



FY24 Performance

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This Presentation is current as of 28 February 2025





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FY24 Performance Overview



FY24 Scorecard



Strategic Acquisitions

- **THC and Ananda Food fuelled growth:** boosting revenue and advancing the Company's (D2C) strategy.
- These acquisitions are set to **drive strong sales growth from Q2 2025** with NPD & new retail opportunities.



Ops. Optimisation

- **Adjusted EBITDA loss improved 40% to \$2.8M** (from \$4.6M in FY23), driven by revenue growth and efficiency gains.
- **Facility consolidation and greater process efficiencies** will drive more operational gains.



Sales Growth

- **Group revenue reached \$15M in FY24, up 80.9%** on FY23, driven by acquisitions and organic growth.
- **Proforma revenue hit \$17.7M**, reflecting a full year of Ananda and Healthy Chef.



Retail Diversification

- **Healthy Chef** acquisition is **accelerating D2C with 6 new products** planned in 2025
- 40% growth in the health distribution channel reduced reliance on grocery.



Margin Improvement

- **Group gross margin peaked in FY24 at 40% in Q4**, driven by operational efficiencies and product mix optimisation.
- **Stronger D2C focus in FY25 is expected to drive further gains.**



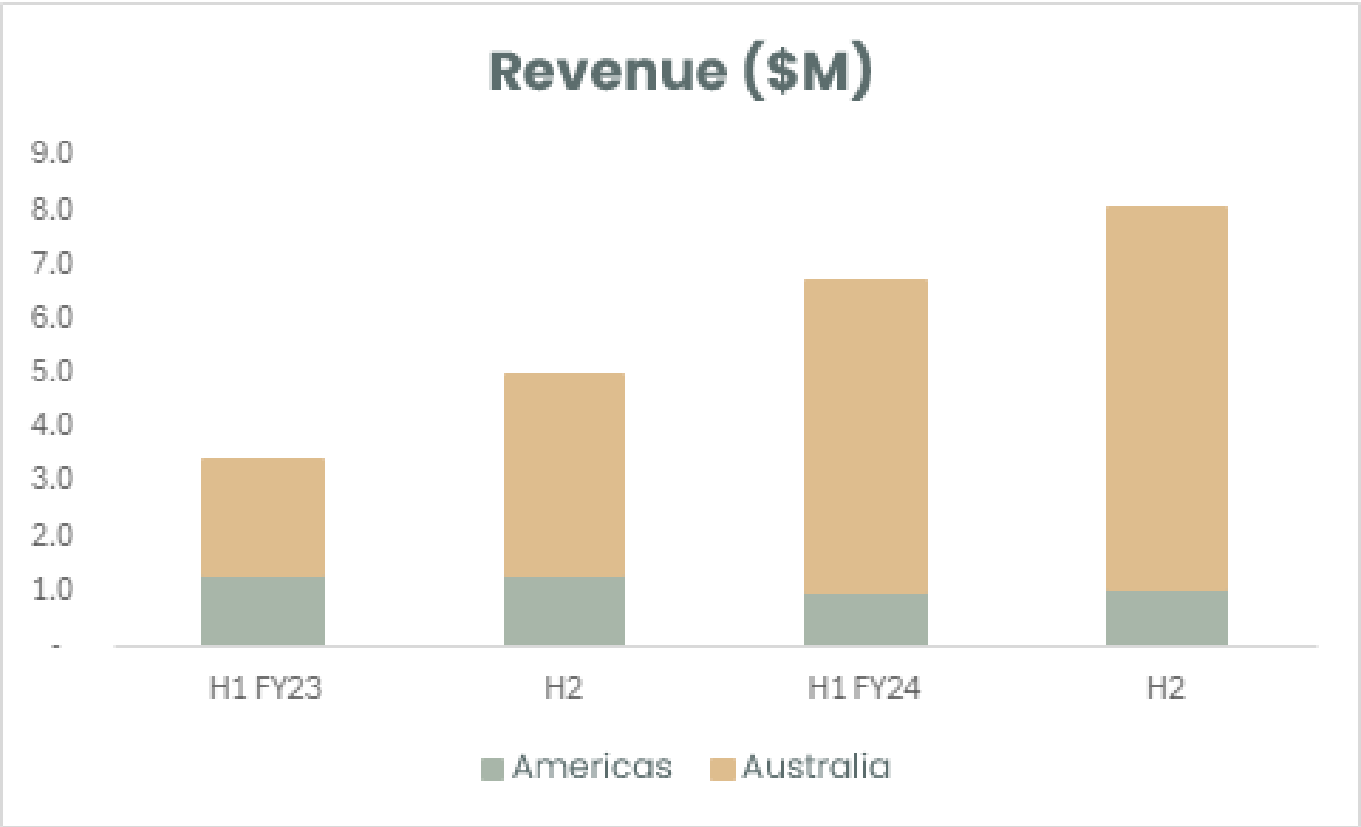
Near Break-even

- **Healthy Chef and Elixinol USA delivered positive FY24 EBITDA.**
- **Elixinol USA posted a \$0.1M profit in FY24**, reversing a \$1.3M loss in FY23.
- **FY24 after tax loss slashed to \$1.7M from \$7.5M a year ago.**

FY24 Financial Highlights

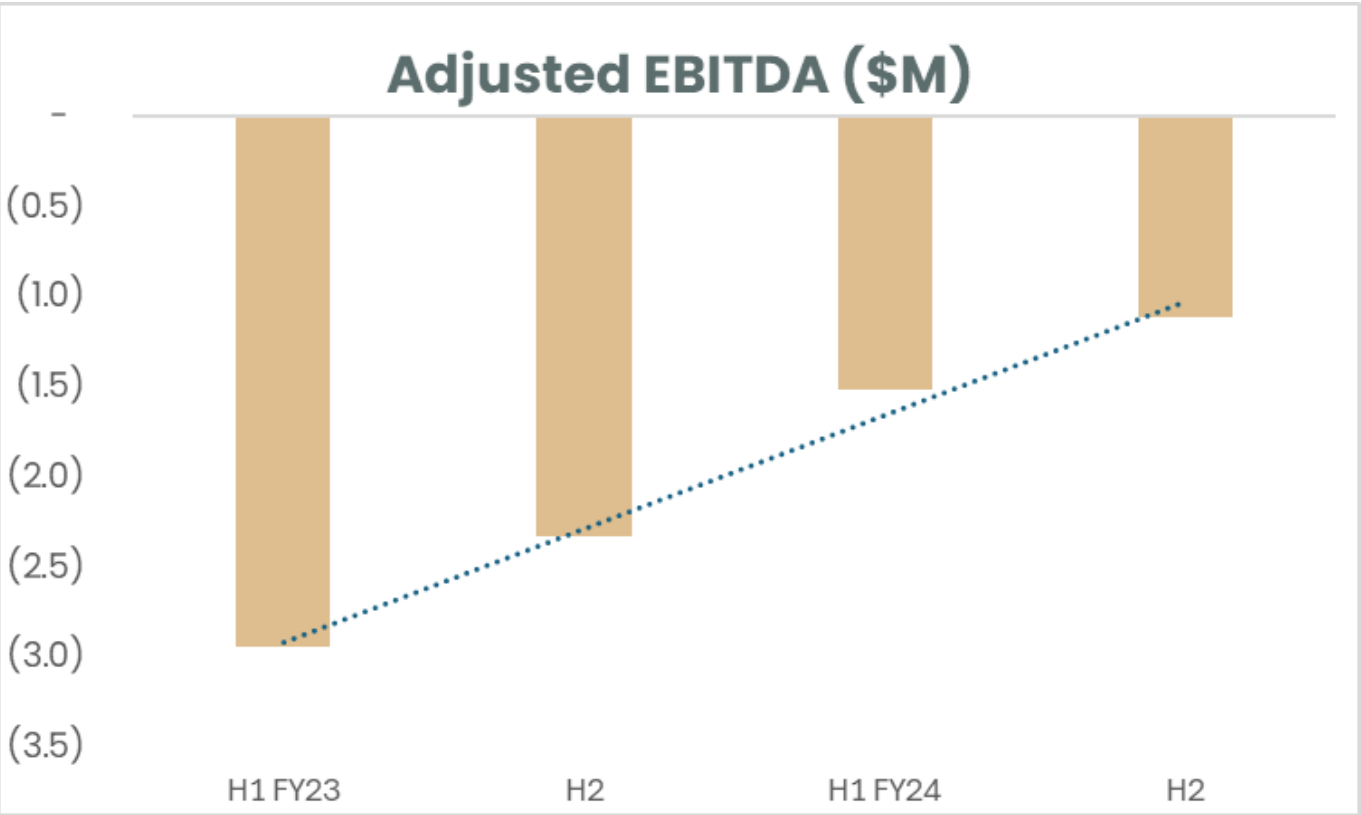
Revenue Growth

- **Revenue Up 81%:** FY24 revenue reached \$15.0M (\$8.3M in FY23), driven by acquisitions, retail diversification, and an expanded brand portfolio.
- **Stronger Financial Position:** FY24 ended with \$1.1M cash and solid short-term funding, extending the financial runway beyond five quarters (normalised spend).
- **Acquisition Impact:** Ananda Foods and The Healthy Chef acquisitions significantly boosted revenue and operational scale.



EBITDA and NPAT Improvements

- **EBITDA Up 40%:** Adjusted EBITDA loss (ex one-offs) improved \$1.8M to (\$2.8M).
- **Losses Cut:** After-tax loss reduced to \$1.7M (from \$7.5M). Use of \$3.6M Deferred Tax Assets signals confidence in future profitability.
- **Near Breakeven:** Business recalibrated for FY25 profitability.



* Adjusted to exclude non-cash impairments, share-based payments and non-recurring expenditure

Financial Snapshot (P&L)

| A\$M | FY24 | FY23 | FY22 |
|---------------------------|-------|-------|--------|
| Revenue | 15.0 | 8.3 | 7.1 |
| Cost of goods sold | (9.3) | (4.9) | (3.8) |
| Gross profit | 5.6 | 3.4 | 3.2 |
| Gross Margin (%) | 38% | 41% | 45% |
| Operating expenses | (8.7) | (8.6) | (12.2) |
| Non-operating income | 0.3 | 0.6 | 0.5 |
| Adjusted EBITDA | (2.8) | (4.6) | (8.5) |
| Abnormal/One-off expenses | (0.9) | - | - |
| Depreciation | (1.0) | (0.6) | (0.7) |
| Impairment of assets | (0.4) | (1.7) | (1.0) |
| Share-based payments | (0.0) | (0.7) | (0.2) |
| Interest income/(cost) | (0.2) | 0.1 | - |
| Profit/(Loss) before tax | (5.3) | (7.5) | (10.6) |
| Tax expense | 3.6 | - | - |
| Profit/(Loss) after tax | (1.7) | (7.5) | (10.6) |

Profitability Surge

- **NPAT Gains:** After-tax loss cut to \$1.7M (from \$7.5M in FY23), marking a significant turnaround.
- **Board Confidence in Profitability:** The use of \$3.6M Deferred Tax Assets signals confidence in sustained future earnings.
- **Adjusted EBITDA Up 40%:** Losses improved by \$1.8M to (\$2.8M), driven by revenue growth and cost reduction.

Revenue and Margin Performance

- **Revenue Up 81% to \$15.0M**, fueled by acquisitions and an expanded brand portfolio.
- **Gross Margins Rebounded to 40% in Q4**, despite FY24 declines due to sales mix shifts and weaker US contributions.

Operating Efficiencies

- **Operating Costs Held at \$8.7M**, despite strong revenue growth, reflecting disciplined cost control.
- **29% Cost Reduction since FY22**, driven by ongoing operational optimisation.

Financial Position

| A\$M | 31-Dec-24 | 31-Dec-23 |
|------------------------------------|-------------|-------------|
| Current assets | | |
| Cash and cash equivalents | 1.1 | 0.7 |
| Trade & other receivables | 1.6 | 1.7 |
| Inventories | 3.9 | 3.7 |
| Assets held for sale | 0 | 1.5 |
| Other | 0.6 | 0.6 |
| Total current assets | 7.2 | 8.2 |
| Non-current assets | | |
| Property, plant and equipment | 1.2 | 0.9 |
| Investments | 0.3 | - |
| Intangible assets | 6.2 | 2.3 |
| Deferred tax | 3.6 | - |
| Other | 0.1 | 0.3 |
| Total non-current assets | 11.3 | 3.5 |
| Total assets | 18.4 | 11.7 |
| Liabilities | | |
| Trade and other payables | 2.2 | 2.1 |
| Other current liabilities | 2.8 | 2.8 |
| Deferred /Contingent Consideration | 2.7 | - |
| Other Non-current liabilities | 0.7 | 0.3 |
| Total liabilities | 8.4 | 5.2 |
| Net assets | 10.0 | 6.5 |

Stronger Asset Base

- **Total assets up 57% to \$18.4M** (from \$11.7M), driven by the Ananda Foods acquisition and \$3.5M intangible asset.
- **Inventory stable at \$3.9M**, reflecting strong resource management and operational discipline.

Cash and Capital Management

- **Cash reserves grew to \$1.1M**, supported by \$2.3M from a non-core asset sale.
- **Liabilities of \$8.4M**, primarily due to acquisition-related contingent cost (Healthy Chef).
- **Debt optimisation** improving capital efficiency and working capital flexibility.

Net Asset Gains

- **Net assets up 54% to \$10.0M** from \$6.5M, reflecting acquisition benefits and non-current asset growth.

FY24 Foundation for Sustainable Growth

- **Strategic acquisitions, asset stability, and capital efficiency set the foundation in FY24 for sustained long-term growth.**

Segment Performance

| A\$M | Australia | | Americas | | Corporate | |
|-------------------------|-----------|-------|----------|-------|-----------|-------|
| | FY24 | FY23 | FY24 | FY23 | FY24 | FY23 |
| Revenue | 12.9 | 5.6 | 2.1 | 2.6 | - | - |
| Gross profit | 4.3 | 1.7 | 1.4 | 1.7 | - | - |
| GP Margin (%) | 33% | 30% | 66% | 65% | - | - |
| Operating expenses | (5.6) | (2.8) | (1.6) | (3.5) | (1.7) | (2.3) |
| Other income/(expenses) | 0.1 | - | 0.3 | 0.4 | - | - |
| Adjusted EBITDA | (1.1) | (1.1) | 0.1 | (1.4) | (1.7) | (2.3) |

* Adjusted to exclude non-cash impairments, share-based payments and non-recurring expenditure

Strong Australian Growth

- Revenue more than doubled to **\$12.9M** from \$5.6M, driven by organic sales and acquisitions of THC and Ananda Foods.
- **Gross profit rose by \$2.6M**, with margins improving from 30% to 33%.

EXL USA Profit Turnaround

- **66% gross margin** maintained despite e-commerce transition challenges.
- **Operating expenses** down \$1.9M
- **\$0.1M adjusted EBITDA** vs. \$1.4M loss in FY23

Corporate Efficiency

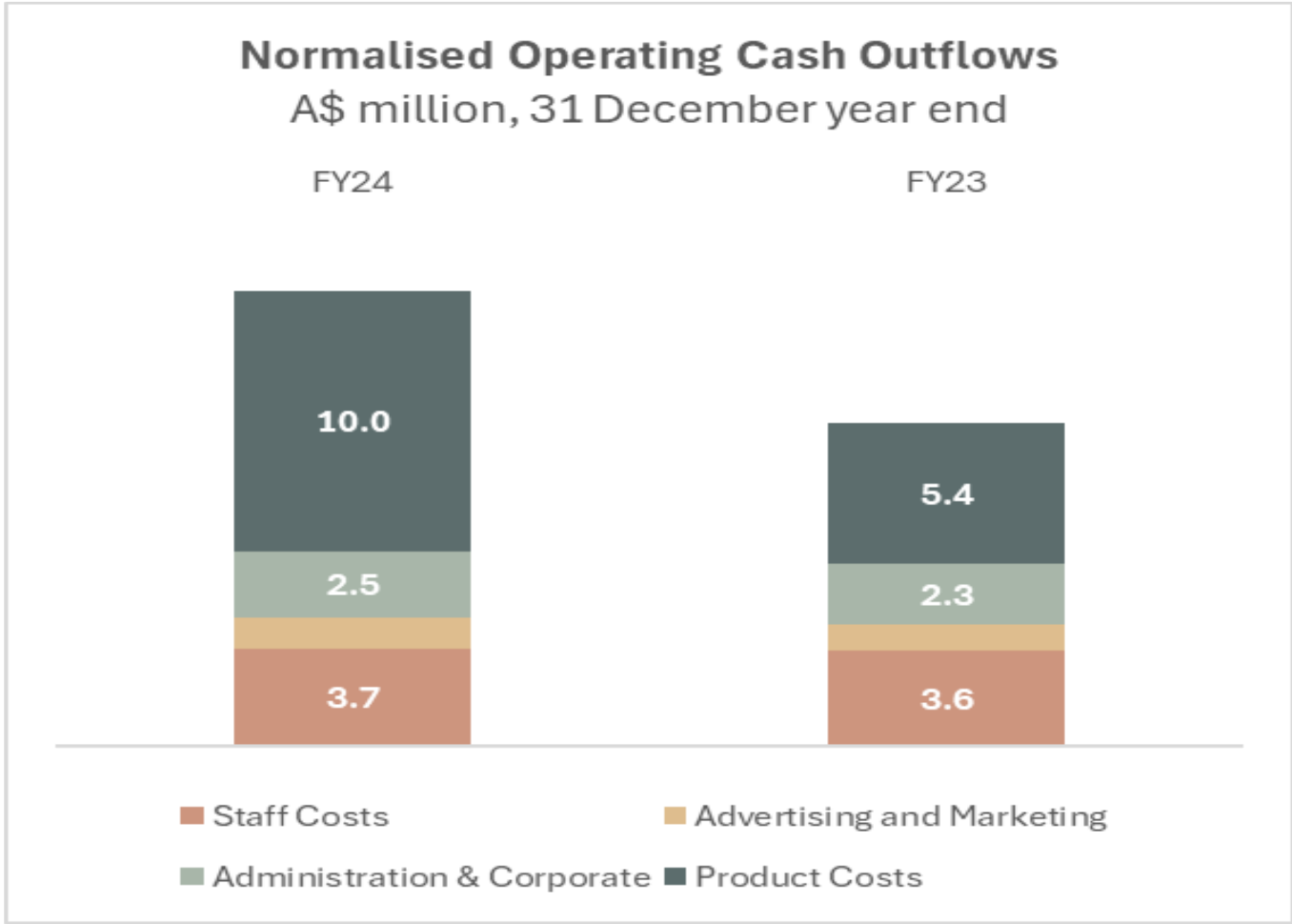
- **Corporate expenses down 26%** (\$0.6M) in FY24

FY24 Cash Flow

| A\$M | FY24 | FY23 |
|---------------------------------|------|------|
| Operating activities | -3.5 | -2.8 |
| Investing activities | 0 | -1 |
| Financing activities | 3.9 | 1.6 |
| Net increase/(decrease) in cash | 0.4 | -2.2 |
| Opening cash on hand | 0.7 | 2.9 |
| FX impact | 0 | - |
| Closing cash on hand | 1.1 | 0.7 |

Strengthened Position and Path to Profitability

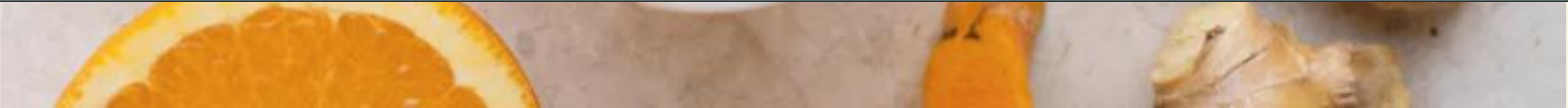
- **\$1.1M cash**, supported by \$3.9M financing inflows, extending the **financial runway beyond five quarters (ex one-offs)**.
- **\$0.7M cost increase driven by one-off integration** expenses from Ananda Foods & The Healthy Chef acquisitions.
- **Operating cash burn \$3.5M** reflects **higher sales** and **inventory investment for growth**.
- **Normalised cash burn improved to \$2.6M**, with efficiency gains and cost control.
- **Increase in product costs (\$10.0M vs. \$5.4M FY23)**, reflects scalability strategy, ensuring supply readiness for expansion..
- **Staff and corporate expenses stable**, reinforcing disciplined cost management.
- **Further cost savings in FY25** position the Group for operating profit.





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FY25 Growth Strategy



FY25 Scorecard



Sustained Expansion

Expand Market Presence

- Scale Healthy Chef and Elixinol USA for enhanced profitability
- Strengthen hemp dominance in grocery and white-label partnerships



Operational Excellence

Streamline Processes for Greater Efficiency

- Optimise supply chain and post-merger synergies
- Streamline operations and drive EBITDA growth through cost efficiencies
- Profitability!



Market Expansion

Retail Diversification

- Strengthen e-commerce and pharmacy distribution
- Expand USA through targeted marketing
- Pursue strategic export opportunities



Targeted Innovation

Focus on High-Growth Segments

- Launch new products in healthy snacking and supplements
- Enhance product differentiation with premium, nutrient-rich formulations.
- Advance sustainable packaging innovation



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House of Brands

FY24 Brand Highlights

BYRON BAY BORN 1999
Hemp Foods
AUSTRALIA



FY24 Sales Performance

- 46% growth year-on-year
 - Hemp Ingredients
 - Protein products,
 - Functional Seed Mixes (Grocery)

FY25 Growth Strategy

- Drive mainstream uptake of hemp
- Expand successful functional seed mixes in major retail

**HEALTHY
CHEF**



FY24 Sales Performance

- 12%* growth year-on-year
 - Strong customer loyalty

FY25 Growth Strategy

- 6 New NPD
- Supercharge digital advertising strategy
- Expand into retail

 **elixinol**



FY24 Sales Performance

- 24% lower year-on-year
 - EBITDA positive, (FY24 \$0.1M)

FY25 Growth Strategy

- Strengthen Elixinol in US\$7.7BN CBD market
 - Leverage wholesale growth
 - Expand Topicals range

**Healthy Chef based on Proforma data*

FY24 Brand Highlights



FY24 Performance

- Maintained ranking in grocery for hemp ingredients range.

H2 Growth Strategy

- *Expand brand footprint into \$2.2BN healthy snacking market*
- *18 new savoury, high protein SKUs into mainstream Grocery & Health*



FY24 Sales Performance

- 49%* growth year-on-year
 - *Expanded distribution*
 - *Increased customer loyalty*

F25 Growth Strategy

- *Expand Mt Elephant's range with 2-4 new SKUs with brand collab*
- *Expand into healthy snacking 3 new SKU's*



FY24 Sales Performance

- 24%* growth year-on-year
 - *Major pet retailers engaged for future expansion*
 - *E-commerce in steady growth*

F25 Growth Strategy

- *Scale through retail partnerships.*
- *2 New SKU's*

**Mt Elephant and Field Day based on Proforma data*