

ASX Announcement: 11 August 2025

TasFoods Limited (TasFoods, ASX:TFL)

Strategic Decision to Sell Pyengana Dairy

TasFoods Limited (**TasFoods, ASX:TFL, the Company**) is pleased to announce that after a number of years of successful growth and achievements by its Pyengana Dairy brand that TFL now intends to sell Pyengana Dairy. TFL believes that new ownership is most appropriate for Pyengana Dairy to continue its journey as Australia's favourite premium artisan cheese with a particular focus on the award-winning Traditional Cloth Bound cheddar cheese.

TFL is proud of the reputation for quality and excellence that our Pyengana Dairy products have achieved under TFL's ownership. During TFL's ownership Pyengana Dairy has won over 50 awards for our cheese highlighted by our Silver Award in the 2023 International Cheese and Dairy Awards for best Australian Cheese – Mature Cheddar.



TasFoods acquired Pyengana Dairy in 2017 during the initial growth phase of the Company's product portfolio strategy. As previously highlighted, since the implementation of our strategic roadmap in 2022 the Company has actively explored and assessed our strategic options, challenging every aspect of our business portfolio.

Our recent business unit review concluded that the current TasFoods company structure is not the appropriate vehicle to develop and scale up the Pyengana Dairy premium brand and business. With the business unit unable to achieve TasFoods benchmarks under the Capital Management Framework it was determined to explore a divestment of Pyengana Dairy. Net proceeds for this transaction will be used to strengthen our Poultry supply chain network.

About Pyengana Dairy

Located in the remote North-East of Tasmania in the Pyengana Valley. Pyengana Dairy is a premium branded artisan cheese manufacturer, with production facilities and farmhouse café in the one location that has been creating Traditional Cloth Bound cheddar cheese for over 130 years. All milk used to produce Pyengana Dairy cheddar cheese is sourced from a single herd dairy farm adjacent to the production facility and farmhouse café.

Website: <https://pyenganadairy.com.au/>

TFL intends to today commence a marketing campaign to sell the Pyengana Dairy business. In conjunction with that, TFL is pleased to announce that it has entered into a non-binding Term Sheet – Option Agreement with TFL significant shareholder MSC ATF AgFood Opportunities Fund (“AgFood”) where AgFood has granted TFL an option for TFL to sell the Pyengana Dairy business to AgFood & Associates.

High level details of the Term Sheet are as follows:

- Sale Price: \$2 million plus inventory at settlement date;
- The Company may exercise this Option at any time by notice in writing to AgFood Fund prior to mid-September 2025;
- Full settlement on or before 31 October 2025;
- No exclusivity until the Company exercises the Option;
- AgFood has offered to consider partnership with others interested in Pyengana Dairy;
- TasFoods shareholder approval required mid-October 2025; and
- TasFoods will continue to manage Pyengana Dairy under a paid Service Agreement with AgFood for a period to ensure the business continues to meet its targets and assist with its growth strategy.

It is our view that the divestment of Pyengana Dairy to AgFood (or other appropriate buyer) provides the premium brand and artisan award winning products with the best possible opportunity to achieve its full potential of scaling-up under new ownership as part of the business unit’s growth strategy nationally and into export markets overseas.

TasFoods continues to explore and review all possible strategic initiatives including partnerships, increased vertical integration and complementary asset utilisation options through the lens of ensuring enhanced returns to shareholders.

Authorised for ASX release by the Board of Directors of TasFoods Ltd (ASX:TFL).

TasFoods contact

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