

**ASX Announcement
9 July 2020**

Group businesses now trading EBITDA positive and positioned for growth

Preliminary 30 June 2020 Trading Update

Longtable Group Limited (ASX: LON) (Longtable or Group) provides the following unaudited trading update, taking into consideration the economic impacts, as they are known to date, of the COVID-19 pandemic.

Overview

- With strong sales in May and June 2020, the Group is on track to achieve a positive trading EBITDA for FY20 (unaudited), an increase of approximately \$5.3m on the FY19 trading result.
- The Group's cash position has increased to \$7.2m at 30 June 2020 from \$5.1m at 31 December 2019.
- The Group is well funded by its \$10.2m in combined cash reserves and undrawn debt facilities, with a strong balance sheet and good liquidity to fund current and future growth.

The Group's FY20 net sales (unaudited) increased by approximately 3.5% compared to FY19, despite exceptionally challenging trading conditions during H2 FY20, mainly the summer bushfires and the COVID-19 pandemic.

- All three businesses in the Group achieved positive monthly trading EBITDA for May and June 2020, delivering the monthly run rate communicated with the Group's H1 FY20 result.
- The Group achieved a monthly positive cashflow run rate in late H2 FY20 as communicated with the Group's H1 FY20 result.
- In April we launched the "Cooking with Maggie" series that has now generated in excess of 4.4m views on Facebook & Instagram. FY20 on-line sales for Maggie Beer Products increased by 37% over FY19 with the last quarter of FY20 increasing by approximately 220% on the same quarter in FY19.
- Paris Creek Farms continued its turnaround and growth trajectory with FY20 net sales increasing by approximately 7% over FY19, and H2 FY20 increasing by approximately 18% on H2 F19. Paris Creek Farms has now obtained Organic Certification in China and is exploring branded export opportunities in that market.
- Saint David Dairy has grown its customer base despite COVID-19 restrictions and the impact on the hospitality and foodservice sector. Net sales continued to grow in May and June and FY20 net sales will show double digit growth over FY19.

General Trading

The Directors are very pleased with the performance of the Group overall, with trading results reflecting the hard work that has been done to reduce costs, improve efficiencies, grow sales and return the Group to a positive cash flow position.

Against some exceptionally challenging trading conditions, the Group has proved resilient, with its net sales growing by approximately 3.5% year on year in FY20 compared to FY19 and its trading EBITDA for FY20 improving by approximately \$5.3m on FY19. The Group has a strong balance sheet and a solid foundation to enter FY21 positively, as the businesses implement their respective strategies for growth.

Maggie Beer Products continues to work on opportunities to increase its e-commerce presence with an improved digital marketing plan and continued growth generated by the “Cooking with Maggie” series (now with over 4.4m views). This will include the planned launch of a new website in FY21 that will help grow on-line sales through a better customer shopping experience and personalised touch points and enhanced communication with its 55,000 Food Club members.

Maggie Beer Products’ successful innovation and new product development is gathering pace with the launch of 5 new premium cheeses into Woolworths in May and June 2020. The focus is now on expanding its range of healthy and convenient ready meals.

Paris Creek Farms continued its turnaround and growth trajectory with full year net sales increasing by approximately 7% compared to FY19. Achieving a positive trading EBITDA run rate by the end of H2 FY20, Paris Creek Farms is expected to contribute positively to the Group’s trading EBITDA in FY21.

Paris Creek Farms has now received Chinese Organic Certification and is exploring branded export opportunities in that market and progressing discussions with potential export partners.

Saint David Dairy’s sales continued to improve in May and June and the business is still contributing positively to the Group’s cashflow and trading EBITDA. Saint David Dairy has proved to be remarkably resilient during the COVID-19 pandemic with double digit full year net sales growth and by expanding its business further into the retail and home delivery sectors. New COVID-19 restrictions in Victoria imposed in July 2020 may have an impact on future sales.

Cash and undrawn banking facilities as at 30 June 2020

Cash and undrawn facilities	\$'m
Cash at bank	\$7.2
Undrawn debtor finance facility	\$3.0
Total cash and undrawn facilities	\$10.2

CEO, Chantale Millard said: “The Group is passionate about making Australian premium food and beverage products using Australian produce that supports local dairy farmers, fruit and vegetable growers and their communities. It is pleasing to see the positive results from the work that has been done in each of the businesses over the past 12 months that will allow us to continue to deliver on our strategy and purpose.

We continue to innovate with new products being developed across the businesses and we are expanding our current range and distribution nationally.

We are looking forward to capitalising on our strong financial base to grow revenue and shareholder value, as well as being able to meet any challenges that may arise over the next 12 months.

The businesses all resonate strongly with Australian consumers who are increasingly looking for high-quality food and beverage products, made in Australia using locally sourced ingredients to enjoy every day or to entertain with at home, and we are excited by the future opportunities that this presents for the Group. We look forward to giving a full market update with the release of our FY20 results later in the year.”

All FY20 financial information contained in this announcement is based on unaudited accounts unless otherwise stated.

Authorised by:

The Board

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