

Noumi Limited

H1 FY25 Results

25 February 2025



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Non-IFRS information

Operating Profit, Statutory EBIT and Statutory EBITDA are unaudited, non-IFRS financial information.

Agenda



H1 FY25 OVERVIEW

01



COMPANY EVOLUTION

02



FINANCIAL PERFORMANCE

03



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H1 FY25 Overview

Improved operating results



- ◆ Reset, Transform, Grow strategy drives performance. Adjusted operating EBITDA of \$27.5m up 19.0%
- ◆ Plant-based Milks delivers record adjusted operating EBITDA of \$25.3m up 9.2%
- ◆ Market leading Milklab brand continues to grow across both plant and dairy - domestic and export - up 6.7% overall
- ◆ Dairy and Nutritionals delivers \$4.6m adjusted operating EBITDA compared to \$2.2m in H1 FY24
- ◆ Outlook for Milklab remains strong, commodity dairy prices recovering but overall Dairy margins remain low
- ◆ Working Capital management delivers operating cash flow improvement

Our team development

- ◆ Ongoing initiatives to enhance the health and safety of team members remain a priority
- ◆ Our global team of over 500 highly skilled professionals, including our team in Singapore and China, drive our ongoing growth and development
- ◆ Increased participation in our leadership program continues to develop our team and drive improved engagement
- ◆ Increased investment in programs developing leaders to drive growth, collaboration and success
- ◆ Continue to develop frontline leadership at Shepparton and Ingleburn, allowing us to embed operational excellence



Highlights

\$27.5m

Adj Op
EBITDA ^{1,2}

⬆️ \$4.4m

\$4.6m

Dairy & Nutritional
Adj Op EBITDA

⬆️ \$2.4m

\$25.3m

Plant-based Milks
Adj Op EBITDA

⬆️ \$2.2m

\$299.3m

Net
Revenue

⬆️ \$2.6m

\$206.1m

Dairy & Nutritional
Net Revenue

⬇️ \$3.1m

\$93.2m

Plant-based Milks
Net Revenue

⬆️ \$5.7m

(\$82.1m)

Statutory net loss after tax

⬇️ \$54.4m



1. Adjusted for non-trading and non-recurring items (including restructuring costs and other litigation costs, the US litigation settlement and unrealised foreign exchange gain).
2. Group adjusted operating EBITDA includes Unallocated Shared Service costs of \$2.4m

Company's Transformation and Evolution



Executing against the strategy

- ◆ **Reset progress** – Remaining legacy item set for resolution
- ◆ **Transformation progress** – Dairy and Nutritionals adjusted operating EBITDA doubled in H1. More consistent operations although margin pressure remains.
- ◆ **Transformation next steps** – Increased focus on value-added opportunities in Dairy & Nutritionals and Consumer Nutritionals – to supplement service, efficiency and reliability improvements
- ◆ Key plant-based milks initiatives contribute to strong **sales growth** in key export markets with Milklab Almond and Milklab Oat
- ◆ **Growth opportunities** – Strong Out-Of-Home base leveraged to deliver strong and growing results for Milklab in retail



Noumi – Key manufacturing sites



Dairy & Nutritionals Shepparton, VIC

- Noumi Nutritionals is a leading Australian manufacturer of quality long-life dairy products and premium protein ingredients including PUREnWPI and PUREnFERRIN.
- We source milk from ‘grass & grain’ fed cows from dairy farms across the Goulburn Valley to deliver the best dairy products from the most well-nourished cows to customers in Australia and overseas.



Located in Shepparton (VIC), Noumi Limited is one of the region's largest employers providing jobs to 300+ local workers at its plant.

Plant-based Milks Ingleburn, NSW

- Our state-of-the-art facility in Ingleburn, New South Wales specialises in the development and manufacturing of long-life plant-based milks.
- We are experts in the development and production of a wide range of plant-based beverages that include, but are not limited to Almond, Oat, Macadamia, Soy, Coconut and other milk varieties. We also produce liquid stocks and flavoured beverages, cream and nutritional sports food products.



Noumi Brands

Noumi has a broad portfolio of strong brands that meet differing consumer needs and occasions across multiple markets.



MILKLAB

Australia's Own
EST. 1995

VITAL STRENGTH

CRANKT

UPROTEIN
UNLEASH YOU EVERY DAY

noumi
nutritional

Financial Performance



H1 FY25 Earnings

\$ million	H1 FY25	H1 FY24	Change(\$)
Net revenue	299.3	296.7	2.6
Adj operating EBITDA ^{1,2}	27.5	23.1	4.4
Non-operating items incl. restructuring & litigation	(6.7)	(0.1)	(6.6)
Depreciation & amortisation	(6.0)	(8.5)	2.5
Net finance costs (excluding Convertible Notes)	(10.6)	(9.9)	(0.7)
Pretax earnings before fair value adjustment on Convertible Notes & impairment charge	4.2	4.6	(0.4)
Fair value adjustment on Convertible Notes	(36.3)	(32.3)	(4.0)
Non-cash Dairy & Nutritionals impairment charge	(50.0)	-	(50.0)
Income tax	-	-	-
Net loss after tax	(82.1)	(27.7)	(54.4)



Net revenue up 0.9% – Milklab overall sales up 6.7%; Domestic Long-life dairy up 7.0% and plant-based export sales up 26.6%



Adjusted operating EBITDA \$27.5m up 19.0% – improvement in both segments – record Plant-based Milks – D&N gains consolidated



Earnings positive \$4.2m after non-operating costs but before fair value Convertible Note charges and non-cash Dairy impairments



Convertible Note fair value charges to continue through to maturity in FY27



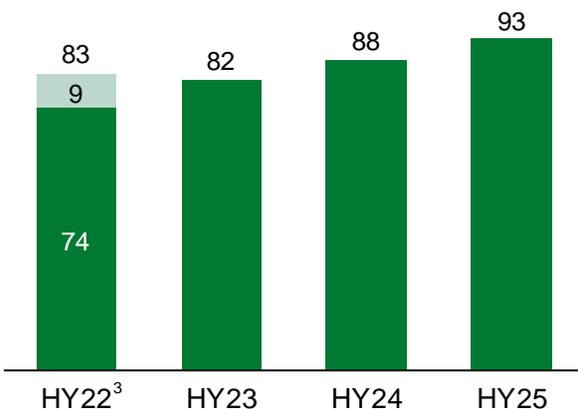
Non-cash impairment charge reflects Dairy industry challenges

Financial Performance | Plant-based Milks

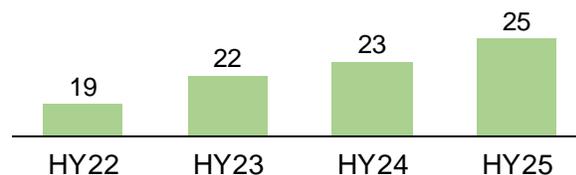
Financial results

\$ million	H1 FY25	H1 FY24	Change	Change
Net Revenue	93.2	87.5	5.7	6.6%
Adjusted Operating EBITDA ^{1,2}	25.3	23.1	2.2	9.2%
Adjusted Operating EBITDA Margin %	27.1	26.5	-	0.6ppt

Net Revenue (\$m)



Adjusted Operating EBITDA (\$m)



Summary of performance

- Record earnings, record revenues, strong margins
- Overall plant-based milk sales up 6.6%. Total Milklab, Milklab Oat and export all growing strongly
- Milklab continues to grow – up 7.8% following FY24 launch into retail, Milklab Oat milk sales up 31.5% following reformulation in 2023
- Margins grow slightly from optimised channel mix and scale economics
- Channel and geographic diversity supports growth ambition as consumer preference and behaviours evolve

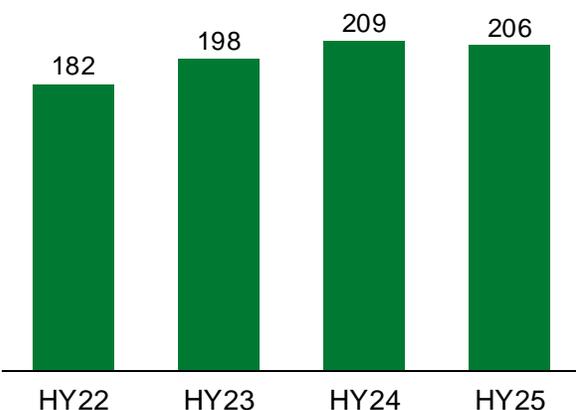
1. Adjusted for non-trading and non-recurring items (including restructuring costs and other litigation costs, the US litigation settlement and unrealised foreign exchange gain).
 2. Segment H1 FY25 results are post allocation of group shared services overhead except for realised FX and Board / ASX related costs of \$2.4m
 3. Net revenue in HY22 includes \$9m of subsequently discontinued low-margin products which have now been replaced with higher-margin sales of the Company's own brands.

Financial Performance | Dairy and Nutritionals

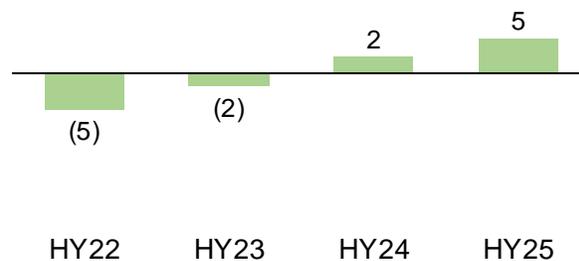
Financial results

\$ million	H1 FY25	H1 FY24	Change	Change
Net revenue	206.1	209.2	(3.1)	(1.5%)
Net revenue excl. traded milk	194.9	206.6	(11.7)	(5.6%)
Adjusted operating EBITDA ^{1,2}	4.6	2.2	2.4	110.1%
Adjusted operating EBITDA margin %	2.2	1.1	-	1.1ppt

Net Revenue (\$m)



Adjusted Operating EBITDA (\$m)



Summary of performance

- Positive adjusted operating EBITDA in H1 FY25 of \$4.6m, \$2.4m improvement on H1 FY24
- Domestic long-life milk sales up 7.0%, reflecting both volume increases and the recovery of FY25 cost increases
- Lactoferrin sales up 16.6%, rebounding from temporary production disruptions in H1 FY24
- High Australian farmgate milk prices in H1 FY24 impacted export competitiveness. Long-life export revenue down 29.6%
- Bulk cream sales up 6.2% despite a 2.2% decrease in volume. EBITDA impact improved by \$2.8m compared to H1 FY24
- Consumer Nutritionals sales down 11.1%, impacted by higher protein input costs and competitors maintaining prices

H1 FY25 Balance Sheet

Cash and Borrowings			
\$ million	31 Dec 2024	30 Jun 2024	Change (\$)
Cash and cash equivalents	26.5	14.6	11.9
Financial debt (excl. Convertible Notes)	(97.3)	(96.2)	(1.1)
AASB 16 Lease liabilities	(93.3)	(92.4)	(0.9)
Convertible Notes at fair value	(372.7)	(345.0)	(27.7)

Balance Sheet			
\$ million	31 Dec 2024	30 Jun 2024	Change (\$)
Total Assets	279.9	316.2	(36.3)
Total Liabilities	(667.3)	(621.1)	(46.2)
Net Liabilities	(387.4)	(304.9)	(82.5)

◆ **Cash at bank** of \$26.5m with undrawn finance facility of \$10m provides liquidity for operations based on current conditions and expectations

◆ **Financial debt** includes revolver, debtor financing and equipment leases

◆ **AASB16 lease liabilities** principally includes Shepparton and Ingleburn operations

◆ **Convertible Note** fair value charges to continue through to maturity in May 2027. New accounting rules require Notes re-classified to current liability due to conversion option

◆ Planning underway for the \$603.1m maturity of the **Convertible Notes** in 2027.

◆ **Balance sheet** – Milklab brand value not included on balance sheet

Cash Flow

\$ million	31 Dec 2024	31 Dec 2023
Cash flow from continuing operations	40.1	10.0
Net finance costs	(9.8)	(9.4)
Property plant and equipment	(2.1)	(2.2)
Income taxes paid	(3.3)	-
Restructuring related cash flows (net of security deposit unwind)	(4.2)	(1.6)
Movement in Net Debt (excl. Convertible Note FV changes)	20.7	(3.2)

Repayments of convertible notes	9.2	-
Repayment / (increase) in borrowings	(1.2)	5.9
Reduction in lease liabilities	0.8	1.0
(Decrease) / increase in cash	11.9	(10.1)
Movement in Net Debt (excl. Convertible Note FV changes)	20.7	(3.2)

Summary

- Net cash flow from operations very strong. Significant turnaround in collections. Trade receivables down \$17m compared to Dec 23
- Working capital management continues to be a key focus – tight inventory control, optimal use of debtor financing, minimal bad debts and all suppliers current
- Property plant and equipment spend carefully managed
- Litigation costs of \$7.6m include US litigation settlement and other legacy costs - offset by unwind of security deposit of \$3.4m, Class Action settlement fully provided
- Cash flow includes \$1.2m net increase in bank borrowings
- Cash payments on the Convertible Notes amounted to \$9.2m for the half year

Strategy



Our Growth Strategy

Develop high quality and innovative dairy and plant products to meet the different nutrition and taste needs of customers and consumers across life stages



Strategy | Plant-based Milks



MILKLAB ICED LATTE

Focus Areas

- ◆ Accelerate investment in brand and marketing activities for Milklab and Australia's Own in the Australian market
- ◆ Leverage Milklab brand campaigns, ambassador partnerships and high-quality range to increase sales and distribution
- ◆ Invest in R&D to deliver high quality, new innovative products that meet the taste and health needs of consumers
- ◆ Maintain focus and investment in building distribution and sales of Milklab in key Southeast Asian markets
- ◆ Celebrate new consumer trends, tastes and occasions with marketing programs such as Summer Sensations

Strategy | Dairy & Nutritionals

PRODUCT  REVIEW
.COM.AU

2021-25 AWARDS / WINNER

5 YEARS IN A ROW

UPROTEIN

**AWARDED
AUSTRALIA'S
BEST**

**PROTEIN &
SUPPLEMENT
RETAILER**



Focus Areas

- ◆ Invest further in Noumi's premium brands as consumer demand for high-quality Dairy and Nutritional products grow
- ◆ Continued focus on delivering high levels of operational efficiency to reduce wastage and increase margin
- ◆ Maintain focus on our supply chain, quality in our operations and delivering high levels of service to our customers
- ◆ Leverage R&D to accelerate innovation of new Dairy & Nutritional products satisfying increasing consumer demand
- ◆ Accelerate investment in PUREnFERRIN, expanding Noumi's range of lactoferrin products and distribution

The Healthier Tomorrow Plan

Healthier lifestyles

We aim to create products to improve consumers' and communities' nutritional and social outcomes.



Focus areas



Consumer health, nutrition and education

- We develop quality products that meet the nutritional, cultural and taste needs of our customers, across all life stages.



Community engagement and impact

- We support positive nutrition outcomes among targeted community groups.



Diversity and inclusion

- We celebrate diversity and it is our business objective to reflect the diversity of the communities in which we operate.



Employee development and wellbeing

- We enable our people to thrive at work through engaging work experiences.

Focus areas

Healthier planet

We aim to continuously improve our environmental footprint for future generations.



Healthier workplace

Our people live our values and are supported through positive work experiences.



Focus areas

Waste and Packaging

- We are minimising the waste we generate, maximising recyclable materials and encouraging recycling.



Energy and Climate

- We are reducing our carbon footprint, investing in renewable energy and supporting our growers to tackle their emissions.



Sustainable water use

- We conserve water across our business, supporting our suppliers to achieve water efficiency.



Sustainable agriculture

- We partner with our growers to protect the land that we source from and the animals in our supply chain.

Trading Outlook

In H2 FY25, Noumi expects to continue to consolidate the progress it has made in the past two years through its focus on execution of its strategy across products, channels and geographies.

In the Plant-based Milks segment, Noumi is investing in the continued growth of its Milklab brand both in Australia and overseas. In Dairy & Nutritionals, the Company is focussed on executing for its domestic customers and consumers while closely monitoring developments in the local and global dairy industries for their impact on the Company and its products.

While macroeconomic conditions create uncertainty and volatility, and consumer preferences continue to evolve, the Company is positive about its progress.





Q&A

Appendices

Profit and Loss Summary

\$ million	31 Dec 2024	31 Dec 2023
Adjusted operating EBITDA¹	27.5	23.1
Significant items impacting EBITDA ²	(6.7)	(0.1)
Adjusted EBITDA	20.8	23.0
Fair value changes of convertible notes	(36.3)	(32.3)
Depreciation and amortisation	(6.0)	(8.5)
Impairment of non-financial assets	(50.0)	-
Net finance costs	(10.6)	(9.9)
Net loss before tax from continuing operations	(82.1)	(27.7)
Income tax	-	-
Net loss after tax from continuing operations	(82.1)	(27.7)

1. Adjusted operating EBITDA excludes restructuring costs, US litigation settlement and associated costs, onerous contracts provision and other non-trading items

2. Includes restructuring costs, onerous contracts provision and other non-trading items

Significant items impacting EBITDA²

	31 Dec 2024	31 Dec 2023
Onerous contracts provision	-	-
Restructuring expenses	-	-
Other litigation expenses	(7.2)	-
Unrealised foreign exchange gain/(loss)	0.5	(0.2)
Other	-	0.1
Total	(6.7)	(0.1)



noumi

Imagining a healthier tomorrow