, i runga i te anga whakamua o ngā mahi whakawhanake pūkenga, i runga hoki i ngā huarahi umanga.

Āheinga ārahitanga, whanonga

Me whai pūkenga, me whai maitai, me whai rauemi ō mātau kaiārahi aroākapa hei whakapakari i ō rātau tira, kia mahia ai ngā mahi papai. Taea noatia tēnei rā, nuku atu i te 25% ngā kaiārahi kua oti i a rātau ngā hōtaka whakahaerenga taketake. E whakaaro ana mātau ka nuku atu i te 50% i te roanga o te tau 2021.

Financial performance

At the Group consolidated level our profit for the first six months of the year is \$14.3 million, which is \$7.7 million or 117% up on Plan. This profit is also up \$2.3 million (19%) in comparison to the same period last year.

Moana New Zealand’s operating earnings before interest and tax are \$11.7 million, up \$5.3 million or 84% on Plan, and up \$4.4 million or 61% in comparison to the same period last year. Our 50% share of Sealord net earnings after tax is \$4.8 million which is \$2.5 million or 112% better than Plan, although \$1.4 million lower than the first half of last year.

To provide context for the year-on-year comparison, it is important to note the impact of Covid19. Emergence of the pandemic had an immediate impact on kōura earnings through Port Nicholson Fisheries due to significant disruption to live exports to China from late January 2020.

The rest of Moana New Zealand’s business and Sealord were relatively unaffected during the period up to March 2021. As detailed below under kōura on page three, Moana New Zealand’s share of kōura earnings through Port Nicholson Fisheries has improved by \$6.6 million between the two comparative six monthly periods and is \$4.2 million ahead of Plan for the first six months of this financial year.

The remainder of Moana New Zealand’s specie units are tracking to Plan for the first six months of this financial year, while Group Management costs are nearly \$1 million underspent due to both a continued focus on costs, and delay in timing of spend compared to the Plan assumption. Continued travel restrictions are contributing to lower spend although to the detriment of planned investment in market development.

Outside of kōura – which is a very positive recovery – our pāua tūwā earnings have deteriorated \$2.2 million or 38% year-on-year due to significantly lower pricing for canned product sold for the Chinese New Year demand. These were anticipated in the Plan assumptions.

Sealord Group’s performance is pleasing, with Moana New Zealand’s 50% share of earnings calculated at \$4.8 million for the six-month reporting period. This is \$5 million higher than Sealord’s Plan although \$2.8 million less than the same period last year. Earnings from all Sealord’s three major sales markets are tracking ahead of Plan and have been instrumental in guiding the positive result. Sealord expects to achieve its full-year Plan result.

Our Operations

Ika

Operations are currently tracking to Plan for the first six months of the current financial year which is pleasing. We attribute this to strong harvest and sales performance through the second quarter with overall harvest volumes ahead of Plan and strengthening domestic market demand including our new online storefront, and Australian market demand tracking well. US and China channels continue to struggle with ongoing Covid19 issues affecting trade.

Whanonga pūtea

I te taha ki te Kāhui katoa, e \$14.3 miriona te moni hua mō ngā marama e ono i te tīmatanga o te tau, ā, he \$7.7 miriona nui atu i te Mahere, arā e 117%. He nui atu tēnei i te taha o tēnei wāhanga o tērā tau hoki, mā te \$2.3 miriona (19%).

E \$11.7 miriona te nui o ā Moana New Zealand moni mahinga i mua i te huamoni me te tāke, he \$5.3 miriona (84%) nui atu i te Mahere, ā, he \$4.4 miriona (61%) nui atu i tā tēnei wāhanga o te tau kua hipa. E \$4.8 miriona tā mātau wāhanga e 50% o ā Sealord moni utunga katoa i muri mai i te tāke. Koinei te \$2.5 miriona (112%) nui atu i te Mahere, ahakoa tōna \$1.4 miriona iti iho tēnā i te hāwhe tuatahi o tērā tau.

E mārāma ai te horopaki mō te whakarite i tētahi tau ki tētahi tau, me mātua aro ko te pānga o te Kōwheori 19. He pāwawe tonu te pā o te horanga o te mate nei ki ngā moni utu kōura ki Port Nicholson Fisheries, he kaha nō te raruraru ki te tukunga oratanga ki Haina mai i te tōmuritanga o te Hānuere 2020.

Kāore hoki i pāngia rawatia ētahi atu pakihi katoa a Moana New Zealand me Sealord, tae noa atu ki te Māehe 2021. Kei te whārangi toru i raro nei ngā kōrero mō te kōura, arā e \$6.6 miriona e pikinga o te wāhi o ā Moana New Zealand moni utu kōura i Port Nicholson Fisheries i te taha o aua marama e ono i tērā tau. Waihoki he \$4.2 miriona tēnei i runga ake i te Mahere mō ngā marama tuatahi e ono i te tīmatanga o te tau pūtea nei.

E eke ana te nuinga atu o ā Moana New Zealand rawa ki te Mahere mō ngā marama tuatahi e ono o te tau pūtea nei, ā, ka tata ki te \$1 miriona te moni mō ngā utu Whakahaere Kāhui kīhai i pau. Ko ngā take ko te aro tonu atu ki ngā utu, me te takamuri o te whakapaunga utu i te taha o te whakaaro i roto i te Mahere. Nā te maunga tonutanga o ngā rāhui hāereere i iti iho ai ngā utu nei, ahakoa te pānga kino ki ngā haumitanga i whakamaheretia hei whakawhanake māketē.

I tua atu i te kōura – he pikinga pai hoki tērā – ka nui te heke o ngā moni utunga i ā mātau pāua tūwā, e \$2.2 miriona, e 38% rānei mai anō i tērā tau, he iti rawa iho nō ngā utu mō te hua pōwhā e hokona ana kia ngata ai te hiahoko i te Tau Hou Hainamana. He mea matapae ēnei i roto i te Mahere.

Ka koa te ngākau i ngā mahi a Sealord Group, e \$4.8 miriona te moni utunga i tātairia rā mō te wāhanga pūrongo e ono marama te roa, arā ko te wāhi ki a Moana New Zealand i tana hea 50%. He nui atu tēnei i tā Sealord Mahere mā te \$5 miriona, ahakoa he \$2.8 miriona iti iho i tā tēnei wāhanga o te tau kua hipa. Te taha ki ngā moni utunga mai i ngā māketē tauhoko nui e toru o Sealord, kei mua i te Mahere e haere ana, ā, koinei tētahi take nui i pēnei ai te pai o te huanga. E whakaaro ana a Sealord ka eke tana huanga i te Mahere mō te tau katoa.

Ā mātou mahi

Ika

I te wā nei, e eke ana ngā mahi ikawhaitira ki te Mahere mō ngā marama tuatahi e ono o te tau pūtea nei, ā, ka koa te ngākau. Ki ō mātau whakaaro ko ngā take i pēnei ai ko te mōmona o ngā haonga, ko te pai o ngā hokonga hoki tae atu ki te koata tuarua, i eke rā ngā haonga katoa ki tua o te Mahere; ko te tupu o te hiahoko i te māketē tarāwhare, tae atu ki tō mātau toa ipurangī hou; me te kaha hoki o te hiahoko i te māketē o Ahitereiria. E totohe tonu ana ā mātau hōngere ki Amerika, ki Haina hoki, i ngā pānga kino o Kōwheori 19 ki ngā mahi tauhoko.

Our commitment as an active and influential participant in all key fishery forums to better manage, protect, and enhance our resources is on track.

We are implementing ongoing improvements within our processing area with a second vacuum packing machine to support increasing tray pack product forecasts, and to improve efficiency.

Several strategic partnership opportunities which align with Moana New Zealand’s growth direction have been initiated during the reporting period and will progress with decision-making later in the year. As always challenges ahead of us will require ongoing monitoring and actions by management to achieve our year-end target.

Kōura

Our kōura earnings are derived through our partnership with Port Nicholson Fisheries and depend significantly on access to, and demand in, China for live product. As noted above emergence of Covid19 was felt immediately when live shipments to China ceased from January 2020. While access to China slowly reopened over following months, demand and pricing remained fragile.

As a result of heightened geopolitical tension between China and Australia in late October 2020, China banned imports of kōura from Australia. This ban continues at the time of writing. Australia is the largest supplier of rock lobster to China and part of that supply is of jасus edwardsii, the same variety caught in Aotearoa and the species which attracts the highest pricing. As a consequence of the ban, demand for kōura supplied from Aotearoa has increased exponentially resulting in higher pricing and margins achieved by Port Nicholson Fisheries.

As noted in last year’s Interim Report, the market closure in late January 2020 had a significant adverse impact on our share of earnings reported in the six months to 31 March 2020, with total return to the Port Nicholson Fisheries joint venture partners down approximately 33% for the fishing year to 31 March 2020 compared to the prior season.

Moana New Zealand’s share of kōura earnings has improved by \$6.6 million between the two comparative six-month periods and is \$4.2 million ahead of Plan for the first six months of this financial year.

The outcome of the annual Sustainability Review conducted by MPI is a 12.5% cut to CRA3, 12.2% cut to CRA4 (both spiny red rock lobster species) and a 22.3% increase to PHC1 (packhorse rock lobster) from 1 April 2021. These adjustments were supported by Moana New Zealand and Port Nicholson Fisheries.

Pāua Tūwā

With Asian markets open for Chinese New Year this year (when they were closed last), and with it being slightly later, we managed to harvest, process and sell more than our planned green weight volume by late January. However, while volumes have been at or above plan, USD CIF (cost, insurance and freight) pricing is still behind Plan for all product formats except live. Canned volumes and very low price offers from competitor countries – which overstocked on canned product when live wasn’t selling during China’s lockdowns – have kept prices on canned and IQF (individually quick frozen) products to Asia low with an adverse flow-on effect to our pricing.

E mārō ana te haere o ā mātau mahi, me te titikaha o tā mātau tū hei kaimahi kakama, hei kaimahi whaimana i ō mātau huinga mahinga ika matua katoa kia pai atu te whakahaere, te tiaki, te whakapakari hoki i ā mātau rauemi.

E takatū haere ana ētahi whakapaitanga ki roto i te wāhi mahi ika, arā ko te rua o ngā mihini pūhera hauhuti hei whakaea i ngā matapaenga hua pūhera papa e tuputupu ana, hei whakapakari hoki i ngā mahi.

Kua huatakina ētahi mahinga whakaurunga rautaki e hāngai ana ki te aronga tupuranga a Moana New Zealand, i waenga i te wā pūrongo, ā, kei te tōmuritanga o te tau nei whakatauria ai ētahi āhuatanga ōna. E eke ai te whāinga mō te paunga o te tau, me āta aroturuki, me āta wherawhera e te hunga whakahaere ngā wero e rite ana te noho mai ki mua i te aroaro.

Kōura

I ahu mai ā mātau moni utunga kōura i tō mātau hononga ki Port Nicholson Fisheries, ā, he kaha tonu te whirinaki ki Haina, ki tōna hiahoko ki te hua ora anō hoki. Ka whakapuakina i runga nei, he pāwawe te pānga mai o te Kōwheori 19 i te katinga o ngā tukunga hua ora ki Haina mai anō i te Hānuere 2020. Ahakoa te āta tuwhera haere o Haina i ngā marama i muri mai, he iti tonu te hiahoko, ngā utu hoki.

Ko te putanga o te tauronarona tōrangapū e tupu ana i waenga o Haina me Ahitereiria i te tōmuritanga o te Ōketopa 2020, ka rāhui a Haina i te tukuna kōura i Ahitereiria ki reira. I te tuhinga o te kōrero nei, e mau tonu ana taua rāhui. Ko Ahitereiria te kaituku nui rawa o te kōura ki Haina, ā, he jasus edwardsii tētahi wāhanga o tāna haonga. Koinei te momo e haoa ana i Aotearoa hoki, ā, ko ōna utu ngā mea nui katoa. Ko tētahi hua o te rāhui ko te tupuranga kia nui rawa o te hiahoko ki te kōura o Aotearoa, me te aha he nui atu ngā utu, ngā tūhenetanga utu a Port Nicholson Fisheries.

Tērā i tautuhia i te Pūrongo Weherua o te tau kua hipa, he kino rawa te pānga o te katinga o te māketē i te tōmuritanga o te Hānuere 2020, ki tō mātau wāhi o ngā moni utunga i pūrongotia rā i ngā marama e ono tae atu ki te 31 o Māehe 2020. I heke te tapeketanga hua pūtea ki ngā hoa mahinga tahi Port Nicholson Fisheries mā tōna 33% mō te tau mahiika tae atu ki te 31 o Māehe 2020, i te taha o te hua pūtea o te tau ō mua.

E \$6.6 miriona te pikinga o tō Moana New Zealand wāhi o ngā hua pūtea kōura i waenga i ngā wāhanga ono marama e rua nei. Waihoki e \$4.2 miriona te hua ki tua o te Mahere mō ngā marama tuatahi e ono o te tau pūtea nei.

Ko te putanga o te Arotake Toitū-Oranga ā-tau, te whakahaeretia rā e MPI, ko te poronga o te CRA3 mā te 12.5%, ko te poronga o te CRA4 (e rua e rua ngā momo kōura tarakura) mā te 12.2%, ā, ko te whakawhānuitanga o te PHC1 (pawharu) mā te 22.3%, mai anō i te 1 o Āperira 2021. He mea tautoko aua panonitanga nā Moana New Zealand, nā Port Nicholson Fisheries hoki.

Pāua Tūwā

Te whakatuwheratanga mai o ngā māketē o Āhia mō te Tau Hou Hainamana i te tau nei (i kati kē i te tau kua hori), te hikinga pakutanga ōna anō hoki, ka nui atu te haonga hua mata i oti i a mātau te hao, te mahi, te hoko hoki i mua atu o te tōmuritanga o te Hānuere. Heoi anō, ahakoa i rite, i nui paku atu ngā haonga i te Mahere, kei raro tonu iho i te Mahere ngā utu o te USD CIF (utu, rīanga, kawenga) mō ngā momo hua katoa, hāunga rā te hua ora.

He iti iho ngā utu mō te hua pōwhā me te IQF (pätio takitahi hohoro) ki Āhia nā runga i ngā hua pōwhā iti, i ngā utu iti rawa a ngā whenua kaitauwhāinga hoki – nāna nei ngā hua pōwhā i rokiroki nui i te korenga o ngā hua ora i hokona i te wā o ngā rāhui i Haina – ā, he kino te pānga ki ā mātau utunga.

As with live pāua kahurangi, live pāua tūwā has seen a strengthening of USD CIF pricing to pre-Covid19 levels. We will continue adjusting canned and IQF pricing for the balance of the year. Live net returns however continue to be adversely affected by higher airfreight rates.

Chinese import data released for the calendar year 2020 shows our CIF pricing to be stronger than the New Zealand export average by more than US\$3.00/kg or 9% for IQF, and more than US\$3.50/kg or 12% for live, so we are upholding our premium pricing for product sent to China.

Pāua Kahurangi

MARKETS AND PRICING

It has been an encouraging start to the season by comparison with the first six months of last year. China is yet to fully recover from Covid19 but is recovering to a point which has been beneficial for our export volumes of live pāua kahurangi. Volume achieved up to and beyond the Chinese New Year period have been near to or better than Plan.

After a long period of pricing difficulty, USD CIF prices are back up to pre-Covid19 levels for live sales, although the net return has been adversely affected by higher airfreight rates which are around double those of 2019.

A NZ\$20,000 Covid19 ‘springboard’ grant was approved in March to fund promotion of pāua kahurangi across foodservice and restaurant channels in China, under NZTE’s Covid19 recovery fund for exporters.

HARVEST AND PROJECTS

Full implementation of Project Stabilise is complete. To date we have been successful in operating with this new model and cost structure. We have installed insulation in our sheds and decommissioned our non-suitable tray system which enabled greater control of temperatures during the summer period. We are pleased to confirm a significant reduction in mortality and for the first time continued growth of pāua kahurangi during the warmer summer months.

Key to the success of this change was moving to predominantly live sales rather than frozen. We are delighted to report a record sales month during the period. Total volume has increased 12.2 tonnes against Plan, owing to an increase in live sales which are 13.4 tonnes favourable against Plan. Record December and January sales of more than five tonnes per month have been followed by higher than expected sales after the Chinese New Year period.

Tio

MARKETS AND PRICING

Live tio volumes in the first six months of this year have been adversely affected by lockdowns in destination markets – China and Russia in particular. China locked down three cities around the capital in December and Russia went through a major second wave of Covid19 from November through to February, with an associated foodservice shutdown. Smaller markets like New Caledonia and Hawaii have been affected by flight availability more than lockdowns.

Pērā anō i te pāua kahurangi ora, kua hoki anō ngā utu USD CIF o te pāua tūwā ora ki ngā utu ō mua i te Kōwheori 19. Ka whāwhā tonu mātau i ngā utu hua pōwhā, ngā hua IQF anō hoki mō te paunga o te tau. Heoi anō e pāngia kinotia tonu ana ngā hua pūtea katoa mō te hua ora, he nui atu nō ngā utu kawenga mā runga rererangi.

Ka whakaatu ngā raraunga tukunga rawa a Haina i pānuitia e Haina mō te tau 2020, he kaha atu ā mātau utunga CIF i te taurite tukunga rawa i Aotearoa mā te US\$3.00/kg, nuku atu, arā mā te 9% mō te IQF, ā, nuku atu i te US\$3.50/kg, arā 12% mō te hua ora. Nā konei mātau i pupuri ai i ā mātau utunga nunui mō ngā hua e tukuna ana ki Haina.

Pāua Kahurangi

NGĀ MĀKETE, NGĀ UTU

He toinga manawa te āhuetanga o te tīmatanga o te tau, i te taha o ngā marama tuatahi e ono o te tau kua hīpa. Kāore anō te mauri o Haina kia ora mai anō i te Kōwheori 19, engari kua piki te ora ki tētahi taumata e whiwhi painga ai mātau mō ngā haonga tukunga pāua kahurangi ora. Kua eke rānei, kua tata rānei ki te Mahere ngā haonga taea noatia te wā o te Tau Hou o Haina, i tua mai anō hoki.

Ka pau te wāhanga roa i iti rā ngā utu, ka hoki anō ngā utu USD CIF ki ngā utu ō mua i te Kōwheori 19 mō ngā hokonga hua ora. Heoi kua pāngia kinotia te tapeketa hua pūtea e ngā utu nui mō te kawe mā runga rererangi, he nui atu i te tāruatanga o ngā utu i te tau 2019.

I te Māehe, i whakaaetia tētahi tukunga moni tautoko Kōwheori 19, e NZ\$20,000 te nui, hei tautoko i te whakatairangatanga o te pāua kahurangi puta noa i ngā hōngere ratonga kai, hōngere wharekai hoki ki Haina, i raro i te tahua whakarauora Kōwheori 19 a Te Taurapa Tūhono mā te hunga tuku rawa ki tāwāhi.

TE HAONGA, NGĀ HINONGA

Kua oti noa te Hinonga Whakauka. Kua tino eke tā mātau whakamahi i te tauira hou, me te anga utunga taea noatia tēnei rā. Kua whakaurua e mātau he puringa mahana ki ō mātau wharau, kua whakakore hoki i tā mātau pūnaha papa te kore nei i hoahoatia mō ā mātau momo ika, me te aha kua kaha atu tā mātau whakamatua i ngā pāmahana i te wā o te raumati. E koa ana mātau ki te pānui atu he nui te hekenga o te tāmatemate, ā, kātahi anō ka āhei te tupuranga tonutanga o te pāua kahurangi i ngā marama mahana o te raumati.

Ko te pūtake o te angitu o ēnei āhuetanga ko te tahuri ki te hoko hua ora, kua ko te hua pātio. E koa ana te ngākau ki te pūrongo i te rikoata mō ngā hokonga i te marama kotahi i roto i taua wāhanga. E 12.2 tāna te pikinga o te haonga katoa ki tua o te Mahere, nā runga i te tupuranga o ngā hokonga hua ora, te tupu nei kia 13.4 tāna ki tua o te Mahere. Kua nui atu i te rima tāna i te marama ngā hokonga mō te Tihema me te Hānuere, he rikoata ēnei. Whai muri iho ka nui atu te hokonga i tā mātau i whakaaro ai i muri mai i te wā o te Tau Hou o Haina.

Tio

NGĀ MĀKETE, NGĀ UTU

Kua pāngia kinotia ngā haonga tio ora i ngā marama tuatahi e ono o te tau nei e ngā rāhui ki roto i ngā mākete hokohoko – inā koa ki Hina me Rūhia. E toru ngā tāone i rāhuitia e Haina huri noa i te tāone matua i te Tihema, ā, he kino te hoki tai tuarua o te Kōwheori 19 i pā ki Rūhia mai i te Noema ki te Pēpuere, ā, nā whai anō te ratonga kai i katia ai. Kua kaha atu te pāngia ētahi mākete iti kē, pēnei me Kanaki me Hawai’i, e te torutoru o ngā rerenga, tēnā i ngā rāhui.

In the domestic market, the frozen half-shell foodservice/ wholesale channel sales were better than Plan through the summer, and the retail channel pricing on Plan. However, an expectation that the America’s Cup could drive large demand in the Auckland CBD and waterfront did not eventuate, given the lack of foreign visitors and supporters with tourist dollars to spend.

Our harvest volume reduction has been borne mainly by our key half-shell markets in Hong Kong and Australia with live and domestic half-shell demand supported through the first six months due to higher margin.

CIF pricing has been largely retained throughout Covid19 on half-shell sales. Sea freight rates have not increased as sharply as airfreight.

HARVEST AND PROJECTS

Forecast annual production volumes are estimated to be short of the Plan target by 99,000 dozen, driven by the lower volume of wild tio purchased from independent farmers over August to September 2020. This shortage was a result of the Northland floods which caused significant farm closures, preventing harvesting of wild supply.

We can report two successful production runs of spat which produced 67% of total planned volume. Moana New Zealand’s purpose-built hatchery in Nelson is on track to be in commercial production at the end of calendar year 2021.

In November 2020 the Moana New Zealand Board approved capital expenditure of \$15.9 million to transform our tio farming operation to flip farm technology. The conversion of our farms commenced in November. This project will be implemented over a three-year period.

Kai Ora

Humanitarian sales orders are proving difficult to secure as countries affected by Covid19 have turned inward and are expecting charitable organisations to use donation funds to support domestic populations rather than assist in foreign aid. In general terms Muslim countries have suffered more than western territories with Covid19 and are slower in rollout of vaccination programmes. Therefore, we expect orders to remain tough to secure this year.

The New England Country Foods programme to the USA suffered a delay due to a busy period for pāua harvest and production but is rebounding well since February and looks on target to exceed Plan volume by year-end.

Australian Defence Force sales volumes are late eventuating again this year, with no military exercises conducted throughout Covid19. Domestic and Australian armed forces personnel have been fed by the hotels they are acting as security for. Programmes will commence in earnest from May, two months later than usual.

We are also looking to develop new products for new markets, for which our strategy is to add value to existing options.

I roto i te mākete tarāwhare, he pai atu ngā hokonga i ngā hōngere utu waenga mō te ratonga kai haurua-kota pātio, tēnā i te Mahere mō te roa o te raumati, ā, i eke ngā utu o te hōngere toa tauhoko ki te Mahere. Heoi anō, kāore i tūturu te whakaaro ka nui rawa te hiahoko i te pokapū o Tāmaki Makaurau, i te taha moana hoki nā runga i te Kapu o Amerika, he kore nō te tāpoi, nō te kaitautoko i whakaeke mai i tāwāhi me āna tāra tāpoi hei whakapau.

Kua pikauria nuitia te whakawhāititanga o tā mātau haonga e ā mātau mākete matua haurua-kota ki Hong Kong me Ahitereiria. I tautokona i reira te hiahoko ki te hua ora, ki te haurua-kota hoki i ngā marama tuatahi e ono, he nui atu nō te tūhenetanga.

I mau tonu te nuinga o ngā utu CIF o ngā hokonga haurua-kota i roto i Kōwheori 19. Kāore i rite te nui o te pikinga o ngā utu kawenga mā runga kaipuke tēnā ki ō ngā utu kawenga mā runga rererangi.

TE HAONGA, NGĀ HINONGA

E whakaarohia ana ka iti iho ngā haonga ā-tau i matapaetia rā tēnā i te whāinga o te Mahere mā te 99,000 taihana nā runga i te iti iho o te tio tūwā i hokona mai i ngā kaimahipāmu tūhāhā mai i te Ākuhata ki te Hepetema 2020. Ko te pūtake o taua hekenga ko ngā waipuke i Te Tai Tokerau, me te aha he nui ngā pāmu i katia, i kore ai e haao te tio tūwā.

Tēnei nei te pūrongo ake e rua rawa ngā whakaputanga tio pirianga, arā e 67% te nui o haonga katoa i whakamaheretia. E mārō ana te haere o te hanganga o tō Moana New Zealand paonga tio ki Whakatū, he mea hanga mō taua take tonu rā, kia rite ai mō te whakaputanga ā-arumoni mō te paunga o te tau 2021.

I te Noema 2020, ka whakaaetia e te Ohu o Moana New Zealand te whakapaunga utu maitai e \$15.9 miriona, hei tahuri i ō mātau pāmu hei pāmu huripoki. I tīmata te tahuritanga o ō mātau pāmu i te Noema. I roto i ngā tau e toru e haere nei ka oti te hinonga nei.

Kai Ora

He uaua te kapo kiritaki atawhai tangata, he huri whakaroto nō ngā whenua e pāngia ana e te Kōwheori 19 ki a rātau anō. Waihoki e whakaarohia ana ka whakamahi ngā rōpū aroha i ngā moni aroha hei tautoko i ngā taupori tarāwhare kē, kua ko te āwhina i whenua kē atu. He kaha atu te pāngia o ngā whenua Ihirama tēnā i ngā whaitua o te Tai ā-Uru, ā, he pōturi iho te horanga o ngā hōtaka āraimate. Nā konei mātau e whakaaro nei ka hakahaka tonu ngā hokonga i te tau nei.

I takamuri te hōtaka New England Country Foods ki Amerika, he pukumahi rawa nō te wā haonga pāua, te wā whakaputanga pāua hoki. Heoi, mai anō i te Pēpuere e hoki haere ana ki te ora, ā, e mārō ana te haere kia eke ai te haonga e ai ki te Mahere mō te paunga o te tau.

E takamuri ana anō ngā hokonga ki Te Ope Kātua o Ahitereiria i te tau nei, he kore nō ngā haratau ope taua e whakahaeretia i te wā o te Kōwheori 19. Ka whāngaia ngā toa tarāwhare, ngā toa o Ahitereiria hoki e ngā hōtēra e whakamarutia ana e rātau. Hei te Mei tīmata pū anō ai ngā hōtaka, e rua marama i muri mai i te wā i whakatauria rā.

E whai ana mātau ki te whakawhanake hua hou mō ētahi mākete hou, ā, ko tā mātau rautaki ko te whakamōmona i te uara o ngā hua o nāiane.

Sealord Group Limited

Sealord's reported NPAT of \$9.6 million for the six months to 31 March 2021 was \$5 million favourable to Plan and \$2.8 million unfavourable to last year (Moana New Zealand's share being 50% of these numbers). Above Plan performance is due to sales volumes increasing 18%, driven by exports of jack mackerel and last season's squid and southern blue whiting.

Sealord planned for a slower start to the fishing year than in FY20, with two of its largest vessels tied up in October and part of November due to foreign crew entry restrictions to New Zealand.

Its year-to-date catch volumes were 4% above Plan with steady performance across the fleet despite a poor squid season. Catch volumes were 13% below last year as a direct result of the foreign crew setback and squid harvest, which at the end of March 2021 was tracking at just 37% of the FY20 bumper squid season total.

Positively, earnings from all three of Sealord's major sales segments – Export, Australia and New Zealand – were tracking ahead of Plan at the current financial year halfway mark.

Export continues to be a challenge for Sealord. Shipping and port delays, coupled with low container availability, restricted Sealord's sales over the reporting period. Delayed orders increased progressively across the six months and are expected to continue for the remainder of the year. A significant proportion of September 2021's monthly sales are likely to be delayed until early in the next financial year. Positively, export pricing is holding up reasonably well, with the sale price of lower value species – mackerel and barracouta – a highlight due to global Covid19 supply issues elsewhere.

Sealord's Australian sales continue to grow steadily. Sales of Sealord product, including branded retail and foodservice, were up 10% on Plan and 44% on last year. Sales of its Petuna Aquaculture salmon and ocean trout were also up 9% on Plan and 6% on last year. At the end of March 2021, Petuna's NPBT is running 5% below Plan and below last year's result. Market pricing is down due to Covid19 impacts on foodservice demand, though this has largely been offset by good farm performance – namely lower costs and fish mortalities – and higher sales volumes.

Overall New Zealand sales are also slightly above Plan (+1%), despite slow pick up by Sealord's foodservice market channel at the end of Covid19 restrictions. Sales are behind last year due to the one-off surge in supermarket sales during the first Covid19 lockdown.

Sealord's Nga Tapuwae o Māui agreement continues to create value for the business and its Iwi shareholders. For the first half, Nga Tapuwae o Māui has performed to plan despite Covid19 impacts, noting that it is difficult to forecast export demand and shipment timing for the upcoming hoki season.

In summary, as at 31 March 2021 Sealord is running \$5 million ahead of Planned NPAT. However, several challenges have been identified by Sealord in the back half of the current financial year:

Sealord Group Limited

He nui atu i te Mahere mā te \$5 miriona te HHMT i pūrongotia rā e Sealord, arā e \$9.6 miriona mō ngā marama e ono ki te 31 o Māehe 2021, ā, he iti iho mā te \$2.8 miriona i tā tērā tau (e 50% o ēnei nama te wāhi ki a Moana New Zealand). He nui atu ēnei i te Mahere nā te tupu o ngā hokonga mā te 18%, i runga i te hokonga ki rāwāhi o te hauture, i runga hoki i te wheketere me te pākirikiri tai tonga o tērā tau.

I whakamaheretia he tīmatanga māngaingai atu o te tau hiika tēnā i te TP20. E rua o ōna waka nui rawa i pukumahi rā i te Ōketopa me tētahi wāhanga o te Noema i runga i ngā rāhui whakaeke ki Aotearoa mō ngā kaumoana tauhou.

He nui atu i te Mahere ngā haonga mō tēnei wā o te tau mā te 4%, ā, he mārō te haere o te tāruru ahakoa te tau nihoroa mō te wheketere. E 13% te hekenga o te haonga tēnā i tā te tau ō mua, i runga i ngā raruraru kaumoana me te haonga wheketere i te paunga o te Māehe 2021, te heke rā ki te 37% noa iho o te tapeketanga mō te tau mōmona mō te wheketere i te TP20.

Ko te painga atu, he nui atu i te Mahere ngā moni utunga mai i ngā wāhanga tauhoko nui e toru o Sealord – te Tuku ki Rāwāhi, Ahitereiria, Aotearoa – i te weheruatanga o te tau pūtea nei.

He wero tonu te tuku rawa ki rāwāhi mō Sealord. Nā te takarua o ngā kaupuke, te takarua i ngā tauranga, me te ruarua o ngā pouaka kaupuke i whāiti ai ā Sealord hokonga mō taua wā pūrongo. Nāwai, nāwai ka nui atu ngā tono i takarua i te roanga o ngā marama e ono, ā, e whakaarohia ana ka pērā tonu mō te paunga o te wā pūrongo. Ko te āhua nei ka takarua ētahi hokonga ā-marama nunui o te Hepetema 2021, tae atu ki te tōmuatanga o te tau pūtea e haere mai nei. Ko tētahi take koakoa ko te pai o ngā utu tuku ki rāwāhi, ā, ko tētahi whakahiranga ko te utu hokonga o ngā momo ika utu iti – arā ko te tawatawa me te mangā – nā runga i ngā raruraru Kōwheori 19 puta i te ao.

E tuputupu tonu ana ā Sealord hokonga ki Ahitereiria. Te taha ki ngā hua a Sealord, tae atu ki ngā tauhoko whai tohu me te ratonga kai, he nui atu i te Mahere mā te 10%, he nui atu i tā tērā tau hoki mā te 44%. He nui atu ngā hokonga o tana hāmana Petuna Aquaculture me te tarautu moana i te Mahere mā te 9%, ā, he nui atu i tā tērā tau mā te 6%. I te paunga o te Māehe 2021, kei raro iho tā Petuna HHMuaT i te Mahere mā te 5%, ā, he iti iho i te huanga o tērā tau. He hakahaka ngā utunga māketete nā ngā pānga o te Kōwheori 19 ki te hiahoko ki te ratonga kai, heoi i māmā ai tērā nā ngā hokonga nui atu, nā te pai o ngā mahinga pāmu hoki – arā ko ngā utu iti kē, ko ngā tāmātematenga ika iti kē.

Kei runga ake hoki i te Mahere (+1%) ngā hokonga i Aotearoa nei, ahakoa te pōturi o te tupuranga o te hōngere māketete ratonga kai a Sealord i te mutunga o ngā rāhui Kōwheori 19. Kei muri ngā hokonga i ā tērā tau e haere ana, he whakapuke nō ngā hokonga toa hokomaha i te rāhui Kōwheori 19 tuatahi.

E whakawhānui tonu ana tā Sealord kawenata Ngā Tapuwae o Māui mō ngā pakihī pupurihea, ngā iwi pupurihea hoki. I te haurua tuatahi, kua eke te Mahere i Ngā Tapuwae o Māui ahakoa ngā pānga kino a te Kōwheori 19. Ka arongia hoki he uaua te matapae ake i te hiahoko ki tāwāhi, i te wātaka kakawe hoki mō te tau ūturi e heke nei.

Hei whakarāpopoto, kei mua a Sealord e haere ana i te HHMT o te Mahere mā te \$5 miriona i te 31 o Māehe 2021. Heoi anō, he huhua ngā wero i tautuhia e Sealord i te haurua mutunga o te tau pūtea nei nā:

- Recruitment of sufficient Nelson factory staff for the hoki season (June through September), and addressing ongoing shortages of suitable fishing crew
- Restrictions on export shipments to China of fish processed through Sealord's Nelson factory
- Shipping, port and container delays
- Lower squid sales due to a poor harvest period

Taking everything into consideration, Sealord is cautiously optimistic that it will achieve its Planned NPAT for the full financial year.

Outlook

At the halfway point of our financial year we are confident that our full year earnings will exceed the Plan net profit after tax of \$20.6 million.

As identified on page three, kōura earnings are well ahead of Plan. With no immediately forthcoming resolution in sight to the Australia-China geopolitical situation, continued strong pricing is anticipated in the short-term. We remain optimistic that our flow of trade to China will not be detrimentally impacted and therefore not affect our earnings across all specie units to this key market, providing the New Zealand Government maintains its sensible position.

As noted on page four, our share of Sealord earnings is ahead of Plan by \$2.5 million at the financial year halfway mark. However, significant headwinds are likely to negatively impact this favourable position. We must bear in mind that more than 80% of Sealord earnings are delivered in the second half of the year. Sealord management is confident that the full year result will be near to Plan – our share being \$13.3 million.

- Ko te kopounga kaimahi rawaka ki te wheketere ki Whakatū mō te tau ūturi (atu i te Hune ki te Hepetema), me te whāwhā hoki i ngā pūhoretanga o ngā kaumoana hiika e tika ana
- Ko te rāhui o ngā tukunga o ngā ika i mahia i tō Sealord wheketere i Whakatū ki Haina
- Ko ngā takamuritanga o te tuku rawa mā runga waka, o ngā tauranga, o ngā pouaka waka
- Ko ngā hokonga hakahaka o te wheketere he tau nihoroa nō te tau Hui katoa ngā take nei, e āhua rorotu ana te ngākau o Sealord ka eke i a ia te HHMuaT i Maheretia mō te tau pūtea katoa.

Matapae

I te weherua o te tau pūtea nei, e whakapono ana mātau ka nui atu ā mātau moni utunga mō te tau i te haonga huanga i muri i te tāke i roto i te Mahere, arā e \$20.6 miriona.

I tautuhia rā i te whārangi toru, kei runga noa atu ngā moni utunga kōura i te Mahere. Kāore he rongoā kakama mō te āhuatanga tōrangapū i waenga i a Ahitereiria me Haina, ā, e whakaarohia ana ka nui tonu ngā utu mō te wā poto kei mua i te aroaro. E rorotu tonu ana te ngākau ka kore e pāngia kinotia te rere o ā mātau rawa ki Haina, ā, nā konei ka kore e pāngia ā mātau moni utunga puta i ngā rawa katoa ki te māketete nui nei, mēnā rānei ka pupuri tonu te Kāwanatanga o Aotearoa ki tōna whakaaro whai tikanga.

I tautuhia rā i te whārangi whā, kei runga ake tō mātau wāhi o ā Sealord moni utunga i te Mahere mā te \$2.5 miriona i te weheruatanga o te tau pūtea. Heoi anō, ka pāngia kinotia pea te tūranga pai nei e ngā haupāuma pūkeri. Me manatu tātau, nuku atu i te 80% o ngā moni utunga a Sealord ka whakawhiwhia i te haurua tuarua o te tau. E whakapono ana te ohu whakahaere o Sealord ka tata tonu ki te Mahere te huanga mō te tau katoa – e \$13.3 miriona tā mātau wāhanga.

Hinerangi Raumati-Tu'ua,
Tiamana Chair

Steve Tarrant,
Tumuaki CEO

Taukī tahua pūtea

Financial statements

Taukī tapatahi moni whiwhi

Consolidated income statement

FOR THE SIX MONTHS ENDED 31 MARCH 2021

\$000	Note	6 months ended	6 months ended	12 months ended
		31 March 2021	31 March 2020	30 September 2020
		Unaudited	Unaudited	Audited
Sale of goods		62,569	69,109	123,117
Other revenue		3,925	3,198	9,140
Total revenue		66,494	72,307	132,257
Cost of sales		(50,487)	(54,779)	(104,461)
Gross profit		16,007	17,528	27,796
Other income/ (expenses)	3	604	(577)	(612)
Distribution expenses		(2,910)	(2,114)	(4,151)
Administrative expenses		(7,655)	(7,507)	(15,367)
Finance expenses		(1,129)	(1,262)	(2,562)
Share of Sealord profit		4,788	6,193	14,641
Share of profit of associates and joint ventures		5,627	(82)	880
Profit before income tax		15,332	12,179	20,625
Income tax expense		(991)	(126)	(285)
Profit for the period		14,341	12,053	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 SIX MONTHS ENDED 31 MARCH 2021

\$000	6 months ended	6 months ended	12 months ended
	31 March 2021	31 March 2020	30 September 2020
	Unaudited	Unaudited	Audited
Profit for the period	14,341	12,053	20,340
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Gains / (losses) from:			
Cash flow hedges	465	980	1,612
Share of Sealord other comprehensive income	5,661	(2,152)	10,248
Income tax relating to components of comprehensive income	(81)	(172)	(282)
Other comprehensive income for the period net of tax	6,045	(1,344)	11,578
Total comprehensive income for the period net of tax, attributable to the shareholders	20,386	10,709	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 31 MARCH 2021

\$000	Note	As at 31 March 2021 Unaudited	As at 31 March 20 Unaudited	As at 30 September 2020 Audited
Assets				
Current assets				
Cash and bank balances		146	431	75
Trade and other receivables		10,857	14,397	8,691
Inventories		4,604	6,725	7,734
Biological assets		6,530	6,533	6,530
Income tax		-	1,303	564
Derivative financial instruments		217	335	289
Total current assets		22,354	29,724	23,883
Non-current assets				
Property, plant and equipment		51,180	48,259	47,948
Right of use assets	7	9,091	6,538	5,610
Investment in Sealord Group Limited		238,610	214,535	235,189
Investments in associates and joint ventures		8,449	2,991	2,680
Quota shares		245,345	244,608	244,608
Goodwill		4,710	4,710	4,710
Intangibles		6,075	6,184	6,134
Deferred tax asset		682	1,285	830
Total non-current assets		564,142	529,110	547,709
Total assets		586,496	558,834	571,592
Liabilities				
Current liabilities				
Trade and other payables		8,807	7,909	8,721
Provisions	4	8,083	8,143	11,922
Lease liabilities	7	3,030	2,471	1,922
Redeemable preference shares	6	20,000	20,000	20,000
Income tax		122	-	-
Derivative financial instruments		453	1,169	620
Total current liabilities		40,495	39,692	43,185
Non-current liabilities				
Borrowings		53,271	55,884	48,171
Lease liabilities	7	1,028	2,875	2,813
Derivative financial instruments		958	1,473	1,328
Total non-current liabilities		55,257	60,231	52,312
Total liabilities		95,752	99,923	95,497
Net assets		490,744	458,911	476,095
Equity				
Shareholders' equity				
Capital contributed		286,979	286,979	286,979
Cash flow hedging reserve		(990)	(1,896)	(1,374)
Associates' derivative financial instruments and other reserves		4,432	(13,629)	(1,229)
Retained earnings		200,323	187,457	191,719
Total shareholders' equity		490,744	458,911	476,095

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

Taukī tapatahi tūtanga rerekētanga

Consolidated statement of changes in equity

FOR THE SIX MONTHS ENDED 31 MARCH 2021

\$000	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	-	-	-	14,341	14,341
Other comprehensive income for the period, net of tax	-	384	5,661	-	6,045
Dividend provision	-	-	-	(5,737)	(5,737)
Balance at 31 March 2021	286,979	(990)	4,432	200,323	490,744
Balance at 1 October 2019	286,979	(2,704)	(11,477)	180,225	453,023
Net profit	-	-	-	12,053	12,053
Other comprehensive income for the period, net of tax	-	808	(2,152)	-	(1,344)
Dividend provision	-	-	-	(4,821)	(4,821)
Balance at 31 March 2020	286,979	(1,896)	(13,629)	187,457	458,911

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 SIX MONTHS ENDED 31 MARCH 2021

\$000	Note	6 months ended	6 months ended	12 months ended
		31 March 2021	31 March 2020	30 September 2020
		Unaudited	Unaudited	Audited
Cash flows from operating activities				
Cash was provided from:				
Receipts from customers		67,202	73,695	128,024
Government grant received		-	-	2,181
Interest received		34	46	83
Taxation received		-	-	920
		67,236	73,741	131,208
Cash was disbursed to:				
Payments to suppliers and employees		55,663	65,298	111,791
Interest paid		1,129	1,262	2,562
Taxation paid		235	555	555
		57,027	67,115	114,908
Net cash flows from operating activities	5	10,209	6,626	16,300
Cash flows from investing activities				
Cash was provided from:				
Dividends received		6,424	6,438	7,711
Sale of property, plant and equipment		424	22	18
		6,848	6,460	7,729
Cash was disbursed to:				
Purchase of property, plant and equipment		5,560	1,913	3,453
Purchase of quota		738	1,889	1,889
Shares purchased in associate		-	7,200	7,200
Acquisition of intangibles		228	245	540
		6,526	11,247	13,082
Net cash flows from investing activities		322	(4,787)	(5,353)
Cash flows from financing activities				
Cash was provided from:				
Proceeds of borrowings		9,911	7,717	7,000
		9,911	7,717	7,000
Cash was disbursed to:				
Repayment of borrowings		4,351	-	6,800
Payment of lease liabilities		7,174	1,470	3,417
Dividends paid to shareholders		8,846	11,270	11,270
		20,371	12,740	21,487
Net cash flows from financing activities		(10,460)	(5,023)	(14,487)
Net (decrease)/increase in cash held		71	(3,184)	(3,540)
Cash at the beginning of the period		75	3,615	3,615
Cash at the end of the period		146	431	75
Comprising:				
Cash and bank balances		146	431	75

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

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE SIX MONTHS ENDED 31 MARCH 2021

1. Corporate Information

Aotearoa Fisheries Limited, trading as Moana New Zealand was incorporated on 26 November 2004 in New Zealand. These condensed consolidated financial statements are for the Moana New Zealand Group of Companies consisting of Aotearoa Fisheries Limited, its subsidiaries, associates and joint ventures.

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.

2. Summary of Significant Accounting Policies

These condensed consolidated interim financial statements have been prepared in accordance with New Zealand generally accepted accounting practice applicable to interim financial statements.

These interim financial statements have not been audited, or reviewed.

These condensed consolidated financial statements comply with NZ IAS 34 Interim Financial Reporting. As the condensed consolidated interim financial statements do not include all of the information required for full financial statements they should be read in conjunction with the consolidated financial statements and related notes in the Annual Report for the year ended 30 September 2020.

There have been no changes to the accounting policies set out in the 2020 Annual Report. The Group makes estimates and judgments concerning the future. The estimates and judgments used in the preparation of these condensed consolidated financial statements are consistent with those used in the 2020 Annual Report.

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. Vaccination programmes offer hope of a return to near normal, as trading partners vaccinate ever-increasing proportions of their population. It is also hoped travel bubbles emerge which improve our airfreight costs. These increased markedly on the back of reduced flight availabilities as business and holiday international travel ceased for extended periods. 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.

3. Other Income/(Expenses)

\$000	6 months ended	6 months ended	12 months ended
	31 March 2021	31 March 2020	30 September 2020
	Unaudited	Unaudited	Audited
Foreign currency exchange gains/ (losses) realised	597	(581)	(618)
Foreign currency exchange gains/ (losses) on hedged sales	7	(9)	6
Net gain on disposal of assets	-	13	-
	604	(577)	(612)

4. Provisions

The obligation to pay a dividend pursuant to Section 76(2) of The Māori Fisheries Act 2004, of \$5.737 million (2020 : \$4.821 million) has been recognised based on the profit for the six months ended 31 March 2021.

Pukataki rangatōpū

Corporate directory

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Kaitātari Kaute Auditor

Deloitte Limited

Hunga Whare Moni Bankers

Westpac New Zealand Limited

Kaiwhakamāori Translator

Maika Te Amo – Tapuika

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