

ANNOUNCEMENT



NZX / MEDIA RELEASE

30 May 2017

PRELIMINARY FINANCIAL RESULTS FOR THE TWELVE MONTHS TO 31 MARCH 2017

New Zealand's largest refiner and blender of high quality fish oils and fractions, SeaDragon Limited (NZX: SEA) today reports on a year that has seen it substantially complete its transition into a company ready to capitalise on the strong demand it sees for Omega-3 fish oils.

SeaDragon Limited's Preliminary result for the year ended 31 March 2017 is a Net Loss after Tax of \$(6,659,000) and a normalized EBITDA¹ loss of \$(4,399,000). This is within the range of recent market guidance. We will release our detailed audited results on or before 30 June 2017. The audit is progressing smoothly and we are not expecting any major changes.

This result is a reflection of the time it has taken to transition the business from its legacy Omega-2 business to Omega-3 fish oils refined in the new refinery. The transition of the business is now substantially complete.

	12 months 31 March 2017 \$'000	12 months 31 March 2016 \$'000
GAAP TO NON-GAAP RECONCILIATION		
Reported Net loss after tax (NPAT)	(6,659)	(5,523)
Add back:		
Interest costs (net)	438	226
Impairment to inventory	297	4,263
Depreciation	885	645
Stock Options	496	-
Loss on disposal of assets	144	-
Normalised EBITDA	(4,399)	(389)

Negotiations with several major international Omega-3 customers are advancing well. We anticipate receiving orders from these customers, once their quality assessments and product testing have been successfully completed.

We have secured supply of raw materials from new sources and now have availability of raw material supply from the Indian Ocean and two South Pacific sources. We are well advanced towards securing additional volumes of unrefined tuna oil from a third South Pacific source. We believe this will help us to mitigate the risk of supply constraints in the future.

ANNOUNCEMENT



We have had some encouraging engagement with potential NZ-based suppliers of unrefined Hoki oil and Hoki livers in a form that we can refine (i.e. raw material that meets regulatory 'traceability' requirements for sale of refined product for human consumption). We anticipate processing initial volumes of NZ sourced Hoki oil and livers during this financial year.

For further information, contact:

Colin Groves
Chairman
Tel: +64 21 928 003

Nevin Amos
CEO
Tel: +64 22 043 3017

¹ SeaDragon's standard profit measure prepared under NZ GAAP is net profit after tax (NPAT). SeaDragon has used a non-GAAP profit measure of earnings (or losses) before interest, tax, depreciation and impairments (Normalised EBITDA), and intends to do so in the future allowing investors to compare periods. The directors and management believe this measure provides useful information for understanding the Company's financial performance and position. Non-GAAP profit measures are not prepared in accordance with NZ GAAP (and therefore do not comply with International Financial Reporting Standards) and are not uniformly defined, therefore the non-GAAP profit measures reported may not be comparable with those that other companies report and should not be viewed in isolation from, or considered as a substitute for, measures reported by SeaDragon in accordance with NZ GAAP.

About SeaDragon: www.seadragon.co.nz

SeaDragon Limited (NZX:SEA) is New Zealand's largest refiner and blender of high-quality, internationally certified concentrated fish oils and fractions, including Omega-3 oils. Our oils are sourced from fish caught in the clean and pure waters around New Zealand, in the Southern Ocean, and elsewhere. We have more than 20 years' experience processing fish oils and we are recognised for the quality and purity of our products. We supply health supplement and functional food manufacturers around the world to meet the burgeoning demand for pure, high-quality fish oils, which are scientifically proven to deliver significant human health benefits such as lowering the risk of heart disease, improving brain function and joint health. The majority of our supply is exported.