Angel Seafood Holdings Ltd
ASX: AS1

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Q1 FY20-S Results

Quarter ending 30 September 2020



Angel Seafood – Australia's largest producer of Pacific Oysters

- Angel Seafood is the Southern Hemisphere's largest sustainable and organic certified pacific oyster producer, based in South Australia
- World leading farming practices optimising utilisation of available assets while maintaining premium product quality
- Selling oysters both domestically and into premium export markets
- Listed on the ASX in February 2018
- Completed initial phase of growth with available funds and now benefiting from economies of scale
- Profitable and generating positive operating cash flow



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What makes Angel unique

Industry leading multi-bay strategy and innovation

- **Industry leading multi-bay strategy underpinned by unique intellectual property provides significant competitive advantages**
  - Each bay location has unique growth characteristics (water flow rates, nutrition, rainfall history, water temperature)
  - IP in harnessing the attributes of each bay to produce a premium product with a unique taste without compromising the environment
- **Economies of scale derived from a substantial investment program**
  - Holding capacity of over 20 million oysters, with the ability to condition 10 million oysters for sale each year
  - Angel's scale presents unique opportunities to extend into new markets (retail, export, health and nutrition)
  - Angel continues to improve productivity and reduce cost of production through continuous improvement and innovation, paired with governance and discipline
- **Multi-bay strategy achieves geographic diversification**
  - Capacity to move stock within bays as need arises
  - Enables greater flexibility in sales and distribution, as witnessed during the COVID-19 pandemic



Location: Cowell	**Location:** Haslam	**Location:** Coffin Bay
Nursery & grow-out ground for spat and juvenile oysters	Grow-out extension and warehousing	Maturing ground for finishing oysters
Area: 15Ha	**Area:** 9Ha	**Area:** 12Ha
Holding Volume: 20 million spat and growing oysters	**Holding volume:** ~2-5 million oysters	**Holding volume:** 2.5 million mature oysters
12-18 month cycle	As required	10-12 week cycle

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Multi-bay strategy delivers a record quarterly result

Angel's operations building momentum

- **Another quarter of record sales with 2.7 million oysters sold, up 78% on pcp**
  - Multi-bay strategy increasingly successful
  - Continued strong demand from the retail channel
  - Restaurant demand starting to pick up with COVID-19 restrictions easing in some states
- **Strong sales driving revenue up 71% on pcp**
  - Underlying oyster prices steady; sales mix weighting towards the bistro size sold into retail channel resulting in lower average price
- **Growing conditions throughout winter in line with expectations; strong stock position**
  - Spat purchases increased to invest in growth
  - Biomass* up 31% on pcp; Haslam facility accommodating the increased biomass

2.7m
Oysters sold
78% increase

22m
Stock on hand

Biomass
31% YoY Growth

71%
Increase in revenue

Positive
operating cash flow

Retail
Channel growth

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*Biomass is the aggregate weight of all biological stock. It does not directly relate to valuation and may vary due to seasonal factors

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Angel enters the peak demand period in strong position

Focus on finishing stock for the festive season and supplying retail channel

- **22 million graded* oysters currently in stock**
  - Farming operations now focused on finishing mature stock in preparation for the peak demand period
  - Spat purchases increased to ensure a steady supply of oysters to meet future demand and growth
- **Retail channel continues to be a focus over Q2**
  - Growing recognition on Angel's ability to guarantee continuous supply of high-quality oysters
  - Consumers becoming increasingly accustomed to purchasing oysters from their local retailer
- **Working capital facility extended to provide additional liquidity**
  - Post balance date, working capital facility with NAB increased by $1 million; total liquidity at $2.7 million
  - Allows Angel to focus on improving productivity and further invest in building scale in the business



*Does not include ungraded spat

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Outlook: Well positioned for long term growth

Angel exploring several future opportunities to increase capacity and sales

Initial phase of growth completed ☑

- Holding capacity of over 20m oysters; capacity to condition 10m* oysters each year
- Strong stock profile on hand and progressive easing of COVID-19 restrictions means Angel is positioned strongly for demand recovery
- Q1 FY20-S# sales momentum continuing in October
- Further growth within the existing capacity from innovation and efficiency improvements, potential for further development in Haslam (15Ha)
- Accredited export processing facility

Several opportunities to drive the next growth phase

- Significant opportunity to expand retail channel sales
- Exports continue to represent a large long-term growth opportunity
- Further consolidation within Eyre Peninsula
- Value chain integration
- Product innovation and branding
- Growing alternative markets - 'Better-for-you' and nutraceuticals sector
- Geographic/product diversification

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*Capacity is not sales guidance. Sales in any year are dependent on a number different factors in addition to capacity.
#Angel will change its year end to 31 December. FY20-S is a transitional 6-month financial period from 1 July 2020 to 31 December 2020. Refer to Quarterly Report.

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Appendices

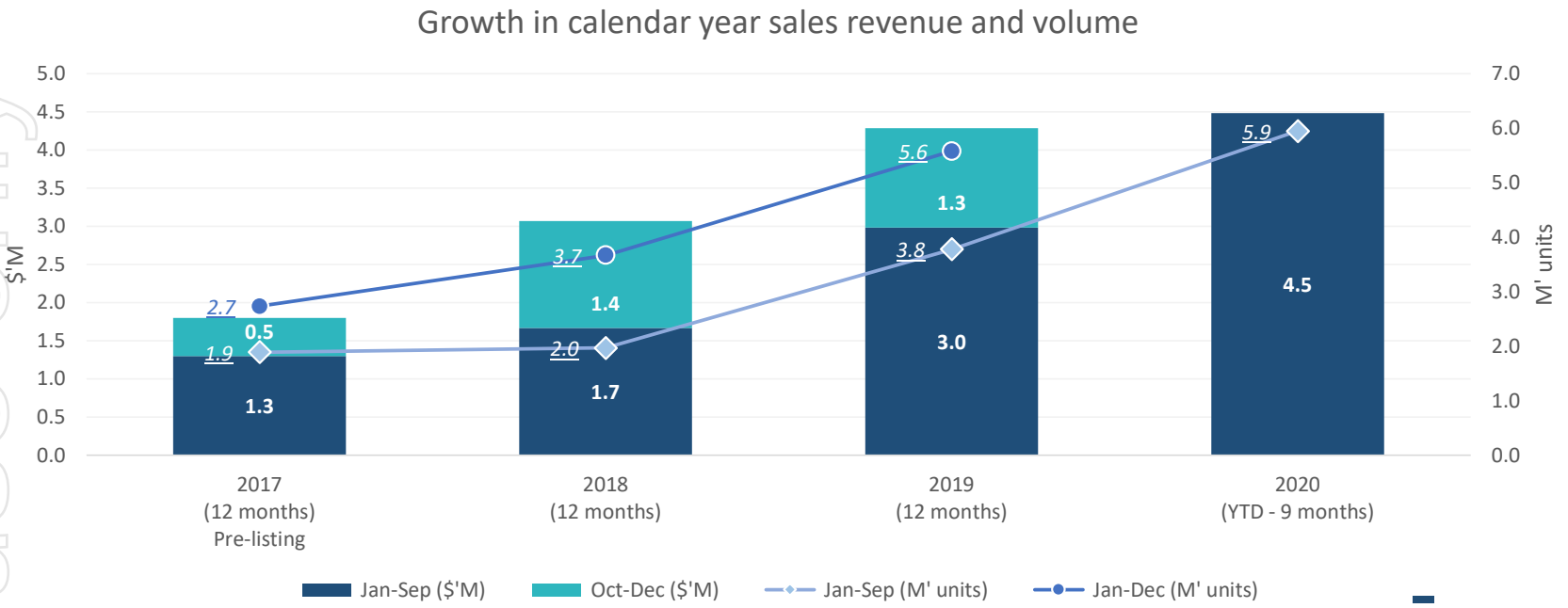


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Sales and revenue growth

Substantial year-on-year growth achieved since listing



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Oysters! Giving your health a boost

Increasing consumer preference for healthy food

- Immunity booster – extremely rich in Zinc
- Excellent source of high protein
- Low calories, low fat
- Rare food source for Vitamin D
- Packed with Vitamin B12, good for brain function
- A Rich Source of Omega-3 Fatty Acids
- A boost for romance



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The Board and Management



Zac Halman
Founder & CEO

Zac founded Angel Oysters in 2010 and has been a driving force of innovation in the oyster industry in South Australia. Zac is a former Board Member of the South Australian Oyster Growers Association (SAOGA) and plays a key role assisting in the growth of the industry.



Tim Goldsmith
Non-Executive Chairman

Tim was a Partner at global professional services firm PricewaterhouseCoopers (PwC) for over 20 years and comes with decades of leadership experience in many corporate sectors. Tim has been a Non-Executive Chairman at ASX listed company Hazer Group Limited since 24 July 2017 and a Non-Executive Director at Costa Group Holdings Limited since 1 September 2018.



Michael Porter
Non-Executive Director

Michael has extensive experience in the Agriculture Sector having been CEO of a farmer owned unlisted public company that specialised in the marketing of grain and the importation of fertiliser and seed for cropping farms. Michael is also a former Non-Executive Director of ASX listed Murray River Organics.



Ashley Roff
Non-Executive Director

Ashley has had extensive experience in the listed space including coordinating the public listing (IPO) of Aboriginal Holdings Ltd and serving as its company secretary. He was also responsible as General Counsel for the public compliance listing of ABB Grain Ltd and served as their company secretary from 2005 to 2009.



Christine Manuel
Company Secretary

Christine is an experienced Company Secretary and corporate governance professional. A Chartered Secretary, with Fellow status, with practical experience of the public listed company environment and requirements (in an ASX20 company), financial services and mutual organisations.



Simba Matute
Chief Financial Officer

Simba is an experienced Finance Executive with broad financial and commercial experience across a number of industries. With a Big 4 firm background (PwC), Simba has previously held a number of senior finance roles where he has developed teams and corporate structures.

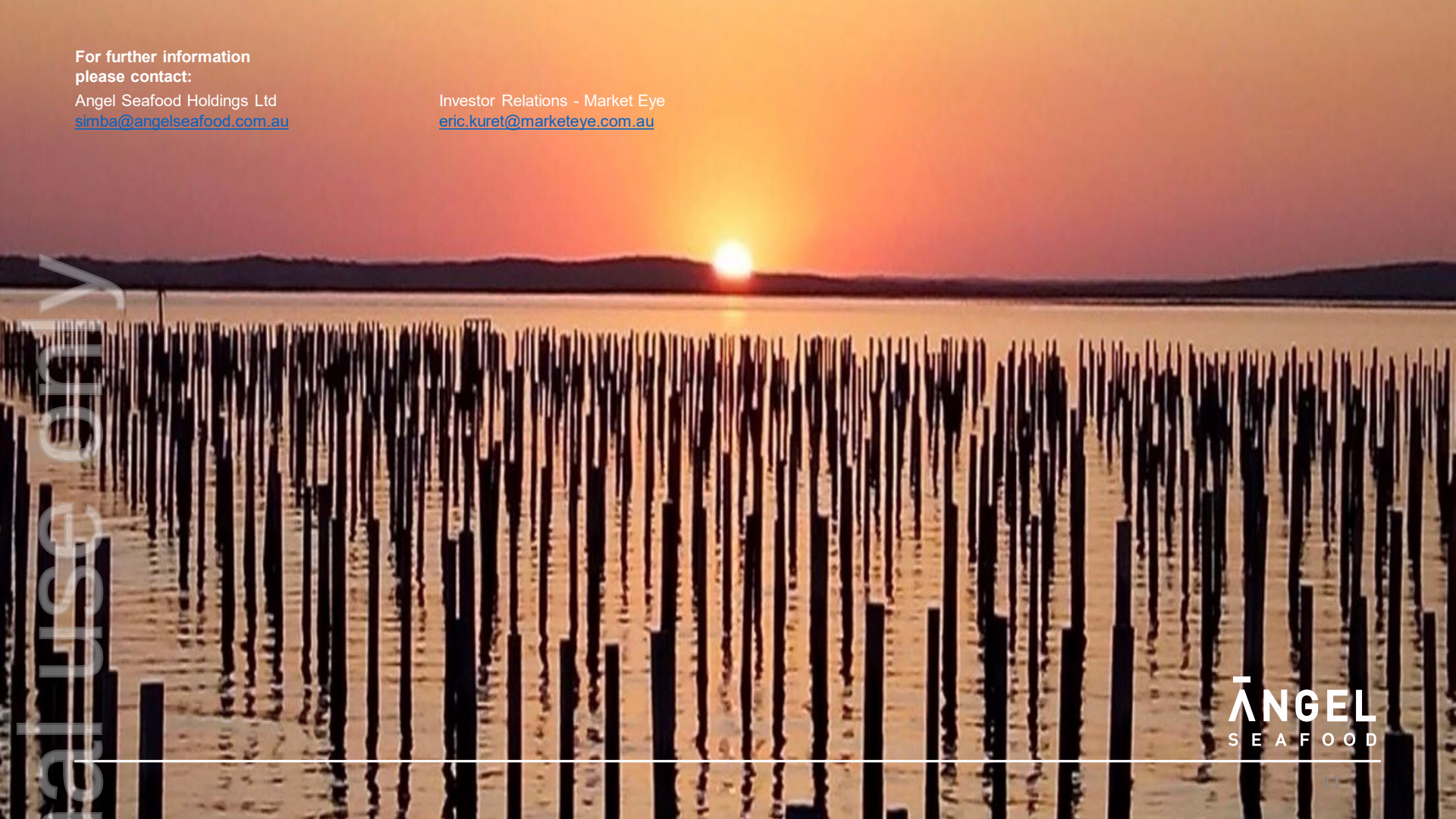
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