



Resuming our North Island Processing Capacity

Cyclone Gabrielle has led to widespread impacts on many people and critical infrastructure across the North Island. As detailed in our most recent update, two of our North Island sites are impacted, at Dargaville and Pacific (Hawke's Bay).

Our teams have been actively cleaning up and removing debris from the sites and assessing water damage. At this point processing at Dargaville will not resume before Wednesday 22nd February, and at Pacific not before Monday 27th February.

These dates could still move again. Our Takapau site has been able to resume at reduced processing levels this week and will continue to increase tally through next week.

Our remaining four North Island sites (Hawera, Waitotara, Rotorua and Te Aroha) are operating as per normal with only minor disruptions.

There remain many isolated rural communities and our teams are working closely with livestock transporters to determine when and how we can move animals in the coming weeks. Flexibility will be required and we will be prioritising farms who need animals moved quickly.

We are also in communication with other processors, to see where we can help each other with processing if needed.

Farm Gate Pricing Outlook - Apr/May

Since our last update we have had some small lifts to in-market pricing, which are giving us confidence that key markets have turned the corner and demand is slowly recovering.

This is yet to translate into any material short-term farm gate improvements, however we are hopeful this will change towards mid-year.

The short-term lift in Cow price we are experiencing now will likely recover back to the market levels outlined below when the cull cow season begins.

Below is our best estimate at farm gate pricing from now until May, and if markets improve faster we will update this position. The pricing below is before programme premiums.

North Island

Prime Beef	\$5.80 to \$6.10
Bull Beef	\$5.70 to \$5.90
Cow	\$3.70 to \$4.10
Lamb	\$6.90 to \$7.10
Mutton	\$3.50 to \$4.40
Venison	\$8.80 to \$9.00

South Island

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Bull Beef	\$5.10 to \$5.50
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MARKET REPORTS



Beef

Pricing and demand for grinding meat globally has firmed up further.

With the US leading the charge other countries pay attention, and all markets have resumed active buying on trim, with a resumed sense of normality.

Analysts continue to forecast a stronger US market in the second half of 2023. Domestic cattle supplies will be much tighter, reducing exports into Asia, at the same time lifting grinding meat and cut prices in the US market.

Compared to other markets China is still dragging their feet, with some cautiousness remaining post-Chinese New Year. For a full recovery and to create necessary market tension Chinese buyers will need to come

back online actively as well.

Coming out of a period of intense negativity, European markets have turned a corner and become much more active in buying. Consumption behaviour here has reset somewhat with energy prices normalising, though foodservice still has some recovery to come. Ultimately there is building confidence as the Northern Hemisphere summer approaches – a good signal for beef demand and pricing.

Across all markets demand for steaking cuts is holding at good levels, and this is expected to get firmer into Q2.

With serious disruption across some beef plants this week there will be a short-term shortfall to recover once the network has



Sheepmeats

Positive signs for lamb as confidence among European customers is steadily rebuilding.

Demand in Europe is picking up, for product bound for both foodservice and retail channels.

Meanwhile US customers are being a little more cautious, with consumption in a depressed state, and buyers are wanting to hold steady on pricing despite the global trend.

A similar scenario in the UK with slow wholesale markets, though retail channels here continue to offer good demand for lamb.

Our teams have managed to shift volumes with small price lifts in China, as post-New Year sales managed to slightly exceeded expectations.

Mutton demand remains steady too, with China the main driver for these cuts, and we're starting to see improvement to pricing.

The effect of Cyclone Gabrielle on our processing capability for sheepmeats and venison has been minimal, with the largest impact being damage to roading infrastructure.



Venison

A spike of interest from Europe for venison, with plans already underway for the next game season.

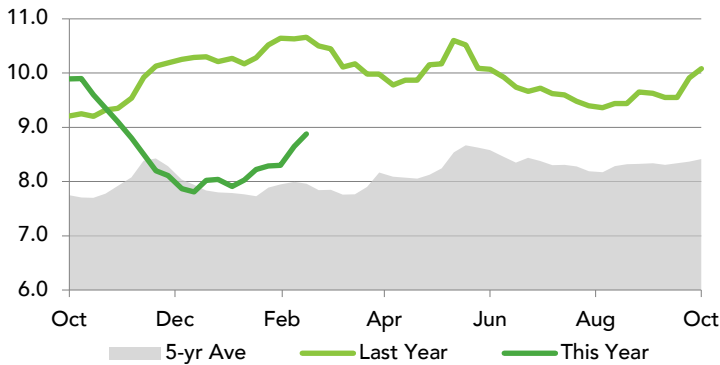
Customers here are feeling confident in the saleability of venison, given the recovery of foodservice channels, and are back to building inventories.

North American demand for ground venison has picked up in readiness for

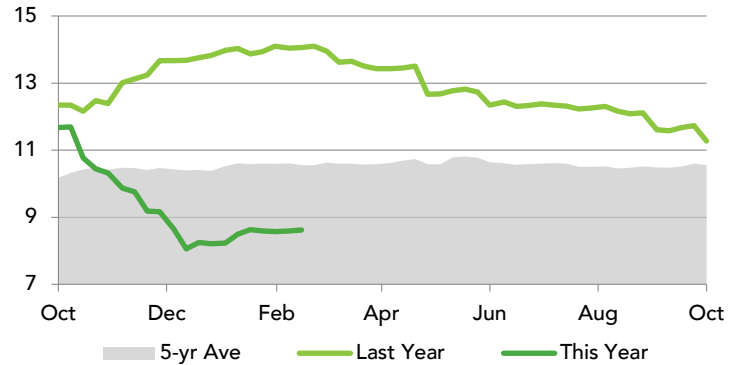
burger producers making preparations for the summer barbeque season. Our own branded retail venison products continue to perform well here too.

Demand is holding steady in China across a wide range of cuts, and pricing has improved on some staple venison products.

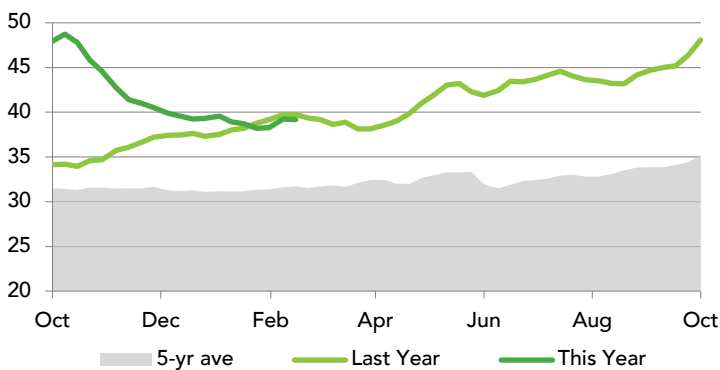
US imported 95CL bull



UK CKT lamb leg



US French Rack



Lamb Flaps

