



PRIDE IN EVERY EGG

Annual General Meeting

28 November 2023

Darren Lurie: Managing Director



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2023 Corporate Summary

- Dec 2022: Net Loss of (\$7.43m) and negative EBITDA* of (\$2.81m) for 6 months ending Dec'22 (FY23 First Half).
- Jan 2023: Non-Renounceable Entitlement Offer raising \$1.37m before costs.
- Feb 2023: Placement raising \$3.5m before costs.
- Feb 2023: Appointment of Darren Lurie as Managing Director and George Palatianos as Non-Executive Director.
- Mar 2023: Resignations of Roland Roccioletti as Non-Executive Chair and Beth Mathison as Non-Executive Directors. Appointment of George Palatianos as Non-Executive Chair.
- June 2023: Increase in Revenue of 17% to \$44.58m FY23 Second Half compared to FY23 First Half. EBITDA of \$2.61m for the FY23 Second Half an improvement of \$5.4m from the FY23 First Half.
- October 2023: Appointment of Justin Mouchacca as Company Secretary.
- Sale of Lethbridge Rocks land sub-division – expected proceeds \$2.35m before costs.

* EBITDA = Earnings before interest, tax, depreciation and amortisation



Operations

Post Capital Raising, Management and Board Changes - Key Operational Changes:

- Changing culture with key principles: customer focus, appetite for change, teamwork and safety.
- Substantial management and personnel changes.
- Increased connection between management and farms with regular visits to farms by Managing Director and Chair.
- Re-instatement of rearing at Bears Lagoon – Refurbishment of rearing sheds, 5 flocks of day old chicks have been placed.
- Enhanced occupational health & safety focus, including expenditure identifying and resolving potential safety hazards.
- Increased expenditure on repairs and maintenance on farms, product plant and grading floors.
- Maximizing eggs available for sale by improved farm maintenance, farm culture, egg collection processes and grader maintenance.
- Negotiated price increases across shell egg and product customers.
- Exited unprofitable tenders and supply arrangements.
- Revised manufacturing processes to reduce egg waste in multiple product lines and reduce total waste discharge.
- Re-negotiation and management of critical relationships with key stakeholders.
- Increased external sales delivered by carton packaging business.

Actions - Personnel

Appointment of New Leadership and Management Personnel

- Chief Financial Officer: Tony Enache (ex Bridgewater and Valley Park). Tony is also managing Transport and Logistics
- Operations Manager: Gerry Vullings (ex Farm Pride and Pace Farms)
- Sales and Marketing Manager: Sarah McLeod (internally promoted)
- Revised Farm Management Structure – appointed Central Victoria and Southern Victoria Regional Farm Managers (both new appointments)
- New farm managers and assistant farm managers at multiple farms
- New Keysborough plant maintenance manager
- Reduce corporate overhead costs: Board size from 6 to 4
- Reduced contract labour across the business and increased permanent recruitment

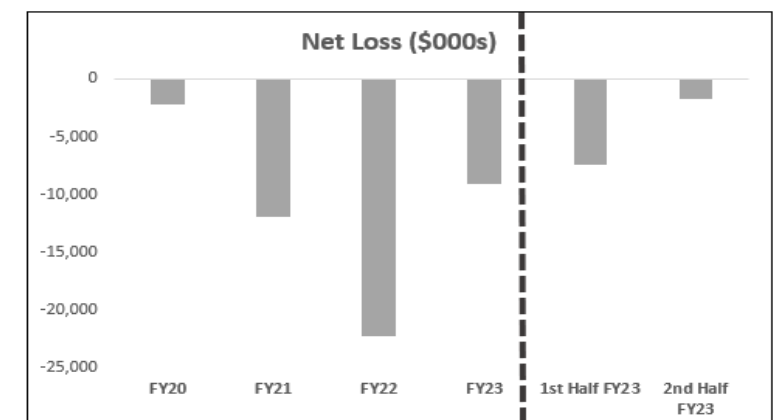
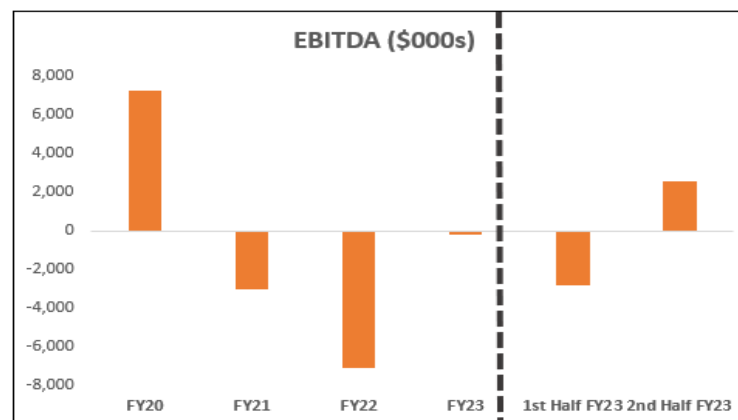
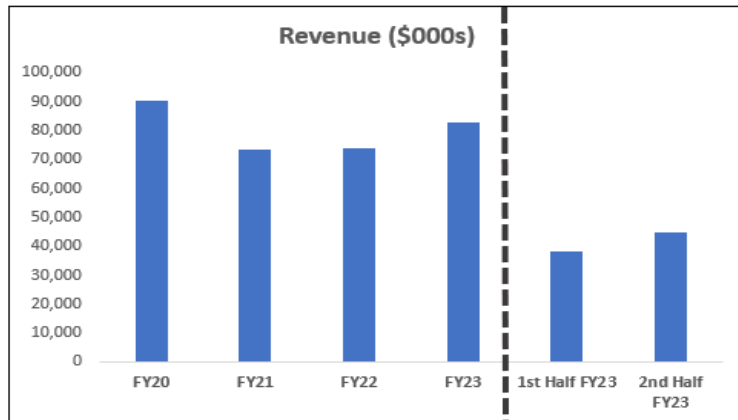


**Farm Pride Foods Ltd
FY23 Results**

Historical Financial Performance

\$000s	FY20	FY21	FY22	FY23	1st Half FY23	2nd Half FY23
Revenue	90,234	73,316	74,040	82,781	38,203	44,578
EBITDA	7,261	(3,052)	(7,063)*	(205)	(2,813)	2,608
Net Loss	(2,169)	(11,971)	(22,230)*	(9,112)	(7,430)	(1,682)

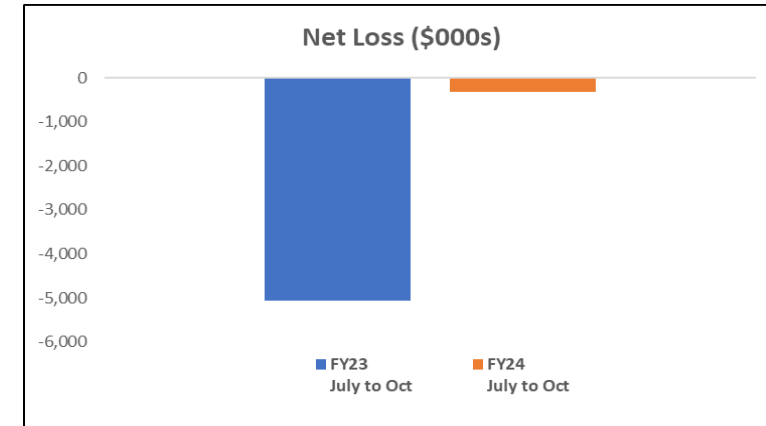
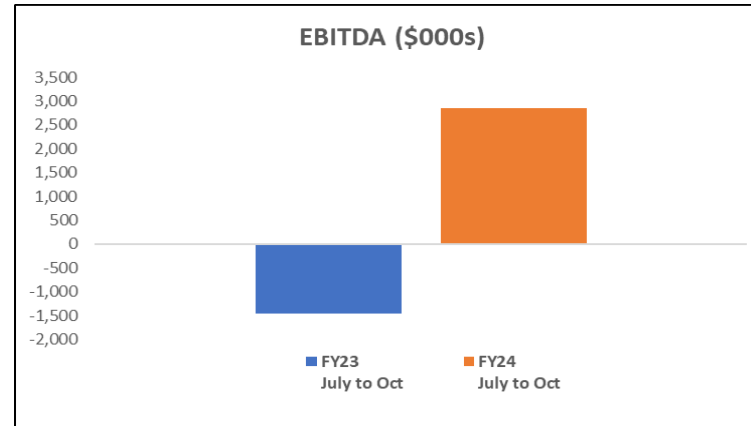
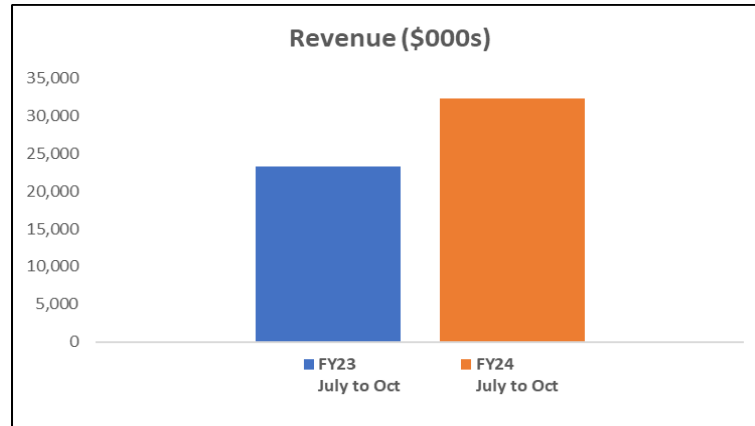
*Excludes \$2.4m gain on the sale and leaseback of Keysborough site.



(i) EBITDA – Earnings before interest, tax, depreciation and amortisation

Year to Date Comparison Financial Performance (Unaudited)

\$000s	FY23 July to Oct	FY24 July to Oct	\$000s Inc/(Dec)	% Inc/(Dec)
Revenue	23,237	32,268	9,031	39%
EBITDA(i)	(1,463)	2,855	4,318	295%
Net Loss	(5,073)	(310)	4,763	94%



(i) EBITDA – Earnings before interest, tax, depreciation and amortisation

Financials – Cash Flow

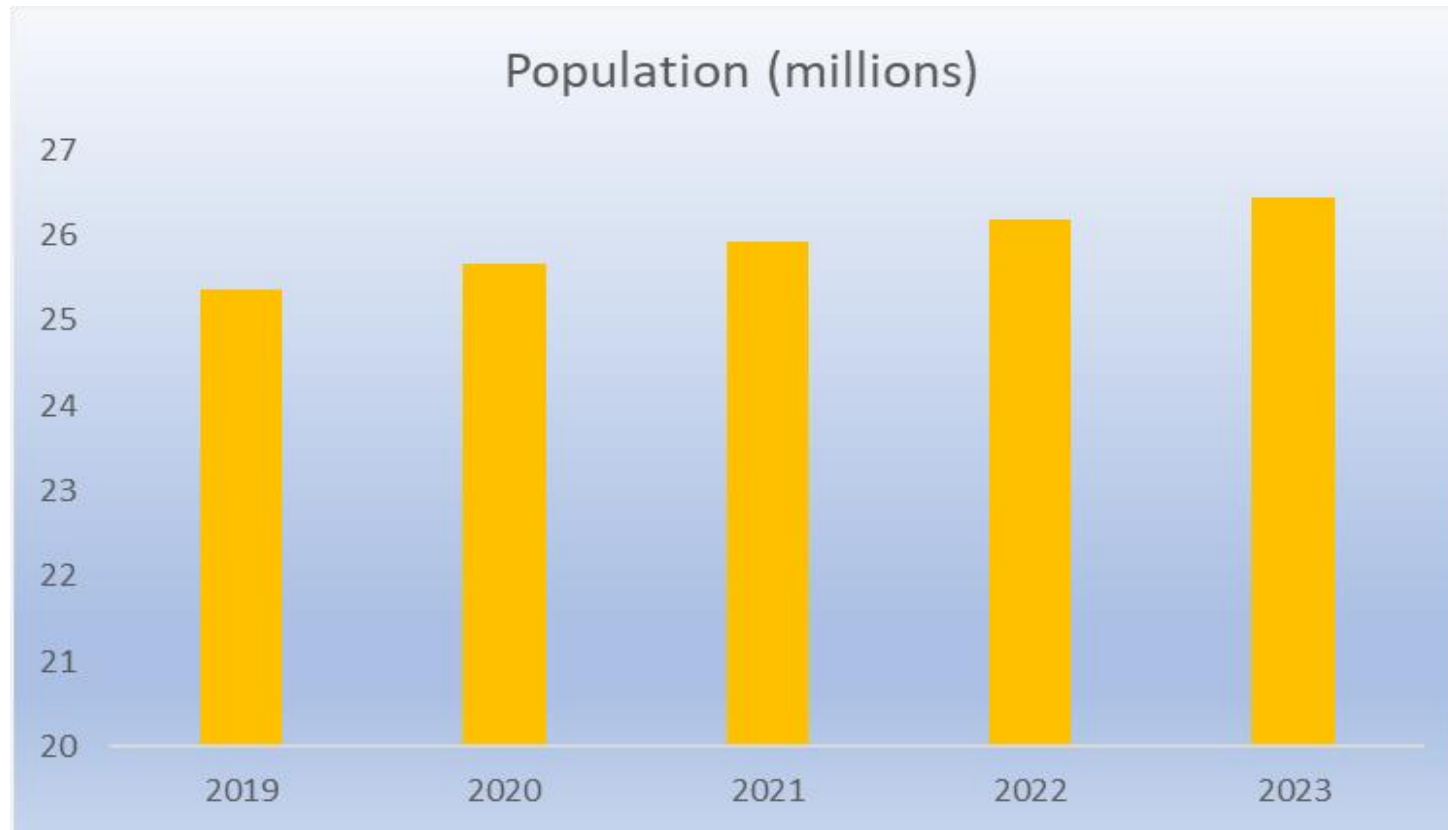
	Cash Flows \$000s					
	Apr-Jun22	Jul-Sep 22	Oct-Dec 22	Jan-Mar 23	Apr-Jun 23	Jul-Sep 23
Operating Inflow/(Outflow)	(1,893)	(1,828)	(4,182)	(849)	(633)	145
Investing Inflow/(Outflow)	(43)	(63)	(20)	(96)	(350)	(558)
Financing Inflow/(Outflow)	-	3,010	2,620	1,973	255	283
Net Inflow/(Outflow)	(1,936)	1,119	(1,582)	1,028	(728)	(130)

- Sept '23 Quarter is the first positive Operating Cash Flow month since at least the Sept '21 Quarter.
- The largest component of investing outflows for the June and September '23 quarters was funds spent on refurbishment of Bears Lagoon rearing site.
- Sub-division and land-sale at Lethbridge farm is expected to complete later this quarter or in the 3rd quarter of FY2024 with expected proceeds of \$2.35m (before costs).

A close-up photograph of a person's hands holding several brown eggs. The person is wearing a blue and red plaid shirt and green overalls. The background is a blurred green field. The image has rounded corners on the left side.

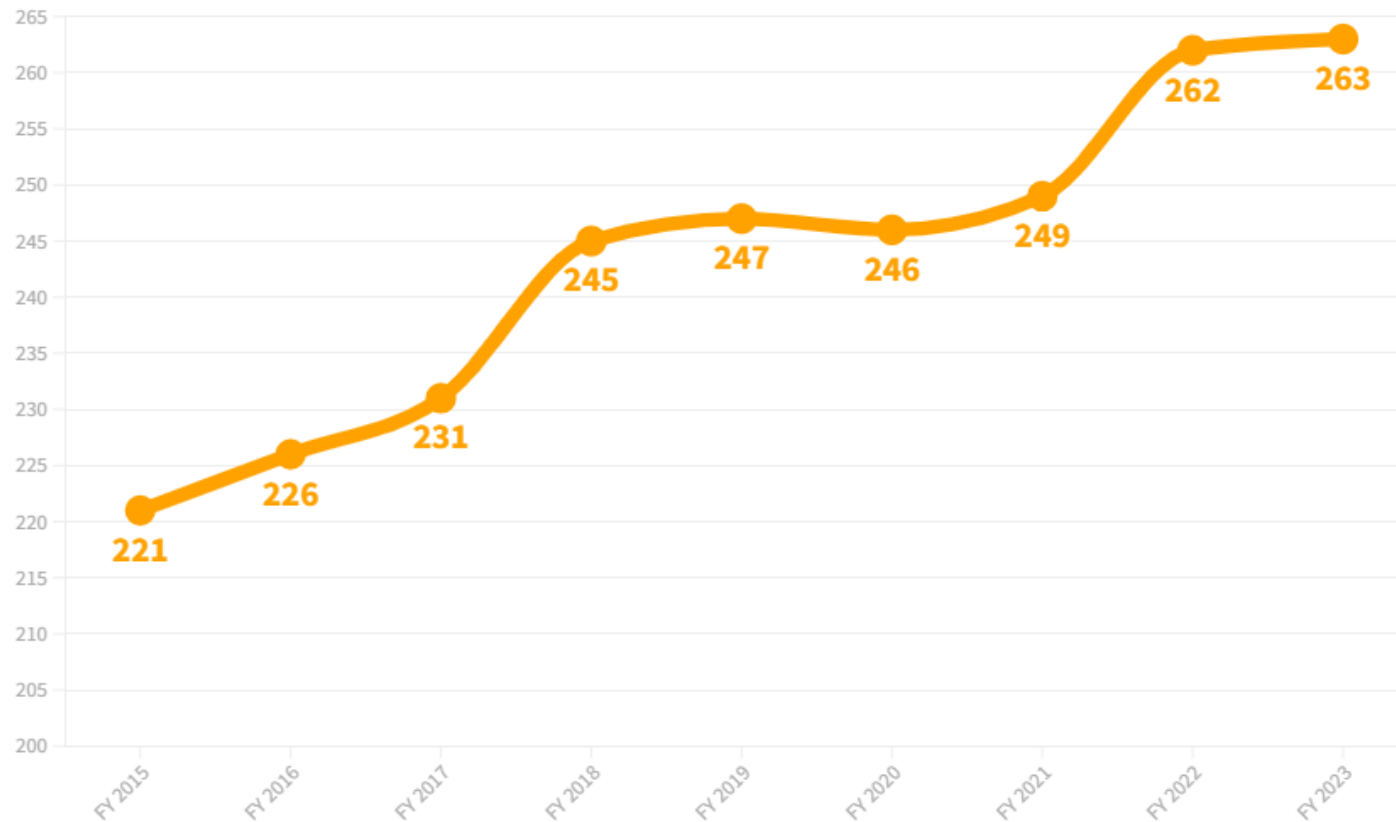
Industry overview

Australian Population



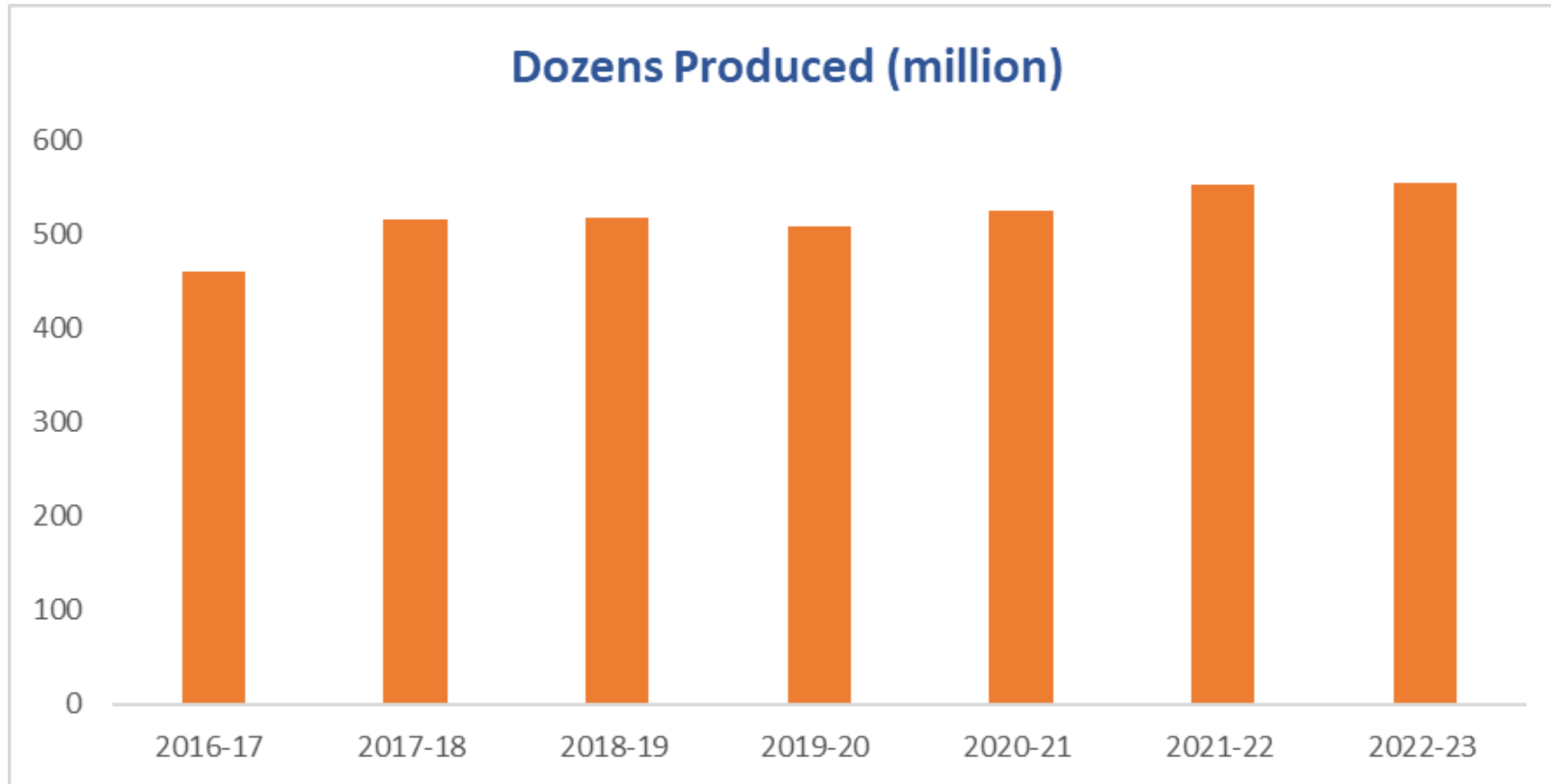
Source: Australian Bureau of Statistics

Average Egg Consumption per person



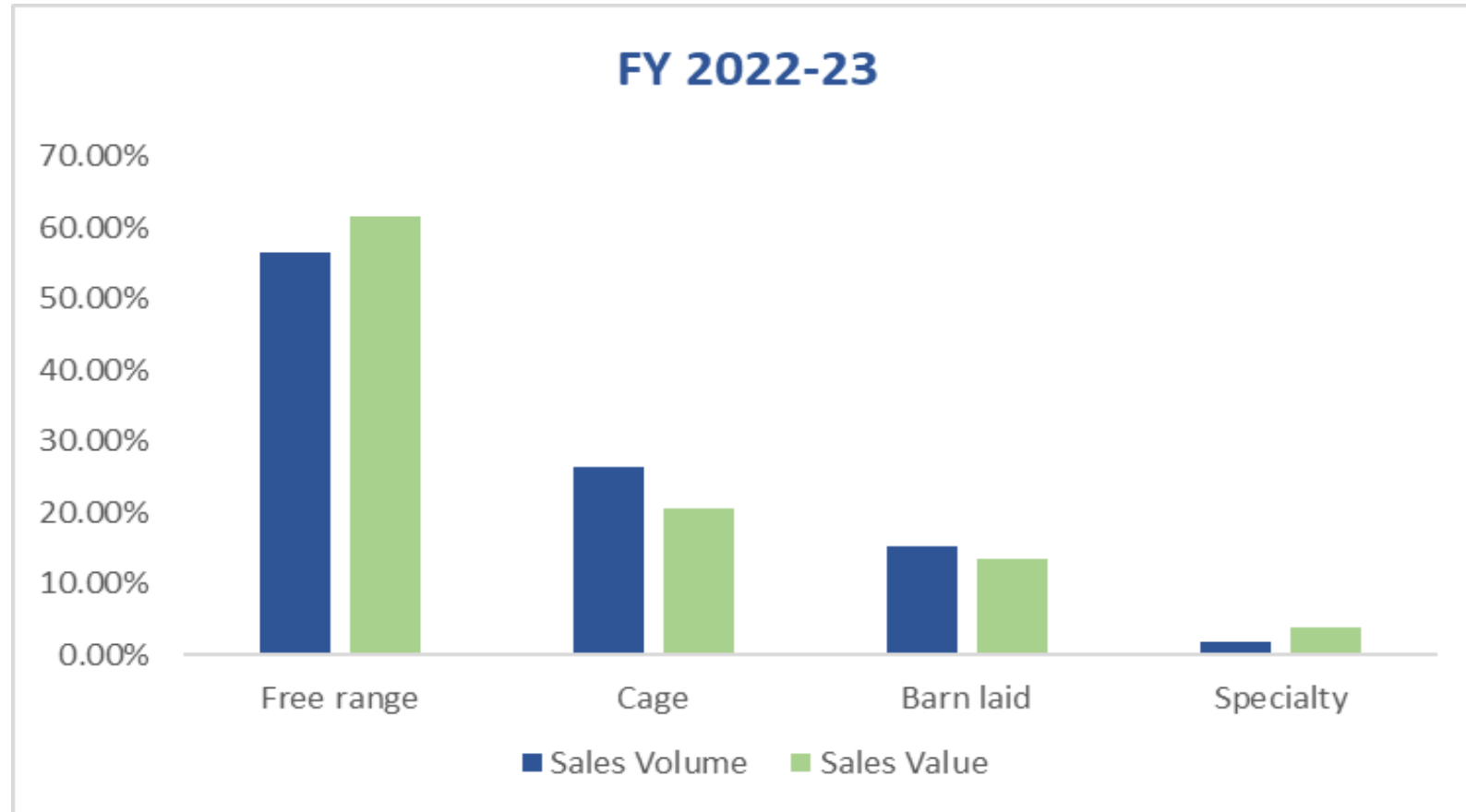
Source: <https://www.australianeggs.org.au/egg-industry>

Egg Production



Source: <https://www.australianeggs.org.au/egg-industry>

Supermarket sales by farming system



Source: <https://www.australianeggs.org.au/egg-industry>



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THANK YOU QUESTIONS

28 November 2023

