

Freedom Foods Group Limited

Managing Director & CEO Presentation



Emerging Companies Conference Series: Food & Agribusiness

30th November 2016



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Introduction



Our Mission Statement



A stamp of quality to go on all the company owned products. Freedom Foods stands for the healthy alternative to mainstream retail brands.

Freedom Foods Makes Food Better

- From paddock to plate
- With investment in better technology Food & Technical
 - Innovation targeting better for you & great taste
 - Less ingredients, cleaner products, allergen free
- On trend: Low salt, low sugar, whole grains & Fresher

Our Company

Strategically well positioned to build scale in key food & beverage platforms with long term sales and earnings growth from Australia and other key international markets

Category Platforms

Plant Based Beverages
Dairy (Beverages & Nutritionals)
Specialty Cereal and Snacks

Markets

Australia / NZ
China, South East Asia
North America

Category Brands

Freedom Foods
Australia's Own

Brand and Category Approach

Clear Brand Hierarchy built around 2 Core Brands



While Supporting Key External Customers in Key Markets



A Truly Unique Capability Targeting Diverse Categories



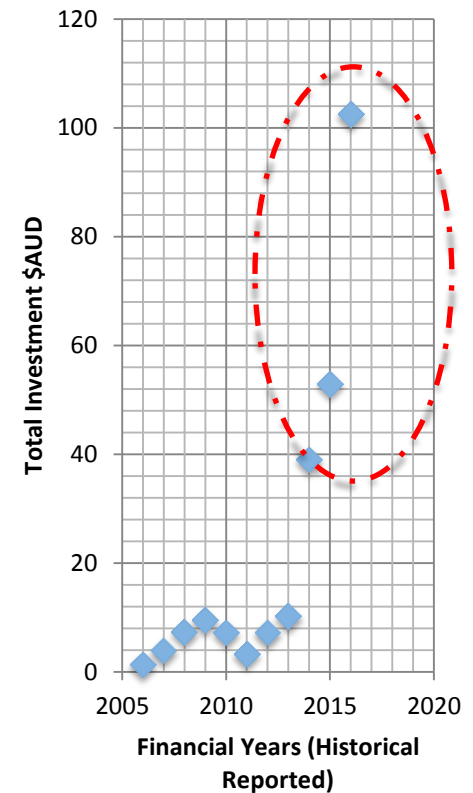
Significant Investment in Food and Beverage Manufacturing Capability



Significant and Unique Manufacturing Capabilities

Approx \$220m of capital expenditure either in progress (Ingleburn, Dandenong, Shepparton) or in early stages of utilisation (between 1-2 years)

*Post 2018, a capability with replacement cost estimated at +\$450 Million **



Source: Annual Reports

* Management Estimate

New UHT Facility at Ingleburn, South West Sydney

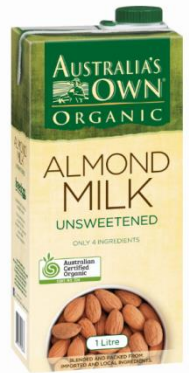
Largest Investor in UHT Technology and Capacity in Australia



New UHT Facility at Ingleburn, South West Sydney

Largest Investor in UHT Technology and Capacity in Australia

- Long Term Infrastructure to provide for 300m Litres Capacity
 - Plant based beverages, Premium Milk beverages
- Starting to come on stream from April 2017
 - 100% of production transferred from Taren Point by Sept 17
- Installed Capacity for up to 180m Litres per annum
 - Traditional “Tetra” Carton Board Packaging Formats
 - New UHT and ESL Plastic Bottle Packaging Capability
 - October 2017
 - Lower cost, efficiency and integrated warehouse and distribution



New Capacity at Shepparton

Largest Investor in UHT Technology and Capacity in Australia



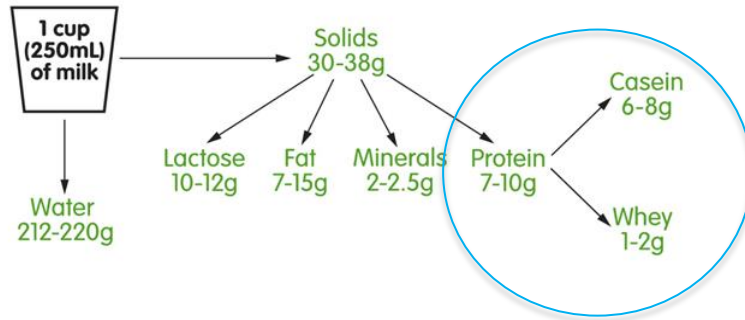
UHT Facility at Shepparton, Victoria

Largest Investor in UHT Technology and Capacity in Australia

- Established in April 2014
- Growing demand (domestic and export) with monthly Volumes averaging 9m Litres from November, with further growth into 2017
- Additional processing and packaging upgrades from 1st quarter 2017
- With large base dairy volume established, focus is on driving the business towards specialty and high value added products
 - UHT Cream (whipping, pouring)
 - Ambient Drinking Yogurt
 - High Protein products



Building Capability in Specialty Protein Solutions



- Major milk proteins are unique to milk. Milk proteins are valuable as they have appropriate amino acid composition for growth & development
- Build capability in Highest Purity Specialty Proteins for Value Added Food & Beverage Solutions
- Utilise processing and packaging capabilities
- Capability on-stream from early 2018
- Potential for acquisition opportunities in core categories

Internalise Existing Protein Requirements

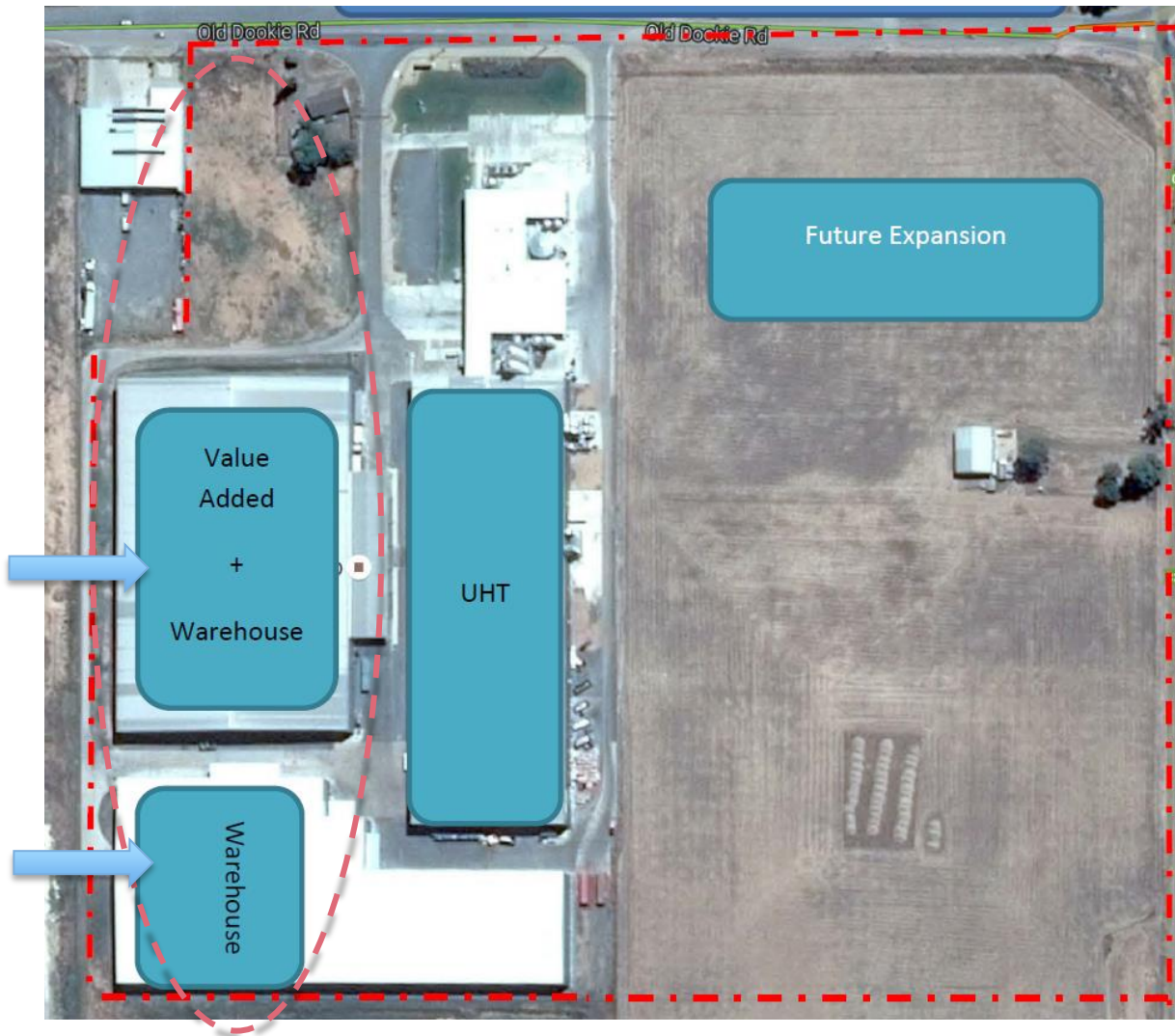


Build into New Formats and Categories



Current market examples, not made by the Company

Additional Infrastructure at Shepparton



- Company now owns or leases (long term lease) all of the land and building infrastructure at the Shepparton site
- In house warehousing capacity has come on stream from November 2016
- Expanded facilities provide for fast tracking additional production capabilities

New Oats Processing capability at Dandenong

Building capacity to drive Australian and Export (China and SE Asia) Demand



New Oven and In Feed



Building New Channels and Markets



Specialty Cereal & Snacks



Strategic Platform Established

The Cereal, Snack and Milling business is now strategically positioned to build a significant growth platform in multiple products, channels and distribution



Allergen Free Cereal & Snacks
Leeton Manufacturing Facility



Oat based Cereal & Snacks
Dandenong Manufacturing Facility

Darlington Point Milling Facility

Branded Portfolio – Australia

Number 1 Health Food Cereal Brand with +40% Market Share and Growing



Execution of dynamic & on trend innovation

+10 new products launched in FY17 in a retailer reduced range environment



New Cereal & Snacking range on shelf in Woolworths & Coles stores now

Building presence in value added cereal in Breakfast category

Leveraging Arnold's Farm to fill a gap in the Oats & Muesli segment in the Breakfast category exclusively in Woolworths with +14% share



Arnold's Farm on shelf in Woolworths stores

Building Brand Exposure

freedom FOODS

HEALTHY *tastes* BETTER

Jen Hawkins has signed as Freedom Foods Brand Ambassador for the next 3 years.

freedom FOODS muesli

freedom FOODS ancient grains

freedom FOODS ACTIVE BALANCE

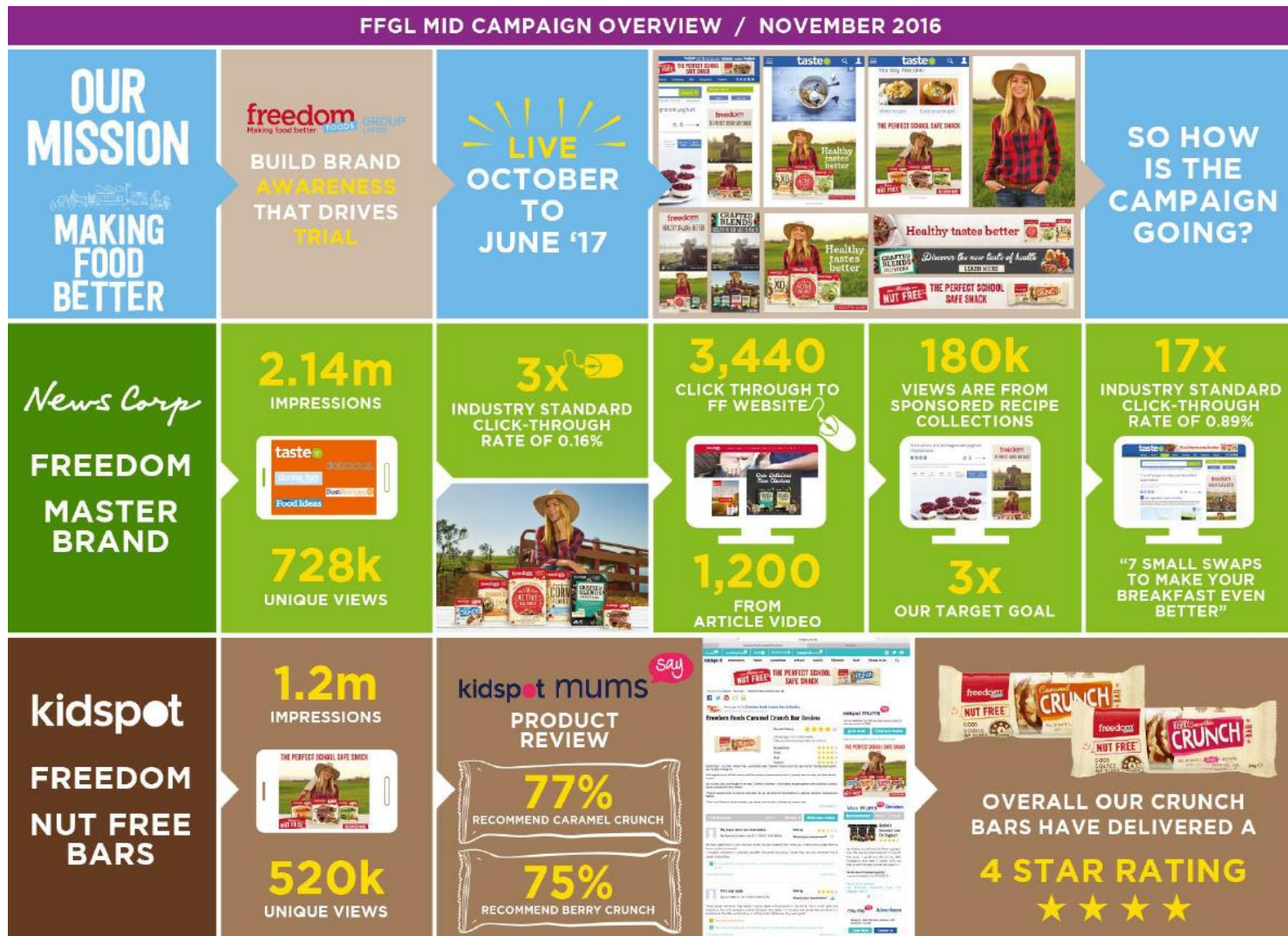
freedom FOODS XO Crunch

freedom FOODS CRAFTED BLENDS CLUSTERS

MADE & OWNED

Discover us in the health food aisle.

Digital Media Focus



“Arnold’s Farm” brand was the No. 1 Cereal Product on Tmall International during the CNY promotional period and one of the Top 3 selling products in Tmall

freedom

官方海外旗舰店

澳洲健康食品领导品牌

AUSTRALIA HEALTHY FOOD LEADING BRAND


首页 | 麦片 | 谷物棒 | 米浆饮料 | 品牌故事 | 购物指南

BOOK 收藏店铺

https://freedomfoods.tmall.hk/category.htm?spm=a1210.3-b-s-w401
freedomFOODS海外旗舰店
freedomFOODS海外旗舰店-天

全馆返场买买买

品牌、本场的品牌都给你最低价



99.00

澳洲进口阿诺农场早食 即食水果颗粒麦片 谷物1kg*2冲饮麦麦


总销量: 136093 | 评价: 14459

早冲饮 更优惠 发货快

日期新鲜8月生产

牛奶中的麦马仕

澳洲副总理点赞




¥112.00

澳洲进口Vitalife维倍特牛奶粉 UHT全脂纯牛奶麦葡麦250ml*24

总销量: 21363 | 评价: 3543

10种水果 4种麦片

澳洲维倍超级麦片




105

大受家好评

【加赠2包共5袋】澳洲阿诺农场麦片 澳洲水果麦片超值大礼包1KG*3

总销量: 17361 | 评价: 1099

freedom 澳洲进口 纯燕麦片



¥35.00

澳洲进口燕麦粉freedomfoods速冻纯燕麦片零嘴 低脂即食营养早餐


总销量: 9208 | 评价: 890

原装进口 日期新鲜

镇店之宝

可以当零食吃也可以当早餐

澳洲副总理点赞



¥68.00

澳洲进口麦片零嘴麦片水果片即食 干吃果仁冲饮麦麦早餐181g


总销量: 6633 | 评价: 1434

freedom 澳洲进口英文版

日期新鲜8月生产

牛奶中的麦马仕

澳洲副总理点赞



108


澳洲原装进口Vitalife维倍低脂纯牛奶粉 UHT纯牛奶250ml*24盒 麦葡

总销量: 5817 | 评价: 1451

freedom 可使用增值税优惠券

澳洲进口 日期新鲜

保质期新鲜7个月左右



89.00

澳洲进口冲饮麦片营养早餐即食果仁水果颗粒麦片谷物麦片1kg*2袋

总销量: 3092 | 评价: 533

freedom 水果燕麦片

7月生产日期新鲜

即食营养早餐麦片




¥59.90

澳洲阿诺农场进口水果麦片即食麦片早餐冲饮麦麦麦片1KG 单包

总销量: 2582 | 评价: 256

freedom 芒果燕麦片




¥49.90

澳洲进口芒果 即食即食麦片早餐冲饮500g

总销量: 2492 | 评价: 665

freedom 女神萌宠 公斤装



¥59.00

澳洲进口阿诺农场早食麦片水果麦片即食麦片冲饮速冻早餐181g

总销量: 2234 | 评价: 761

Building Online Channel for Cereals

行业粒度 累计值 最近1天 (2016-11-11~2016-11-11) 咖啡/麦片/...品>冲饮麦片 所有终端 全网

热销商品榜 流量商品榜 热销店铺榜 流量店铺榜

请输入店铺名称 搜索

热销排名	店铺名称	信用等级	交易指数	交易增长幅度	支付转化率指数	操作
1	qqc海外旗舰店	天猫 TMALL.COM	534,200	↑36314.34%	655	查看详情
2	seamild西麦旗舰店	天猫 TMALL.COM	495,093	↑32371.84%	757	查看详情
3	quaker桂格旗舰店	天猫 TMALL.COM	398,400	↑15683.21%	536	查看详情
4	freedomFOODS海外旗舰店	天猫 TMALL.COM	360,066	↑19509.48%	568	查看详情
5	Sainsbury's官方海外旗舰店	天猫 TMALL.COM	347,557	↑92812.53%	367	查看详情
6	老婆大人进口食品店	天猫 TMALL.COM	336,122	↑>99999%	429	查看详情
7	天猫国际海外直营	天猫 TMALL.COM	293,708	↑>99999%	565	查看详情
8	Metcash官方海外旗舰店	天猫 TMALL.COM	274,695	↑>99999%	813	查看详情
9	折本贸易海外专营店	天猫 TMALL.COM	267,793	↑9738.29%	412	查看详情
10	家乐氏食品官方旗舰店	天猫 TMALL.COM	258,564	↑94605.85%	803	查看详情

- No 4 Ranked on Tmall in Cereal Category on 11/11
- Significant achievement against well credentialed and established players in China
 - Seamild, Quaker and Calibee
- 11/11 sales equal to 66% of 3 week promotion in Chinese New Year

Branded Portfolio – North America

Distribution base provides for growth in range into 2017



Plant Beverages



Branded Portfolio

Building New Channels Through Innovation in Coffee Milk Application
 → *Strong Brand Recognition and Sales Achieved within this Higher Margin Channel*



THE WORLD'S FIRST MILK BRAND ESPECIALLY DESIGNED
 FOR USE WITH ESPRESSO BASED COFFEE



*Fine Food Australia (Sep 2015)
 Best New Food Service Product*



*Validated & Designed In Australia
 with the world's hottest emerging
 coffee professionals*



*Validated & Endorsed in
 Asian Markets*

Expansion of packaging capability to drive innovation

Expanding plant based beverages into the chiller for increased convenience & to directly compete with dairy



In Woolworths stores 1st of November

Dairy Beverages



Australia's Own for China....A Premium Dairy Platform

Continued Strong Growth Trajectory through 2016 making it the Largest Imported Kid's Milk Brand in China



So Natural and Vitalife

Company Brands Building Through Online Channels into China



- So Natural Dairy Milk No 1 imported dairy milk brand on JD Worldwide (cross border channel)
- So Natural brand building beyond dairy into Cereals and related products
- So Natural Muesli one of 10 Special “best in class” food products promoted by JD.

Source and Provenance



Freedom Farmers

Aiming to be a fully integrated paddock to plate provider to ensure full quality control of our supply chain

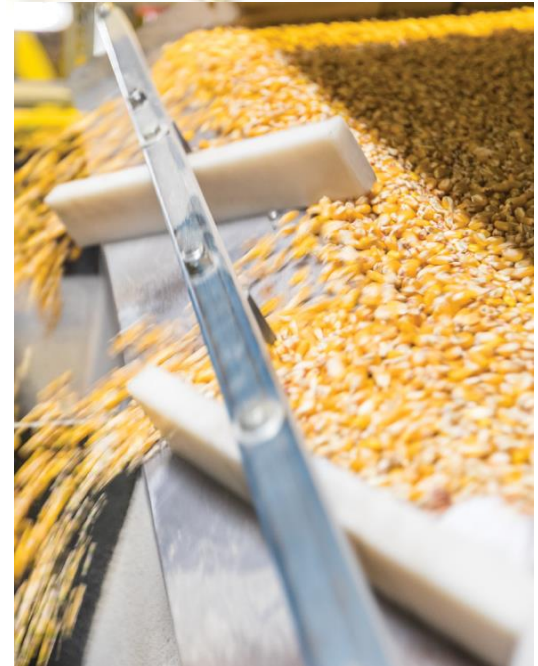


Harvesting in 2017

Maize (Corn)
Sorghum
Buckwheat
Oats

Darlington Point Mill (DP Mill)

Largest supplier of popping corn in Australia with over 40% share



Access to Value Added Supply Chain – Dairy Milk

Collectively the combined Moxey Farm and Perich Group's Leppington Pastoral Company dairy milk production is the largest dairy milking operation in Australia



- Specialty Milk Streams
 - A2, High Protein, Organic
- Best in Class Quality for Premium Dairy Products
- Scalable to build additional capability to supplement processing base in Australia



Innovation is our Passion

New Product Development Overview

Launching into 2017



Outlook

“Australia’s Own” and “Freedom Foods” brands will increasingly be at the forefront of driving our returns from our innovation and manufacturing capabilities

- We believe the ability to control manufacturing inputs and our commitment to deliver innovation across a range of formats for our brands and our key customers will be a key strategic advantage in the medium to long term, particularly in value adding Australia’s unique agricultural base
- We continue to invest to achieve this outcome which will drive scale and generate profitability:
 - Expansion at Ingleburn → meet increasing demands for plant-based beverages
 - Shepparton → absorb growing Asian demand for Australian dairy products
 - Expansion into Dairy Nutritionals → build a more integrated dairy processing platform
 - Capital investment at Leeton, Dandenong and DP Mill → deliver manufacturing efficiencies
 - We are actively evaluating acquisitions that add value to and significantly accelerate and or leverage our sales, marketing and operational platforms
- We will ensure we maintain a strong balance sheet capability to execute our strategy.
- Our operating profits will increase through the investment cycle, balanced against a requirement to invest in people, systems and process to manage a scaled and diversified business platform.
- A strong start to the 2017 financial year in sales across all business areas will further accelerate into the second half FY 17. The Company anticipates the ongoing benefits of the strategy and its multi stage capital investment programme to accelerate increased group profits and returns in FY 2017 and beyond.

Questions



