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10 August 2020

ASX Market Announcements Office

Avian influenza outbreak at Lethbridge farm facility

Farm Pride Foods Ltd (ASX: FRM) (Company) requested that the Australian Securities Exchange (ASX) place its shares in a trading halt on 6 August 2020 due to a suspected Avian Influenza (AI) outbreak at its Lethbridge farm facility.

Since 6 August 2020, Agriculture Victoria ("Ag Vic") has confirmed that the Lethbridge facility has now tested positive for H7N7 avian influenza virus. To control the spread of avian influenza, the farm will be depopulated in line with the Avian Influenza AUSTVETPLAN and this is due to commence as soon as possible.

The Company is working with Ag Vic to ensure compliance with all Restricted and Control Area Orders.

Due to the level of uncertainty regarding the extent and duration of the consequences of this outbreak, the Company is unable at this time to provide guidance on the likely financial impact of the outbreak for the financial year ended 30 June 2021. However, the Company can provide the following details:

- The approximate number of hens lost which includes Cage, Free Range and Barn totals 340,000 representing approximately 30% of the Company's productive hen flock.
- The full financial impact of this event is still being determined but is considered material.
- The reduction in FY21 net revenue is expected to be between approximately \$18 to \$23 million.
- Action is already being taken to reduce costs and rigorously manage cash flow including the reduction of non-essential capital expenditure.
- The release of the Company's FY20 Accounts is scheduled for 31 August 2020 at which time a further update on the impact of this AI event will be provided.
- The Company has established a Crisis Management Team to monitor, assess and provide guidance to its business on a daily basis, taking advice from Ag Vic and where appropriate the Victorian Department of Health and Human Services.

Our focus in the first instance is looking after our people and livestock, continuing to deliver the highest possible level of service to our customers and supply partners and managing the financial challenges that this crisis brings so that we emerge ready to meet all our customers' needs and can resume the execution of business as normal as soon as possible.

This announcement has been authorised for release to ASX by the Board.

Bruce De Lacy
Company Secretary

