



FY23 RESULTS PRESENTATION

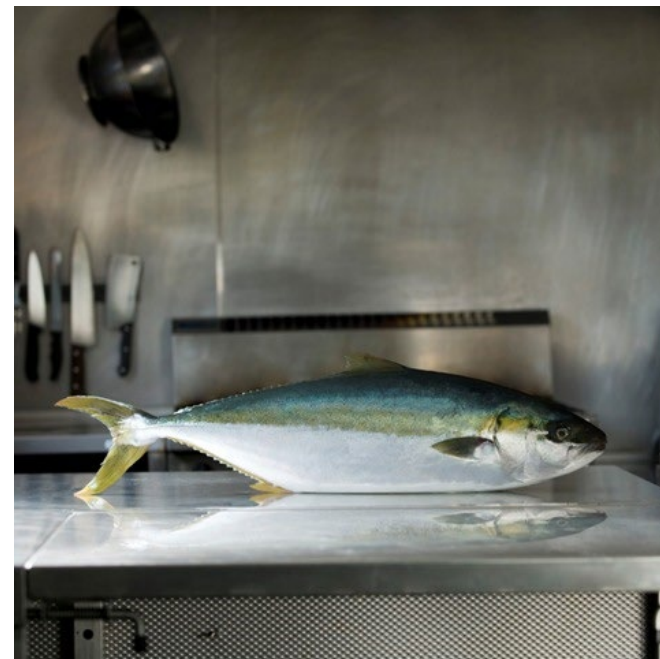
ASX:CSS & OSE:CSS

CEO: Robert Gratton

CFO: David Brown

Full year profitability and positive cash flow milestones achieved

- Growing awareness and acceptance of Yellowtail Kingfish globally
- Strong resonance of Clean Seas commercial messaging, highlighting quality, culinary flexibility and Spencer Gulf provenance
- Maintained optimal live and frozen inventory sales mix, eliminated frozen clearance stock which drove record pricing and reduced non-feed production costs
- Delivered \$8.5m improvement in operating profitability, positive cash flows and record group revenue of \$69.4 million
- Progress on sustainability agenda with novel feed ingredients and asparagopsis collaboration
- Considerable untapped opportunity for future global expansion with enabling balance sheet



FY 23 FINANCIALS



FY23 FINANCIAL OVERVIEW

Financial Performance ¹			
	FY22	FY23	Change \$'000
Operating Results (A\$'000) ¹			
Revenue	66,164	69,411	3,247
Post farmgate costs	(12,815)	(14,870)	(2,055)
Net farmgate revenue	53,349	54,541	1,192
Production costs	(46,514)	(39,804)	6,710
Gross profit	6,835	14,737	7,902
Indirect & R&D Costs	(11,659)	(11,044)	615
Operating EBITDA	(4,824)	3,693	8,517
Underlying Adjustments			
Impairment	(211)	(675)	
AASB 141 SGARA and cost allocation	18,328	7,149	
Total underlying Adjustments	18,117	6,474	(11,643)
Statutory EBITDA	13,293	10,167	(3,126)
Depreciation & amortisation	(3,832)	(3,840)	(8)
Statutory EBIT	9,461	6,327	(3,134)
Net interest costs	(785)	(331)	454
Statutory NPAT	8,676	5,996	(2,680)
Operating Results (A\$/kg) ¹			
			\$
Revenue \$/kg	17.61	22.73	5.12
Post farmgate costs \$/kg	(3.41)	(4.87)	(1.46)
Farmgate \$/kg	14.20	17.86	3.66
Production costs \$/kg	(12.38)	(13.03)	(0.65)
Gross profit \$/kg	1.82	4.83	3.01
Indirect & R&D Costs \$/kg	(3.10)	(3.62)	(0.52)
Operating EBITDA \$/kg	(1.28)	1.21	2.49
Production Metric			
			%
Tonnes sold (WWE)	3,757	3,054	(19%)
Net Growth (tonnes)	3,152	3,837	22%
Harvest volumes (tonnes)	2,919	3,354	15%
Closing Live Fish Biomass (tonnes)	3,508	3,991	14%
Frozen inventory	164	376	129%

- Group revenue of \$69.4 million, gross profit of A\$4.83/kg and an underlying operating EBITDA of A\$1.21/kg
- This result can be attributed to the effective implementation of the FY21 to FY23 turnaround strategy which has transformed Clean Seas into a profitable business, generating **positive operating EBITDA and operating cash flows**
- Improvement in FY23 profitability reflects the advantages gained from a **29% and 26% increase in revenue and farmgate per kg**
- Farming and overhead cost efficiencies achieved despite an increase in costs to **A\$13.03/kg predominantly due to a 22% increase in feed price**
- **Harvest volumes increased to 3,354 tonnes, marking a 15% increase to FY22** and falling within the anticipated range of growth and guidance of a 15% to 20% increase over FY22
- Transition to a higher mix of fresh sales and the sell-through of all surplus clearance frozen inventory resulted in FY23 sales volumes of 3,054 tonnes being 19% below FY22

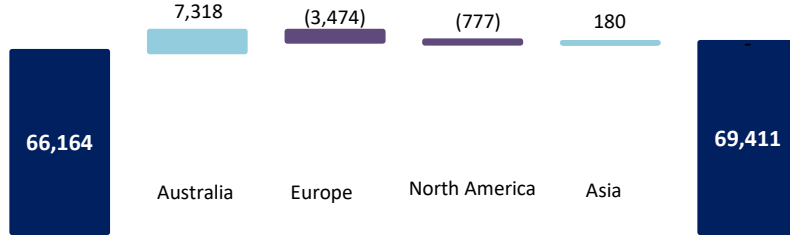
1. Operating Results in this report are categorised as non-IFRS financial information provided to assist readers to better understand the financial performance of the underlying operating business. They have not been subject to audit or review by the Group's external auditors.

SOUTH
AUSTRALIAN
YELLOWTAIL

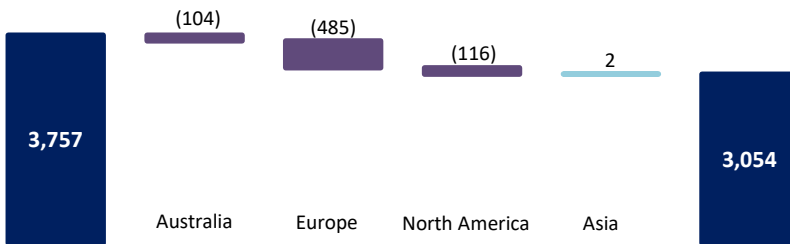
SPENCER GULF
KINGFISH
FROM SOUTH AUSTRALIA

FY23 REVENUE AND SALES VOLUME

FY22 to FY23 Geographical Revenue (A\$'000)



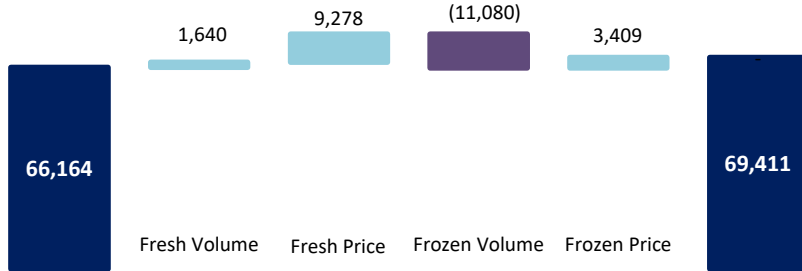
FY22 to FY23 Geographical Volumes (tonnes)



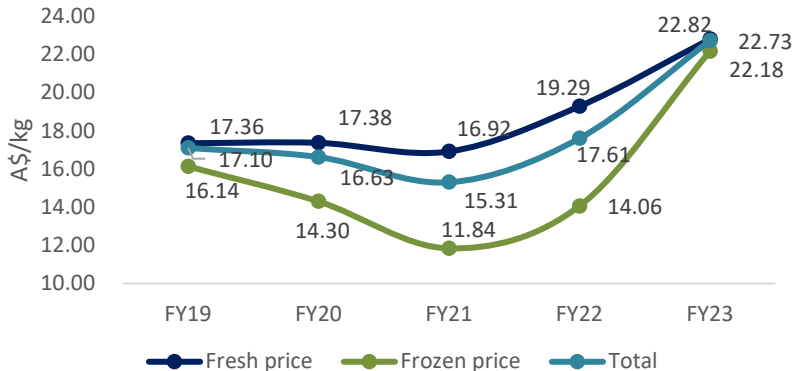
- Group revenue reached a record A\$69.4 million in FY23, representing a 5% increase on FY22 driven by robust growth in pricing across all product categories and geographic regions
- Australian sales volumes decreased by 5% to 2,049 tonnes in FY23 primarily reflecting the one-off sale of 150 tonnes of frozen clearance inventory in FY22
- The Fresh Australian business continued its growth in FY23, increasing to 2,008 tonnes, representing a 4% increase from FY22
- Sales volumes in Europe decreased by 485 tonnes to 752 tonnes in FY23 reflecting the decrease in available frozen inventory and greater competition

FY23 SALES MIX AND PRICING

FY22 to FY23 Revenue - Price and Volumes (A\$'000)

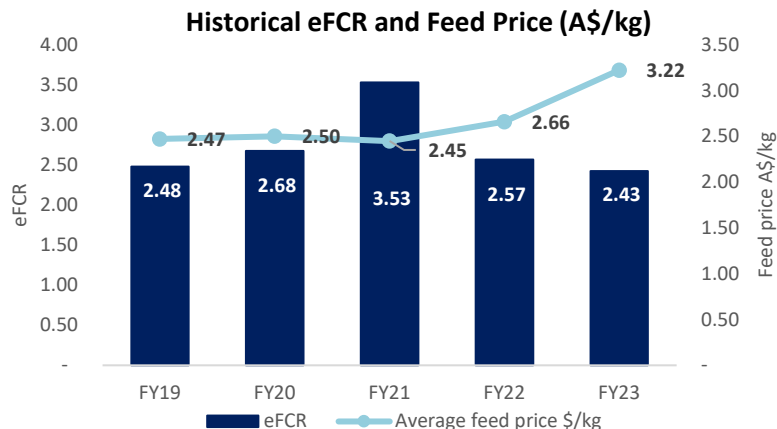
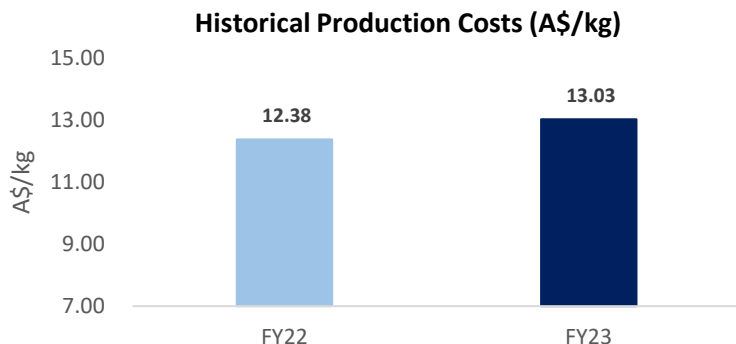


Historical Revenue (A\$/kg)



- Revenue increased 5% to A\$69.4 million despite a 19% reduction in sales volumes
- Growth in revenue is primarily attributed to the expansion in both fresh and frozen pricing, which more than compensated for the reduction in frozen sales - key demand metrics remain favourable across all key markets with full market price realised across the whole harvest
- Fresh and frozen price increases continue to be driven by the transition away from an overstocked live fish biomass and frozen inventory position
- Fresh revenue per kg continued its upward trend reaching a record A\$22.82/kg - growth of 18% compared to FY22
- Customer demand for premium frozen products continued with frozen pricing growing by 58% to A\$22.18/kg in FY23. This compares to the FY22 pricing of A\$14.06/kg which included the sale of surplus frozen inventory

PRODUCTION COSTS



- Direct production costs increased by 5% to A\$13.03/kg but down from the peak of A\$15.29/kg in FY21
- Inflationary pressures continued to put pressure on key input costs such as feed, labour and energy
- Clean Seas managed to partially offset these rises by improving farming efficiencies resulting in a notable 22% increase in net growth
- **The Group successfully delivered an improvement in the economic feed conversion ratio (eFCR) to 2.43, the best level in 5 years**
- Average feed cost increased by 21% to A\$3.22/kg compared to FY22. Given that feed accounts for approximately 60% of total production costs and remains persistently high, Clean Seas strategically invested in a new automated feed barge in FY23 which will revolutionize the Arno Bay farm sites feeding process (refer slide 13)

CASH FLOW



Cash flow summary (A\$'000)	FY22	FY23	Movement	
			\$	%
Cash receipts	67,376	69,612	2,236	3%
Operating cash flow	6,218	1,510	(4,708)	(76%)
Investing cash flow	(5,753)	(4,838)	915	16%
Financing cash flow	(17,555)	(3,297)	14,258	81%
Net increase / (decrease) in cash held	(17,090)	(6,625)	10,465	61%

- FY23 cash receipts of A\$69.6 million exceeded FY22 by A\$2.2 million (representing a 3% increase)
- FY22 operating cash flows were positively influenced by the strategic management of working capital through the sale of excess frozen inventory
- Growth in cash receipts more than offset the increase in costs, resulting in a full year of operating cash flow of A\$1.5 million - the second consecutive positive operating cash flow result
- Clean Seas' capital investment was approximately A\$5.0 million in FY23 comprising:
 - **Growth capex:** A\$1.2 million as progress payments for the new feed barge, A\$0.5 million for implementing a new camera system for the feed barges and A\$0.3 million for acquiring a new Health vessel
 - **Maintenance capex:** A\$3.0 million in new cages, nets, vehicles, and processing plant improvements
- Payments of approximately A\$4.5million are remaining on the feed barge and associated remote operating systems in FY24

FUNDING



Net Cash / (Debt) A\$'000	Jun-22	Jun-23	Change (Fav/Unfav)	
Cash at bank	12,982	6,357	(6,625)	▼
Working capital facility (Trade Finance Facility)	(1,837)	-	1,837	▲
Senior debt facility (Cash Advance Facility)	(1,991)	(4,091)	(2,100)	▼
Asset finance facility	(1,582)	(527)	1,055	▲
Insurance premium funding	(1,460)	(1,173)	287	▲
Lease liability (AASB 16)	(755)	(807)	(52)	▼
Total net cash / (debt)	5,357	(241)	(5,598)	▼

- Net debt position of (A\$241k) at 30 June 2023 includes AASB 16 Lease Liabilities - **excluding these items results in an adjusted net cash balance of A\$566k**
- Finance facility with Commonwealth Bank of Australia renewed in December 2022 to a facility limit of A\$32.15 million
- The Company had undrawn debt funding of A\$27.4 million, which will provide sufficient headroom for working capital and the funding of planned capital investment projects

Debt Arrangements A\$'000	Total Facility	Drawn	Undrawn
Senior debt facility (Cash Advance Facility)	14,000	(4,091)	9,909
Working capital facility (Trade Finance Facility)	12,000	-	12,000
Asset finance facility	6,000	(527)	5,473
Total	32,000	(4,618)	27,382

COMPANY UPDATE



Targeted and consistent commercial approach drives worldwide demand for our Kingfish

- **Maintained strong farmgate returns** despite increased worldwide competition.
- Continued **rationalisation of our supply chain** in Europe and North America to better service end customers and maximise returns
- The **South Australian Yellowtail** push into independent and specialty retailers in Australia and North America has demonstrated that consumers are looking for alternatives to salmon and tuna.
- Reinforced our collaboration with Australian restaurant groups and sushi chain retailers
- **Strong performance of our high-end foodservice** business across all markets despite growing competition
- Implementation of new domestic sales structure to include end user reps and **drive more consumer facing activities**, encourage purchasing decision
- Strong resonance of commercial messaging, highlighting quality, culinary flexibility of our Kingfish



Strategic ambition to establish a reputation for its sustainable practices, leveraging the unique Spencer Gulf provenance story of growing native Kingfish in its natural waters

- In FY23 Clean Seas formed its key ESG priorities including
 - the establishment of an ESG reporting framework
 - selecting a platform that can assist in preparing the ESG report and start gathering the necessary information for its compilation
 - engaging with a reputable partner who will aid Clean Seas in calculating its greenhouse gas emissions, ensuring accuracy and compliance.
- In FY23 Clean Seas ran a successful trial to substitute the fish oil in its diet with sustainably sourced algal oil. In this trial, up to 100% of the fish oil in the diet was replaced with algal oil without materially impacting the health or performance of the Kingfish. As a result of this trial, algal oil has now been incorporated into Clean Seas production diet, with the expectation that this will evolve into more sustainable diets in the future.

INFRASTRUCTURE & AUTOMATION

Investment in infrastructure and automation to lower production costs, promote operational stability and unlock productive capacity

- FY23 saw investment in larger vessels, hatchery capacity and marine infrastructure, plus the commitment to acquire a new automated feed barge (which is currently in production)
- When operationalised in mid-2024, the new feed barge will allow feed to be dispensed remotely to the Arno Bay farm site regardless of the weather
- Capacity to store 650 tonnes of feed, received directly on board via ocean transshipment from the feed mill, rather than by road, reducing the cost of freight and eliminating double handling and further reducing cost of production
- Once activated, 4,850 tonnes of Clean Seas productive capacity will be automated across the Company's current lease capacity of 10,850 tonnes, while also providing a template for future growth
- Delivery of the feed barge is expected in early 2024



Investment in technology and automation to provide scalability to expand production whilst managing operational and financial risks

- Building awareness and channel diversification, highlighting the quality, usage, provenance and sustainability credentials of Clean Seas' ocean farmed Yellowtail Kingfish
- Pricing and demand expected to remain strong
- Maintain harvest volumes in the range of 10-15% above last year
- Drive further efficiencies and improvement in performance on farm to offset input cost pressures
- Growth strategy considered in the context of overarching principles of (1) Reducing costs of production through automation, (2) achieving operational consistency and (3) unlocking future production capacity - licences in place for over 10,000 tonnes
- Future dividends considered when at greater scale from surplus retained profits and cash flows
- Progress development of sustainability enhancing projects around feed ingredients, carbon and nitrogen capture

CONTACTS

Rob Gratton | CEO
rob.gratton@cleanseas.com.au
+61 434 148 979

David Brown | CFO
david.brown@cleanseas.com.au
+61 412 235 624

Andrew Angus | IR
andrewangus@overlandadvisers.com.au
+61 402 823 757



APPENDICES



APPENDIX – GLOSSARY OF TERMS

FY19	Financial results for 12 months from 1 July 2018 to 30 June 2019
FY20	Financial results for 12 months from 1 July 2019 to 30 June 2020
FY21	Financial results for 12 months from 1 July 2020 to 30 June 2021
FY22	Financial results for 12 months from 1 July 2021 to 30 June 2022
FY23	Financial results for 12 months from 1 July 2022 to 30 June 2023
A\$'000	Australian Dollars presented in thousands
A\$/kg	Australian Dollar per sales kg
AASB	Australian Accounting Standards Board
AASB 141	Accounting Standard AASB 141 Agriculture
CAGR	Compound annual growth rate
Direct production costs	Comprises the cost of feed, hatchery, marine operations and direct employee costs
Farmgate Revenue	Revenue from customers less processing costs, freight, customs/duties and commissions
Live Fish Biomass	Represents the total number of Yellowtail Kingfish measured in tonnes
Net Growth	Net growth refer to live fish biomass growth for a 12 month period allowing for mortalities
WWE	All sales volumes quoted are in Whole Weight Equivalent tonnes

APPENDIX – RECONCILIATION STATUTORY VS UNDERLYING OPERATING EBITDA

\$'m	FY23 Statutory	Adjustments				Total underlying adjustments	FY23 Operating EBITDA
		Eliminate Impairment	Eliminate SGARA entries	Eliminate Production costs recognised directly to Financial Statements	Add theoretical Historical costs entries		
Revenue	69.4	-	-	-	-	-	69.4
Other income	0.6	-	-	-	-	-	0.6
Net gain arising from changes in fair value of biological assets	23.4	-	(23.4)	-	-	(23.4)	-
Fish husbandry expense	(41.7)	-	-	41.7	(39.8)	1.9	(39.8)
Employee benefits expense	(15.3)	-	-	8.3	-	8.3	(7.0)
Fish processing and selling expense	(15.5)	-	-	-	-	-	(15.5)
Frozen selling expense	(6.6)	-	6.0	-	-	6.0	(0.6)
Other expenses	(3.4)	-	-	-	-	-	(3.4)
Impairment – frozen inventory and biological assets	(0.7)	0.7	-	-	-	0.7	-
EBITDA	10.2	0.7	(17.4)	50.0	(39.8)	(6.5)	3.7
Depreciation and amortisation expense	(3.9)	-	-	-	-	-	(3.9)
EBIT	6.3	0.7	(17.4)	50.0	(39.8)	(6.5)	(0.2)

DISCLAIMER:

Certain statements contained in this presentation, including information as to the future financial or operating performance of Clean Seas Seafood Limited ("CSS"), are forward looking statements.

Such forward looking statements may include, among other things, statements regarding targets, estimates and assumptions in respect of CSS' operations, production and prices, operating costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions; are necessarily based upon a number of estimates and assumptions that, while considered reasonable by CSS, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.

CSS disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise. The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements.

All forward looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.

All volumes are in Whole Weight Equivalents (WWE).

Authorised for release by the Board of Clean Seas Seafood Limited.



CLEANSEAS

SUSTAINABLE SEAFOOD