



Concise financial report.



TASMANIA'S PREMIUM SUSTAINABLE
OYSTER FARM FAMILY.

TASMANIAN OYSTER CO. 2023

GROWING REGIONS



AUSTRALIA

Coffin Bay Hatchery
& Nursery

Cowell Hatchery
& Nursery

Clyde River Nursery

TASMANIA



Montagu

Big Bay

Duck Bay

Little Swanport

Pittwater

Island Inlet

Boomer Bay

Pipeclay Lagoon

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DISCLOSURE

The financial statements and other specific disclosures are an extract of and have been derived from, Tasmanian Oyster Company Limited's full financial report for the financial year.

Other information included in the concise financial report is consistent with the Group's full financial report.

The concise financial report does not and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

A copy of the 30 June 2023 Annual Financial Report, including the independent audit report, is available to all shareholders and will be sent to shareholders, without charge, upon request.

The full report can be requested by telephoning the Group at (03) 6248 9441 or by sending an email to secretary@tasmanianoysterco.com.au.

Group Profile

Tasmanian Oyster Company Limited (TOC) is a public unlisted company, first incorporated in Australia on 27 July 1979.

Issued capital: 243 Shareholders hold 7,949,547 shares as at 30 June 2023

Registered Office: 290 Bicheno Street, Clifton Beach, Tasmania 7020

Principal Place of Business: 290 Bicheno Street, Clifton Beach, Tasmania 7020

Solicitors: Kain Lawyers, 121 King William Street, Adelaide SA 5000

Bankers: National Australia Bank, 86 Collins Street, Hobart, Tasmania 7000

Auditors: KPMG, Level 3, 100 Melville Street, Hobart, Tasmania 7000

Group Overview

Oysters Are Connection. Premium oysters from the pristine waters of Tasmania are for savouring special moments. It could be a 25-year wedding anniversary or the end of a satisfying, productive work week. It's about looking across the table, being present. Taking time from the hustle and grind to taste different flavours and listen to stories. To slow down and connect to one another, our food, and our land.

OUR MISSION Create an environment for our community that is positive in every way.

OUR VISION The globally trusted and sustainable aquaculture company.



Group Values



SAFETY & WELLBEING

We accept and support each other because we can't do it without our mates. We work safely, no matter what.



REAL RESPECT

We build trust through our words and actions. We have real conversations, with true respect for everyone involved.



WORLD CLASS QUALITY

It's our commitment. We all own it, we work hard for it and we're proud of it.



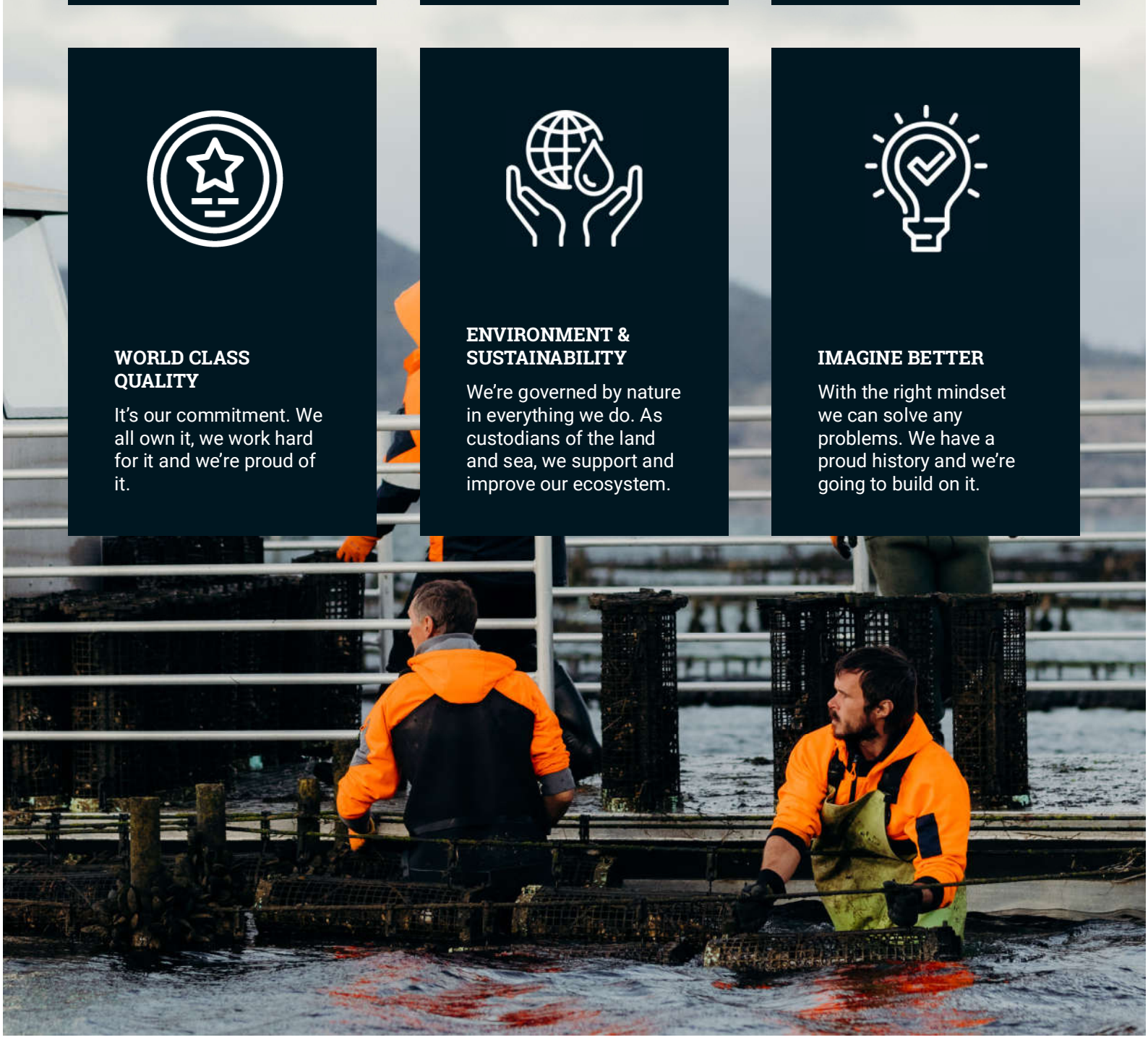
ENVIRONMENT & SUSTAINABILITY

We're governed by nature in everything we do. As custodians of the land and sea, we support and improve our ecosystem.



IMAGINE BETTER

With the right mindset we can solve any problems. We have a proud history and we're going to build on it.



Chairman's Report

for the year ended 30 June 2023

I am pleased to present my report for the financial year and acknowledge that the business did not deliver the expected financial performance nor continue the momentum established leading into FY23. However, the business continued delivering exceptional product quality and enhancing our reputation as a quality producer.

The team lead by CEO Paddy Taskunas, set demanding and comprehensive goals for the business over the next five years. Whilst we have made significant progress in key areas, we still need to sufficiently progress our farming operations, systems and processes to a level that delivers consistent quality and quantity of oysters at an increasing scale at periods of optimal demand. This continues to be one of the key priorities.

It is important to reflect on our core vision and aspirational goal, as documented in the strategic plan developed during the year, which is to be "The globally trusted and sustainable aquaculture company". Trust and quality are attributes developed over time, they are both hard to earn and easy to lose and are built on the foundations of decades of work by our predecessors. Quality oyster farming is a difficult and specialised craft within a challenging natural environment. Often, nature prevails over human aspirations – so we need to work with nature – not fight against it. Embracing those volatile weather conditions means our finished product is unique: a blueprint of what each oyster has endured, but never a compromise on the quality.

We were fortunate to have generally strong market conditions with great marketing and sales support throughout the year. This strategy enabled us to achieve strong prices and develop additional market channels.

In the first half of the year, the environment provided several challenges with excessive rainfall, resulting in numerous interruptions to operations and suboptimal growing conditions. Unfortunately, we could not deliver sufficient oysters of size and quality over the key Christmas through to Easter period, which meant we missed our sales target and likely could have sold materially more product if we had more availability.

There were other notable challenges during the year, including increasing cost pressures, impacts of an inflationary environment, staff turnover and availability,



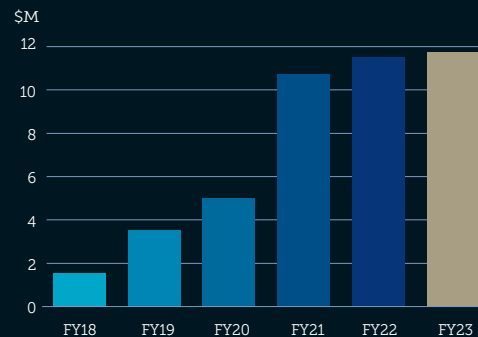
SANDY BEARD



Trust and quality are attributes developed over time and are both hard to earn and easy to lose.

BIOLOGICAL ASSET GROWTH

Spat production increased in H2 of the financial year and increased farm inputs will deliver increased production in future years.



OUR FOOTPRINT



Our farming footprint in Tasmania covers an area greater than 230ha, which is equivalent to 76 MCG stadiums.



which were all absorbed by the team. We expect many of these factors to continue throughout FY24; as a result, we are currently developing a more resilient team and business.

Though we have faced difficulties, it's important to note that our safety record and employee engagement levels continue to improve. People are our greatest asset, and we will continue to prioritise the safety of all employees and contractors - both physically and mentally.

The business received recognition in several key industry quality awards during the year, including gold medals at the Tasmanian Royal Fine Foods, an important indicator of the entire team's efforts and the quality we delivered. These important acknowledgements are business differentiators and are a pleasure to receive. In particular, the launch of Jon's Reserve as a premium offering has been exceptionally well received.

Eyre Shellfish also had a softer performance than the previous year, posting a small operating loss compared to an operating profit in FY22 – but continues to demonstrate a trajectory towards consistent product and profitability. Eyre Shellfish also had to deal with key staff departures during the year; we have been fortunate to have Ron Tremaine join us as the new General Manager. He brings significant leadership experience from Detmold Group and PepsiCo and has quickly started

to implement noticeable changes to help foster customer relationships. Ron has continued progressing with the CleanEyre Asparagopsis joint venture and enhanced the already strong technical team. Clean Eyre continues to show potential and will undertake further capital raising during FY24 to accelerate its development.

A key objective of our strategic plan is the development of additional revenue streams to diversify our farm and species concentration and to enable the business to expand its customer base without significant further balance sheet investment. We have made good progress on new relationships during the year and have begun both on-selling product and trialling new joint venture relationships in NSW, SA and QLD. We hope these relationships will develop into meaningful long-term profit opportunities.

Converting all outstanding convertible noteholders into ordinary shares significantly enhanced our balance sheet strength during the year. Whilst we have explored several approaches to either complete merger activity or bring in new strategic investment to facilitate some form of liquidity for shareholders, we could not finalise an agreement on terms that we believed would provide either significant value or certainty to shareholders. The Board remains open to merger and acquisition activity or other forms of activity that may give a liquidity

CHAIRMAN'S REPORT - CONT -

mechanism for all shareholders. However, we continue to believe that the business is on the right path to becoming significantly more valuable with further patience, performance and investment, particularly once capital markets regain confidence.

As communicated previously, we have secured access to banking facilities to enable the payment of either a dividend or small buy-back; however, the Board believes it is prudent to wait until after the December peak season to ensure business performance has been sufficiently strong enough to ensure the business is not compromised.

“

The business is on the right path to becoming significantly more valuable with further patience, performance and investment.

I thank the management team for their efforts and continued pursuit of excellence and innovation during the year. Undoubtedly, the team will continue to be challenged during the year and continue to develop further and push boundaries. Likewise, I thank my fellow board members Jon Poke, Janelle Cashin, Jim Hawson and Tony Johnston for their support and input during the year and their continued promotion of the business and encouragement of the management team.

We look forward to FY24 and building on strategies developed in the strategic plan and further refining and thank all shareholders for their support during FY23.

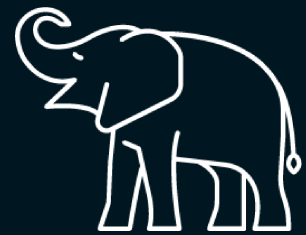
SANDY BEARD
Chairman

Oysters Sold FINANCIAL YEAR 2023

885
TONNES

175 x

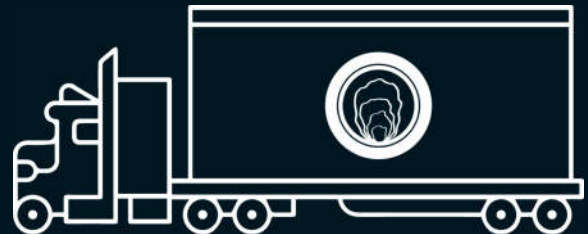
Volume of oysters sold is equivalent to the average weight of 175 elephants.



885,000

81 x

885k dozen oysters sold, equivalent to 81 semi-trailer loads





A snapshot of our history

1970's - 2023

1979

Shellfish Culture was incorporated and we established the first commercial oyster hatchery in Australia

1998

We built and commissioned a world class hatchery facility at Pipeclay Lagoon

2005

We successfully spawned alternate species including scallops, mussels and abalone

2016

The Tasmanian oyster industry was devastated by the POMS virus

2017

We commissioned our purpose built Eyre Shellfish facility in South Australia

2018

We commenced the vertical integration of our Tasmanian operations

2019

We invested further via the purchase and integration of Marion Bay and Greenfield

2020

We executed the transformational Poke acquisition and launched Tasmanian Oyster Company

2021

We achieved a strong group operating profit of \$3.5M and added more than 40 people to our team

2022

We produced and sold a milestone 1M dozen mature oysters, and expanded our footprint in South Australia via our Coffin Bay Hatchery

2023

We began building key relationships in NSW and SA to ongrow our spat. We commenced operating our nursery on the Clyde River, NSW

Chief Executive Officer Report

for the year ended 30 June 2023

I am pleased to present Tasmanian Oyster Company Limited's FY23 Annual Report.



PATRICK TASKUNAS

We have faced several challenges over the last 12 months, culminating in an underlying operating profit of \$2.7M for the year. Despite this result being substantially lower than last year and our set targets for this year, we still delivered several key priorities for the Group, including developing our five-year strategy and vision of becoming 'the globally trusted and sustainable aquaculture company'. We will deliver this vision by focusing on the untapped capability of our assets, our oyster spat, and our network of quality growers nationwide.

FY23 saw six months of persistent wet-weather conditions, including material rain events, which led to interrupted operations, compressed selling windows, and suboptimal stock performance. These conditions resulted in lower-than-forecasted sales throughout the key festive seasons when demand was at its highest. In FY23, the Group achieved sales revenue of \$14.7M, which was steady compared to FY22. This revenue included the sale of c.885k dozen mature oysters, a reduction of around 11% compared to FY22. Materially increased freight costs, labour costs and interest rates contributed to the overall FY23 result.

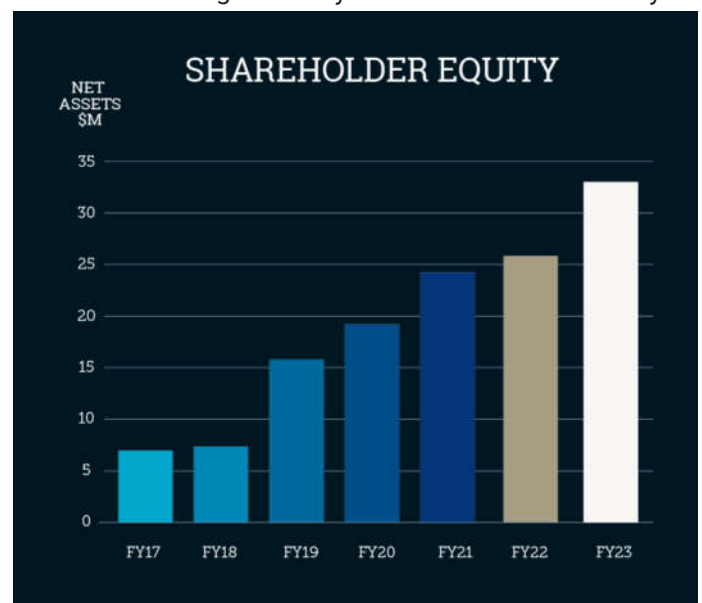
We continued to build on our position in the market, demonstrated through our increased average price of \$12.53 per dozen for our multi-award-winning oysters, an increase of >9% compared to FY22. This increase is due to a continued focus and priority on quality and our ongoing natural triploid advantage. We maintained our export presence, selling into Hong Kong, Japan, Singapore, Thailand and Vietnam throughout the year. These markets continue to offer significant growth opportunities for TOC as we build our volumes over the coming years.

Group spat and juvenile sales revenue amounted to \$3.6M for the year, an increase of 3% compared to FY22. These sales predominantly consisted of juvenile sales in South Australia and spat sales out of Tasmania into New South Wales. In line with our strategic plan, we commenced strategic discussions with several key growers in both SA and NSW to build a network of growers to maximise the value of each oyster produced by the Group. We've since nurtured many promising relationships to provide optionality for the supply of oysters throughout the year.

While taking some important steps forward throughout the year, our South Australian business posted a moderate operating loss. During the year, we extended our lease on our Coffin Bay hatchery and continued to see substantial production numbers from both this site and our Cowell hatchery. Focusing on nursery management and product quality suitable for the South Australian market will see more robust financial results in future years. Additionally, we began growing mature oysters in partnership with strategic partners in Coffin Bay.

During the year, we farewelled Allan Bryant (General Manager – Eyre Shellfish), and I would like to take this opportunity to thank Allan for his dedication and entrepreneurship over a challenging couple of years at Eyre Shellfish. This led to the appointment of Ron Tremaine as our General Manager of South Australia, who has hit the ground running and is working tirelessly to build value in our SA business.

During FY23, we incorporated our South Australian-based Asparagopsis (red seaweed) joint venture and founded CleanEyre Global. A number of capital raisings were undertaken throughout the year and TOC remains a key



shareholder in this business. Further progress has been made to build a capable team and strategic partnerships have been formed to capitalise on the progress made on R&D. We anticipate this opportunity may unlock further value in our surplus assets in South Australia in the near term.

In our Pipeclay Lagoon hatchery in Tasmania, we faced several production challenges in the first half of FY23. I am pleased to report that the year's second half saw a return to strong production in diploid and triploid oysters. We have invested additional capital to reduce production risk in this key asset and further invested in our breeding program to ensure we consistently produce strong spat.



We will deliver this vision by focusing on the untapped capability of our assets, our oyster spat and our network of quality growers nationwide.

We continue to invest in our people, demonstrated by the substantial number of Certificates 3 and 4 in Aquaculture completions throughout the year. We have driven significant cultural improvement in the year, as shown by our employee engagement score improvement to 77% as we invest in our HR systems and processes. We reduced our number of safety incidents throughout the year, and we refreshed our focus on our injury management process to drive down our LTIFR.

As we build into FY24, we are confident of delivering substantial revenue and earnings growth compared to FY23. We will do this by delivering our strategic goals and our operational plan, including a focus on:


- Optimisation of oyster farming processes and assets in Tasmania
- Continuing to uphold our quality standards and improve pricing
- Continuation of the work commenced in FY23 to build out commercial relationships with farmers in all states to on-sell mature oysters
- Expansion of partnerships in South Australia to produce meaningful volumes of mature oysters
- Expansion of nursery operations in New South Wales to improve our yield per unit
- Development of a secondary species in our Tasmanian hatchery

In closing, I would like to thank the senior leadership team for their resolute commitment and resilience throughout a challenging year. I would also like to call out the hard work and performance of our operational managers, particularly Jarrad Poke, John Ramsden and Michael Riley who have taken on expanded responsibilities throughout the year. Thank you also goes to our outgoing Finance Manager and Company Secretary, James (Jimmy) Cockerell, for his considerable commitment and contribution to the Group.

We have exciting opportunities ahead and a strong foundation to work from – I look forward to driving value for shareholders by delivering our plan.

PATRICK TASKUNAS
Chief Executive Officer


2023 SNAPSHOT



SALES REVENUE

\$14.7


MILLION



PRODUCTION AREA

230+



HECTARES



OYSTERS ON HAND

199

MILLION



Oysters are Connection

Premium oysters from the pristine waters of Tasmania are for savouring special moments in life. It could be a 25-year wedding anniversary or commemorating the end of a productive work week.

Sharing a plate of oysters means looking across the table, enjoying the moment and being present. It means taking time off from the hustle and grind to experience flavours and taste stories. When we slow down to connect to one another and our food, ultimately we connect to our life, health and land.

Oysters make any occasion remarkable.

WE SPEAK WITH THE SALT OF THE EARTH AND THE WISDOM OF EXPERIENCE.

We are the history, the land, the sea and the stories. We're both proud and humble, knowing that our blood, shivers, and tears go into the delectable delicacy that brings people together. And as we accomplish this lofty goal, we ensure that we leave our environment better than we found it.

The Tasmanian Oyster Company is here to share our legacy. It's a romance between farmer and land, between the Earth and her grandchildren, farm and plate. Family is the reason behind everything we do. It's why we rise before dawn and work through the chill in our bones. When we speak to our customers, we are sharing our values by remaining true to our roots. This is how we show respect to the terrain and to our future.

ENVIRONMENT, HEALTH AND SUSTAINABILITY

Deeply committed to sustainability, we ensure our oyster farming practices prioritise environmental responsibility and the health of our customers.

We see ourselves as environmental stewards, our technology and practices mean we maintain the health of our Earth, our team and the marine ecosystem where we have the privilege of operating.

Tasmanian oysters are cultivated in a pristine environment, reflecting a dedication to responsible farming techniques that minimise ecological impact.



CLEANEYRE SUBMERGING INTO THE WORLD OF ASPARAGOPSIS

In the ever-evolving realm of sustainable aquaculture, CleanEyre Global (CEG) stands as a distinguished trailblazer, holding the keys to a world-changing innovation—Asparagopsis. Positioned as one of only five organisations across Australia and New Zealand licensed by FutureFeed, CEG's foray into the commercial production of Asparagopsis transcends conventional boundaries.

FutureFeed, an entity conceived by the Commonwealth Scientific and Industrial Research Organisation (CSIRO) in 2020 lies at the centre of this revolutionary pursuit. This visionary initiative harnesses the transformative potential of Asparagopsis, captivating the imagination and investment of key stakeholders, including CSIRO, Woolworths Group, GrainCorp, AGP Sustainable Real Assets, and Harvest Road.

Under the stewardship of Ron Tremaine, CEG has become an emblem of agility and progress. The Franklin Harbour bears witness to the unique coexistence of both Asparagopsis species—Amarta and Taxiformis. This rare phenomenon sets the stage for CEG's groundbreaking work, making the Franklin Harbour one of the sole places on Earth to host this tandem of cool and warm climate varieties.

Over the past 12 months, CEG's trajectory has been impressive. Nurtured by strategic partnerships and a base at Eyre Shellfish's facility in Cowell, South Australia, the company has gained access to leading microalgae biologists, propelling its intellectual and operational prowess. CEG proudly boasts the distinction of being among the select global licensees that have completed the life cycle of Asparagopsis Taxiformis.

This journey extends beyond the laboratory with A.Tax and A.Arm Tetrasporophytes now thriving on land within a hatchery environment, a feat complemented by Bromoform extraction. With all legal licensing secured for land and sea-based hatchery and production, CEG operates under the aegis of full EPA approval, enjoying access to pristine fresh seawater for land-based operations.

CEG's intellectual property unveils a transformative formula for growing both Asparagopsis species on land. Reproducible, consistent levels of the key chemical, Bromoform, exceed the standards set by FutureFeed licensing, marking a paradigm shift in sustainable aquaculture practices.

Community commitment is etched in CEG's ethos, fostering partnerships with the local Cowell Area School and TafeSA. These collaborations birth a range of aquaculture programs, carving career pathways for students across the Eyre Peninsula laying the foundation for a future workforce.

CEG's success is attributed to a diverse array of partnerships; Veolia, Kelpy, UTS, and the University of Melbourne stand as pillars of collaboration, contributing to the ongoing R&D, technical advancements, and industry growth.

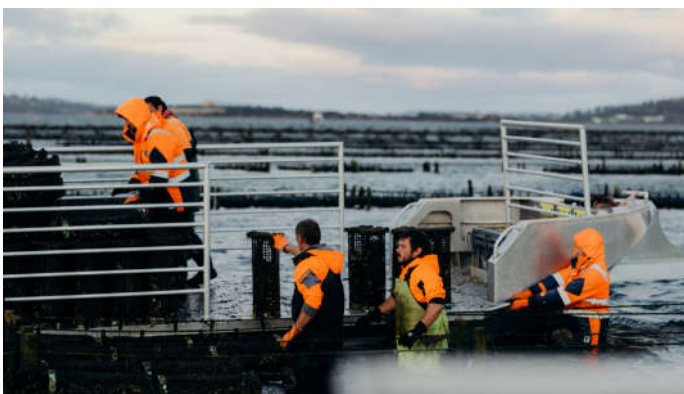
In a pivotal move, CEG has inked an off-take agreement with EnviroBeef. This groundbreaking collaboration aims to infuse Asparagopsis into cattle feed supplements, incorporating omega-3 for the production of EnviroBeef—a testament to CEG's commitment to healthier cattle, a greener climate, and beef that resonates with discerning consumers.



CleanEyre isn't just a story of scientific breakthroughs; it's a narrative that transcends boundaries, defines sustainable practices, and heralds a new era in conscientious consumerism. CEG's journey into Asparagopsis stands as an indomitable force, reshaping the future of aquaculture on a global scale.

ENHANCING SAFETY, EMPOWERING GROWTH

As we reflect on the past fiscal years, FY21 and FY22, they were pivotal chapters dedicated to implementing robust safety systems and processes across all our sites. However, FY23 emerged as a beacon of refinement, where we've streamlined and enhanced these systems with a focus on precision. Introducing subtle improvements in reporting mechanisms, asset management, and vessel safety management systems has meant that our commitment to safety is unwavering. We've seen a declining trend in lost-time injuries, a testament to our concerted efforts in process.



improvement and comprehensive education initiatives. The cornerstone of our success lies in our focus on training and upskilling team members. We take pride in offering the Certificate III in Aquaculture to all farmhands, the Certificate IV in Aquaculture to our esteemed team leaders, and bespoke leadership training covering communication skills, feedback delivery, conflict resolution, and change management for our current and aspiring leaders.

Moreover, we've actively supported our team's participation in key industry events, ranging from the World Aquaculture Conference in Darwin to the Algae Business Summit in Sydney and the Shellfish Futures conference in Tasmania. This exposure to diverse ideas and networks has proven invaluable, not just for our senior management but for individuals across various roles.

Our commitment to individual team member growth is exemplified by the support extended to two women from our Hatchery, who successfully enrolled in the Entrepreneurship and Leadership Program facilitated by Women in Seafood Australia.

In response to the evolving needs of our workforce, FY23 witnessed the introduction of biannual employee engagement surveys. This dynamic feedback mechanism has provided insights into key issues and allowed us to target areas for improvement and celebrate our successes.

As a result, our employee engagement increased from 73% to 77% between our first and second surveys.

The implementation of semi-annual performance reviews, coupled with leadership training on effective feedback delivery, empowers our employees with valuable insights into their performance and development trajectories.

Beyond these structural enhancements, TOC has been actively fostering a unified team culture, transcending individual sites to encompass our entire organisation. Through team-building events, secondment opportunities, site visits, and cross-team interactions at conferences, our people are embracing a sense of belonging to a larger, collective purpose. This camaraderie is foundational to our heightened employee engagement and the thriving workplace culture at Tasmanian Oyster Company.

EXPANSION ON THE CLYDE RIVER

Recently, Tasmanian Oyster Company (TOC) embarked on a significant venture by initiating nursery operations based on the Clyde River in Batemans Bay, NSW.

This deliberate geographical choice places TOC in a strategically pivotal position within the New South Wales oyster industry. The location enables TOC to nurture its hatchery-bred oysters to larger sizes, facilitating an

ascent up the value chain and markedly improving overall recoveries.

The nursery is poised to be crucial in advancing TOC's unique natural triploid seed, a distinctive offering, as TOC is the sole commercial producer of these oysters in Australia. With the ability to also nurse Sydney Rock Oysters, this positions TOC as a critical player in shaping the industry landscape.

Aligned with our meticulously crafted Strategic Plan, TOC endeavours to optimise the larger spat by fostering robust relationships with growers throughout NSW. The objective is to collaboratively on-grow the oysters, subsequently catering to consumer markets. TOC will skillfully market and sell these cultivated oysters, fortifying our presence and influence within the industry.

In a testament to the efficacy of our strategic initiatives, TOC has already commenced the sale of mature Pacific and Sydney Rock Oysters originating from the fertile grounds of NSW; marking a significant milestone in our journey, and underscoring TOC's commitment to strategic expansion, sustainable practices, and delivering premium oyster products to discerning markets.

DIVERSIFICATION OF SALES CHANNELS

In a strategic move to fortify our market presence, we acknowledge wholesale as our primary industry share. Yet, we've decided to get one-step closer to our consumer by diversifying our sales channels.

Now as we are proudly supplying Hill Street Grocer, Salamanca Fresh and various other independent IGA grocers in Tasmania our footprint extends further. Additionally, through our partnership with Metcash, a supplier to IGAs in Western Australia, we seized another golden opportunity to be closer to our customers.

The expansion into more diverse markets broadens our reach and taps into a different, higher revenue sector, propelling our commitment to customer-centric growth.



Discussion + Analysis of Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

OPERATING RESULTS

The Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023 shows the Group made a statutory profit of \$925,484 compared with a profit of \$1,216,004 in the previous year.

In addition, the following extraordinary items are included in the result: impairment expense relating to the Franklin

harbour lease right-of-use assets, business acquisition costs and share-based payment transactions.

The underlying Group operating profit ("EBITDA"), which adjusts the Group's statutory profit to reflect the operating business activities, is reconciled below:

	Year ended 30 June 2023 \$AUD	Year Ended 30 June 2022 \$AUD
Underlying Group operating profit*	2,728,321	5,252,502
<i>Less:</i>		
Depreciation	1,656,713	1,500,225
Interest	390,183	343,928
Convertible note interest and fair value movement	(35,375)	1,477,615
Amortisation	12,999	8,940
Accounting tax charge/(benefit)	(92,735)	234,447
Subtotal	1,931,785	3,565,155
Group net profit	796,536	1,687,347
<i>Less:</i>		
Extraordinary items		
Impairment charge	29,730	145,425
Gain on disposal of interest in associates	(221,849)	-
Business Acquisition costs / IPO costs	2,000	266,965
Share based payments	61,171	58,953
Total extraordinary items	(128,948)	471,343
Statutory profit as reported	925,484	1,216,004

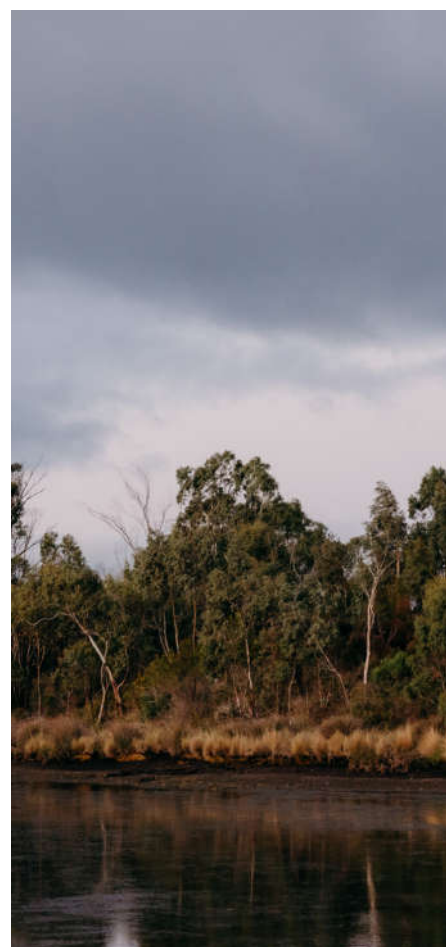
* Research and Development is fundamental to Group operations, and therefore R&D income is also included in underlying operating profit.

Further to the above, net operating cashflow for the Group was a net inflow of \$1,616,341 (2022: net inflow of \$3,713,765). The total value of sales of mature oysters for the year ended 30 June 2023 was \$11,095,005 compared with \$11,463,069 in 2022. The value of juvenile / spat oyster sales for the year ended 30 June 2023 was \$3,648,502 compared with \$3,548,326 in 2022.

Total expenses for the year were \$15,945,579 compared with \$15,961,303 in 2022. Of the total expenditure,

\$3,143,206 relates to the nursery and hatchery operations in South Australia. Included in the total expenditure is an impairment expense of \$29,970 (2022: \$145,425) which relates to the carrying value Franklin Harbour right of use assets.

Cash generated from operating activities was used mainly for capital expenditure of \$1,530,511 (2022: \$1,764,598) purchase of property, plant and equipment. Total shareholders' equity increased by \$7,164,981 over the year.





KEY MANAGEMENT PERSONNEL OF THE GROUP

PATRICK TASKUNAS – Chief Executive Officer B.Bus, CA. Former Chief Financial Officer of Tasmanian Oyster Company Limited. Director of Eyre Shellfish Pty Ltd, Oysters Tasmania (alternate) and CleanEyre Global Pty Ltd (alternate.) Previous relevant roles include Deloitte Australia, National Pies Pty Ltd and Australian Taxation Office.

JOSH POKE – Strategic Project Manager B.Com, GAICD

Deputy Chair of Oysters Tasmania and member of ShellMAP management committee. 10+ years' experience as owner/operator of Estuarine Oyster Company Pty Ltd.

JOHN RAMSDEN – General Manager - Hatchery and Nurseries B.A.Sc [Hons], PhD, Grad. Cert. Comm

General Manager with a Bachelor degree in Fisheries, Fisheries Science and Management from the Australian Maritime college and a Graduate Diploma in Commercialisation UTAS & PhD in seafood marketing and economics. John has more than 20 years' experience in Aquaculture and fisheries industry including Prawns, Barramundi, Atlantic Salmon, Abalone and Oysters.

RONALD TREMAINE – General Manager of South Australia B. Mgt, GLF 2015

Ron has a strong history of commercialising innovative concepts from business case through to final execution, delivering outstanding revenue and profit results.

SARAH BRIDGES – General Manager People & Safety

Experienced in all areas of Human Resources, having worked in HR since 2006 across different sectors including shipbuilding, financial services and energy.

OTHER KEY MANAGERS

Pranav Maharaj, James Cockerell, Michael Riley, Jamie Upton, Kriss Ryan, Jarrad Poke, Daniel Grainger, Darren Fisher, Danielle Rayner, Ben Punch, Gary Martin, Jane Kenane, John Wright.

SHAREHOLDERS

The 12 largest shareholders of the Group as at 30 June 2023 are as follows:

Shareholders	% SHARE
Bolduans Bay Holdings Pty Ltd ATF J & A Poke Family Trust	18.58%
Krisami Investments Pty Ltd	4.32%
CYNMAX Pty Ltd as Trustee for the Cunningham Family Trust	3.39%
Langley Superannuation Fund	2.90%
Mr Rodney David Thorp	2.80%
Mr Anthony Gerard Byrne	2.75%
Ilwella Pty Ltd (Ilwella Trading A/C)	2.74%
Suetone Pty Ltd (The AK Shadforth Family A/C)	2.38%
Gowings Ltd	1.97%
Arm End Pty Ltd as Trustee for James Calvert Family Trust	1.83%
GJ & HT Langley Holdings Pty Ltd as Trustee for Langley Family Trust	1.83%
Arm End Pty Ltd as Trustee for Harvey Calvert Family Trust	1.83%

Directors' Report

TASMANIAN OYSTER COMPANY LIMITED
A.B.N. 66 009 519 171

Your Directors present their report and the financial accounts of the Group for the year ended 30 June 2023 and the Auditor's report thereon.

DIRECTORS

The Directors of the Group at any time during or since the end of the financial year are:

ALEXANDER (SANDY) BEARD, B.Com, FCA, MAICD - Chairman

Sandy is a seasoned Company Director, investor and investment professional focussed on driving value from small cap ASX listed companies and private equity and early stage investments. He is Executive Chairman and substantial holder in ASX listed Hancock and Gore Limited (ASX:HNG), a diversified investment company. Sandy is currently also Chairman of Anagenics Limited (ASX:AN1) and FOS Capital Limited (ASX:FOS).

Interest in shares: 86,274 (1.09%)

Appointment Date: 15 April 2019

JAMES HAWSON, B.Com.

Former principal at Crowe Horwath. Former Tax Agent; Former Chairman Southern Cross Marine Culture Pty Ltd; Former member Tax Practitioners Board. Director Hobart Friendly Society Dispensary Ltd. Over 36 years' experience providing financial and management assistance to small-medium enterprises including the aquaculture industry.

Interest in shares: 11,709 (0.15%)

Appointment Date: 29 April 2016

ANTHONY JOHNSTON, MAICD, B.Ag.Ec.

Former Chairman Abalone Association of Australasia Inc. Former Executive Member Tasmanian Abalone Council. Former Industry Member Seafood Export Consultative Committee. Former General Manager Tasmanian Seafoods Pty Ltd. More than 40 years in primary industry, fisheries management and marketing.

Interest in shares: 8,461 (0.11%)

Appointment Date: 26 August 2004

JONATHON POKE,

Director of Bolduans Bay Holdings Pty Ltd, and past Chairman Tasmanian Shellfish Executive Council 2012-14.

Former Director Tas Prime Oysters Pty Ltd, Bolduans Bay Oysters Pty Ltd and Eyre Shellfish Pty Ltd. Jonathon was an oyster farmer for over 42 years and the former general manager of Bolduans Bay Pty Ltd, Tasmania's largest juvenile oyster producer.

Interest in shares: 1,562,816 (19.66%)

Appointment Date: 12 November 2009

JANELLE CASHIN, Assoc Dip Applied Science, Grad Cert Safety Science, Graduate Harvard AMP194, GAICD.

Janelle is currently a Non-executive Director of Hewitt Cattle Australia. Previously Janelle was a Non-executive Director of Sun Pork Group, Australia's largest fully integrated pork business. Janelle has spent 28yrs in the food, poultry and agricultural sectors and has extensive experience in Senior Executive roles including Chief Operating Officer for the Ingham's group and CEO of Fairglen Farms.

Interest in shares: -

Appointment Date: 26 October 2022

COMPANY SECRETARY

JAMES COCKERELL, B.Bus, CA

Current Finance Manager of Tasmanian Oyster Company Limited. In his previous role at KPMG Australia he worked as a management consultant and business adviser.

Interest in shares: 460 (0.01%)

Appointment Date: 4 October 2022

DIRECTORS' MEETINGS

During the year 14 meetings of Directors were held. Attendances were:

	Number Eligible To Attend	Number Attended
Alexander Beard	13	13
Anthony Johnston	14	14
James Hawson	14	13
Jonathon Poke	14	14
Janelle Cashin	8	8

CORRESPONDENCE TO SHAREHOLDERS

15 July 2022 – Company update – Shareholder & Market Update | Winter 2022

12 August 2022 - Company update - Organisational Structure

29 August 2022 - Convertible note conversion and liquidity update

6 April 2023 – Company update – Shareholder & Market Update | Autumn 2023

CORPORATE GOVERNANCE

The Board's primary role is the protection and enhancement of long-term shareholder value and the supply of shellfish seed and mature oysters to all customers.

To fulfil this role, the Board is responsible for the overall corporate governance of the Group, including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration of management, establishing and monitoring the achievement of the Group's goals and ensuring the integrity of internal control systems. It is also responsible for approving and monitoring financial and other reporting.

The Board has delegated responsibility for operation and administration of the Group to the Chief Executive Officer and his team.

All Directors, managers and employees are expected to act with the utmost integrity and objective, striving at all times to enhance the reputation and performance of the Group.

All Directors are required to comply with the Directors Code of Conduct which has been developed for the Group from the Australian Institute of Company Directors Code of Conduct.

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. Where the Board believes that a significant conflict exists for a Director on a Board matter, the Director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered. Details of Director related entity transactions with the Group are set out in Note 19.

Directors and employees of Tasmanian Oyster Company Limited may only trade directly or indirectly in the Group's shares:

- In the three-month period following the release of the Group's annual financial report to shareholders;
- When the Director or employee may suffer unavoidable material hardship if restrained from doing so, and;

- Where required to by law.

A review of risk management has been undertaken to assess and manage operational, financial and compliance risks of the Group.

The Chief Executive Officer and Finance Manager have provided assurance to the Board that the Group's financial report is founded on a sound system of risk management and internal compliance and control systems which implement policies adopted by the Board.

During the year Directors released two letters to shareholders in addition to the Concise Annual Report and regular Group newsletters. Shareholders are encouraged to attend the Annual General Meeting at which Directors, Management and the Auditor are available to respond to questions.

REMUNERATION OF MANAGERS AND DIRECTORS

The Group's policy on remuneration of managers and directors is described in Note 19 – Related parties in the full financial statements.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was the research and development of production of shellfish seed and production, processing and marketing of mature oysters.

IMPACT OF LEGISLATION AND OTHER EXTERNAL REQUIREMENTS

The Group is subject to significant environment regulation under both State and Commonwealth legislation in relation to its operations. Compliance with the requirements of environmental regulations and specific site licences was achieved across all operations. During the current or previous year, the Board is not aware of any breaches in legislation or licence requirements.

DIVIDENDS

No dividends were paid during this financial year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to the end of the financial year the Group has

achieved approval of an extended finance agreement with the National Australia Bank which includes a 36-month extension on the current termloan facility, as detailed in Note 12 and 26 of the financial statements.

Other than this, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

LIKELY DEVELOPMENTS

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

DIRECTORS' BENEFITS

No Director of the Group has, during or since the financial year, received or become entitled to receive, a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements) because of a contract made by the Group, a controlled entity or a related body corporate with a Director, a firm of which a Director is a member or an entity in which a Director has a substantial financial interest, with the exception of benefits that may be deemed to have arisen in relation to the transactions entered into in the ordinary course of business.

DIRECTORS' INDEMNIFICATION AND INSURANCE INDEMNIFICATION

The Group's constitution provides that the Group will indemnify any director or executive officer of the Group to the extent permitted by law against a liability that may arise from their position as director or officer of the Group, except where that liability arises out of conduct involving a wilful breach of duty.

INSURANCE

Since the end of the previous financial year the Group has paid premiums totalling \$9,800 (2022: \$7,152) to insure each of the following Directors against liabilities for costs and expenses incurred by each of them in defending any legal proceeding arising out of their conduct while acting in the capacity of Director of the Company, other than

conduct involving a wilful breach of duty in relation to the Company:

Alexander Beard	Anthony Johnston
James Hawson	Jonathon Poke
Janelle Cashin	

These premiums were also paid to include current officers of the Company holding management positions.

AUDIT AND NON-AUDIT SERVICES

During the year KPMG, the Group's auditor, provided taxation compliance services in addition to its statutory audit duties.

A copy of the auditors' independence declaration as required under Section 307C of the Corporations Act is included on page 14 and forms part of the Directors Report for the financial year ended 30 June 2023.

Details of amounts paid to the auditors of the Group, KPMG, for audit and non-audit services are set out in Note 4 of the full financial statements.

Signed in accordance with a resolution of Directors at Hobart on 2 November 2023.



ALEXANDER BEARD
Chairman



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Tasmanian Oyster Company Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Tasmanian Oyster Company Limited for the financial year ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Sascha Adams

Partner

Hobart

2 November 2023

Concise Statement of Profit or Loss + Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2023

	Year ended 30 June 2023 \$AUD	Year Ended 30 June 2022 \$AUD
Revenue and Other Income:		
Revenue from contracts with customers	14,743,507	15,011,395
Increase in biological assets	412,019	727,306
Other income	1,622,802	1,673,053
Total Revenue and Other Income	16,778,328	17,411,754
Expenses:		
Production expenses	12,291,837	10,609,379
Administrative expenses	1,550,261	1,363,866
Distribution expenses	546,915	655,160
Marketing and selling expenses	950,617	900,681
Occupancy expenses	213,625	198,823
Impairment expense	29,970	145,425
Business acquisition costs	2,000	266,965
Convertible note expense/(income)	(35,375)	1,477,615
Finance expense	395,729	343,389
Total Expenses	15,945,579	15,961,303
Profit before tax	832,749	1,450,451
Income tax (expense)/benefit	92,735	(234,447)
Profit for the year	925,484	1,216,004
Other Comprehensive Income for the year		
Items that will not be reclassified to profit and loss	-	-
Revaluation of property, plant and equipment	498,888	545,093
Related income tax	(124,722)	(136,273)
Total Comprehensive Profit for the year	1,299,650	1,624,824
Total Comprehensive Profit/(Loss) for the year attributable to:		
Non-controlling interest	-	(100,989)
Parent entity	1,299,650	1,725,813
	1,299,650	1,624,824

This Concise Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes on pages 25 to 26.

Concise Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2023

		Year ended 30 June 2023 \$AUD	Year Ended 30 June 2022 \$AUD
Current Assets	Cash and cash equivalents	104,285	323,309
	Trade and other receivables	2,218,825	2,050,796
	Other assets	133,600	176,941
	Biological assets	11,816,774	11,404,755
	Total Current Assets	14,273,484	13,955,801
Non-Current Assets	Property, plant and equipment	19,973,098	19,689,110
	Goodwill	709,932	703,932
	Intangible assets	9,447,350	9,450,863
	Total Non-Current Assets	30,130,380	29,849,905
	Total Assets	44,403,864	43,805,706
Current Liabilities	Trade and other payables	1,659,585	1,858,018
	Loans and borrowings	4,176,764	960,980
	Convertible notes	-	5,839,534
	Employee benefits	840,523	892,102
	Total Current Liabilities	6,676,872	9,550,634
Non-Current Liabilities	Loans and borrowings	3,543,474	7,251,349
	Deferred tax liabilities	1,018,926	986,938
	Employee benefits	38,258	55,432
	Total Non-Current Liabilities	4,600,658	8,293,719
TOTAL LIABILITIES		11,277,530	17,844,353
NET ASSETS		33,126,334	25,961,353
Equity	Issued capital	30,618,072	24,813,913
	Asset revaluation reserve	2,552,761	2,178,595
	Retained earnings	447,703	(512,465)
	Share-based payments reserve	85,441	58,953
	Other equity	1,795,248	1,795,248
	Non-controlling interest acquisition reserve	(2,372,891)	(2,372,891)
TOTAL EQUITY		33,126,334	25,961,353

This Concise Statement of Financial Position should be read in conjunction with the Notes on pages 25 to 26.

Concise Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2023

2023 AUD\$	Retained earnings	Asset revaluation reserve	Issued capital	Share-based payments reserve	Other equity	Non-controlling interests	Non-controlling interests acquisition	Total
Balance at 1 July 2022	(512,465)	2,178,595	24,813,913	58,953	1,795,248	-	(2,372,891)	25,961,353
Profit for the year	925,484	-	-	-	-	-	-	925,484
Revaluation increment	-	374,166	-	-	-	-	-	374,166
Shares issued during the year	-	-	5,804,159	-	-	-	-	5,804,159
Share-based payments	-	-	-	61,172	-	-	-	61,172
Forfeiture of share-based payments	34,684	-	-	(34,684)	-	-	-	-
Balance at 30 June 2023	447,703	2,552,761	30,618,072	85,441	1,795,248	-	(2,372,891)	33,126,334

2022 AUD\$	Retained earnings	Asset revaluation reserve	Issued capital	Share-based payments reserve	Other equity	Non-controlling interests	Non-controlling interests acquisition	Total
Balance at 1 July 2021	(1,829,458)	1,769,775	24,376,445	-	-	(39,186)	-	24,277,576
Loss for the year	1,316,993	-	-	-	-	(100,989)	-	1,216,004
Revaluation increment	-	408,820	-	-	-	-	-	408,820
Shares issued during the year	-	-	437,468	-	-	-	-	437,468
Share-based payments	-	-	-	58,953	-	-	-	58,953
Acquisition of non-controlling interests without change in control	-	-	-	-	1,795,248	140,175	(2,372,891)	(437,468)
Balance at 30 June 2022	(512,465)	2,178,595	24,813,913	58,953	1,795,248	-	(2,372,891)	25,961,353

This Concise Statement of Changes in Equity should be read in conjunction with the Notes on pages 25 to 26.

Concise Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2023

	Year ended 30 June 2023 \$AUD	Year Ended 30 June 2022 \$AUD
Cash Flows from Operating Activities:		
Cash receipts from customers	15,225,665	15,862,409
Cash receipts from Covid-19 assistance grants	-	27,086
Cash receipts from research and development tax receipts	1,238,638	1,279,239
Cash paid to suppliers and employees	(14,557,771)	(12,918,293)
Cash paid for business acquisition costs	(2,000)	(266,965)
Interest received	46	1,706
Interest paid	(288,237)	(271,417)
Net cash earned in operating activities	1,616,341	3,713,765
Cash Flows from Investing Activities:		
Proceeds on sale of property, plant & equipment	95,745	16,326
Payments for property, plant & equipment	(1,530,511)	(1,764,598)
Proceeds on sale of interest in associates	221,849	-
Payments for interest in associates	(240)	-
Net cash used by investing activities	(1,213,157)	(1,748,272)
Cash Flows from Financing Activities:		
Proceeds from NAB borrowings	548,368	3,156,588
Repayment of NAB borrowings	(961,399)	(666,112)
Proceeds from insurance premium funding	6,363	189,090
Repayment of lease liabilities	(215,540)	(143,976)
Repayments to vendor finance	-	(3,994,536)
Net cash used in financing activities	(622,208)	(1,458,946)
Net increase/(decrease) in cash and cash equivalents held	(219,024)	506,547
Cash and cash equivalents at beginning of year	323,309	(183,238)
Cash and cash equivalents at end of financial year	104,285	323,309

This Concise Statement of Cash Flows should be read in conjunction with the Notes on pages 25 to 26.

Notes to and Forming Part of the Accounts

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 BASIS OF PREPARATION OF CONCISE FINANCIAL REPORT

This concise financial report relates to Tasmanian Oyster Company Limited as a consolidated entity, consisting of Tasmanian Oyster Company Limited and its wholly owned subsidiaries (the Group) as at 30 June 2023. The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated.

The concise financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of biological assets (shellfish seed and mature oysters), freehold land, buildings, investment property, financial assets and liabilities.

The financial report is presented in Australian dollars which is the Group's functional currency.

NOTE 2 ACCOUNTING ESTIMATES AND JUDGEMENTS

Management discussed with the Directors the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates.

The valuation of biological assets has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year as biological and environmental events can significantly influence the recovery of seed for sale. The significant estimates and judgments used in determining the carrying value of biological assets is disclosed in Note 10 of the full financial statements.

Impairment assessment of indefinite life intangible assets is carried out annually by management. These assessments carry risk due to estimates and judgement made in determination of the carrying amounts. The significant estimates and judgements used in determining the fair value of the indefinite life intangible assets and impairment thereof is disclosed in Note 9 of the full financial statements.

NOTE 3 SEGMENT REPORTING

The Group operates entirely in one industry, being the aquaculture industry. The Group operates as a producer and seller in one geographical segment, being Australia.

NOTE 4 OTHER INCOME

	YEAR ENDED 30 JUNE 2023 \$AUD	YEAR ENDED 30 JUNE 2022 \$AUD
Other Income		
CleanEyre Global Pty Ltd management fees	106,667	-
Covid-19 assistance	-	31,997
Freight equalisation	42,831	64,041
Fuel tax credits	113,598	120,581
Grant income	25,995	20,000
Other	16,136	24,925
Patent royalties	-	10,707
Profit on sale of assets	141,635	16,326
Profit/(loss) on sale of interest in associates	125,000	-
Research and development tax incentive	743,597	911,299
Training rebates	307,343	473,177
	1,622,802	1,673,053

Notes to and Forming Part of the Accounts

FOR THE YEAR ENDED 30 JUNE 2023

NOTES - CONT -

NOTE 5 DIVIDENDS

	YEAR ENDED 30 JUNE 2023	YEAR ENDED 30 JUNE 2022
	\$AUD	\$AUD
Dividends recognised in the current year by the Group were as follows:	-	-

All dividends declared or paid during the financial year were franked at the tax rate of 25.0%. No dividends will be paid in respect of the current year.

	YEAR ENDED 30 JUNE 2023	YEAR ENDED 30 JUNE 2022
	\$AUD	\$AUD
Dividend franking account		
25.0% franking credit available to shareholders for subsequent financial years (2022: 25.0%)	-	
Class C franking credits	-	227,424
	-	227,424

The above available amounts are based on the balance of the dividend franking account at year-end. The ability to utilise the franking account credits is dependent upon there being sufficient available profits to declare dividends and sufficient cash available.

NOTE 6 SUBSEQUENT EVENTS

NAB Finance Facility: At the date of this report, the Group had successfully secured a finance extension with the National Australia Bank for all current facilities. The term-

loan facility has been extended for a period of 36 months.

Leasing of Kellidie Bay Oyster Hatchery: The Group has renewed the lease agreement to lease the business, assets, and intellectual property of the Kellidie Bay Oyster Hatchery in South Australia.

Deferred consideration for former non-controlling interests: At the date of the reports, the Group continues to negotiate the settlement of the deferred consideration pertaining to former shareholders in the Subsidiary.

DIRECTORS' DECLARATION FOR THE YEAR ENDED 30 JUNE 2023

In the opinion of the Directors of Tasmanian Oyster Company Limited (A.C.N. 009 519 171) the accompanying concise financial report of the Group for the year ended 30 June 2023, set out on pages 2 to 26

(a) has been derived from or is consistent with the full financial report for the financial year; and

(b) complies with Accounting Standard AASB 1039 Concise Financial Reports.

Signed in accordance with a resolution of the Directors at Hobart on 2 November 2023.



ALEXANDER BEARD
Chairman



Independent Auditor's Report

To the shareholders of Tasmanian Oyster Company Limited

Opinion

We have audited the **Concise Financial Report** of Tasmanian Oyster Company Limited (the Company) and its controlled entities (the **Group**) as at 30 June 2023 and for the year ended on that date. The financial statements and related notes in the Concise Financial Report are derived from the audited financial report of the Company as at and for the year ended 30 June 2023 (the Audited Financial Report).

In our opinion, the accompanying Concise Financial Report, including the discussion and analysis of the Company, complies with *Australian Accounting Standard 1039 Concise Financial Reports*.

The **Concise Financial Report** comprises:

- Consolidated Statement of financial position as at 30 June 2023;
- Consolidated Statement of profit or loss and other comprehensive income, Consolidated Statement of changes in equity, and Consolidated Statement of cash flows for the year then ended;
- Discussion and analysis;
- Related notes.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for Opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Concise Financial Report* section of this Auditor's Report.

We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Concise Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Scope of the Concise Financial Report

The Concise Financial Report does not contain all the disclosures required by *Australian Accounting Standards* in the preparation of the Audited Financial Report. Reading the Concise Financial Report and this Auditor's Report thereon, therefore, is not a substitute for reading the Audited Financial Report and our auditor's report thereon.

The Audited Financial Report and our auditor's report thereon

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We expressed an unmodified audit opinion on the Audited Financial Report in our auditor's report dated 31 October 2023.

Other Information

Other Information is financial and non-financial information in Tasmanian Oyster Company's Consolidated Annual Financial Report which is provided in addition to the Concise Financial Report and this Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Concise Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Concise Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Concise Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibility of the Directors for the Concise Financial Report

The Directors are responsible for:

- preparing the Concise Financial Report in accordance with *Australian Accounting Standard AASB 1039 Concise Financial Reports* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of the Concise Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the audit of the Concise Financial Report

Our responsibility is to express an opinion on whether the Concise Financial Report, including the discussion and analysis, in all material respects, complies with *Australian Accounting Standard AASB 1039 Concise Financial Reports* based on our procedures, which were conducted in accordance with *Australian Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements*.

KPMG

Sascha Adams

Partner

Hobart

2 November 2023

Building a Unified Brand Family

Creating a cohesive brand for the Tasmanian Oyster Company, Tarkine Fresh, and Jon's Reserve is more than just aesthetics; it's about establishing a robust foundation that resonates with customers.

Aligning the brands so that they form a visual, visceral and emotional connection is crucial to fostering customer loyalty. The brand personality, explored through values, culture, attributes, and tone of voice, becomes the bridge connecting brands with their target audience on an emotional level. This connection leads to loyalty, advocacy, and differentiation from competitors.

This holistic approach ensures that the three brands under the Tasmanian Oyster Company umbrella, share

not just visual elements but a compelling narrative, creating a brand family that resonates with authenticity and strength.

JON'S STORY

Like a wave-worn oyster shell, Jon Poke is a reflection of the Tasmanian coastal landscape. His exterior cured by the elements, hands toughened by manual work, and voice strengthened by wisdom and experience.

'What's Inside' is Jon's true treasure: a heart that beats for family. This family extends to community and customers. Family, it's the reason he's invested his life into the cold seas and changing tides.

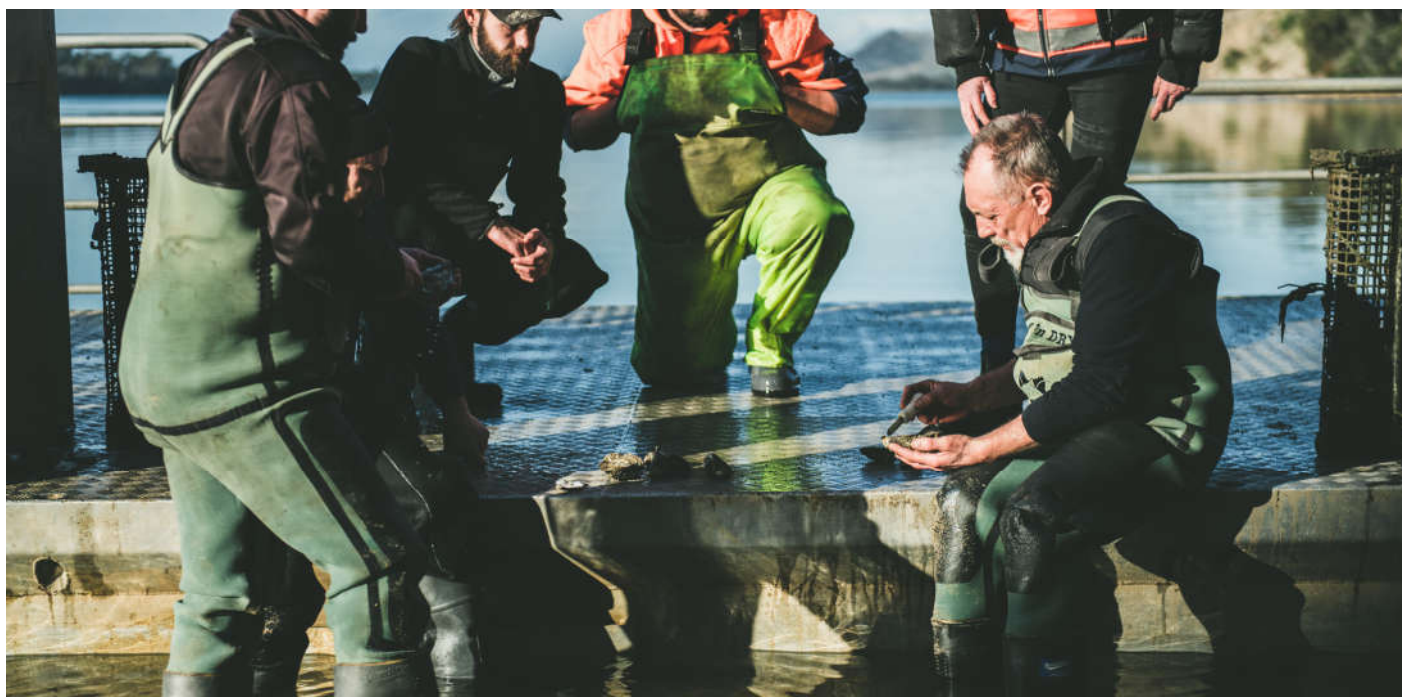
Jon knew setting up an oyster farm in the wild Tasmanian landscape had never been done before and it would be back-breaking work. Using his welding skills and passion for mechanics, Jon would pioneer and revolutionize the equipment, sea structures and farming techniques used in most modern oyster farming.

Jon's standards and ingenuity have become an integral part of the innovation and advancement of TOC



and oyster farms in Tasmania and beyond. Jon is the face and the name behind Jon's Reserve Oysters; an exclusive type of oyster that must meet a strict set of criteria for taste, size, freshness and quality- a true luxury product. He's also closely involved in environmental sustainability in Smithton, throughout Tasmania, Australia, and internationally.

After all; when it's time to ride off into the sunset, a farmer understands life cycles better than most. They plant seeds, raise crops, witness people consume them heartily, and leave behind footprints and an honorable legacy.





TASMANIAN OYSTER COMPANY LIMITED

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