

Net Carbon Zero Beef Launch in New York City

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Earlier this week we celebrated the launch of our USDA-approved Net Carbon Zero Beef at a New York City event, attended by our executive team, board, and New Zealand Prime Minister Jacinda Ardern.

Held at Hotel Eventi in downtown Manhattan, the event was attended by US and NZ media, and included a speech from the Prime Minister herself, addressing the audience of New York's culinary elite and high profile US distributors.

"It's great to see New Zealand exporters like Silver Fern Farms bringing their own initiatives to sustainability and a regenerative future," said Ardern. "Silver Fern Farms and their Net Carbon Zero Beef represent New Zealand's values, but also our aspirations when it comes to climate change. Rather than this product being the exception, it will increasingly be the rule. It's great to see Silver Fern Farms leading the charge in that regard."

At the event, the Prime Minister was gifted a chilly bin of Net Carbon Zero Beef, which she regifted at her next appointment, on air with Late Night host Stephen Colbert. Colbert's show averages 3 million daily viewers, and the clip also boasts over 300,000 views on Youtube, representing an invaluable promotional opportunity for Silver Fern Farms, direct to discerning US consumers.

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You may have also seen some favourable coverage of the event playing out across NZ media, including [this piece on 1 News](#).

The launch of Net Carbon Zero Beef is the culmination of years of hard work from many people across the business, however the best aspect of the event was the acknowledgement and celebration of our farms and farmers on the international stage. We're proud to represent you.

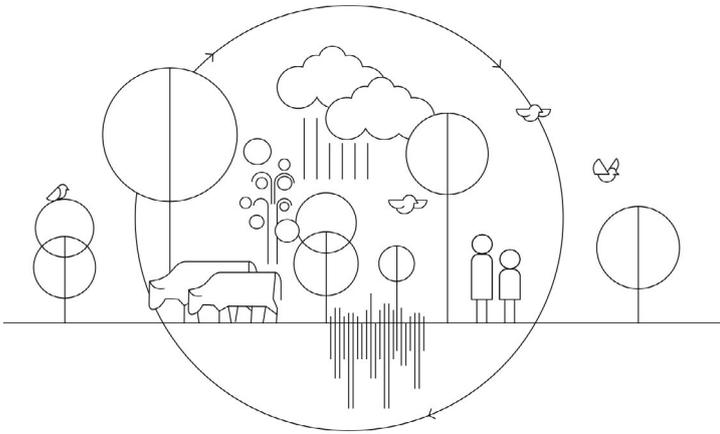


Plate to Pasture Awards

Festivities continue for the 2022 Plate to Pasture Awards, with finalists celebrating in the Eastern and Western North Island. We continue to see outstanding suppliers, displaying an exemplary understanding of what our consumers want from their red meat products and the farming systems their animals come from.

Congratulations to Spring Valley Enterprises (Lamb) who were the overall regional winner for the Eastern North Island. Other category winners were Mangatoitoi Station (Prime Beef), Glen Innis Station (Bull Beef) and a Beckford Holdings (Venison).

Congratulations also to Cathy & Alan Donaldson (Lamb) who were the overall regional winners for the Western North Island. Other category winners were Carter Farms (Prime Beef), Rukumoana Farm (Bull Beef) and Motere Lands (Venison).

Some generous words were shared by those in attendance, highlighting the value and confidence they have in their partnership with Silver Fern Farms.



Beef

Beef demand in the US remains subdued in the lead up to Memorial Day at the end of May.

This long weekend signals the start of the summer holiday period which typically sees an increase in demand for BBQ items.

Imported lean prices have however continued to soften due to continued strong domestic production. The total supply of beef in cold storage at end of April was 18.5% higher than a year ago, due to the increased cow slaughter in the first 4 months of the year.

China market demand remains flat as importers remain cautious given Covid-19 restrictions are only easing slowly in the market. Further easing in restrictions will see more activity in both retail and food service, as well as a lift in further processing required. Typically, product arriving in mid-Summer tends to be held over until the mid-Autumn festival and the lead into Chinese New Year when demand peaks.

Other North Asian markets continue to provide good demand across a broader range of cuts and grinding items. Demand from burger chains across Japan, Korea and the Philippines has continued to perform very well, as consumer demand has lifted during the Covid-19 lockdowns, with customers having the ability to get drive through takeaways for the family.

Australian beef production is forecast to lift 11% in 2022 but the increase is unlikely until Q4 as good rain continues to support feed conditions for cattle retention. MLA is forecasting strong growth though 2023 with record exports in 2024 as cattle in the supply chain mature for processing.



Sheepmeats

It has been more of the same across the previous fortnight with pressure continuing to be exerted on pricing across all global markets.

The market in China continues to experience an economic slowdown due the current Covid-19 lockdown which has seen the city of Shanghai locked down since late March. Whilst there have been anecdotal reports of some slight easing to lockdown restrictions authorities are yet to provide any official direction or definitive timelines for the continued easing of restrictions. The start of June is rumoured to be when restrictions in Shanghai will begin lifting in earnest.

Pricing remains under pressure into this market and continues to trend downwards, though demand remains firm. The retail channel is restricted to online sales with community buying via social media platform WeChat growing significantly in popularity over the lockdown period.

The UK market has been conspicuous in its absence, and demand from this market continues to be light as they appear to be well covered in the short term.

Mutton demand remains consistent globally and in line with availability, however prices continue to experience further softening.





Venison

Our focus remains on producing for our chilled programmes, providing customers in both retail and foodservice with continuity of supply across the full year.

Chilled demand in general remains limited as we continue to operate in the 'low season' for venison consumption. We currently have members of our sales team in market, working with customers across Europe on their requirements for the all-important Game Season. These meetings will be critical for

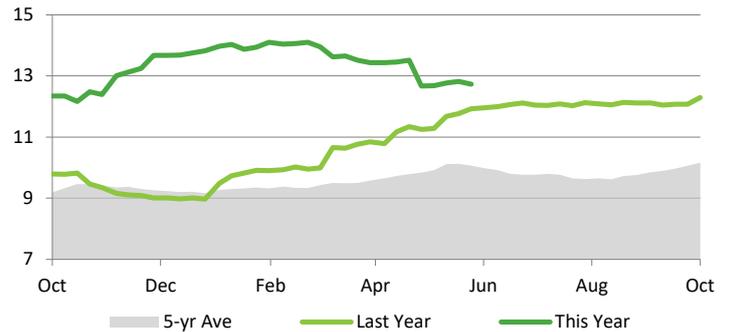
gaining insight into customer and consumer confidence as we build towards Game Season supply.

Work continues towards fulfilling our frozen obligations into multiple markets. We are still seeing positive uptake from customers globally. Despite difficult in market conditions China's appetite for venison remains and we continue to experience consistent uptake of volumes with pricing seeing incremental gains bucking the trend as the price for other proteins into China come under pressure.

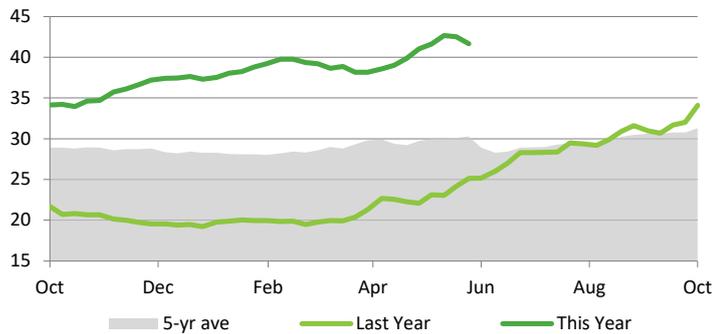
US imported 95CL bull



UK CKT lamb leg



US French Rack



Lamb Flaps

