



## Quarterly Progress Summary: April to June 2016

### Marbled Grass-Fed Beef

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#### Summary of progress during this quarter

##### *Genetics*

- First round progeny test analysis continued with 30% of animals now processed
- Sexed semen work completed. Report due Q1 2016/17

##### *Supply Chain*

- Demand for dairy AI matings remains strong - autumn mating numbers exceed target
- All 2015 born calves placed with finishers and demand for 2016 born calves is strong
- Wagyu x Dairy make up nearly 50% of processing numbers

##### *Marketing*

- UK sales strong with steak promotion sold-out in less than 48 hours

#### Collaboration with other PGP programmes

No specific collaborations in the quarter

#### Key highlights and achievements

- Dairy x Wagyu animals now represent nearly 50% of processing numbers and their average marbling scores are exceeding Angus x Wagyu
- The sale of Wagyu burgers in the UK continue to gain momentum and a promotional order for steak cuts has also been received.
- The target number of matings for the 2016 calendar year is over 34,000 ( up from the original target of 26,000)
- Following on from the success of the trial of a South Island Dairy Hub Manager, specialist North Island Dairy Hub staff have now been employed.

- A Regional Producer Group Hub has now been established in the South Island, adding to those existing in the Lower North Island, Central North Island, the East Coast and Northland.
- Returns to shareholders have continued to exceed prime steer prices, and exceed the targeted year-round price of \$6 per kg. The average Wagyu x Dairy Marble Score of 5.3 from July to March 2015/16 is 0.5 higher than the same period last year. The long term sustainable Wagyu offering continues to attract farmers.

## Upcoming

### Genetics

- Collect pre-slaughter heights and body condition scores for 2013 born animals
- Collect slaughter data for 2014 born calves
- Write up report on final data from 2015 Australian vs NZ sexed- semen work at ABS

### Supply Chain

- Complete negotiations with LIC for AI trial
- Secure spring mating numbers

### Marketing

- Restructure of UAE market
- Firstlight Foods AGM and brand reveal

### Production R&D

- Comparison of different measures of marbling.
- Complete report on early nutrition trial animals (2013 born animals)
- Complete analysis of slaughter data from 2015 calendar year

### Programme Management

- Complete the 5-year supply plan
- Draft a benefits realisation plan to the end of the programme

## Investment

Investment period	Industry contribution	MPI contribution	Total investment
During this Quarter	\$ 0.529m	\$ 0.640m	\$ 1.169m
Programme to Date	\$4.326m	\$4.415m	\$ 8.741m