

# Clean Seas aims for kingfish crown



Clean Seas Seafoods' kingfish farms in the waters near Port Lincoln. Picture: Supplied

## CAMERON ENGLAND

CLEAN Seas Seafood says it is “within reach” of becoming the lowest-cost kingfish producer in the world, after posting strong first-half results.

The Port Lincoln-based aquaculture company had record sales revenue of \$31.2m – up 40 per cent on the previous corresponding period – and positive cash flow of \$6.6m.

The net loss improved from a \$19.7m loss to a \$2.2m loss, with the previous result affected by writedowns, including \$8.1m in inventory.

The company told the Australian Securities Exchange that costs had peaked and were on the way down, while prices were increasing.

Chief executive Rob Gratton said there was increasing awareness of the product globally, which set the company up on a strong footing.

“I believe that consumer demand for high-quality and sustainable seafood will continue to provide Clean Seas with opportunities to grow sales,” he said.

“With our inventory optimised and production costs decreasing, we are within reach of our goal of becoming the lowest-cost producer of kingfish in the world, whilst retaining our quality, sustainability and provenance leadership positions.” The company said it believed it had an “exceptional product, balance sheet strength and the production capacity to take advantage of increasing market awareness and demand”.

Clean Seas Seafood said there had been an imbalance between sales and production caused by the pandemic, but that had now been rectified.

“Clean Seas expects to make further improvements in revenue, indirect and production costs in the second half,” the company said.

Mr Gratton said Clean Seas Seafood was left with a “fairly sizeable” inventory when the pandemic hit, and the decision was made to use that stock to drive market awareness and open new channels.

He said the company was able to “get into new customers, new countries, forge new relationships with distributors to try, and get fish out there”.

Mr Gratton said the rise in consumer demand for sustainably-sourced protein was also benefiting the company.