

A person wearing a red and blue plaid shirt and dark jeans is walking away from the camera down a path in a vineyard. A young child with pigtails, wearing a yellow shirt, is sitting on their shoulders. The vineyard rows stretch out on either side, leading towards a distant horizon under a clear blue sky.

For a better future

Dried Fruits Australia Association
Annual Growers Forum
8 November 2018

**Murray
River
Organics**

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A landscape photograph showing a vast, plowed field under a dramatic sky. The foreground is dominated by a large, curved ridge of dark brown, freshly plowed soil, showing deep furrows. To the right of this ridge, a strip of vibrant green grass is visible. In the background, a dark, silhouetted line of trees or hills stretches across the horizon. The sky is a deep blue, filled with numerous white, fluffy clouds of varying sizes. The overall mood is serene yet powerful, with the contrast between the dark earth and the bright sky.

Company Overview

COMPANY OVERVIEW

Grower, processor & distributor of organic dried vine fruit & 'better-for-you' products

\$68.5M

Revenue



13

farms in the Sunraysia
region



71%

retail sales⁽¹⁾



4,935

hectares of land⁽²⁾



22%

dried vine fruit sales⁽¹⁾



67%

land vacant and plantable



\$35M

Value of owned farms⁽³⁾



2,606T

Dried vine fruit
FY18 harvest

1. FY18
2. Includes 1,085 hectares of leased land; includes 3,844 hectares of arable land
3. Farms includes land, bearer plants, buildings and improvements, including those farms held for sale

NEW EXPERIENCED TEAM

New management team forming, supported by an experienced Board

Board



Valentina Tripp
MD & CEO

- Accomplished executive with a track record of success in turnarounds and growing businesses in FMCG, agri and retail across Asia and global markets
- Executive Director, Top Cut Group - led turnaround of the business in Australia, China, Japan & Korea
- Executive Director, Simplot - Transformation / Corp Development
- Senior Director and sector leader for KPMG's Retail, Consumer & Industrial management consulting business
- Non-Exec Director at Capilano Honey
- Chairman Fairtrade Australia & NZ
- Board Director of Fairtrade International, Germany



Andrew Monk
Non-Executive
Director & Chairman
of the Board

- Chairman of Australian Organic Ltd
- Adj. Asst. Professor at UNE Armidale School of Law



Keith Mentiplay
Non-Executive
Director

- Past positions at Murray Goulburn, National Foods / Lion, Nestle



Michael Porter
Executive Director

- Non-Executive Director of Angel Seafood Holdings Ltd
- Board Member of the Wimmera Catchment Management Authority

Key management



Albert Zago
CFO

- CA with 30+ years experience in finance and business management
- Pental Ltd
 - Mitre 10 Australia
 - GUD Holdings Ltd
 - PwC



Peter Wolff
Head of Strategy, Planning
& Transformation

- 20+ years experience in turnaround & management
- Simplot Australia
 - Asciano
 - KPMG



Peter York
General Manager
Dandenong Operations

- 30+ years experience in food production, agriculture & operational turnarounds
- Simplot Australia
 - Beak & Johnson
 - Kailis & France



Wayne Turner
General Manager
Sunraysia

- 25+ years experience in horticulture, food manufacturing, FMCG
- Aus. Pomegranate Growers
 - Select Harvests
 - George Weston Foods



Patrick Roseman
Head of Sales
Domestic

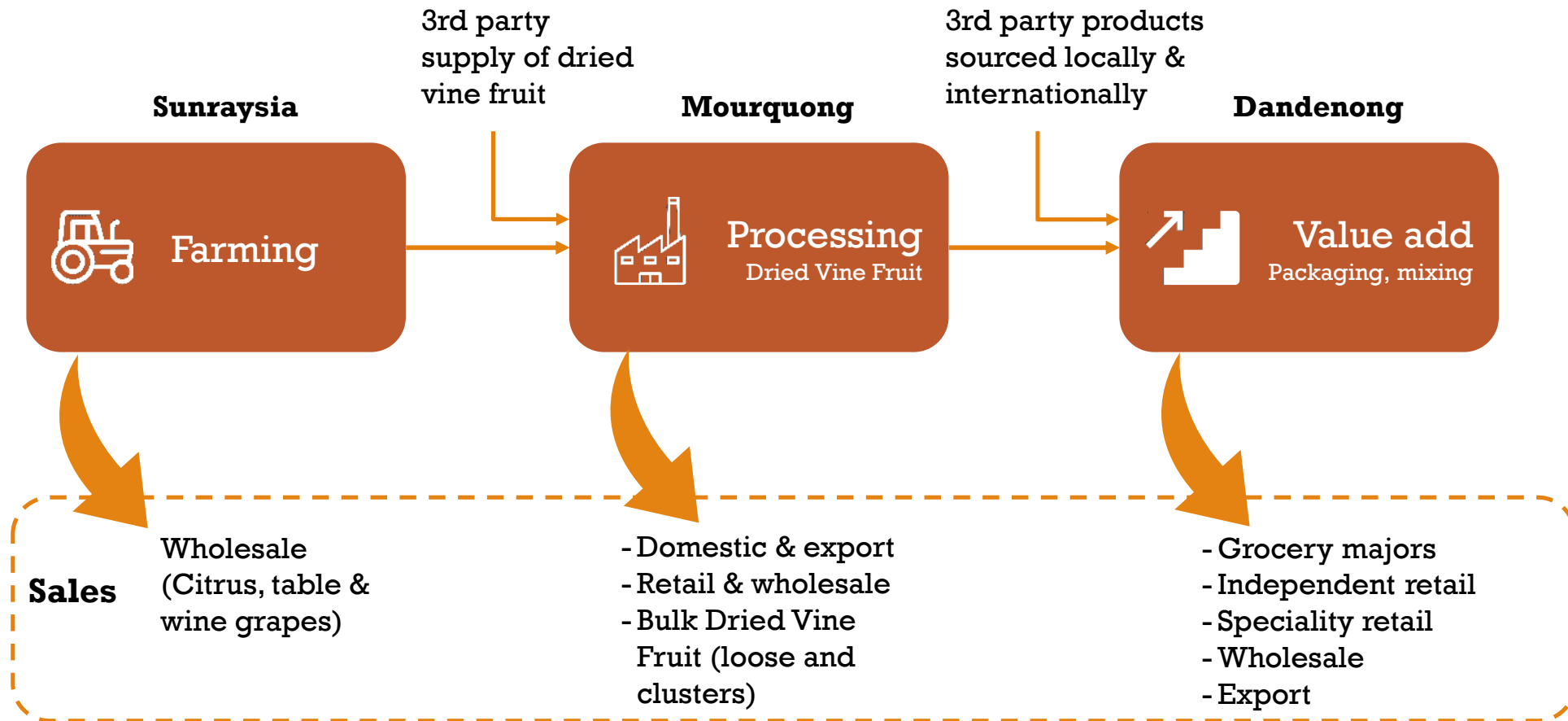
- 25+ years experience in senior sales positions
- SPC
 - Pureharvest
 - Sabrands
 - Kraft



Rania Haidar
Head of People and
Culture

- 20+ years experience in talent management & attraction, people capability development, cultural enhancement, and operational execution

Leveraging supply to grow a value added products business



Dried vine fruit and future growth in other key categories

Farmed

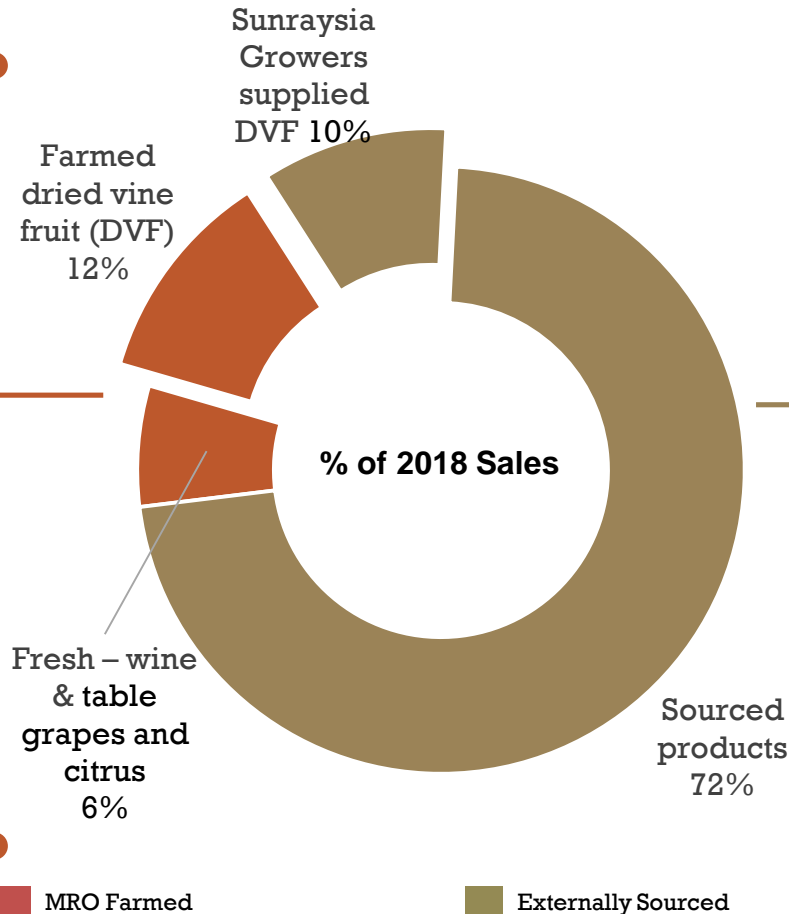


Dried vine fruit

- Raisins
- Sultanas
- Currants

Fresh produce

- Citrus
- Wine and table grapes



3rd party sourced



Dried vine fruit

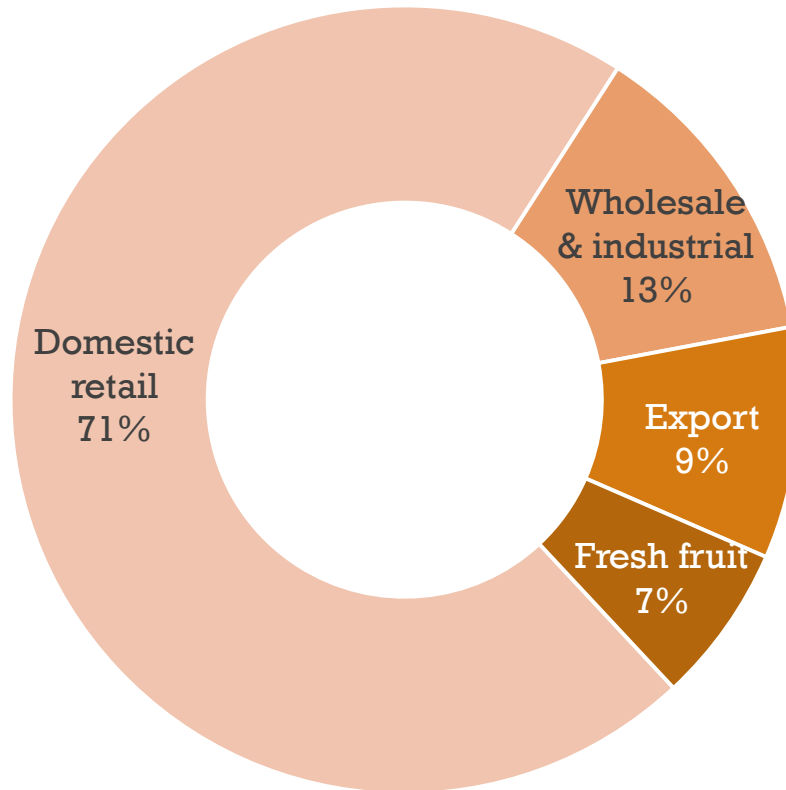
- Raisins
- Sultanas
- Currants

Key categories

- Nuts
- Dried fruit
- Coconut
- Seeds
- Flour
- Grains
- Rice
- Oil
- Dried berries



Broad customer base in Australia and overseas



Strategic Objectives:

- Targeting export markets with a strong focus on building our brands in China, Japan, Vietnam and other Asian, European and United States markets
- We will also continue to support and grow with our supermarket partners in private label programs and our MRO branded products

Strong focus on building brands in export markets

Existing export destinations¹

Asia Pacific

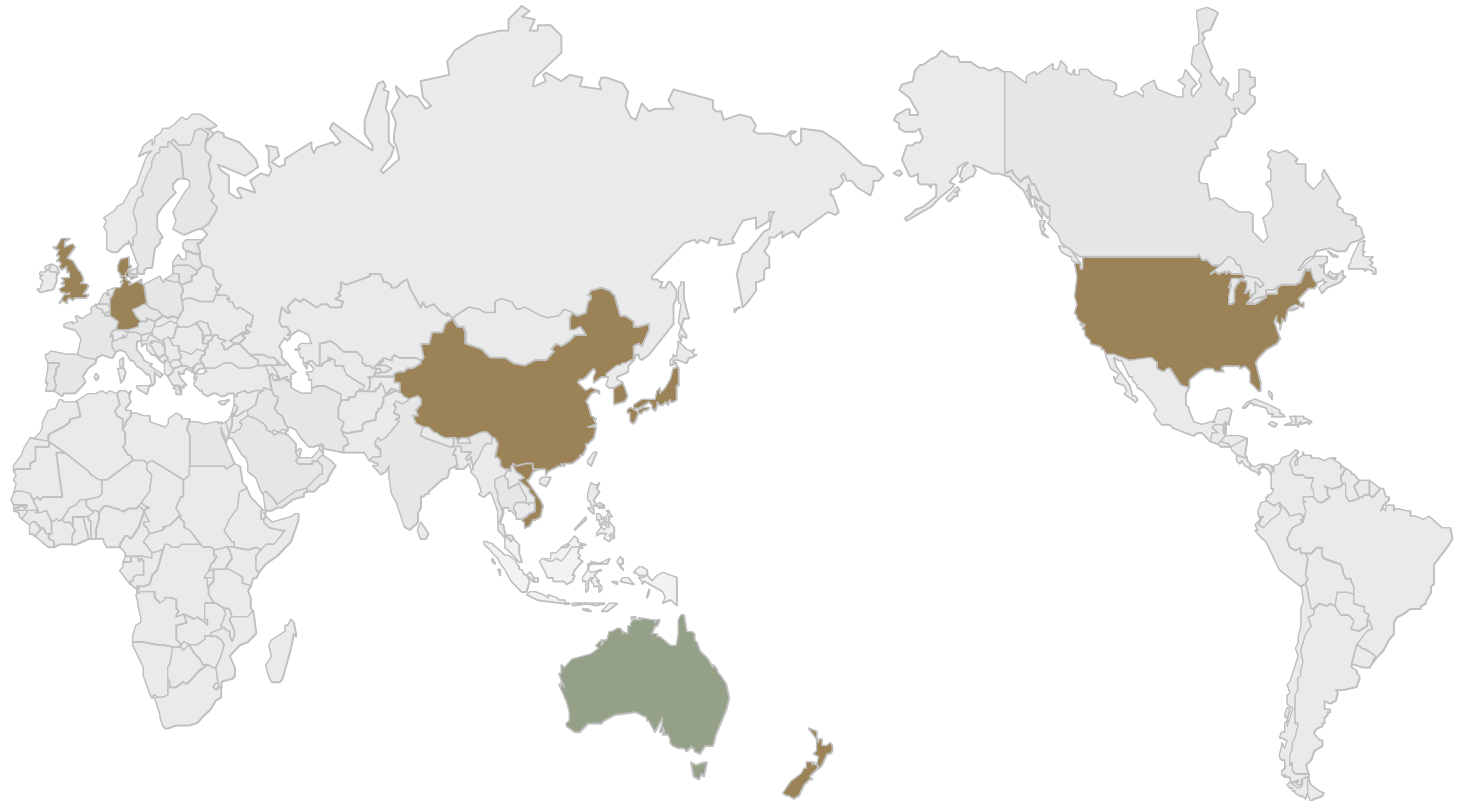
- China
- Vietnam
- Hong Kong
- Singapore
- Japan
- South Korea
- New Zealand

North America

- United States

EMEA

- Germany
- Denmark
- Netherlands
- UK



¹ Represents international markets to which MRO currently exports.

LEVERAGING BRANDS AND NEW PRODUCT DEVELOPMENT


MRO's Australian organic dried vine enables us to build our brand across 100+ core product lines across the bulk and retail channels

MRO Brand Portfolio (Bulk):

Certified organic food products and ingredients	Murray River Organics™	
Conventional food products and processed ingredients	MRO	
Certified organic and conventional dried vine clusters	Premium Australian Clusters™	 4kg carton
Fresh	<ul style="list-style-type: none"> Citrus Wine and table grapes 	

MRO Brand Portfolio (Retail):

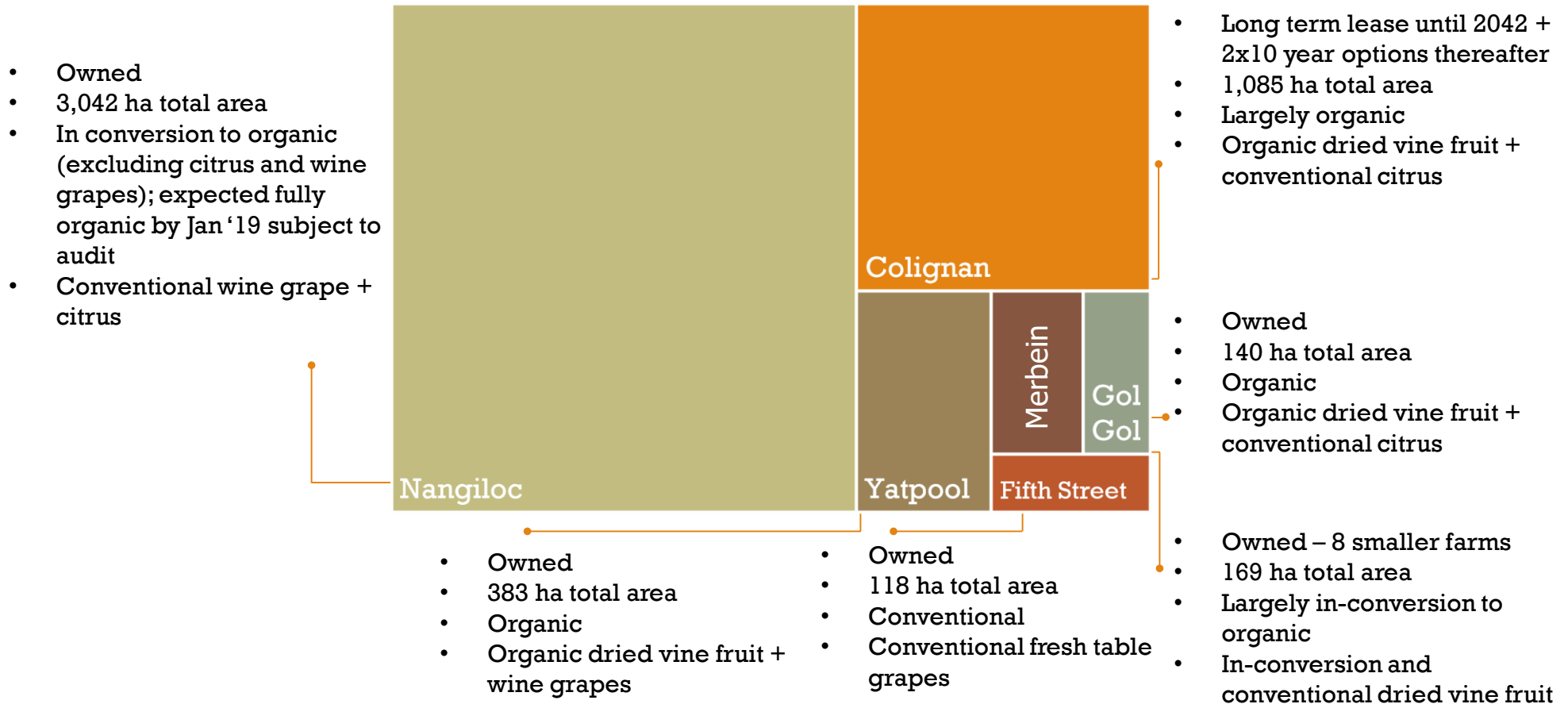
Dried vine fruit packed in re-sealable snack bags	Gobble®	
Premium dry fruit mix for snacking	Snack'd	
Certified organic and conventional clusters packed for retail	Premium Australian Clusters™	 120g Doy bags
Certified organic wholefoods	PACIFIC ORGANICS	



Farming Operations

FARMING OPERATIONS

Over \$57M invested in farming properties (owned and leased)



A wooden crate filled with fresh produce and Gobble organic food boxes. The crate contains several boxes of Gobble Organic products, including 'ORGANIC MIX', 'ORGANIC', and 'ORGANIC CURRANTS'. A large orange is prominently displayed in the foreground. The background is a blurred green field, suggesting a farm or garden setting.

Transformation Program

TURNAROUND FOCUS FOR NEXT 12 MONTHS

Focus is on realising the potential of MRO's farm and food assets

1 Leverage significant investment in processing and value add facilities

- Resolve supply chain bottlenecks
- Improve operating efficiency
- Pursue cost savings













2 Improve sales performance

- Increase top-line revenue with new products / better ranging and a focus on growing branded product exports to Asia
- Improve margins of existing products through better customer management

3 Increase supply of dried vine fruit

- Return farming yields to industry benchmarks
- Increase grower partnerships and Sunraysia growers supplying more fruit to MRO

Transformation program is well underway, with benefits currently being realised

	Short term (6-12 months)	Progress	Medium term (3 years)	Progress Metric
1 Operations	<ul style="list-style-type: none"> Reset operating cost base in Dandenong Improve efficiency and fulfillment Implement warehouse management system 		<ul style="list-style-type: none"> Reconfigure warehouse footprint 	 Fill Rate >90% by Jun-19
2 Customers	<ul style="list-style-type: none"> Restructure sales team Full category range architecture & pricing review Improve customer management 		<ul style="list-style-type: none"> New product development Brand development and planning Entering new markets 	 New products ranged Increased margins
3 Farms	<ul style="list-style-type: none"> Complete Farm Operational Review Work with agronomy partner to build farm plans Implement centralised "farm services" model 		<ul style="list-style-type: none"> Improve nutrition, irrigation Adopt best practice farming methods 	 Improve yield performance
3 rd party suppliers	<ul style="list-style-type: none"> Build confidence in MRG as processor Reset strategic partnerships 		<ul style="list-style-type: none"> Partnering with growers Enhance strategic buying 	 Build confidence & sourced volumes
Systems	<ul style="list-style-type: none"> Reset SGARA Implement standard costing system Improve stock & purchasing controls Improved sales and operational reporting 		<ul style="list-style-type: none"> Continuous improvement 	
People & culture	<ul style="list-style-type: none"> Leadership structure reset Culture of values & performance Focus on OH&S 		<ul style="list-style-type: none"> Build KPI, outcome-based performance Embed safety first culture Develop our people & leadership 	



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