



ABN: 32 115 131 667

ASX: CBO

## **ASX Announcement – 26<sup>th</sup> August 2022**

### **CBO FY2022 Results Presentation**

Cobram Estate Olives Limited (ASX: CBO) is pleased to present its FY2022 Results Presentation for today's investor and analyst webinar commencing at 11:00am Melbourne time. To register for this webinar briefing, please click on the link below:

[https://us06web.zoom.us/webinar/register/WN\\_VticSI0gRJKjmW3xT-iMIA](https://us06web.zoom.us/webinar/register/WN_VticSI0gRJKjmW3xT-iMIA).

For the purpose of ASX Listing Rule 15.5, CBO confirms that these documents have been authorised for release to the market by the CBO Board of Directors.

*Kind regards*

**Sam Beaton**

**Joint-CEO and Executive Director**

On behalf of the Board of Cobram Estate Olives Limited

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#### **About Cobram Estate Olives Limited ("CBO")**

CBO is Australia's largest vertically integrated olive farmer and marketer of premium quality extra virgin olive oil. The company owns a portfolio of premium olive oil brands including Cobram Estate® and Red Island® with a combined market share of 49% of extra virgin olive oil sales by value in Australian supermarkets in FY2022\*. CBO's olive farming assets include over 2.4 million olive trees planted on 6,584 hectares of farmland in central and north-west Victoria and 207,500 trees planted on 358 hectares of long-term leased and freehold properties in California, USA. The company also owns Australia's largest olive tree nursery, three olive mills, two olive oil bottling and storage facilities, and the Modern Olives® laboratory. With operations in Australia and the USA, and export customers in 16 countries, CBO is firmly positioned as a leader in the Australian olive industry and a global leader in sustainable olive farming.

For further information, please visit <https://cobramestateolives.com.au>.

*\* Source: IRI scan data, Financial Year 2022.*





## FY2022 Results Presentation



26 August 2022

# Disclaimer

The material in this presentation is general background information about Cobram Estate Olives Limited (“Cobram Estate Olives” or “CBO” or “the Company”) and is current at the date of the presentation. The information in the presentation is provided for information purposes only, is in summary form, and does not purport to be complete. It should be read in conjunction with CBO’s other announcements to the ASX, including the 2022 Annual Report. It is not intended to be relied upon as advice to current shareholders, investors or potential investors, and does not take into account the investment objectives, financial situation, tax situation, or the needs of any particular shareholder, investor or potential investor. A shareholder, investor or potential investor must not act on the basis of any matter contained in this presentation but must make their own assessment of CBO and conduct their own investigations and analysis. No representation is made as to the accuracy, completeness, or reliability of the presentation. CBO is not obliged to, and does not represent that it will, update the presentation for future developments.

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*CBO’s financial statements are prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act 2001. This includes application of AASB 141 Agriculture which requires the current year crop to be valued at fair value less estimated point of sale costs. In applying this standard to determine the value of the current year crop, CBO makes various assumptions at the balance date, as the expected net selling price of the crop can only be estimated, and the actual-value will not be known until it is completely sold. The resulting accounting estimates will, by definition, seldom equal the related actual results, and have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.*

# Presenters



**Rob McGavin**

Non-Executive Chair & Co-Founder



**Sam Beaton**

Executive Director & Joint-CEO



**Leandro Ravetti**

Executive Director & Joint-CEO



# Introduction

# CBO's Competitive Advantages

CBO's key assets deliver significant competitive advantages and strong barriers to entry



**Vertically integrated,  
freehold-owned and  
scalable operations**



**Proprietary Oliv.iQ®  
Integrated Olive  
Production System**



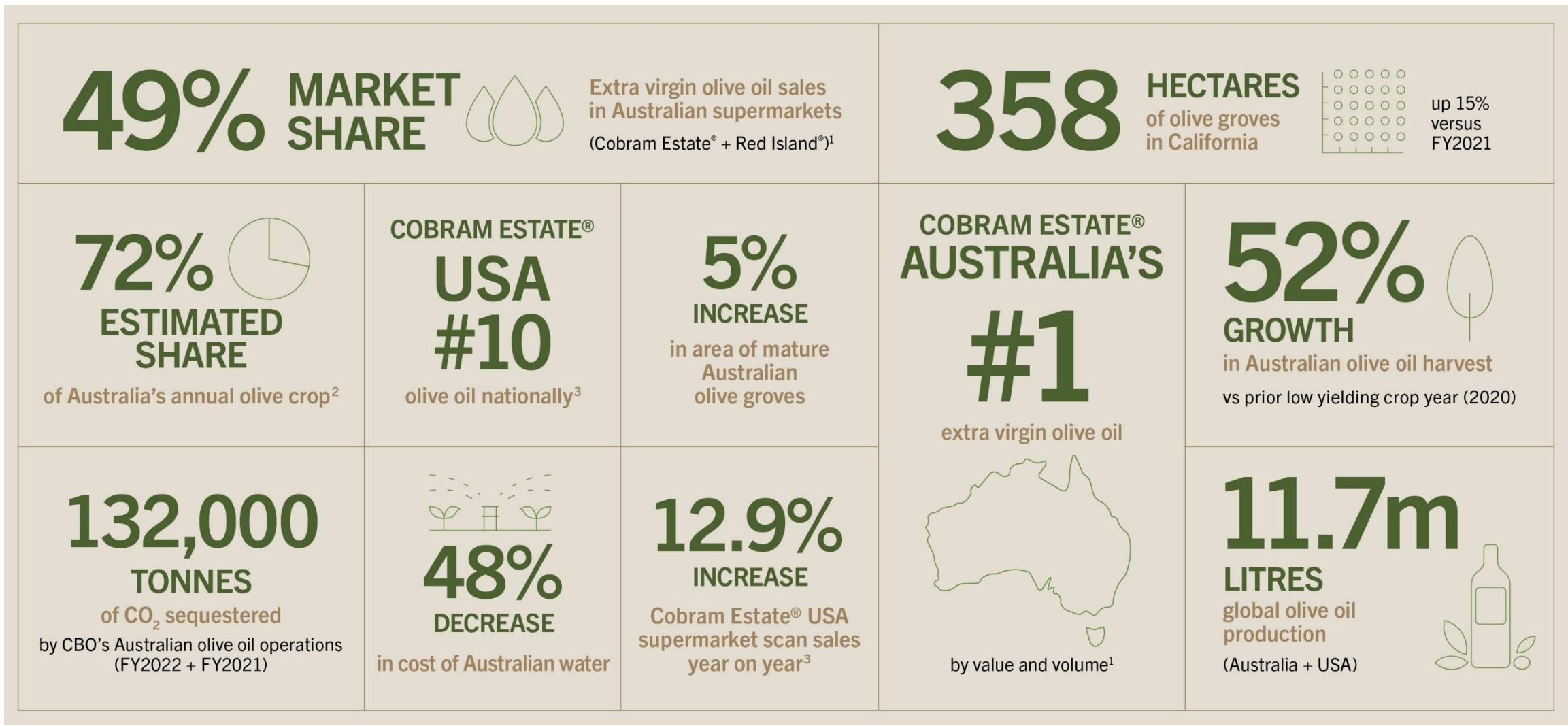
**Premium market-  
leading consumer  
brands**






**Continuous  
improvement and  
sustainable practices  
and products**

**Significant Barriers to Entry**

# Group Operations - Highlights FY2022



# Financial Highlights – FY2022

<p>Two-Year Rolling Average EBITDA (Normalised)<sup>1</sup> for the CBO Group</p> <p><b>\$47.9m</b></p> <p>versus \$34.3m in FY2021</p>	<p> NET LOSS AFTER TAX</p> <p><b>\$0.7m</b></p>	<p>CASH FLOW FROM OPERATIONS</p> <p><b>\$33.8m</b></p> <p>versus \$22.1m in FY2021</p>	<p>Two-Year Rolling Average EBITDA (Normalised)<sup>1</sup> for the Australian olive oil operations</p> <p><b>\$53.9m</b></p> <p>up 19.7% versus FY2021</p>
<p> Total USA olive oil sales</p> <p><b>\$28.7m</b></p>	<p><b>\$43.4m</b></p> <p>Balance sheet strength with cash/undrawn bank facilities</p>	<p>GEARING LEVEL</p> <p><b>25%</b></p> <p>down from 37% in FY2021</p>	<p>TANGIBLE ASSETS<sup>2</sup></p> <p><b>\$665.2m</b></p> <p>on 30 June 2022</p>
<p><b>\$140m</b></p> <p>GROUP SALES</p>	<p>COBRAM ESTATE® USA SALES</p> <p><b>\$10.4m</b></p>	<p>STATUTORY EBITDA</p> <p><b>\$25.1m</b></p>	<p>Global olive oil brand sales</p> <p><b>\$100.6m</b></p> <p>(Cobram Estate® and Red Island®)</p> 



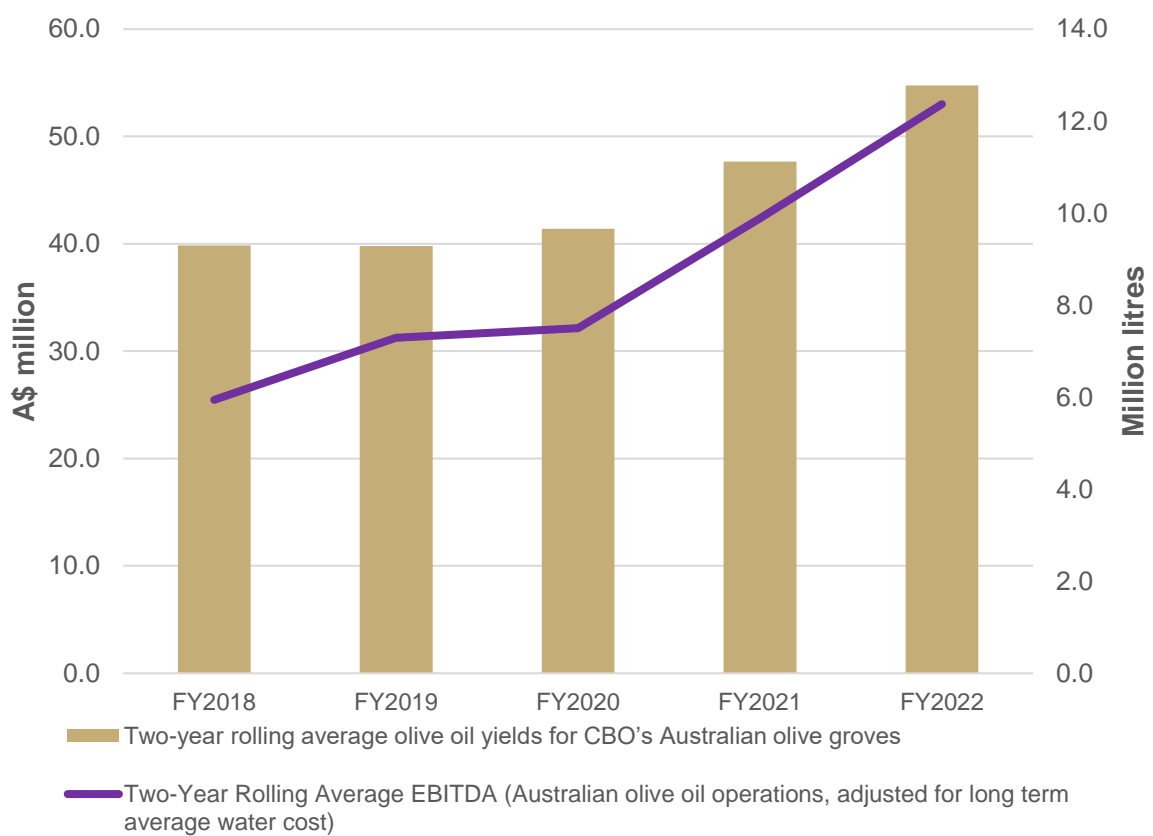
# Financial Year 2022 Results

# Australian Olive Oil Operations Performance

Two-Year Rolling Average EBITDA (Normalised)\* of \$53.9 million, up 19.7% year-on-year



Two-Year Rolling Average EBITA (Normalised)\* and two-year rolling average olive oil yield for CBO’s Australian olive oil operations



## Australian olive oil operations performance

- Two-Year Rolling Average EBITDA (Normalised)\*: \$53.9 million (up 19.7% vs FY2021)
- Two-year rolling average results allow for the natural high-low variation in olive oil crop yield due to biennial production
- **Two-Year Rolling Average EBITDA expected to increase over time as a result of investment in new plantings and maturing groves**

## Underlying Australian olive oil operations EBITDA adjusted for long-term average temporary water costs and listing costs

A\$ million	EBITDA (Australian olive oil division)			
	FY2019	FY2020	FY2021	FY2022
Australian olive oil division Reported EBITDA	42.6	(2.9)	77.7	32.4
Adjusting for water costs to long term average*	9.8	14.8	(0.3)	(2.8)
Adjusting for ASX listing costs	-	-	0.8	-
<b>EBITDA (normalised)</b>	<b>52.4</b>	<b>11.9</b>	<b>78.2</b>	<b>29.6</b>
Two-Year Rolling Average EBITDA – normalised		32.2	45.1	53.9
Change (%)			40.1%	19.7%

# Group Profit or Loss (Statutory)

Strong performance from the Australian olive oil division in a “lower yielding crop year”

## Profit or Loss

\$'million	FY2022	FY2021	Variance
<b>Revenue</b>			
Sales revenue	139.6	140.0	(0.3)
Other revenue	3.0	2.2	0.8
Net change in fair value of agricultural produce	22.9	67.6	(44.7)
<b>Total Revenue</b>	<b>165.5</b>	<b>209.7</b>	<b>(44.3)</b>
<b>EBITDA</b>			
Australian Olive Oil	32.4	77.7	(45.3)
USA Olive Oil	(4.7)	0.5	(5.2)
Innovation & Value-add (Wellness)	(2.6)	(5.3)	2.7
	<b>25.1</b>	<b>72.9</b>	<b>(47.8)</b>
Depreciation	(17.7)	(16.2)	(1.5)
Interest	(4.9)	(4.7)	(0.2)
<b>Total EBT</b>	<b>2.50</b>	<b>52.0</b>	<b>(49.5)</b>
Tax	(3.2)	(16.7)	13.5
<b>Total NPAT</b>	<b>(0.7)</b>	<b>35.2</b>	<b>(35.9)</b>

## Key points

- Decrease in EBITDA predominately driven by the lower Australian crop of 9.5 million litres (FY2021: 16.05 million litres)
- Australian Olive Oil Operations** reported an EBITDA of \$32.4m (FY2021: \$77.7m), driven by:
  - Decrease in crop volume (noting FY2022 is an “lower yielding crop year”)
  - Increase in farm-gate (net) sales price per litre of olive oil
  - Increase in some costs such as fertilizer, electricity, fuel and wages - partially offset by decrease in the cost of water
- USA Olive Oil Operations** reported a drop in EBITDA contribution to a loss of \$4.7m (FY2021: \$0.5 million profit). This was driven by:
  - Decrease in sales of packaged goods, with total sales (including bulk) decreasing from \$36.7m to \$28.7m
  - Decrease in gross margin due to cost increases – particularly in packaging and freight
  - A price increase is being implemented in the first half of FY2023
- Innovation & Value Adding (Boundary Bend Wellness)** reported an improved result, reducing the EBITDA loss from \$5.3m to \$2.6m
  - The Company has rationalised its cost structure, with sales more focused on biomass and ingredient products

# Group Cash Flow Statement

Operating cash flow of \$33.8 million, up 52.9% year-on-year

## Cashflow statement

\$'million	FY2022	FY2021	Variance
<b>Earnings before tax</b>	<b>2.5</b>	<b>52.0</b>	
(Increase) / decrease in working capital	7.2	(49.3)	
Depreciation / Interest	17.7	16.2	
Interest expense	4.9	4.7	
Other non-cash items	1.5	(1.5)	
<b>Cash generated from operations</b>	<b>33.8</b>	<b>22.1</b>	<b>11.7</b>
Interest paid	(5.5)	(5.6)	
Tax paid	(0.9)	(0.2)	
<b>Cash generated from operations (after tax and interes</b>	<b>27.4</b>	<b>16.3</b>	<b>11.1</b>
Net cash used in investing activities	(36.7)	(19.0)	
Proceeds from share issue	50.7	0.0	
Proceeds from loans to key management personel	4.8	0.0	
Net proceeds / (repayment) of borrowings	(29.9)	0.1	
Dividends paid to shareholders	(11.6)	0.0	
<b>Net increase in cash and cash equivalents</b>	<b>4.7</b>	<b>(2.6)</b>	

## Key points

- Strong operating cashflow reflective of (1) the Company managing its olive oil supply over two harvest periods (24-months) to meet the consistent monthly customer demand; and (2) increasing two-year average supply of olive oil
- **Cash generated from operations** of \$33.8m (FY2021: \$22.1m), driven by a strong performance of the Australian olive oil operations and the improvement in the working capital position
- **The company continued to invest in growth**, investing \$36.7m during FY2022 (FY2021: \$19.0m)
- Cash and undrawn debt facilities \$43.4m at 30 June 2022

# Group Balance Sheet

Strong balance sheet, with net assets of \$287 million and gearing falling to 25%

## Balance Sheet

\$'million	FY2022	FY2021	Variance
Cash	5.9	1.2	
Current Assets (excluding cash)	126.8	134.5	
Property, plant and equipment	394.0	293.5	
Intangible assets	6.7	6.7	
Other Non-current Assets	17.2	15.3	
<b>Total Assets</b>	<b>550.6</b>	<b>451.1</b>	<b>99.5</b>
Current Liabilities (excluding Borrowings)	34.8	30.0	
Current Borrowings	3.8	3.8	
Non-current Borrowings	137.3	161.8	
Tax Liability	74.8	53.4	
Other non-current liabilities	12.9	11.5	
<b>Total Liabilities</b>	<b>263.6</b>	<b>260.5</b>	<b>3.1</b>
<b>Total Equity</b>	<b>287.0</b>	<b>190.6</b>	<b>96.4</b>
Borrowing, less cash	135.2	164.4	
Tangible Assets	543.9	444.4	
Gearing ratio	25%	37%	

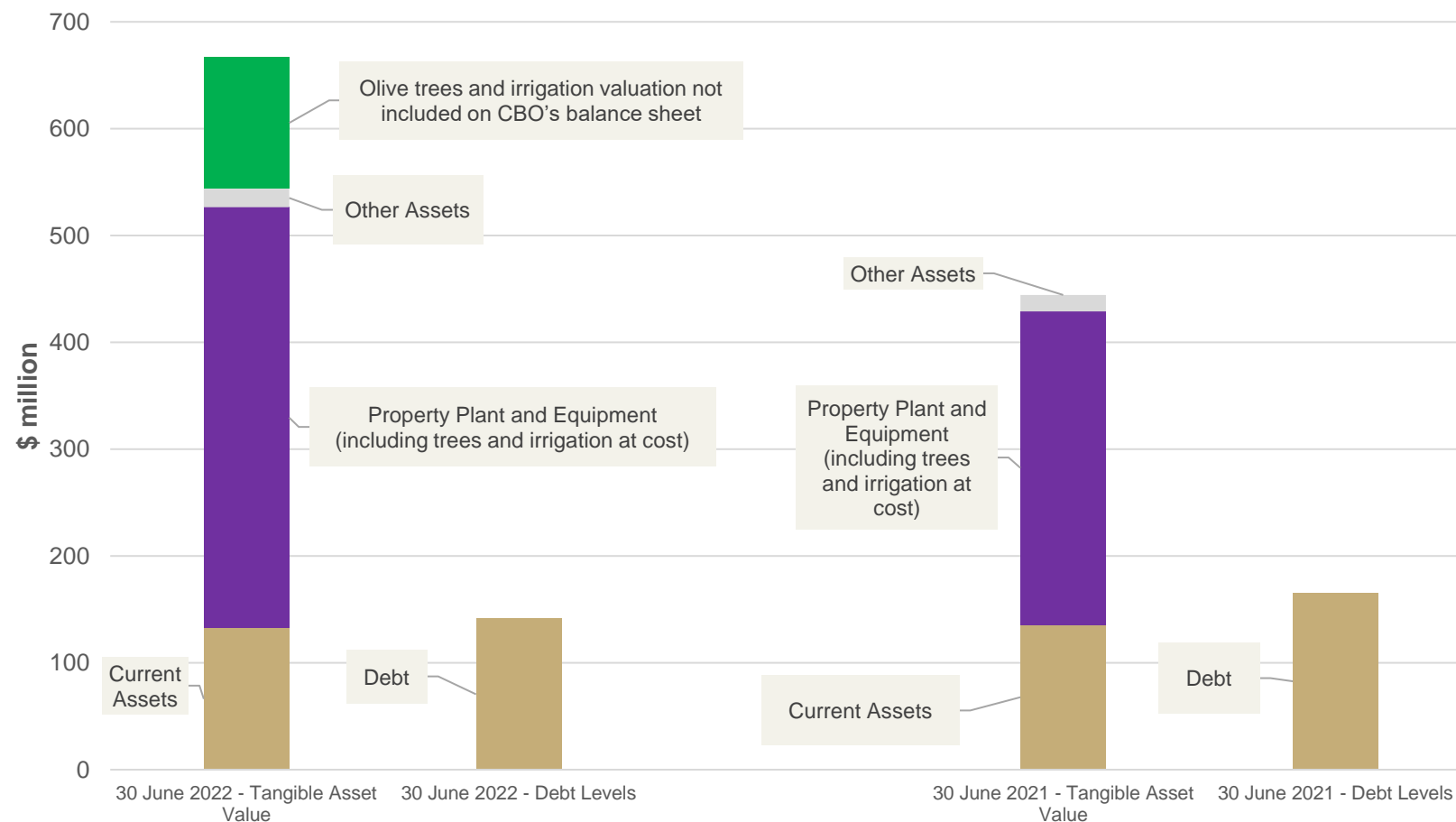
## Key points

- Significant increase in Total Assets, driven by the revaluation of real property assets
- Our olive trees are carried at cost (within Property Plant and Equipment), so have not been revalued
- The majority of Intangible Assets relate to the acquisition cost of the Cobram Estate® and Red Island® brands
- Of the tax liability, \$63.5m relates to an unrealised tax gain on Property Plant and Equipment that would only crystallise if these assets were sold
- Debt levels have decreased, with gearing levels reducing from 37% to 25%

# Real Asset Backing, Decreasing Gearing, and Minimal Leased Assets

Trees and irrigation are carried at cost, brands carried at acquisition cost (not fair value)

## Tangible Assets vs Debt Levels



## Key points

- Tangible assets of \$543m at 30 June 2022, or **\$665m** if you included the \$121.3m valuation increase on the olive trees and irrigation (not reflected on the Company's balance sheet)
- Cobram Estate® and Red Island® brands on the balance sheet as intangible at acquisition cost of \$6.7m. They now have global sales of \$100.6m (FY2021 \$96.7m)
- Only 155 hectares of the Company's total planted hectares are leased (2.2% of total planted hectares)
- Note: An external valuation was not conducted at 30 June 2021

# Strong Uplift in Property Valuation

Maturing groves and strong land/property prices drive significant uplift in CBO asset valuation

## 30 June 2022 asset valuations and impact on carrying value\*

COUNTRY	ITEM	CARRYING VALUE AT 30 JUNE 2022 BEFORE ANY VALUATION ADJUSTMENT (\$ MILLION)	INDEPENDENT VALUATION 30 JUNE 2022 (\$ MILLION)	INCREASE IN VALUE 30 JUNE 2022 (\$ MILLION)	CARRYING VALUE AT 30 JUNE 2022 AFTER ANY VALUATION ADJUSTMENT (\$ MILLION)	INCREASE IN CARRYING VALUE ON 30 JUNE 2022 (\$ MILLION)
<b>Australia</b>	Land and buildings	73.7	128.2	54.5	128.2	54.5
	Olive trees and irrigation	135.8	251.0	115.2	135.8	–
	Total	209.5	379.2	169.7	264.0	54.5
<b>USA</b>	Land and buildings	36.6	46.8	10.2	46.8	10.2
	Olive trees and irrigation	9.1	15.2	6.1	9.1	–
	Total	45.7	62.1	16.3	56.0	10.2
<b>Argentina</b>	Land and buildings	0.1	3.3	3.2	3.3	3.2
	Olive trees and irrigation	–	–	–	–	–
	Total	0.1	3.3	3.2	3.3	3.2
<b>Total</b>	Land and buildings	110.4	178.3	67.9	178.3	67.9
	Olive trees and irrigation	145.0	266.3	121.3	145.0	–
	Total	255.3	444.6	189.3	323.3	67.9

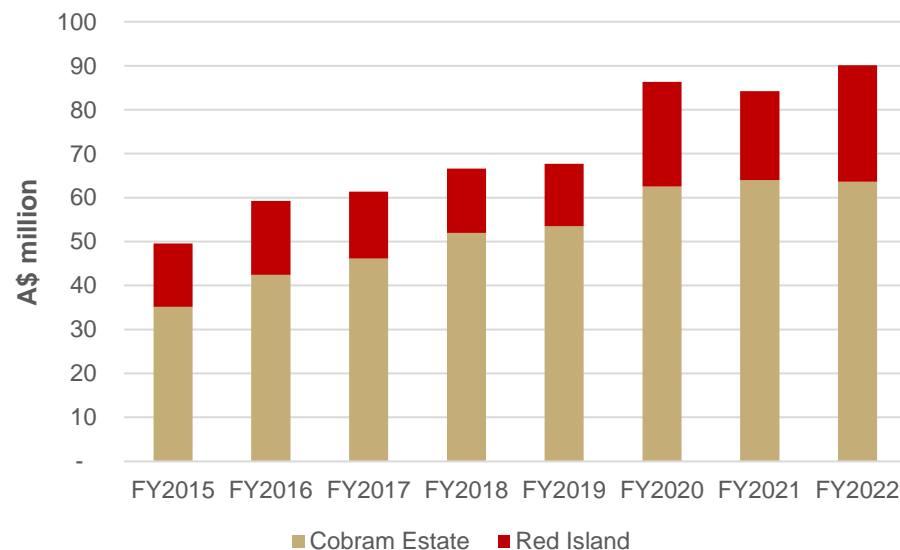
### Key points

- Independent valuation undertaken by LAWD and CBRE, as at June 2022
- Total valuation of \$444.6 million, \$189.3 million higher than the carrying value of our groves and industrial property assets before adjustment**
- Tree and irrigation assets continue to be carried at cost, therefore only \$67.9 million of the \$189.3 million has been recognised on our balance sheet
- Valuation increases reflect maturing grove profile and general increase in the value of rural land and industrial properties

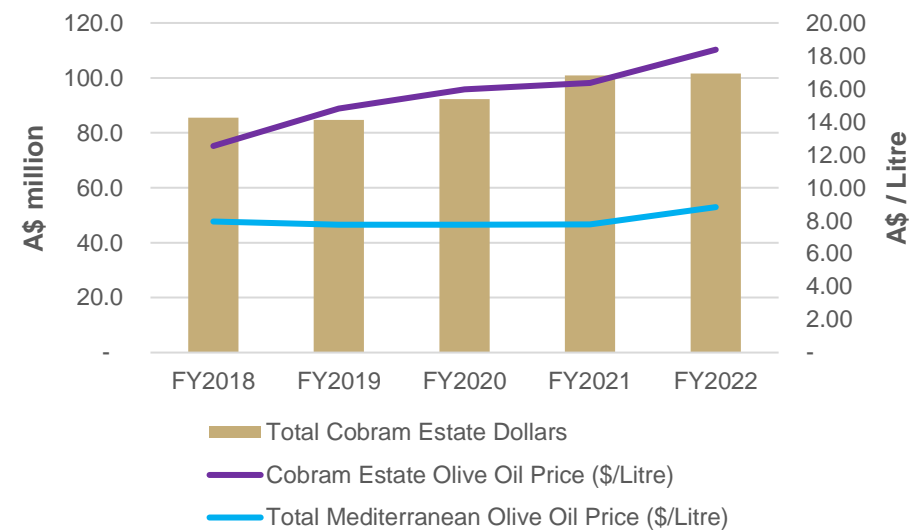
# Strong Sales Growth for Australian Olive Oil Operations

Total olive oil sales of \$105.8 million in FY2022, an increase of 7.8% vs. FY2021

**Cobram Estate® + Red Island® brands**  
Australian Olive Oil Sales - FY2022



**Australian Supermarket Cobram Estate® retail scan sales vs. \$/Litre**  
**Cobram Estate® and Mediterranean olive oil (all grades) – FY2022\***



## Key points – FY2022

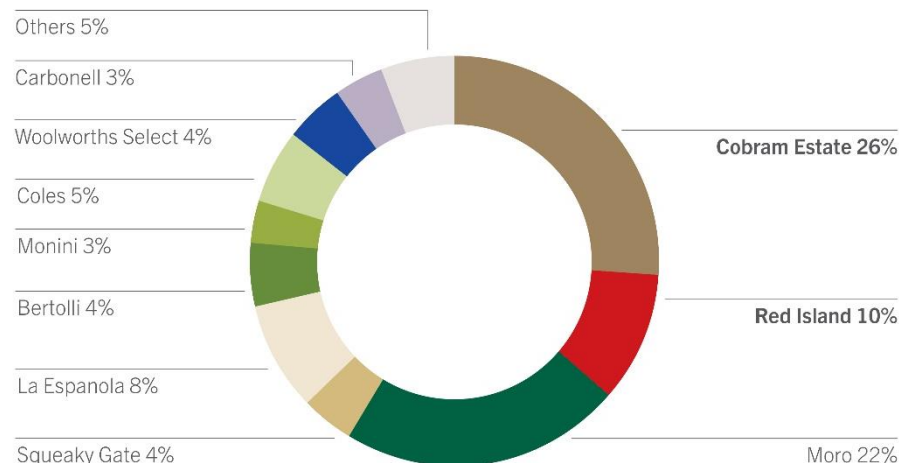
- Total sales of \$105.8 million, up 7.8% year-on-year (FY2021: \$98.1 million)
- Total branded sales (Cobram Estate® + Red Island®): \$90.1 million (FY2021: \$84.3 million)
- Share of total olive oil sales: Cobram Estate® 60%; Red Island® 25%; bulk 8%; private label 7%
- Cobram Estate® brand achieved retail scan sales growth alongside increasing \$ per litre

# CBO's Market-Leading Position in the Australian Olive Oil Category

The strength of CBO's brands highlighted by growth in market share, up 9% in value terms year-on-year

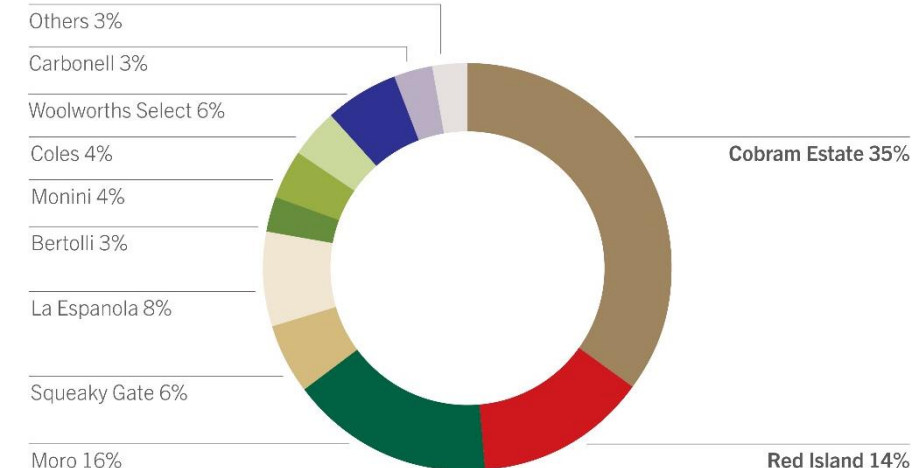
## Total olive oil

Share of supermarket sales by brand  
(dollar value) – FY2022\*



## Extra virgin olive oil

Share of supermarket sales by brand  
(dollar value) – FY2022\*



### Cobram Estate® and Red Island® combined brand market share in FY2022:

- 36% of total olive oil sales by value in Australian supermarkets (up from 33% in FY2021)\*
- 49% of total extra virgin olive oil sales by value in Australian supermarkets (up from 45% in FY2021)\*

# Cobram Estate® Marketing Campaign Launched in Australian

Ads running on television, digital, social and print running on mainstream media channels

## Key points

- New Cobram Estate® advertisements launched to support our partnership with the 2022 season of Masterchef Australia
- Campaign theme: “Cobram Estate® – Australia’s most loved extra virgin olive oil”
- The commercials focus on the brands four key pillars – quality and taste; health; Australian and family; and sustainability
- Featuring brand partners chef Neil Perry AM, former AFL star Nick Riewoldt, dietitian and CBO Board member Dr Joanna McMillan, and CBO’s chief horticulturist Ruth Sutherland

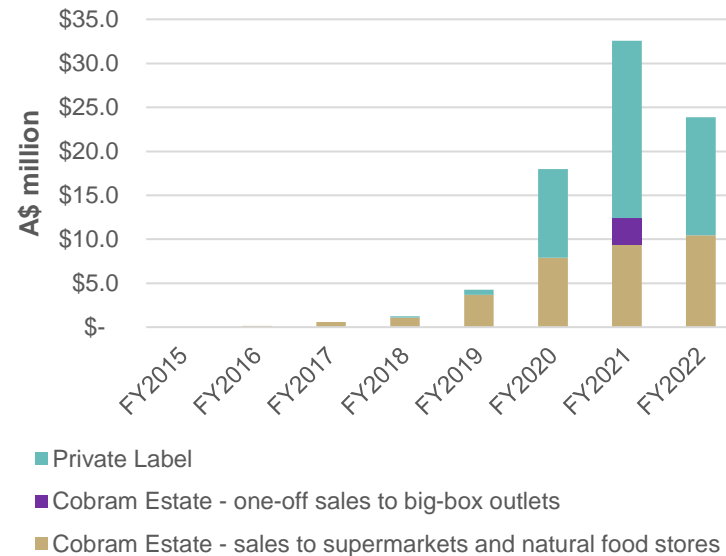


# USA Sales of \$28.7 Million, Down Due to Limited Californian Olive Oil

Cobram Estate® wholesale sales to US supermarkets and scan sales up 11.0% and 12.9% respectively

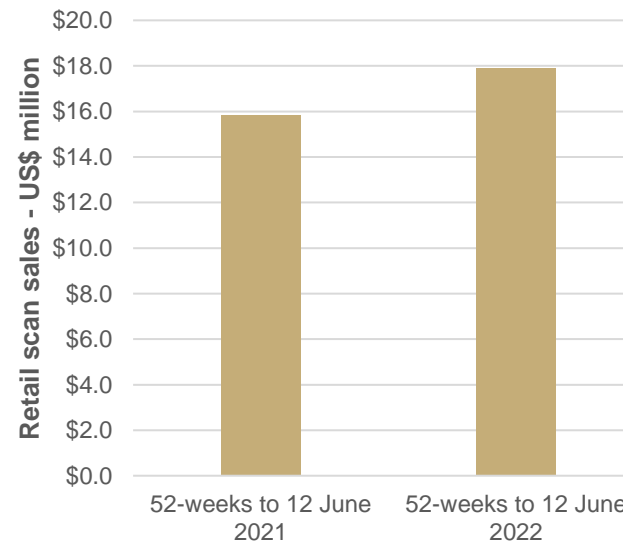
## USA Packaged Olive Oil Sales

Cobram Estate® and private label

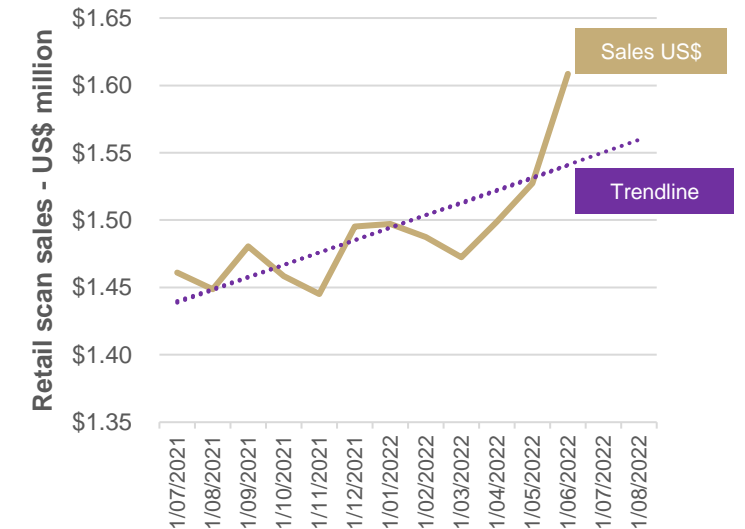


## USA retail sales for Cobram Estate® in USA supermarkets/natural food stores\*

Year on year scan sales (US\$)



Monthly retail scan sales July 2021-June 2022 (US\$)



### Key points – FY2022

- USA sales limited by lack of Californian olive oil; total sales \$28.7 million, down 21.7% (FY2021: \$36.7 million)
- Share of sales: private label 46.7%; Cobram Estate® 36.4%; bulk 16.9%
- Job-lot sales of Cobram Estate® to big box retailers not repeated in FY2022 (FY2021: \$3.0 million)
- Cobram Estate® sales to supermarkets grew by 11.0% to \$10.4 million (FY2021: \$9.4 million)
- Cobram Estate® supermarket scan sales grew 12.9% (52 weeks-ending 12 June 2022)\*

# Financial Outlook

Outlook is positive, underpinned by strong demand for extra virgin olive oil and our maturing groves

- Maturing Australian groves plus new groves in California set to deliver significant growth for CBO
- Demand for Australian and Californian olive oil remains very strong
- Mediterranean olive oil supply under pressure after hot and dry conditions
- Business experiencing rising costs, to be partially offset by low Australian water prices and USA price increases
- Our Australian olive groves are in very good condition as we head into our 2023 higher yielding crop year
- **CBO's FY2023 Statutory EBITDA is expected to be materially higher than FY2022** (subject to the risks associated with farming)
- **The Board's current intention is to pay a final dividend of 3.3 cents per share in December 2022,** expected to be declared at CBO's AGM in October 2022





# Business Operations Highlights

# Global Olive Oil Operations Update

Vertically integrated business operations running relatively smoothly despite external challenges

## Key points

- 11.7 million litres global olive oil production in FY2022 (Australia + USA)
- Over 15 million bottles and tins of extra virgin olive oil packed and shipped (Australia + USA)
- Tight labour market and disruption from COVID-19 remains a challenge in all areas of the business
- Despite this, business operations are running relatively smoothly
- In the USA, conditions remain dry. We have sufficient water to support the current needs of Company-owned and leased olive groves
- Rising costs across the business (see next slide)



# External Cost and Supply Chain Pressures

Rising costs partially offset by low Australian water prices

## Rising costs in Australia

- Input cost pressure particularly in the areas of fertiliser, fuel, electricity, wages, and freight
- Cost increases partially offset by low water prices
- Selling through consumer brands (Cobram Estate® and Red Island®) provides opportunity to increase prices should cost pressures persist

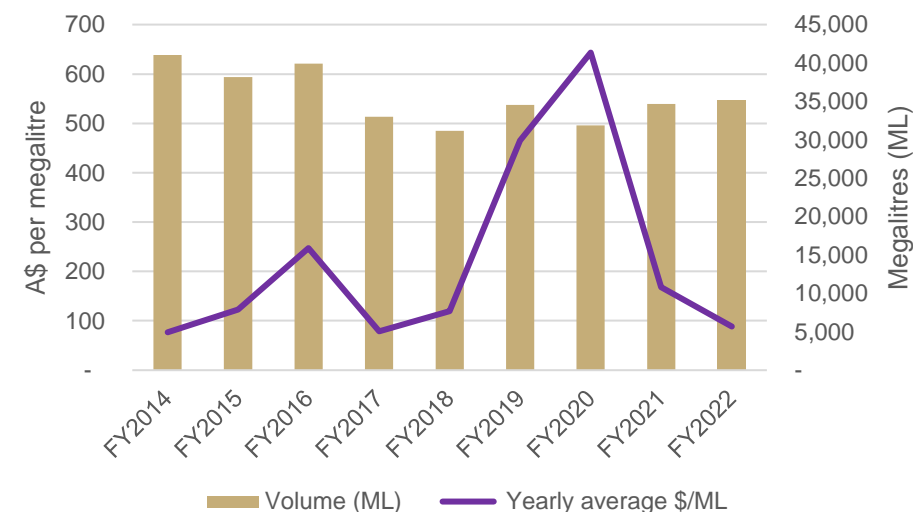
## USA experiencing supply chain cost pressure

- Escalating supply chain costs (primarily freight and packaging) impacted USA financial performance
- Active negotiations with USA supermarket customers expected to result in prices increasing to take effect around October 2022

## Vertical integration helps minimise supply chain disruption

- We have largely avoided supply chain disruption thanks to our vertically integrated model
- 85% of the olive oil the Company sells in Australia and the USA is grown or milled by CBO

## CBO's temporary water volume and purchase price per megalitre - FY2014-FY2022



## Australian water costs down 48% in FY2022

- CBO's full year FY2022 water requirements for its Australian groves cost \$88 / ML, down from \$168 / ML in FY2021
- We currently anticipate water prices to remain below long-term averages in FY2023

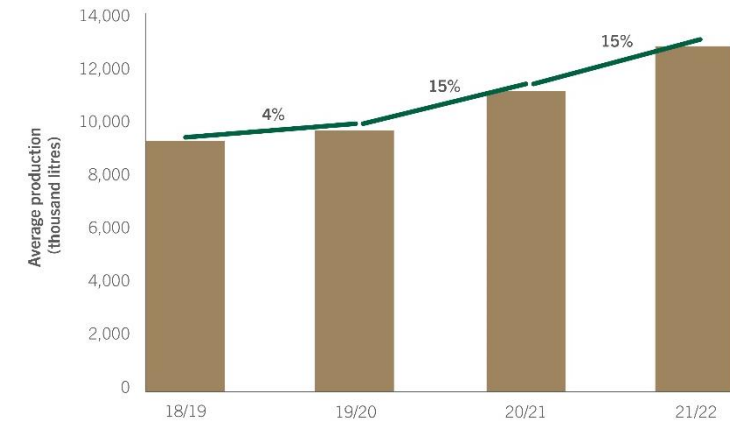
# 2022 Australian Olive Harvest

Olive oil yield up 53% vs. previous lower yielding crop year

## Key points

- Our 2022 harvest delivered, as expected, a significantly lower yielding olive crop when compared with 2021
- 9.5 million litres produced, 53% up on the previous lower yielding crop year (2020: 6.2 million litres)
- CBO's estimated share of the 2022 Australian olive crop is 72%
- **FY2023 will be a higher yielding crop year on our Australian groves and we anticipate a substantial increase in Australian olive oil production in FY2023**

## Two-year rolling average olive oil yields for CBO's Australian olive groves



# Growth Strategy

## Four core growth pillars

1.

### **Increasing supply from our Australian olive groves through maturing plantings and efficiency gains**

29% of the Company's Australian groves are not fully mature and a further 7% are yet to come into production. Average yields from the Company's mature groves have increased by 16% over the past 4 years

2.

### **Growing our vertically integrated business in the USA**

The Company is encouraged by the immense opportunity to replicate its Australian business model in the USA in the medium to long term. The key focus is increasing the supply pipeline of Californian produced olive oil to drive packaged goods sales at retail

3.

### **Growing branded product sales and improving the net price per litre for our extra virgin olive oil**

Continued premiumisation and differentiation of the Company's brands globally whilst never compromising consumer trust and/or value proposition

4.

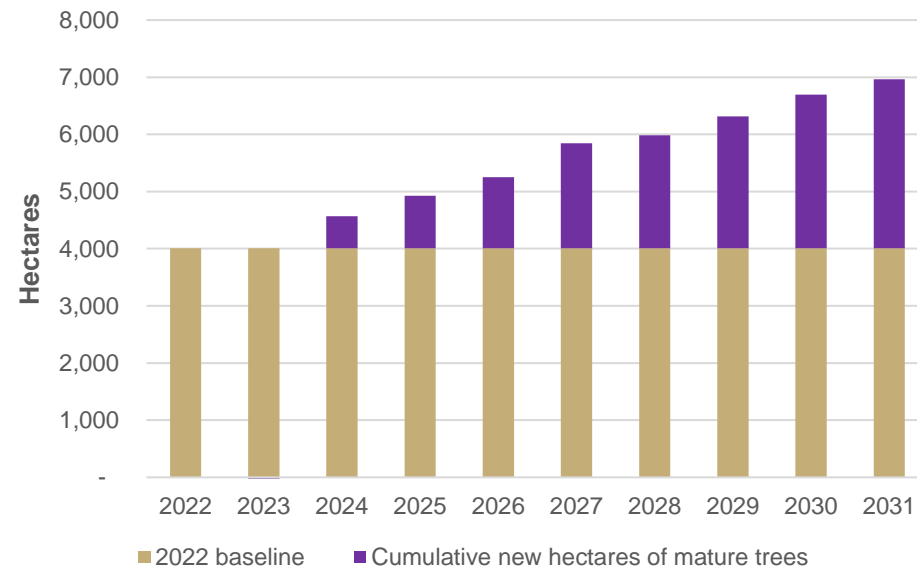
### **Capitalising on our sustainable position and upcycling our olive oil by-products**

As part of its sustainability strategy, CBO is committed to its zero-waste and carbon farming initiatives and using and upcycling its by-products to extract the highest possible return for both the Company and the planet

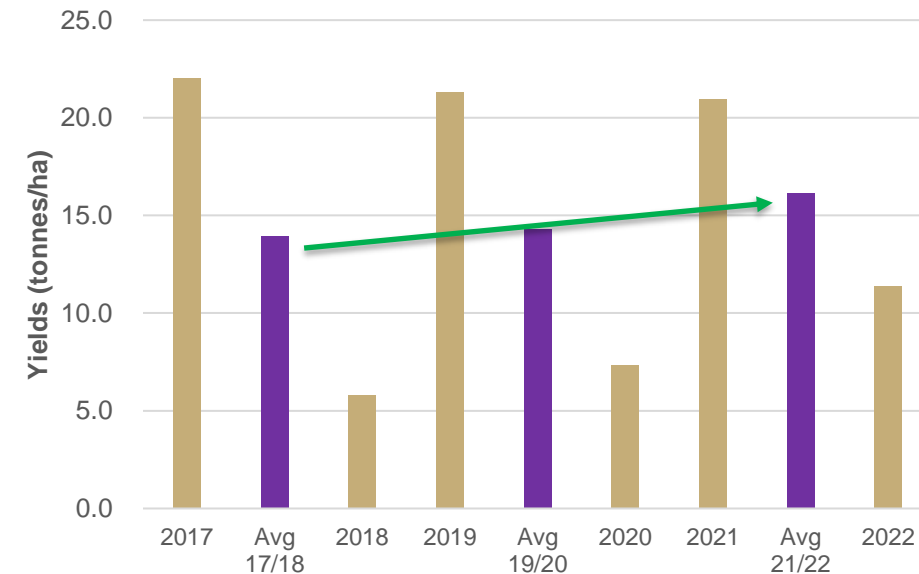
# Growth Strategy – Increasing Supply From Australian Olive Oil Operations

Maturing groves to grow by CAGR of 7.5% over the next 10-years

CBO's projected hectares of mature olive trees in Australia



Average mature yields - CBO's Australian olive groves



- Our investment in expanding and redeveloping our Australian olive groves will grow future supply of olive oil
- An olive tree's first 'harvestable' crop is at 3 years; with 'mature' yields at 8 years
- Currently 64% of our Australian groves are mature, 29% immature, 7% not yet productive
- Based on current and future plantings of ~650 hectares at Boort and Wemen, mature groves in Australia will increase from 4,009 hectares to 6,999 hectares over the next 10-years
- Two-year rolling average yields from the Company's mature groves increased 16.2% between 2017/18 and 2021/22

# Growth Strategy - Capital Projects in Australia

Growth projects underway at our Boort grove in FY2023

## Two major capital projects in Australia for FY2023

### 1. Boort olive mill upgrade

- Over the next 8 years CBO's mature grove area at Boort will grow from 987 hectares to 3,516 hectares
- Contracted third-party supply will grow proportionally over the same period
- The Boort olive mill will be upgraded to match future needs, increasing capacity from 30 to 80 tonnes of olives per hour

### 2. Boort grove development

- Preparation underway for a greenfield 415-hectare olive planting at our Boort grove in Victoria
- Planting will take place during FY2023, increasing our total olive plantings at Boort from 3,101 hectares to 3,516 hectares



# Growth Strategy – Growing Our Vertically Integrated USA Business

Significant expansion of CBO's third-party growers and USA land and olive grove portfolio in FY2022

## USA grove development and acquisitions

- December 2021 - settled on two parcels of land, 182 hectares approx. suitable for olives
- May 2022 – acquired 50% share of a mature Californian olive grove, Riddle Ranch
- Planned development of 202 hectares in FY2023 and 182 hectares in FY2024
- This will take our total groves in the USA to approx. 742 hectares / 395,500 olive trees

## Third-party growers

- Third-party grower area under contract increased to 2,100 hectares

## CBO's Californian olive oil operations and locations



## CBO's Californian olive grove portfolio as of August 2022

Farm Name	Land Ownership Type	Planted / Not Planted	Planting Year	Planted Hectares	Trees planted / to be planted
DeBo Ranch	Long-term lease	Planted	2015	53 leased	26,000
Hungry Hollow Ranch	Mix of owned freehold and long-term lease	Planted	2019	40 owned / 102 leased	69,000
Esparto South Ranch	Owned freehold	Planted	2021	116 owned	28,000
Riddle Ranch	Owned freehold	Planted	2010/2012	47 owned	84,500
Dunnigan Hills Ranch (Phase 1)	Mix of owned freehold and long-term lease	Not yet planted	2022	40 owned / 162 leased*	99,000
Dunnigan Hills Ranch (Phase 2)	Owned freehold	Not yet planted	2023	182* owned	89,000
*Estimated			<b>TOTAL</b>	<b>742 (425 owned / 317 leased)</b>	<b>395,500</b>



## HOW WE EXTEND THE OLIVE BRANCH

### OUR *Sustainability* MISSION

We aspire to lead extra virgin olive oil farming into a sustainable future for planetary health by giving more people access to the joy and nutritional health that only authentic, sustainable and high-quality extra virgin olive oil can provide so they can eat delicious, healthier and more sustainable diets.

#### KEY PILLARS & PRIORITY TOPICS



## Our people

- A dynamic year for our people
  - transitioned to ASX-listing
  - wet conditions for 2022 Australian harvest
  - maintained excellent culture and safe working environment during COVID-19
  - formalised company values - honesty, passion, and humility
- We congratulate and thank our team for their amazing work ethic and the incredible commitment they have shown throughout FY2022

## Our planet

- Carbon footprint analysis completed (production to consumption)
  - CBO's Australian operations capture ~4kg of CO<sub>2</sub>e for every litre of olive oil CBO produces
- Partnership with Carbon Farming Foundation (CFF)
  - 500-hectare Mallee Reforestation Project at our Boundary Bend grove
- Continue to optimise our 'Zero Waste' initiative
  - pomace project with Sustainability Victoria
  - currently only 0.1% of grove output ends up in landfill

## Our business

- **Recognised as a Sustainability Leader by Australian Financial Review / Boston Consulting Group**
- Featured in 'Planet Shapers' television documentary
- Produced new functional food products
- Partnered with Monash University - Low FODMAP Certification
- Continued education and promotion through the Olive Wellness Institute®

# Questions?



Cobram

Estate®



Thank-you!



# Appendix

# Cobram Estate Olives - From Tree to Table

## Growing and marketing olive goodness in Australia and the USA

### About Cobram Estate Olives

- Established in 1998, Cobram Estate Olives (ASX: CBO) is Australia's largest vertically integrated producer and marketer of premium quality extra virgin olive oil
- CBO owns Australia's top two home-grown olive oil brands, Cobram Estate® and Red Island®, with a combined value share of 49% of extra virgin olive oil sales in Australian supermarkets (FY2022)\*
- CBO owns over 2.4 million olive trees planted on 6,584 hectares of farmland in central and north-west Victoria, and 207,500 trees planted on 358 hectares of long-term leased and freehold properties in California, USA
- In total, CBO owns 18,677 hectares of freehold farmland, of which 16,700 hectares is freehold farmland in central and north-west Victoria and south-west New South Wales. The Company also owns Australia's largest olive tree nursery, three olive mills, two olive oil bottling and storage facilities, and the Modern Olives® laboratory
- CBO is market leader in the Australian extra virgin olive oil industry and a leader in sustainable olive farming through continued innovation and market education; the release of 27 peer reviewed research publications; the development of the Oliv.iQ® integrated olive production system (<https://oliv-iq.com/>); our zero-waste initiative; and the creation of the Olive Wellness Institute® (<https://olivewellnessinstitute.org/>)



# CBO's Key Consumer Brands Include Market-Leading Cobram Estate®

Iconic, highly visible consumer brands with demonstrated pricing power



## Cobram Estate®

- The #1 selling extra virgin olive oil\* in Australian supermarkets by value in FY2022
- The #10 selling olive oil brand in the USA by value for the 52 weeks ending 12 June 2022, sold in over 13,000 USA stores\*\*
- Exported to 16 countries including Canada, Japan and New Zealand
- Amongst the world's most awarded, winning more than 400 awards for excellence in quality and taste
- \$74.0 million net sales in FY2022

## Red Island®

- Purchased in 2012
- Now the second largest selling brand of Australian extra virgin olive oil in Australian supermarkets\*
- Exported to Canada, China, Fiji, Malaysia and New Zealand
- \$26.5 million net sales in FY2022
- Multiple awards for excellence in quality and taste

# CBO's Olive Growing, Milling and Bottling Operations in Australia and USA

Large-scale olive groves and olive mills, delivering efficiencies in olive growing, harvesting, milling and bottling



## Olive groves, harvesters and farmland

- Australia: 2.4 million olive trees planted on 6,584 hectares of Victorian farmland near Boundary Bend, Boort and Wemen
- USA: 207,500 olive trees planted on 358 hectares of long-term leased and freehold properties near Woodland (California)
- 26 olive harvesters (including 23 Colossus and two Optimus II)
- In total, CBO owns 18,724 hectares of freehold farmland, of which 16,700 hectares is freehold farmland in Victoria and NSW



## Olive mills and olive oil storage

- Australia: combined milling capacity of 104 tonnes of olives per hour and 6.5 million litres of olive oil storage located on-site at Boundary Bend and Boort
- USA: milling capacity of 40 tonnes of olives per hour and 2.9 million litres of olive oil storage located at Woodland (California)
- Utilising the Company's proprietary production system - Oliv.iQ® - CBO achieves average olive oil yields nearly nine times the global average per hectare (2,800 litres vs. 283 litres per hectare) with a production cost per litre 30% lower than world's weighted average



## Bottling, warehouse and laboratory / R&D

- Australia: high-speed filling capacity of 14,400 bottles per hour, 9 million litres of olive oil storage, and approximately 20,000m<sup>2</sup> of warehousing at Lara (near Geelong)
- USA: high-speed filling capacity of 3,500 bottles per hour, and approximately 5,000m<sup>2</sup> of warehousing at Woodland
- CBO owns and operates one of the worlds leading olive R&D, QA and olive oil testing laboratories – Modern Olives® - with labs in both Lara (Australia) and Woodland (USA)