

Media release
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AN INVESTMENT IN NEW ZEALAND'S GROWING AQUACULTURE INDUSTRY
New Zealand King Salmon confirms intention to undertake an IPO

There may soon be an opportunity for Kiwi investors to own a stake in New Zealand's estimated \$180 million salmon industry.

The world's largest aquaculture producer of King salmon, New Zealand King Salmon Investments Limited, has today (29 August) confirmed its intention to undertake an initial public offering of shares in New Zealand and a listing on the NZX Main Board and ASX. The proceeds of the offer will be used to repay debt, fund future investment and working capital, and to enable investor Direct Capital and some other shareholders to realise some or all of their investment.

Current majority shareholder Oregon Group first invested in New Zealand King Salmon 20 years ago. Together with existing shareholders, including current and former members of the senior leadership team and directors, Oregon Group will retain a significant stake in the company following the offer.

Chairman John Ryder says, "The continuing involvement of major shareholders Oregon Group and others reflects their ongoing support for New Zealand King Salmon and desire to remain invested in the company alongside new investors.

"The company has a well-established domestic market presence and share, and a history of successfully selling our products in offshore markets including North America, Australia, Japan and other parts of Asia, and Europe and other countries.

"By investing in New Zealand King Salmon, Kiwis will have the opportunity to share in our future as we continue to expand to satisfy growing international demand. My fellow directors and I are confident that New Zealand King Salmon's senior executive team has the sector knowledge and expertise to continue to deliver for its shareholders," Mr Ryder says.

New Zealand King Salmon is the world's largest aquaculture producer of the premium King salmon species and operates under three key brands: Ōra King, Regal and Southern Ocean. The company controls all elements of the value chain from breeding and growing to harvesting and processing, and has been growing and selling salmon to consumers and chefs for more than 30 years.

It owns and operates eight seafarms in the Marlborough Sounds, including three new farms consented in 2014 with a 35 year term. Over time the new seafarms are expected to enable the company to approximately double annual production from the current 6,000 metric tonnes.

The New Zealand salmon farming industry has been recognised as a global leader in sustainable seafood following New Zealand's 'Best Choice' accreditation in the Monterey Bay Aquarium's globally respected consumer guide Seafood Watch, in 2015.

In the financial year to 30 June 2016, New Zealand King Salmon generated revenues of \$114.1 million and Pro Forma Operating EBITDA of \$16.0 million.

In respect of the 2017 financial year, New Zealand King Salmon is expecting to declare dividends of \$5.0 million, or 50 per cent of forecast Pro Forma Operating Net Profit After Tax, and \$5.6 million in 2018. It anticipates dividends will be fully imputed.

As part of the initial public offering, a priority offer is intended to be made available to eligible residents in the Marlborough and Nelson Bays regions. Residents who have an interest in participating in the priority offer should go to www.shareoffer.co.nz/newzealandkingsalmon from 31 August and follow the on screen instructions to register their interest, or contact their financial adviser prior to 5.00pm on 12 September.

The joint lead managers are First NZ Capital Securities Limited and Macquarie Capital (New Zealand) Limited (acting through its affiliates) (Joint Lead Managers).

Important Notice:

New Zealand King Salmon Investments Limited (New Zealand King Salmon) is considering making an offer of shares. No money is currently being sought and the shares cannot currently be applied for or acquired under the intended offer. If the offer is made, it will be made in accordance with the Financial Markets Conduct Act 2013. Nothing in this media release constitutes an invitation to subscribe for, or an offer of shares, securities or financial products to any person, whether in New Zealand or in any other country. This media release is not intended for general release, and does not constitute an advertisement of the initial public offering, in any country other than New Zealand.

New Zealand King Salmon is seeking preliminary indications of interest from eligible residents of the Marlborough and Nelson Bays regions (and other persons who have a relationship with New Zealand King Salmon, whose eligibility will be determined by New Zealand King Salmon in its sole discretion), which may be made by completing the Priority Offer Expression of Interest Form available at www.shareoffer.co.nz/newzealandkingsalmon. Preliminary indications of interest are not being sought

from any person other than those persons noted above. No preliminary indication of interest will involve an obligation or a commitment to acquire shares.

It is intended that an application will be made to NZX Limited (NZX) for permission to list New Zealand King Salmon and to quote its shares on the NZX Main Board. However, NZX accepts no responsibility for any statement in this media release. The NZX Main Board is a licensed market operated by NZX, which is a licensed market operator, regulated under the Financial Markets Conduct Act 2013.

The Joint Lead Managers, their affiliates, and each of their respective directors, employees, advisors or representatives shall not have any liability to any person arising from this media release or any information contained or referred to herein.

Issued for New Zealand King Salmon by Pead PR

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