



## RETAIL OFFER BOOKLET

2 FOR 25 ACCELERATED PRO-RATA NON-RENOUNCEABLE ENTITLEMENT OFFER AT AN OFFER PRICE OF  
\$4.45 PER NEW SHARE

FREEDOM FOODS GROUP LIMITED ABN 41 002 814 235 ("**FREEDOM FOODS**")

This Retail Offer Booklet contains details of a 2 for 25 accelerated pro-rata non-renounceable entitlement offer ("**Entitlement Offer**") of new fully paid ordinary shares in Freedom Foods ("**New Shares**") at a price of \$4.45 per New Share ("**Offer Price**").

The Retail Entitlement Offer opens on Tuesday, 13 December 2016 and closes at 5.00pm on Friday, 23 December 2016 (unless extended). Valid acceptances must be received before that time.

The Lead Manager and underwriter for the Entitlement Offer is Veritas Securities Limited ACN 117 124 535.

### NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO US PERSONS

This Retail Offer Booklet is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the New Shares offered by this Retail Offer Booklet. This Retail Offer Booklet and the accompanying Entitlement and Acceptance Form are important documents and require your immediate attention. They should be read in their entirety. If you do not understand their content or are in doubt as to the course you should follow or have any questions about the New Shares being offered by this Retail Offer Booklet, you should consult your stockbroker or other professional adviser.

This Retail Offer Booklet is dated Tuesday, 13 December 2016.

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## CORPORATE DIRECTORY

### Directors

Mr Perry Gunner (Chairman, Non-Executive Director)  
Mr Rory J. F. Macleod (Managing Director and Chief Executive Officer)  
Mr Anthony M. Perich (Deputy Chairman, Non-Executive Director)  
Mr Trevor J. Allen (Non-Executive Director)  
Mr Ronald Perich (Non-Executive Director)  
Mr Michael R. Perich (Non-Executive Alternate Director)

### Company Secretary

Mr Campbell Nicholas (Chief Financial Officer and Company Secretary)

### Registered Office

80 Box Road  
Taren Point NSW 2229 Australia

### Share Registry

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000

### Legal Advisors

DLA Piper Australia

### ASX Code

FNP

### Auditor

Deloitte Touche Tohmatsu

### Website

<http://www.ffgl.com.au>

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# 1. IMPORTANT INFORMATION

## Important document

This Retail Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Retail Offer Booklet is not and does not purport to be, a prospectus or document containing disclosure to investors for the purposes of Part 6D.2 of the *Corporations Act 2001* (Cth) ("**Corporations Act**") and has not been lodged with the Australian Securities & Investments Commission ("**ASIC**"). This Retail Offer Booklet is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs.

This Retail Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares and does not take into account the investment objects, financial situation or needs of you or any particular investor.

You should carefully consider the risk factors that could affect the performance of Freedom Foods in light of your investment objectives, financial situation and particular needs (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in New Shares.

## Section 708AA of the Corporations Act

This Retail Offer Booklet has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84. In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Retail Offer Booklet is significantly less than the level of disclosure required in and what you would expect in, a prospectus. Eligible Retail Shareholders should rely on their own knowledge of Freedom Foods, refer to disclosures made by Freedom Foods to the Australian Securities Exchange ("**ASX**") and consult their professional advisers before deciding to accept the Retail Entitlement Offer.

This Retail Offer Booklet is dated 13 December 2016 and was lodged with the ASX on that date. The ASX does not take any responsibility for the contents of this Retail Offer Booklet.

New Shares will only be issued on the basis of this Retail Offer Booklet in accordance with the terms set out in this Retail Offer Booklet.

As at the date of this Retail Offer Booklet, Freedom Foods has complied with:

- (a) the provisions of Chapter 2M of the Corporations Act, as they apply to Freedom Foods; and
- (b) section 674 of the Corporations Act.

## No excluded information

As at the date of this Retail Offer Booklet, Freedom Foods is not aware of any excluded information of the kind which would require disclosure in this Retail Offer Booklet pursuant to sections 708AA (8), (10) and (11) of the Corporations Act.

## **Disclaimer**

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer that is not contained in this Retail Offer Booklet. Any information or representation not contained in this Retail Offer Booklet may not be relied on as having been authorised by Freedom Foods in connection with the Entitlement Offer. Neither Freedom Foods nor any other person warrants the future performance of Freedom Foods or any return on any investment made under this Retail Offer Booklet, except as required by law and then, only to the extent so required.

## **Forward looking statements**

This Retail Offer Booklet may contain forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. Forward looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward looking statements. While Freedom Foods believes that the expectations reflected in the forward looking statements in this Retail Offer Booklet are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors set out in the Investor Presentation in section 8 of this Retail Offer Booklet, as well as other matters as yet not known to Freedom Foods or not currently considered material by Freedom Foods, may cause actual results or events to be materially different from those expressed, implied or projected in any forward looking statements. Any forward looking statement contained in this document is qualified by this cautionary statement.

## **Eligibility**

Applications for New Shares by Eligible Retail Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Retail Offer Booklet. If acceptance is by BPAY® there is no need to return an Application Form. The Entitlement and Acceptance Form sets out an Eligible Retail Shareholder's Entitlement to participate in the Retail Entitlement Offer.

## **Restrictions on the distribution of this Retail Offer Booklet**

This Retail Offer Booklet does not constitute an offer of New Shares in any place in which, or to any person to whom, it would not be lawful to do so. The distribution of this Retail Offer Booklet in jurisdictions outside Australia and New Zealand may be restricted by law and any person into whose possession this Retail Offer Booklet comes (including nominees, trustees or custodians) should seek advice on and observe, those restrictions. This Retail Offer Booklet has not been and will not be, approved or lodged with ASIC or its equivalent regulatory bodies in New Zealand, the United States or any other jurisdiction. It has been made available for information purposes only and does not constitute: (i) in respect of Australia, a prospectus, short form prospectus, profile statement or offer information statement as those terms are defined in the Corporations Act; (ii) in respect of New Zealand, a product disclosure statement under the New Zealand Financial Markets Conduct Act 2013; or (iii) in respect of the United States, a prospectus under the US Securities Act.

In particular, neither this Retail Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. The Retail Offer Booklet and any accompanying market announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the Entitlements nor the New Shares referred to herein have been, nor will be, registered under the US Securities Act. Accordingly, the Entitlements may not be exercised by and the Entitlements and New Shares may not be offered or sold to, persons in the United States or to persons that are acting for the account or

benefit of persons in the United States unless they have been registered under the US Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities law.

No documents relating to the Retail Entitlement Offer may be sent or distributed, in whole or in part to persons in the United States or to persons that are acting for the account or benefit of any person in the United States.

### **Privacy Act**

If you complete an Entitlement and Acceptance Form, you will be providing personal information to Freedom Foods (directly or through Freedom Foods Share Registry). Freedom Foods collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration. The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and Freedom Foods Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact Freedom Foods or its Share Registry if you wish to do so at the relevant contact numbers set out in this Retail Offer Booklet. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the *ASX Settlement Operating Rules*. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, Freedom Foods may not be able to accept or process your application.

## 2. SUMMARY OF THE RETAIL ENTITLEMENT OFFER

Key investment aspects	
Offer Price	\$4.45 per New Share
Offer Ratio	2 New Shares for every existing 25 Shares held by Eligible Shareholders on the Record Date
Total amount to be raised under the Entitlement Offer	\$65 million
Amount raised under the Institutional Entitlement Offer	\$52 million
Amount to be raised under the Retail Entitlement Offer	\$13 million
Number of New Shares to be issued under the Institutional Entitlement Offer	11,678,624
Maximum number of New Shares to be issued under the Retail Entitlement Offer	2,934,294

*Note: The amounts listed above are approximations. The final amounts raised and New Shares issued remain subject to subscriptions under the Retail Entitlement Offer and rounding of Shareholder Entitlements.*

Timetable	
Record Date	7.00pm (AEDT) on Friday, 9 December 2016
Despatch of Retail Offer Booklet and Entitlement and Acceptance forms to Eligible Retail Shareholders	Tuesday, 13 December 2016
Retail Entitlement Offer opens	Tuesday, 13 December 2016
Settlement of Institutional Entitlement Offer and Placement	Wednesday, 14 December 2016

<b>Allotment and quotation of New Shares issued under the Placement and Institutional Entitlement Offer</b>	Thursday, 15 December 2016
<b>Retail Entitlement Offer closes</b>	5.00pm (AEDT) on Friday, 23 December 2016
<b>Announce results of Retail Entitlement Offer</b>	Friday, 30 December 2016
<b>Settlement of Retail Entitlement Offer</b>	Wednesday, 4 January 2017
<b>Issue date and despatch of holding statements for the New Shares</b>	Thursday, 5 January 2017
<b>Quotation and trading of New Shares issued under the Retail Entitlement Offer</b>	Friday, 6 January 2017

*These dates are indicative only and subject to change. Freedom Foods reserves the right to amend this indicative timetable. In particular Freedom Foods reserves the right, subject to the Corporations Act, to extend the Closing Date or to withdraw the Entitlement Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the issue of New Shares.*

### 3. LETTER FROM THE MANAGING DIRECTOR

13 December 2016

Dear Shareholder

On behalf of the Directors of Freedom Foods, I am pleased to invite you to participate in the retail component of the 2 for 25 accelerated pro-rata non-renounceable entitlement offer of New Shares at an Offer Price of \$4.45 per New Share.

On 7 December 2016, Freedom Foods announced a \$75 million equity raising ("**Equity Raising**") comprising of:

- the Entitlement Offer (comprising the Institutional Entitlement Offer and the Retail Entitlement Offer) to raise approximately \$65 million; and
- an institutional placement of New Shares at the same Offer Price of \$4.45 per New Share ("**Placement**") to raise approximately \$10 million.

The Entitlement Offer has two components:

- an institutional offer, to Eligible Institutional Shareholders to apply for their pro-rata Entitlement to New Shares ("**Institutional Entitlement Offer**"); and
- a retail offer to Eligible Retail Shareholders to apply for their pro-rata Entitlement to New Shares ("**Retail Entitlement Offer**").

The Institutional Entitlement Offer and Placement raised gross proceeds of approximately \$62 million and new Shares will be allotted and issued on Thursday, 15 December 2016.

This Retail Offer Booklet relates to the Retail Entitlement Offer and the New Shares to be issued under it. The Offer Price of \$4.45 per New Share under the Retail Entitlement Offer is the same price paid by institutional investors under the Institutional Entitlement Offer and the Placement. The Retail Entitlement Offer will raise approximately \$13 million.

Veritas Securities Limited has underwritten the Entitlement Offer and will act as Lead Manager to the Placement.

As an Eligible Retail Shareholder you are entitled to subscribe for 2 New Shares for every existing 25 Shares you held at the Record Date, being 7.00pm (AEDT) on Friday, 9 December 2016. New Shares issued under the Retail Entitlement Offer will be issued on a fully paid basis and will rank equally in all respects with existing Shares in Freedom Foods from the date of issue.



## Use of funds from the Entitlement Offer and Placement

Funds raised from the Entitlement Offer will be used to fund Freedom Foods growth strategy, including the following key initiatives:

- Proposed acquisition of Australian Consolidated Milk's ("ACM") 50% interest in Pactum Dairy Group ("PDG");
- Proposed acquisition of a Sports and Adult Nutrition brand;
- Proposed acquisition of a controlling interest in a North American based Cereal and Snacks company ;
- Proposed investment in Australia's Own Dairy Company China ("AO China"); and
- To provide additional balance sheet flexibility for future growth opportunities including the capital expenditure initiatives which are ongoing in relation to product and capability expansion at our Shepparton, Ingleburn and Dandenong facilities.

Further details of these initiatives are set out in the announcement and investor presentation released by Freedom Foods on the ASX on 7 December 2016.

## Retail Offer Booklet

This Retail Offer Booklet contains a number of important sections, including:

- summary of the key terms of the Retail Entitlement Offer;
- the effect of the Retail Entitlement Offer on Freedom Foods;
- instructions on how to accept all or part of your Entitlements under the Retail Entitlement Offer;
- an Investor Presentation; and
- a personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions provided on the form and the instructions in this Retail Offer Booklet.

You should read the entirety of this Retail Offer Booklet carefully (including the "Key Risks" section in the Investor Presentation, which contains a summary of key risks associated with an investment in Freedom Foods) before deciding whether to participate in the Retail Entitlement Offer.

The Retail Entitlement Offer opens on Tuesday, 13 December 2016 and closes at 5.00pm (AEDT) on Friday, 23 December 2016 (unless extended). To participate, you need to ensure that your Entitlement and Acceptance Form, together with your payment, or alternatively a BPAY® payment, is received by Freedom Foods before this time.

Please note that you must take action in order to participate in the Retail Entitlement Offer. **Taking no action will result in a lapse of your Entitlements.** Please refer to this Retail Offer Booklet for information on how to participate in the Retail Entitlement Offer.

#### **Further information**

Further information on the Entitlement Offer and Freedom Foods business is detailed in this Retail Offer Booklet, or you can call the Freedom Foods Offer Information Line on 1300 420 709 (within Australia) or +61 1300 420 709 (from outside Australia), 8:30am to 5:30pm (AEDT), Monday to Friday during the Offer Period.

If you have any further questions about the Entitlement Offer, you should seek advice from your stockbroker or other professional adviser.

The Directors of Freedom Foods thank you for your continued support and look forward to your participation in the Retail Entitlement Offer.

**Yours sincerely**

A handwritten signature in blue ink, appearing to read 'Rory J F Macleod', with a long horizontal flourish extending to the right.

**Rory J F Macleod  
Managing Director  
Freedom Foods Group Limited**

## 4. DETAILS OF THE RETAIL ENTITLEMENT OFFER

### The Retail Entitlement Offer

- 4.1 Freedom Foods is offering the retail component of an accelerated pro-rata non-renounceable entitlement offer to Eligible Retail Shareholders on the basis of 2 New Shares for every existing 25 Shares held at 7.00pm (AEDT) on Friday, 9 December 2016 at an Offer Price of \$4.45 per New Share.
- 4.2 The Retail Entitlement Offer will result in the issue of 2,934,294 New Shares and will raise approximately \$13 million. Further information, including a description of the use of funds and key risks relating to the Entitlement Offer, is set out in the Investor Presentation.
- 4.3 **This Retail Entitlement Offer is personal to you** and is non-renounceable. This means that your Entitlements to participate in the Retail Entitlement Offer are not transferable. If you do not take up your Entitlements under the Retail Entitlement Offer in full or in part, you will not receive any value in respect of those Entitlements that you do not take up.

It is important to note the action which you must take in order to participate in the Retail Entitlement Offer. Eligible Retail Shareholders who do not take up all of their Entitlements will have their interest in Freedom Foods diluted.

- 4.4 Freedom Foods may at any time decide to withdraw this Retail Offer Booklet and the offer of New Shares made under this Retail Offer Booklet, in which case Freedom Foods will return all application monies (without interest) within 28 days of giving notice of such withdrawal.
- 4.5 The Record Date for the purpose of the Entitlement Offer is **7.00pm (AEDT) on Friday, 9 December 2016**. The Retail Entitlement Offer set out in this Retail Offer Booklet is only being made to Eligible Retail Shareholders.
- 4.6 If you are an Eligible Retail Shareholder, your Entitlement to New Shares will be shown in the accompanying Entitlement and Acceptance Form. You should note that not all retail Shareholders will be eligible to participate in the offer of New Shares.

### Use of proceeds

- 4.7 Funds raised from the Entitlement Offer will be used to fund Freedom Foods growth strategy, including the key initiatives set out in the Managing Director's letter in section 3 of this Retail Offer Booklet and further details of which are included in the Investor Presentation.

### Your entitlement to participate in the Retail Entitlement Offer

- 4.8 Shareholders who are eligible to participate in the Retail Entitlement Offer ("**Eligible Retail Shareholders**") are Shareholders who:
- 4.8.1 are registered as a holder of Shares as at the Record Date, being 7.00pm (AEDT) on Friday, 9 December 2016;
- 4.8.2 were not invited to participate (other than as nominee in respect of other underlying holdings) in the Institutional Entitlement Offer and were not treated as ineligible institutional investors under the Institutional Entitlement Offer;

- 4.8.3 as at the Record Date, have a registered address in Australia or New Zealand;
  - 4.8.4 are not in the United States and are not acting for the account or benefit of a person in the United States; and
  - 4.8.5 are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.
- 4.9 Freedom Foods has decided that it is unreasonable to make offers under the Retail Entitlement Offer to Ineligible Retail Shareholders having regard to the number of retail Shareholders in those places, the number and value of the New Shares they would be offered and the cost of complying with the legal and regulatory requirements in places outside of Australia and New Zealand. Accordingly, the Retail Entitlement Offer is not being extended to and does not qualify for distribution or sale by and no New Shares will be issued to Ineligible Retail Shareholders.
- 4.10 For the purposes of the Corporations Act and ASX Listing Rule 7.7, Freedom Foods will send each Ineligible Retail Shareholder details of the Retail Entitlement Offer and advise each Ineligible Retail Shareholder that Freedom Foods will not offer New Shares to them. Instead, the Shares that would otherwise be offered to Ineligible Retail Shareholders will be issued to a nominee who will sell them and return the net proceeds to the Ineligible Retail Shareholders as further described in sections 4.40 to 4.43.
- 4.11 This Retail Offer Booklet and accompanying Entitlement and Acceptance Form do not, nor are they intended to, constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.
- 4.12 In limited circumstances and in Freedom Foods absolute discretion, Freedom Foods may elect to treat as Eligible Retail Shareholders certain Shareholders who would otherwise be Ineligible Retail Shareholders if Freedom Foods is satisfied that the Retail Entitlement Offer can be extended to those Shareholders without breaching any laws of any jurisdictions(s).

#### **Closing Date**

- 4.13 Freedom Foods will accept applications from Tuesday, 13 December 2016 until 5.00pm (AEDT) on Friday, 23 December 2016 ("**Closing Date**"), or any other date the Directors in their absolute discretion determine, subject to the requirements of the Corporations Act and the ASX Listing Rules.

#### **Acceptance of the Retail Entitlement Offer**

- 4.14 A completed and lodged Entitlement and Acceptance Form, together with payment for the number of New Shares accepted, or alternatively a BPAY® payment, cannot be withdrawn and constitutes a binding application for and acceptance of, the number of New Shares specified in the Entitlement and Acceptance Form on the terms set out in this Retail Offer Booklet. Cooling-off rights do not apply to an investment in New Shares. You cannot, in most circumstances, withdraw your application once it has been accepted. The Entitlement and Acceptance Form does not need to be signed to be binding.

- 4.15 A personalised Entitlement and Acceptance Form accompanies this Retail Offer Booklet for your use if you are an Eligible Retail Shareholder.
- 4.16 You may wish to apply for only part of your Entitlement. If so you should nominate the number of New Shares you wish to apply for on your Entitlement and Acceptance Form.
- 4.17 Where fractions arise in the calculation of Entitlements, they will be rounded down to the nearest whole number of New Shares.

#### **Payment by cheque, bank draft or money order**

- 4.18 If you wish to participate in the Retail Entitlement Offer, you must complete the enclosed Entitlement and Acceptance Form and return it with your cheque, bank draft or money order made payable to "Freedom Foods Group Limited", crossed "Not Negotiable", in an envelope delivered (by mail or by hand) to:

#### **Mailing Address**

Freedom Foods Group Limited  
c/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

#### **Hand Delivery**

Freedom Foods Group Limited  
c/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

***(please do not use this address for mailing purposes)***

- 4.19 All cheques must be drawn on an Australian bank or bank draft made payable in Australian dollars.
- 4.20 Your completed Entitlement and Acceptance Form and cheque, bank draft or money order must be received by Freedom Foods prior to the close of the Retail Entitlement Offer.
- 4.21 No brokerage or stamp duty is payable on the issue of New Shares.

#### **Payment by BPAY®**

- 4.22 For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY® you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form.
- 4.23 It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5.00pm on Friday, 23 December 2016. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payments and you should therefore take this into consideration when making payment.

#### **Rights attached to New Shares**

- 4.24 The New Shares issued under the Retail Entitlement Offer will rank equally in all respects (including dividend and bonus issues) with all existing Shares in the capital of Freedom Foods from the date of issue.

- 4.25 The Directors are not able to indicate when and if dividends will be paid in the future, as payment of any dividend will depend on the future profitability, financial position and cash requirements of Freedom Foods.
- 4.26 The rights and liabilities attached to New Shares are:
- 4.26.1 set out in Freedom Foods constitution; and
- 4.26.2 in certain circumstances, regulated by the Corporations Act and the general law.

#### **No trading of Entitlements**

- 4.27 The Entitlements to New Shares under the Retail Entitlement Offer are non-renounceable. Accordingly, there will be no trading of Entitlements on the ASX and you may not dispose of your Entitlements to subscribe for New Shares under the Retail Entitlement Offer to any other party. If you do not take up your Entitlement to New Shares under the Retail Entitlement Offer by the Closing Date, the offer to you will lapse.

#### **Underwriting**

- 4.28 The Entitlement Offer has been fully underwritten by the Lead Manager (ie. Veritas Securities Limited ACN 117 124 535). The Company entered into an Underwriting Agreement with the Lead Manager on 7 December 2016 in relation to the Lead Manager's obligation to manage and fully underwrite the Entitlement Offer.
- 4.29 Pursuant to the Underwriting Agreement, the Lead Manager has an obligation to subscribe for, or procure the subscription for, the Shortfall Shares not otherwise applied for under the Entitlement Offer by completing and lodging with the Company, or procuring other persons to complete and lodge with the Company, Shortfall application forms and the relevant application monies.
- 4.30 The Lead Manager will be paid a management fee of 1.2% of the total amount raised under the Entitlement Offer and an underwriting fee of 1.2% of the total amount raised under the Entitlement Offer.
- 4.31 The Underwriting Agreement is on terms and conditions considered standard for an agreement of this nature, including warranties, representations, indemnities and termination events in favour of the Lead Manager that are standard for services of the kind that the Lead Manager is providing to the Company.

#### **Shortfall**

- 4.32 If any Eligible Retail Shareholders do not take up their full Entitlement under this Retail Entitlement Offer, the New Shares that are not taken up by them will form part of the Shortfall.
- 4.33 Shortfall Shares may be allocated to other investors including institutional investors and sub-underwriters at the absolute discretion of the Lead Manager, on terms not less than the price and terms offered to Eligible Retail Shareholders under this Entitlement Offer.

- 4.34 Pursuant to the Underwriting Agreement, the Lead Manager may at any time appoint a sub-underwriter or sub-underwriters to sub-underwrite the Entitlement Offer and to subscribe, bid, apply for, or nominate places of, any of the Shortfall.
- 4.35 The Lead Manager has appointed sub-underwriters to sub-underwrite the Entitlement Offer including Arrovest Pty Limited (a Perich Group company which is a cornerstone investor in Freedom Foods and which is a related party of Freedom Foods) which has agreed with the Lead Manager to sub-underwrite up to \$44.8 million of any Shortfall (if any). Please refer to sections 5.2 to 5.5 for further details of these arrangements and potential impact on control of Freedom Foods.

#### **Issue of New Shares**

- 4.36 Freedom Foods expects to issue New Shares:
- 4.36.1 under the Institutional Entitlement Offer and Placement on Wednesday, 14 December 2016; and
- 4.36.2 under the Retail Entitlement Offer on Thursday, 5 January 2017.

#### **Taxation implications**

- 4.37 There may be taxation implications associated with an Eligible Retail Shareholder participating in the Retail Entitlement Offer.
- 4.38 The Directors consider that it is not appropriate to give Eligible Retail Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Retail Offer Booklet. Freedom Foods, its advisers and its officers do not accept any responsibility or liability for any taxation consequences. As a result, Eligible Retail Shareholders should consult their own professional tax advisers in connection with subscribing for New Shares under this Retail Offer Booklet.

#### **Directors**

- 4.39 Directors who are Eligible Retail Shareholders will also receive an Entitlement to New Shares. Each Director who is an Eligible Retail Shareholder intends to accept the Retail Entitlement Offer in either part or in full.

#### **Nominee for foreign Ineligible Retail Shareholders**

- 4.40 Ineligible Retail Shareholders will not receive any Entitlement under the Entitlement Offer. Instead, pursuant to section 615 of the Corporations Act and for the purposes of Listing Rule 7.7, Freedom Foods will appoint Pershing Australia ("**Nominee**") as the nominee to arrange the sale of the New Shares that Ineligible Retail Shareholders would have been offered under the Retail Entitlement Offer had they been eligible to participate. Under the arrangement with the Nominee and subject to section 4.42 below, Freedom Foods will issue to the Nominee the New Shares that Ineligible Retail Shareholders would have been offered under the Retail Entitlement Offer had they been eligible to participate and the Nominee will then attempt to sell those New Shares.
- 4.41 The Nominee has been approved by ASIC and the Nominee is aware of the terms on which ASIC has granted this approval.

- 4.42 The Nominee will have the absolute and sole discretion to determine the timing, the price at which the New Shares may be sold and the manner of such sale. The net proceeds above the Offer Price (in Australian dollars), if any, of the sale of the relevant New Shares will be distributed to the Ineligible Retail Shareholders pro rata in proportion to their respective shareholdings as at the Record Date (after deducting costs, including the costs of the sale and the costs of distributing the proceeds). There is no assurance that the Nominee will be able to sell the New Shares issued pursuant to the Ineligible Retail Shareholders Entitlements at an offer price that will result in Ineligible Retail Shareholders receiving any net proceeds for their Entitlements such that Ineligible Retail Shareholders may receive no value for their Entitlements.
- 4.43 Neither Freedom Foods nor the Nominee will be subject to any liability for failure to sell the New Shares that would have been offered to Ineligible Retail Shareholders or to sell them at a particular price. Notwithstanding that the Nominee must sell the New Shares, Ineligible Retail Shareholders, may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

#### **ASX**

- 4.44 Application for official quotation on the ASX has been made for the New Shares offered pursuant to this Retail Offer Booklet. The fact that ASX may grant official quotation for the New Shares is not to be taken in any way as an indication of the merits of Freedom Foods or the New Shares offered under this Retail Offer Booklet.

#### **Continuous disclosure obligations**

- 4.45 Freedom Foods is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX. As such, Freedom Foods is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules.
- 4.46 These disclosure obligations require Freedom Foods to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities.
- 4.47 This Retail Offer Booklet is intended to be read in conjunction with the publicly available information in relation to Freedom Foods which has been notified to ASX and does not include all of the information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for New Shares under the Retail Entitlement Offer. Investors should therefore have regard to the other publicly available information in relation to Freedom Foods before making a decision as to whether or not to accept the Retail Entitlement Offer.
- 4.48 All announcements made by Freedom Foods are available on its website [www.ffgl.com.au](http://www.ffgl.com.au) or the ASX website [www.asx.com.au](http://www.asx.com.au).
- 4.49 Additionally, Freedom Foods is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors’ statement and report and an audit report or review. These reports are released to ASX and published on Freedom Foods and the ASX’s websites.



### **Governing Law**

- 4.50 This Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Retail Entitlement Offer pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

### **Shareholder Enquiries**

- 4.51 Enquiries concerning the Entitlement Offer should be directed to the Freedom Foods Offer Information Line on 1300 420 709 (within Australia) and +61 1300 420 709 (outside Australia), which is available from 8.30am to 5.30pm (AEDT), Monday to Friday during the Offer Period.

## 5. EFFECT OF THE EQUITY RAISING

### Capital structure on completion of the Equity Raising

- 5.1 The following table shows the capital structure of Freedom Foods at the date of this Retail Booklet and on completion of the Equity Raising.

Shares	Number
Existing Shares on issue as at Record Date	182,661,474
New Shares proposed to be issued under the Institutional Entitlement Offer	11,678,624
New Shares proposed to be issued under the Retail Entitlement Offer <sup>1</sup>	2,934,294
New Shares proposed to be issued under the Placement	2,247,192
<b>Total Shares on issue after the Equity Raising</b>	<b>199,521,584</b>
Convertible Redeemable Preference Shares	101,627
Unexercised Employee Share Options	5,276,667

### Potential effect of Retail Entitlement Offer on control of Freedom Foods

- 5.2 The issue of New Shares and level of take up of Entitlements under the Retail Entitlement Offer will not have a material effect on the control of Freedom Foods.
- 5.3 As noted in section 4.35, the Lead Manager has appointed sub-underwriters to sub-underwrite the Entitlement Offer including Arrovest Pty Limited (“**Arrovest**”) (a Perich Group company), which is Freedom Foods’ largest shareholder. Arrovest has agreed with the Lead Manager to sub-underwrite up to \$44.8 million of any Shortfall.
- 5.4 At the date the Entitlement Offer and Placement was announced on 7 December 2016, Arrovest had Voting Power of approximately 54.65% in Freedom Foods and is currently a controlling shareholder. As the Placement was fully subscribed (and which Arrovest did not participate in) and as there was significant investor demand from existing Eligible Institutional Shareholders in the Institutional Entitlement Offer (including from Arrovest which took up its full entitlement under the Institutional Entitlement Offer), Arrovest will be diluted following completion of the Institutional Entitlement Offer.
- 5.5 The number of New Shares that may be held by Arrovest following completion of the Entitlement Offer and its corresponding Voting Power is detailed in the table below. The table below shows that in the unlikely circumstances where no Shareholders take up their Entitlements and Arrovest subscribes for a further \$9.3 million worth of Shares under the sub-underwriting arrangements with the Lead Manager, then its shareholding and Voting Power

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<sup>1</sup> If the Retail Entitlement Offer is fully subscribed

in Freedom Foods will only increase by a maximum of 0.43%. Any such increase will have minimal practical impact on the control of Freedom Foods as Arrovest is already its controlling shareholder.

- 5.6 However, it should be noted that it is unlikely that no Shareholders will take up their Entitlements. Any sub-underwriting obligation of Arrovest and therefore increase in voting power of Arrovest as a result of these sub-underwriting arrangements (as noted in the table below), will decrease by a corresponding amount for the amount of Entitlements taken up by Shareholders.

Event	Shares held by Arrovest	Voting Power of Arrovest
Record Date	99,822,066	54.65%
Entitlement Offer is fully subscribed by all Shareholders <sup>(1)</sup>	107,807,832	54.03%
0% subscribed <sup>(2)</sup>	109,889,482	55.08%

Note:

- (1) If all Shareholders take up their full Entitlements under the Entitlement Offer, then Arrovest will only take up its full Entitlement under the Entitlement Offer and will not take up any additional Shares under the Entitlement Offer as a result of the sub-underwriting arrangements with the Lead Manager
- (2) Assumes that no Shareholders take up their Entitlements and Arrovest subscribes for a further \$44.8 million worth of Shares under the Entitlement Offer pursuant to its sub-underwriting arrangements with the Lead Manager.

- 5.7 There are a number of factors which may have a non-material impact on individual Shareholders percentage shareholding in Freedom Foods, including (i) if some Eligible Retail Shareholders do not take up all of their entitlements under the Entitlement Offer, then the interests of those Eligible Retail Shareholders will be diluted and (ii) the proportional interests of Ineligible Retail Shareholders will be diluted because Ineligible Retail Shareholders (who are estimated to hold less than approximately 0.11% of Shares) are not entitled to receive New Shares under the Entitlement Offer.

## 6. HOW TO ACCEPT

### How to accept the Retail Entitlement Offer

- 6.1 Your acceptance of the Retail Entitlement Offer must be made on the Entitlement and Acceptance Form accompanying this Retail Offer Booklet.
- 6.2 You may participate in the Retail Entitlement Offer as follows:
  - 6.2.1 **if you wish to accept your Entitlement in full:**
    - 6.2.1.1 complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
    - 6.2.1.2 attach your cheque (drawn on an Australian bank) or bank draft or money order (made payable in Australian dollars) for the appropriate application monies (at \$4.45 per New Share), or pay via BPAY® by following the instructions set out in section 4.22 and 4.23 and in the Entitlement and Acceptance Form; or
  - 6.2.2 **if you only wish to accept part of your Entitlement:**
    - 6.2.2.1 fill in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
    - 6.2.2.2 attach your cheque (drawn on an Australian bank) or bank draft or money order (made payable in Australian dollars) for the appropriate application monies (at \$4.45 per share), or pay via BPAY® by following the instructions set out in 4.22 and 4.23 and in the Entitlement and Acceptance Form; or
  - 6.2.3 **if you do not wish to accept all or part of your Entitlement**, you are not obliged to do anything.
- 6.3 Please read the instructions on the Entitlement and Acceptance Form carefully.
- 6.4 By completing and returning your personalised Entitlement and Acceptance Form or otherwise applying to participate in the Retail Entitlement Offer, you will be deemed to have represented to Freedom Foods that you are an Eligible Retail Shareholder and:
  - 6.4.1 declare that:
    - 6.4.1.1 all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
    - 6.4.1.2 you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Retail Entitlement Offer; and

- 6.4.1.3 you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- 6.4.2 acknowledge that:
  - 6.4.2.1 once Freedom Foods receives the Entitlement and Acceptance Form with the requisite application monies, you may not withdraw it except as permitted by law;
  - 6.4.2.2 you have read and understood this Retail Offer Booklet and the personalised Entitlement and Acceptance Form in their entirety;
  - 6.4.2.3 the information contained in this Retail Offer Booklet is not investment advice or a recommendation that the New Shares are suitable for you, given your investment objectives, financial situation or particular needs; and
  - 6.4.2.4 investments in Freedom Foods are subject to risks and acknowledge the statement of risks in the “Key Risks” section included in the Investor Presentation contained in section 8 of this Retail Offer Booklet;
- 6.4.3 agree to:
  - 6.4.3.1 apply for and be issued with up to, the number of New Shares that you apply for at the Offer Price of \$4.45 per New Share; and
  - 6.4.3.2 be bound by the terms of this Retail Offer Booklet and the provisions of Freedom Foods constitution;
- 6.4.4 authorise Freedom Foods to register you as the holder of New Shares and authorise Freedom Foods and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you;
- 6.4.5 authorise Freedom Foods to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- 6.4.6 represent and warrant that the law of any place (other than Australia and New Zealand) does not prohibit you from being given this Retail Offer Booklet or making an application for New Shares; and
- 6.4.7 will be treated as having represented and warranted:
  - 6.4.7.1 if you are acting as a nominee or custodian, that each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not otherwise in the United States and is not acting for the account or benefit of a person in the United States and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form, or any information relating to the Entitlement Offer, to any such person;

- 6.4.7.2 that you are not in the United States and are not applying for New Shares on behalf of, or for the account or benefit of, a person in the United States;
- 6.4.7.3 that you and each person on whose account you are acting are not engaged in the business of distributing securities;
- 6.4.7.4 that you and each person on whose account you are acting have not and will not send any materials relating to the Retail Entitlement Offer, including this Retail Offer Booklet and the Entitlement and Acceptance Form, to any person that is in the United States or that is acting for the account or benefit of a person in the United States; and
- 6.4.7.5 on your own behalf and on behalf of each person on whose account you are acting that:
- (a) neither the Entitlements nor the New Shares offered in the Retail Entitlement Offer have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, or in any other jurisdiction outside Australia or New Zealand;
  - (b) the Entitlements may not be taken up by and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of a person in the United States); and
  - (c) the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

## 7. GLOSSARY OF TERMS

"\$"	Australian dollars
"AEDT"	Australian Eastern Daylight Time
"Arrovest"	Arrovest Pty Limited ACN 117 953 205
"ASIC"	Australian Securities and Investments Commission
"ASX"	ASX Limited ABN 98 008 624 691, or the financial market operated by it, as the context requires
"ASX Listing Rules"	the official listing rules of ASX
"Closing Date"	5.00pm on Friday (AEDT), 23 December 2016 (unless extended by Freedom Foods)
"Corporations Act"	<i>Corporations Act 2001</i> (Cth)
"Directors"	a member of the board of directors of Freedom Foods
"Eligible Institutional Shareholders"	<p>Institutional Shareholders who:</p> <p>(a) if they are in Australia are either a sophisticated investor or a professional investor within the meaning of section 708(8) or 708(11) of the Corporations Act, respectively; or</p> <p>(b) if they are outside of Australia, they otherwise satisfy the applicable criteria set out in Appendix B of the Investor Presentation</p>
"Eligible Retail Shareholders"	retail Shareholders as at the Record Date who satisfy the criteria specified in section 4.8 this Retail Offer Booklet
"Eligible Shareholders"	an Eligible Retail Shareholder or an Eligible Institutional Shareholder, as the context requires
"Entitlement"	the non-renounceable entitlement of an Eligible Shareholder to subscribe for 2 New Shares for every 25 existing Shares held as at the Record Date
"Entitlement Offer"	the accelerated non-renounceable entitlement offer of New Shares offered to Eligible Shareholders on the basis of 2 New Shares for every existing 25 Shares held on the Record Date at an Offer Price of \$4.45 per New Share
"Entitlement and Acceptance Form"	the Entitlement and Acceptance form that accompanies this Retail Offer Booklet, under which an Eligible Retail Shareholder may apply for New Shares under the Retail Entitlement Offer

<b>"Equity Raising"</b>	the \$75 million equity raising announced by Freedom Foods on 7 December 2016, comprising the Entitlement Offer and the Placement
<b>"Freedom Foods"</b>	Freedom Foods Group Limited ABN 41 002 814 235
<b>"Ineligible Retail Shareholders"</b>	Retail Shareholders who are not Eligible Retail Shareholders
<b>"Institutional Entitlement Offer"</b>	the institutional component of the Entitlement Offer, being an offer to Eligible Institutional Shareholders to apply for their pro-rata Entitlements to New Shares
<b>"Investor Presentation"</b>	the Freedom Foods equity raising presentation of 7 December 2016 set out in section 8 of this Retail Offer Booklet
<b>"New Shares"</b>	the new Shares to be issued pursuant to the Equity Raising
<b>"Offer Period"</b>	the period from the date of this Retail Offer Booklet until the Closing Date
<b>"Offer Price"</b>	\$4.45 per New Share
<b>"Pershing Australia" or "Nominee"</b>	Pershing Australia Nominees Pty Ltd ACN 137 911 730, a nominee subsidiary of Pershing Securities Australia Pty Ltd ACN 136 184 962, the holder of Australian Financial Services Licence No. 338264
<b>"Placement"</b>	institutional placement of New Shares at an Offer Price of \$4.45 per New Share to raise approximately \$10 million, announced by Freedom Foods on 7 December 2016
<b>"Record Date"</b>	the record date for the Entitlement Offer, being 7.00pm (AEDT) on Friday, 9 December 2016
<b>"Retail Entitlement Offer"</b>	the retail component of the Entitlement Offer, being an offer to Eligible Retail Shareholders to apply for their pro-rata Entitlements to New Shares.
<b>"Retail Offer Booklet"</b>	this Retail Offer Booklet dated 13 December 2016
<b>"Shareholders"</b>	registered holders of Shares
<b>"Shares"</b>	fully-paid ordinary shares in the capital of Freedom Foods
<b>"Share Registry"</b>	Link Market Services Limited ACN 083 214 537



<b>"Shortfall"</b>	any New Shares under the Retail Entitlement Offer not applied for by Eligible Retail Shareholders
<b>"US Persons"</b>	the meaning given to that term by regulations made under the US Securities Act
<b>"US Securities Act"</b>	US Securities Act 1933 (as amended)
<b>"Voting Power"</b>	has the meaning given to that term in the Corporations Act

## **8. INVESTOR PRESENTATION**

# FREEDOM FOODS GROUP LIMITED

## Equity Raising Presentation

7 December 2016



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The book runner, together with its affiliates, is a full service financial institution engaged in various activities, which may include trading, financing, financial advisory, investment management, investment research, principal investment, hedging, market making, margin lending, brokerage and other financial and non-financial activities and services including for which they have received or may receive customary fees and expenses. The book runner in conjunction with its affiliates, is acting as sole lead manager and book runner to the Equity Raising to other institutional investors for which it has received or expects to receive fees and expenses. The book runner and/or its affiliates have performed, and may perform, other financial or advisory services for Freedom Foods, and/or may have other interests in or relationships with Freedom Foods, and its related entities for which they have received or may receive customary fees and expenses.

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None of the book runner nor any of its related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Equity Raising, nor do they make any representations or warranties to you (or other statements upon which you may rely) concerning the Equity Raising or any such information. The engagement of the book runner by Freedom Foods is not intended to and does not create any agency, custodial, fiduciary or other legal relationship between the book runner and any shareholder or other investor.

## Acceptance

By attending an investor presentation or briefing, or accepting, accessing or reviewing this document you acknowledge and agree to the terms set out above and on the previous pages.



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# Overview

# Executive Summary

## \$75 million Equity Raising

- Freedom Foods Group Limited (“**Freedom Foods**”) is raising approximately \$75 million (the “**Equity Raising**”) through:
  - a 2 for 25 accelerated non-renounceable pro-rata entitlement offer (“**Entitlement Offer**”) to eligible shareholders at \$4.45 per share to raise approximately \$65 million; and
  - an institutional placement (“**Placement**”) of approximately 2.2 million new fully paid ordinary shares (“**New Shares**”) at \$4.45 per share to raise approximately \$10 million
- The Equity Raising is supported by cornerstone investor Arrovest Pty Limited (a Perich Group company) (“**Arrovest**”), which has committed to take up its full allocation under the Entitlement Offer
- Veritas Securities Limited has underwritten the Entitlement Offer and will act as Lead Manager to the Placement

## Strong Pipeline of Acquisitions and Capital Investments

- Proceeds from the Equity Raising will be used to fund the Company’s growth strategy including:
  - Proposed acquisition of ACM’s 50% interest in Pactum Dairy Group (“**PDG**”)
  - Proposed acquisition of a Sports and Adult Nutrition brand
  - Proposed acquisition of a North American based Cereal and Snacks company
  - Investment in Australia’s Own Dairy Company China (“**AO China**”)
  - Provide additional balance sheet flexibility for future growth opportunities including the capital expenditure initiatives which are ongoing in relation to product and capability expansion at our Shepparton, Ingleburn and Dandenong facilities

# Details of Equity Raising

*The Equity Raising comprises a \$65 million accelerated non-renounceable pro-rata entitlement offer and a \$10 million institutional placement.*

Entitlement Offer	<ul style="list-style-type: none"> <li>2 for 25 accelerated non-renounceable pro-rata entitlement offer ("<b>Entitlement Offer</b>") to raise approximately \$65 million</li> </ul>
Institutional Placement	<ul style="list-style-type: none"> <li>Placement to eligible institutional investors to raise approximately \$10 million ("<b>Placement</b>")</li> </ul>
Dividend Eligibility and Ranking	<ul style="list-style-type: none"> <li>All new Freedom Foods shares issued under the Placement and Entitlement Offer will rank equally in all respects with existing ordinary shares from the date of issue</li> <li>New Freedom Foods shares will trade under the ASX code FNP 2016</li> </ul>
Offer Price and Discount	<ul style="list-style-type: none"> <li>The Placement and Entitlement Offer will be conducted at an offer price of \$4.45 per New Share, representing a 5.9% discount to average share price of Freedom Foods over the past 30 days<sup>(1)</sup></li> </ul>
Major Shareholder Commitment	<ul style="list-style-type: none"> <li>Freedom Foods' largest shareholder, Arrovest Pty Limited (a Perich Group company) ("<b>Arrovest</b>"), which holds 54.65% of ordinary shares on issue, has committed to take up its full allocation under the Entitlement Offer</li> <li>Arrovest will not be participating in the Placement</li> </ul>
Retail Offer Booklet	<ul style="list-style-type: none"> <li>Further details on the Entitlement Offer can be found in the Retail Offer Booklet to be dispatched to eligible Freedom Foods shareholders</li> </ul>

(1) Based on average closing prices (for cum-div stock) between 7 November 2016 to 6 December 2016.

# Equity Raising – Indicative Timetable

Key Events	Key Dates
Trading halt and open Placement and Institutional Entitlement Offer	Wednesday, 7 December 2016
Close Placement and Institutional Entitlement Offer	Wednesday, 7 December 2016
Resume trading, announce results of Placement and Institutional Entitlement Offer	Friday, 9 December 2016
Record Date for Retail Entitlement Offer (7.00pm, Sydney time)	Friday, 9 December 2016
Lodgement of Retail Offer Booklet with ASX and dispatch to Shareholders	Tuesday, 13 December 2016
Retail Entitlement Offer opens	Tuesday, 13 December 2016
Placement and Institutional Entitlement Offer settlement	Wednesday, 14 December 2016
Allotment and quotation of New Shares issued under the Placement and Institutional Entitlement Offer	Thursday, 15 December 2016
Retail Entitlement Offer closes	Friday, 23 December 2016
Issue of New Shares under the Retail Entitlement Offer	Thursday, 5 January 2017
New Shares under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Friday, 6 January 2017

*Note: These dates, along with any other dates noted in this announcement, are indicative and subject to change. All dates and times refer to Sydney, Australia time. Freedom Foods reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), the ASX listing Rules and other applicable laws. In particular, Freedom Foods reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases), and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares. The commencement of quotation and trading of New Shares is subject to confirmation from the ASX.*

# Proposed Use of Funds

# 1 Proposed Acquisition of ACM's 50% Interest in PDG

Overview	<ul style="list-style-type: none"> <li>Pactum Dairy Group (“PDG”) was established at Shepparton in 2014 as a joint venture between Freedom Foods and Australian Consolidated Milk (“ACM”), a major Australian dairy milk supply group</li> <li>Freedom Foods increased its shareholding in PDG to 50% effective 1 January 2016, following conversion of its convertible notes</li> <li>Agreement reached to acquire from ACM the balance of the shares in PDG not held by Freedom Foods</li> <li>ACM will continue to be a key strategic supply partner via a 10 year supply agreement for dairy milk from existing ACM farmer suppliers in Northern VIC</li> </ul>
Strategic Rationale	<ul style="list-style-type: none"> <li>The PDG operation is undertaking a number of significant capital investment initiatives including: <ul style="list-style-type: none"> <li>Expanding capacity to meet increasing domestic and international demand</li> <li>Investment in new capabilities to drive specialty and high value added milk products (cream, drinking yogurt)</li> <li>Development of a specialised nutritionals platform for speciality protein components for use in Freedom Foods branded products and for sale to key strategic customers</li> <li>Securing land and warehouse facilities adjacent to the site (long term lease) providing options for long term growth and development</li> </ul> </li> <li>With these expanding capabilities in Dairy, a full integration of the PDG operations into Freedom Foods is expected to provide for a more integrated dairy processing platform into the future, with the potential for a significant increase in sales and earnings</li> </ul>
Funding	<ul style="list-style-type: none"> <li>Freedom Foods will acquire ACM's 50% interest in PDG for an equity purchase price of A\$50 million</li> </ul>
Timing	<ul style="list-style-type: none"> <li>Subject to customary documentation and closing requirements</li> <li>Completion expected during the 1<sup>st</sup> quarter of calendar 2017</li> </ul>

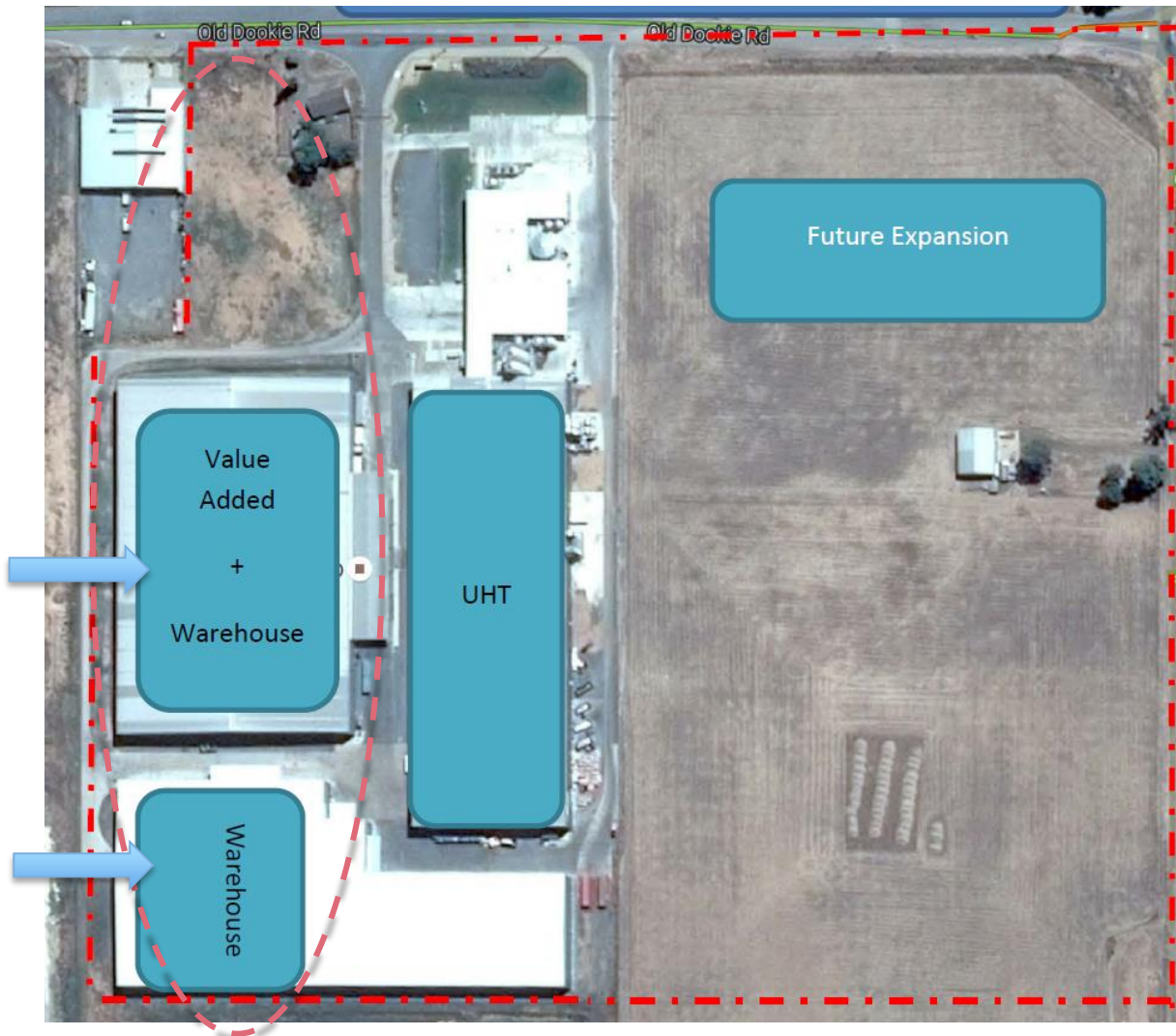
# Proposed Acquisition of ACM's 50% Interest in PDG (cont'd)

*Largest Investor in UHT Technology and Capacity in Australia*





## Proposed Acquisition of ACM's 50% Interest in PDG (cont'd)



- 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



## 2 Proposed Acquisition of a Sports and Adult Nutrition Brand

<b>Overview</b>	<ul style="list-style-type: none"> <li>Entered into an exclusive term sheet to acquire an Australian based manufacturer and brand owner in the sports and adult nutrition category</li> <li>Established and recognised brand name with a strong market position across the country</li> <li>Profitable business</li> </ul>
<b>Strategic Rationale</b>	<ul style="list-style-type: none"> <li>Enable expansion of its brand and category segment offering into the sports nutrition market in Australia, China and SE Asia, leveraging existing customer and distribution capabilities</li> <li>Operation is expected to benefit from product development opportunities through the Freedom Foods' capabilities in snacking and beverage manufacturing</li> <li>Medium term opportunities in sourcing of key dairy protein ingredients from the dairy nutritionals platform at Shepparton</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>Cash purchase consideration of approximately \$20 million</li> <li>Expected to be accretive to earnings in its first full year of operation (FY 2018)</li> </ul>
<b>Timing</b>	<ul style="list-style-type: none"> <li>Subject to confirmatory due diligence and other customary documentation</li> <li>Completion expected during 1<sup>st</sup> quarter of calendar 2017</li> </ul>



### 3 Proposed Acquisition of Nth American Cereal & Snacks Co

Overview	<ul style="list-style-type: none"><li>Entered into an exclusive term sheet to acquire a controlling interest in a North American based natural food company that markets a range of all natural breakfast foods</li><li>Fast growing brand with products delivering strong nutritional credentials to its targeted family consumers in ~11,500 natural and specialty retailer stores across USA and Canada</li></ul>
Strategic Rationale	<ul style="list-style-type: none"><li>Provide opportunity to accelerate expansion of its existing Freedom Foods range, as well as providing growth in new products under the acquired brand</li><li>Combined business expected to benefit from access to Freedom Foods manufacturing capabilities in cereals and snacks – expanded snacking range, Non GMO, wheat free and allergen free claims</li></ul>
Funding	<ul style="list-style-type: none"><li>Freedom Foods will assume a majority equity ownership in the expanded North American business</li><li>The combined North American business is expected to be accretive to earnings in its first full year of operation in FY 2018, with additional sales and operational efficiencies in the medium term</li></ul>
Timing	<ul style="list-style-type: none"><li>Subject to confirmatory due diligence and other customary documentation and closing requirements</li><li>Completion expected during the 1<sup>st</sup> quarter 2017</li></ul>



## 4

# Establishment of Australia's Own Dairy Company China

Overview	<ul style="list-style-type: none"> <li>5 October 2016: Signed memorandum of understanding with Shenzhen JiaLiLe Food Co (“JLL”) to establish a new company called Australia's Own Dairy Company China (“AO China”)</li> <li>AO China would potentially seek a listing on an international stock exchange in the medium term</li> </ul>
Strategic Rationale	<ul style="list-style-type: none"> <li>AO China will provide a stronger strategic link between: <ul style="list-style-type: none"> <li>Existing brand operations in China (sales, marketing, distribution), and</li> <li>Brand production in Australia (sourcing, processing, manufacturing)</li> </ul> </li> <li>From late 2016, the Kid's Milk product will utilise milk sourced only from the Moxey Farm operation</li> </ul>
Funding Requirements	<ul style="list-style-type: none"> <li>Initial 10% investment in AO China for RMB 22 million (~A\$4.3 million)</li> <li>Option to subscribe for up to 30% of AO China within 3 years from the date of the initial subscription (at a premium to the 10% investment terms)</li> </ul>
Timing	<ul style="list-style-type: none"> <li>Finalisation of definitive documentation expected during the 1<sup>st</sup> quarter of calendar 2017</li> </ul>

*AO China will continue to grow Australia's Own branded Kid's Milk products in China, as well as developing plans for launch of other dairy products including Ambient Drinking Yogurt and Infant Formula products*





# 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*

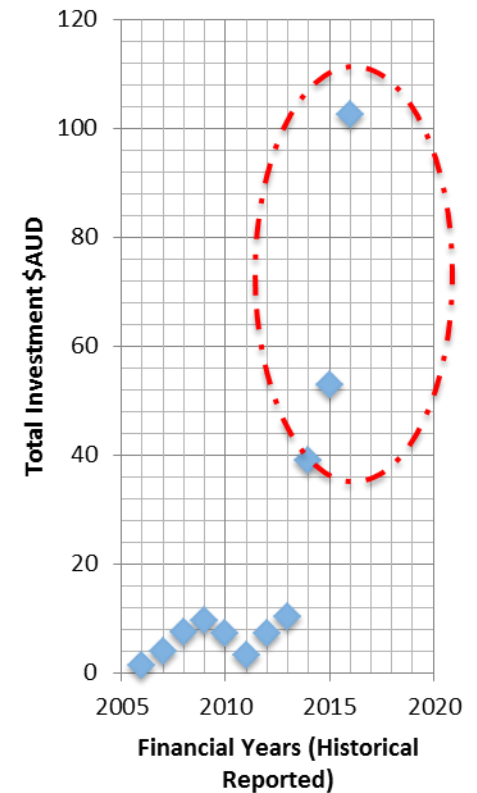


# Group Outlook

# Significant and Unique Manufacturing Capabilities

*~\$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



# Group Outlook

*Strategically well positioned to build scale in key business platforms of plant based beverage + premium dairy + specialty cereal & snacks*

*We expect strong sales and earnings growth over the long term from Australia and key international markets (China, SEA, North America)*

*“Australia’s Own” and “Freedom Foods” brands will increasingly be at the forefront of driving innovation*

*Developing a unique supply and manufacturing footprint in its key categories*

*Ability to control supply and manufacturing inputs will be a key strategic advantage, particularly in value adding Australia’s unique agricultural and dairy supply base*

*Our unique capability providing for acceleration of organic developments or through leveraging acquisitions*

*The capital raising, along with support from our banking partners, provides 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 + process to manage a scaled & diversified business platform*

*We anticipate 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*



# Appendix A

## *Key Risks*



# Key Risks

A number of risks and uncertainties, which are both specific to Freedom Foods and of a more general nature, may affect the future operating and financial performance of Freedom Foods and the value of its shares. While some common risk factors are set out below, it is not possible to produce an exhaustive list. You should carefully consider the following risk factors, as well as the other information provided by Freedom Foods in connection with the Equity Raising, and consult your financial and legal advisers before deciding whether to invest. The risks and uncertainties described below are not the only ones facing Freedom Foods. Additional risks and uncertainties that Freedom Foods is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect Freedom Foods's operating and financial performance.

## SPECIFIC RISKS THAT AFFECT FREEDOM FOODS

Investors should be aware of the risks associated with an investment in Freedom Foods. In particular, prospective investors should consider the following, which is not intended to be an exhaustive list.

### *Competition*

- Freedom Foods and its associated entities operate in a competitive market environment. There can be no guarantees that the competitive environment in which Freedom Foods and its associated entities currently operate will remain the same. New entrants, a material adverse change to the competitive environment or new initiatives implemented by competitors may have a material impact on the operating and financial performance of Freedom Foods and its associated entities.

### *Product Liability and Compliance*

- Freedom Foods and its associated entities have procedures and policies in place to ensure compliance with the Australian and New Zealand Food Standards and to ensure Freedom Foods's products are free from contamination. Contamination, or an extortion threat on the basis of an alleged or actual contamination, of one of Freedom Food's and its associated entities' products, may lead to business interruption, product recalls or liabilities to consumers. While Freedom Foods maintains insurance cover with respect to a certain number of these risks, Freedom Foods and its associated entities may not be able to enforce its rights in respect of these policies. If Freedom Foods and its associated entities do recover an amount under their insurance policies for loss suffered, it may not be sufficient to offset any damage to the financial condition, reputation or prospects of Freedom Foods and its associated entities caused by the contamination or extortion threat. Product contamination or an extortion threat may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities.
- Failure to comply with Australian and New Zealand Food Standards or other laws and regulations governing the manufacturing and sale of food could result in revocation of licences or registrations Freedom Foods and its associated entities require in order to conduct their business. This may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities.

# Key Risks (cont'd)

## *De listing of a Significant Number of Product Lines by a Major Customer*

- The Freedom Foods business units have strong relationships with major retail customers that make it unlikely that they will be delisted entirely as a supplier. While each of the business brands have established major segment positions that is being actively supported by their retailer customers, there is a risk that certain product lines may be delisted due to retailer strategy, competitive pressure or perceived underperformance. The business has an active process of reviewing and upgrading product lines to assist their competitive position.

## *Consumer Preferences and Perceptions*

- Freedom Foods and its associated entities' business may be affected by changes in consumer tastes, international, national, regional and local economic conditions and demographic trends. There could be a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities if health or dietary preferences cause consumers to avoid Freedom Foods and its associated entities' products in favour of alternative products.

## *Reputation and Brand Names*

- The success of Freedom Foods and its associated entities is highly reliant on its reputation and branding. Any factors or unforeseen issues or events that diminish Freedom Foods and its associated entities' reputation or brand names may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities.

## *New Products and Innovations*

- Some of the new products or brands which Freedom Foods and its associated entities may launch in the future and upon which Freedom Foods proposes to develop its business, may not be successful. This may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities. There is also a risk that certain new products that Freedom Foods and its associated entities may introduce will be competitively inferior to similar products manufactured and sold by competitors. In addition, there may be technological or product innovations in the future which may impact on the perceived benefits of Freedom Foods and its associated entities' products which may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities.

## *Finished Goods and Raw Material Price Changes*

- While a number of the finished goods and raw materials purchases by Freedom Foods are subject to continual price movement, Freedom Foods purchases these items on forward contracts, which typically provide cover for periods between 3 and 6 months ahead depending on the nature of the product. These periods may not provide management and the business adequate time to pass price increases on to the customer through retail pricing or re shape the product to maintain margins.

# Key Risks (cont'd)

## *Freedom Foods' Growth Strategies May Not Achieve Their Objectives*

- Freedom Foods has identified a number of growth strategies to continue to drive margin improvements and sales growth. There is a risk that the implementation of Freedom Foods's growth strategies could be subject to delays or cost overruns and there is no guarantee that these initiatives and strategies will generate the full benefits anticipated or result in sales growth. Any delay in implementation, failure to successfully implement, or unintended consequences or implementing any or all of Freedom Foods's turnaround initiatives and growth strategies may have an adverse effect on Freedom Foods's future financial performance.

## *Relationships with Suppliers*

- Freedom Foods and its associated entities have a number of important arrangements with key suppliers. If Freedom Foods and its associated entities' relationships with any of these suppliers deteriorates or the supplier ceases trading for any reason and Freedom Foods and its associated entities' inventory is depleted, Freedom Foods and its associated entities may not be able to source alternative products or raw materials immediately or only on less favourable terms. Any event that results in Freedom Foods and its associated entities incurring higher costs from suppliers that cannot be passed on to the consumer may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities.

## *Insurance*

- Freedom Foods and its associated entities have in place insurance which it considers appropriate to its circumstances. However, not all material risks associated with Freedom Foods and its associated entities' business have been insured, as the relevant insurance may not be available or on terms which the Directors consider appropriate. In addition, no assurance can be given that Freedom Foods and its associated entities' insurance will be available in the future on reasonable terms or will provide adequate coverage against claims made. If Freedom Foods and its associated entities incur uninsured losses or liabilities, this may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities.

## *Intellectual Property*

- Freedom Foods and its associated entities maintain trade mark registrations in more than 5 jurisdictions around the world, which provide the legal underpinning for Freedom Foods and its associated entities' brands. Freedom Foods and its associated entities' trademarks and other intellectual property rights, are important to Freedom Foods and its associated entities' ongoing success and competitive position. If the actions taken to establish and protect Freedom Foods and its associated entities' trademarks and other intellectual property rights are not adequate to prevent product imitation or to prevent others from seeking to block sales of Freedom Foods and its associated entities' products, it may be necessary for Freedom Foods and its associated entities to initiate or enter into litigation in the future to enforce Freedom Foods and its associated entities' trade mark rights or to defend against claims of infringement. Any legal proceedings could result in an adverse determination, which may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities.

# Key Risks (cont'd)

## *Environmental Risk*

- Freedom Foods and its associated entities' operations are subject to environmental laws and regulations. Freedom Foods and its associated entities could incur material costs in order to comply with those laws and regulations, or as a consequence of a breach of those laws and regulations. Such costs could arise due to the historic operations and activities of others conducted on a site owned or operated by Freedom Foods and its associated entities. Those costs may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities. In addition, changes to environmental laws and regulations may have a material adverse impact on the operating and financial performance of Freedom Foods and its associated entities.

## *Key Personnel Risk*

- In common with many businesses, the success of Freedom Foods, will, to a significant extent, be dependent on the expertise and experience of the Managing Director and other senior management, the loss of one or more of whom could have a material adverse effect on Freedom Foods. Whilst Freedom Foods has entered into service agreements with the Managing Director and other senior management and they are shareholders, the retention of their services cannot be guaranteed.

## *Banking Facilities*

- There are certain conditions attaching to Freedom Foods' existing bank facility which will determine the extent of the facility available to Freedom Foods. If those conditions are not met, Freedom Foods may not have available funds sufficient to enable it to conduct business in the manner envisaged. Freedom Foods has established bank facilities comprising equipment finance, trade facilities and debtor finance facilities inclusive, secured by first registered mortgage over all the groups' property, excluding items discharged under an equipment finance arrangement with NAB. The trade and debtor finance facilities are subject to annual review.

## *Taxation Implications*

- Future changes in taxation law in Australia, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect taxation treatment of an investment in Freedom Foods securities, or the holding or disposal of those securities. Further, changes in taxation law, or to the way taxation law is interpreted in the various jurisdictions in which Freedom Foods operates, may impact Freedom Foods' future tax liabilities.

## *Credit Risk*

- Credit market conditions and the operating performance of Freedom Foods will affect borrowing costs as well as Freedom Foods' capacity to repay, refinance and increase its debt.

# Key Risks (cont'd)

## *Acquisition Risk*

- As noted in this document, the Company is proposing to undertake, or is in discussion in relation to, certain acquisitions. As with any proposed acquisition, there are due diligence, execution and liability risks associated with these proposed acquisitions
- The Company is either in the process of conducting due diligence, or has not yet commenced conducting due diligence, in respect of these proposed acquisitions. While the Company intends to seek appropriate protections in respect of any potential issues that may emerge from these due diligence investigations, there is a risk that a potential issue is more significant than was assessed, or that the protections sought were insufficient to mitigate the potential issue, resulting in loss to the Company. There is also a risk that the due diligence investigations will not identify issues that would have been material to a decision by the Company to undertake an acquisition. The failure to identify this issue could have a detrimental impact on the financial performance of the Company or its operations
- None of the proposed acquisitions noted in this document has completed and the Company has not yet entered into a formal binding sale and purchase agreement in relation to any of these proposed acquisitions. It may be the case that one or all of these proposed acquisitions does not proceed to the stage of a formal sale and purchase agreement or if they do, they fail to complete. Failure to complete any of the proposed acquisitions could adversely affect the Company's expected future performance, namely the Company will not have the benefit of any additional earnings that it anticipated from the income generated by the proposed acquisitions
- There is also a risk that the expected benefits from these proposed acquisitions are not realised, for example, due to an inability to successfully integrate the proposed acquisition. Key integration risks include higher than expected restructuring costs, potential disruption to existing operations, lower than expected cost synergies. Such integration risks can detract from the expected benefits contemplated by the Company and hinder the Company's growth



# Key Risks (cont'd)

## GENERAL RISKS RELATING TO EQUITY INVESTMENTS AND MARKETS

- Investors should be aware that there are risks associated with any investment listed on the ASX. The value of Shares may rise above or fall below the Equity Raising price, depending on the financial condition and operating performance of Freedom Foods. Further, the price at which Shares trade on ASX may be affected by a number of factors unrelated to the financial and operating performance of Freedom Foods and over which Freedom Foods and its directors have no control.
- These external factors include:
  - economic conditions in Australia and overseas;
  - investor sentiment in the domestic and international stock markets;
  - changes in fiscal, monetary, regulatory and other government policies; and
  - geo-political conditions such as acts or threats of terrorism or military conflicts.
- Investors should note that the historic share price performance of Shares provides no guidance as to its future share price performance.

### *Shares held by Controlling Shareholder*

- Following completion of the Equity Raising, the current controlling shareholder, Arrovest Pty Limited (“**Arrovest**”) will continue to hold a controlling interest of up to a maximum of 57.08% in the Shares, which may impact liquidity of the Shares
- The absence of any sale of Shares by Arrovest may cause, or at least contribute to, limited liquidity in the market for the Shares. This could impact the prevailing market price at which Shareholders are able to sell their Shares. It is important to recognise that, on a disposal, Shareholders may receive a market price for their Shares that is less than the price that they paid under the Equity Raising
- A significant sale of Shares by Arrovest, or the perception that such sales have occurred or might occur, could adversely impact the price of Shares. The interests of Arrovest may be different from the interests of other investors including existing shareholders or other investors who acquire Shares in the Equity Raising
- Arrovest will have effective control of the Company through the ability to pass ordinary resolutions (and potentially special resolutions depending on Shareholder turnout at general meetings) of the Company without the need for any additional Shareholder support. In particular, this will (among other things) enable Arrovest to control the appointment and removal of Directors of the Company, and consequently, the financial and operating policies and the strategic direction of the Company. Arrovest will also solely be able to control the approval of certain transactions involving the Company including the issue of shares beyond the limits set under the ASX Listing Rule and Shareholders may be diluted as a result

# Appendix B

## *Foreign Selling Restrictions*

# Foreign Selling Restrictions

## International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("**New Shares**") of Freedom Foods in any jurisdiction in which it would be unlawful. This document may not be distributed to any persons and the New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

## New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMC Act**").

The New Shares in the Placement and Entitlement Offer are not being offered to the public within New Zealand other than to existing shareholders of Freedom Foods with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Placement and Entitlement Offer, the New Shares may not be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; or
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; or
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act; or
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act; or
- subscribes, or has subscribed, for securities that have a minimum amount payable of at least NZ\$750,000.



# Foreign Selling Restrictions (cont'd)

## Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong (the "**Companies (WUMP) Ordinance**"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "**SFO**"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under the SFO) or in other circumstances which do not result in this document being a "prospectus" as defined in the Companies (WUMP) Ordinance or which do not constitute an offer to the public within the meaning of the Companies (WUMP) Ordinance or the Companies Ordinance (Cap. 622) of the Laws of Hong Kong).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under the SFO). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

# Foreign Selling Restrictions (cont'd)

## United Kingdom

This document does not constitute a prospectus for the purpose of the prospectus rules issued by the UK Financial Conduct Authority ("**FCA**") pursuant to section 84 of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") and has not been approved by or filed with the FCA. The information contained in this document is only being made, supplied or directed at no more than 150 persons in the United Kingdom within the meaning of section 86(1)(b) of FSMA and the New Shares are not otherwise being offered or sold and will not otherwise be offered or sold to the public in the United Kingdom (within the meaning of section 102B of the FSMA), save in circumstances where it is lawful to do so without an approved prospectus (within the meaning of section 85 of FSMA) being made available to the public before the offer is made.

In addition, in the United Kingdom no person may communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received by it in connection with the issue or sale of any New Shares except in circumstances in which section 21(1) of FSMA does not apply and this document is made, supplied or directed at (A) qualified investors who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (as amended) (the "**FPO**"); or (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in article 49 of the FPO; or (B) persons whom Freedom Foods reasonably believes are the company's creditors or members or persons entitled to specific investments issued by Freedom Foods in the United Kingdom under article 43 of the FPO; or (C) persons who fall within any other exemption to the FPO; (all such persons being "Relevant Persons").

Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Each UK recipient is deemed to confirm, represent and warrant to Freedom Foods that they are a Relevant Person.

## United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements under the US Securities Act and applicable US state securities laws.

# Foreign Selling Restrictions (cont'd)

## Germany

This document does not contain or constitute a public offering of, or the solicitation of a public offer to buy or subscribe for, New Shares to investors in Germany. The New Shares may be offered and sold in Germany only in accordance with the provisions of the German Securities Prospectus Act (Wertpapierprospektgesetz - WpPG) and any other applicable German law. This document has been prepared on the basis that all offers of the New Shares will be made pursuant to an exemption under the German Securities Prospectus Act (Wertpapierprospektgesetz - WpPG) from the requirement to produce a prospectus. Accordingly, any person making or intending to make an offer of the New Shares should only do so in circumstances in which no obligation arises for Freedom Foods or a manager of an offer to produce a prospectus for such offer. Consequently, the New Shares will only be available to, and this document and any other offering material relating to the New Shares is only directed at persons who are "qualified investors" within the meaning of Section 2 No. 6 of the German Securities Prospectus Act (Wertpapierprospektgesetz - WpPG) or to fewer than 150 persons in each Member State of the European Economic Area ("EEA") within the meaning of Section 3 (2) No. 2 of the German Securities Prospectus Act (Wertpapierprospektgesetz - WpPG). This document and any other offering material relating to the New Shares, as well as any information contained therein, must therefore not be supplied to the public in Germany or used in connection with any offer for subscription of the New Shares to the public in Germany or any public marketing of the New Shares or any public solicitation for offers to subscribe for or otherwise acquire the New Shares in Germany. This document and any other offering material relating to the New Shares are strictly confidential and may not be distributed to any person or entity other than the designated recipients hereof. Any resale of the New Shares in Germany may only be made in accordance with the German Securities Prospectus Act (Wertpapierprospektgesetz - WpPG) and other applicable laws. Freedom Foods has not, and does not intend to, submit this document for approval to or file a securities prospectus with the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin) or obtain a notification to BaFin from another competent authority of a Member State of the EEA, with which a securities prospectus may have been filed, pursuant to Section 17 (3) of the German Securities Prospectus Act (Wertpapierprospektgesetz - WpPG).

## Switzerland

The New Shares will not be offered, directly or indirectly, to the public in Switzerland and this document does not constitute a public offering prospectus as that term is understood pursuant to art. 652a of the Swiss Federal Code of Obligations. Freedom Foods has not applied for a listing of the New Shares being offered pursuant to this document on the SIX Swiss Exchange or on any other regulated securities market in Switzerland, and consequently, the information presented in this document does not necessarily comply with the information standards set out in the relevant listing rules. Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland.



