



Pure Foods Tasmania Ltd
100 -104 Mornington Rd
Mornington TAS 7018
ASX: PFT
+61 3 6231 4233
www.purefoodstas.com

ASX Announcement

Pure Foods Tasmania Limited (ASX: PFT)

29 October 2021

Record momentum continues with revenue of \$2.78m up 137% v pc

Quarterly Activities Report and Appendix 4C

Pure Foods Tasmania Ltd (ASX:PFT) ('PFT' or 'the Company') provides its Quarterly Activities Report and Appendix 4C for the September 2021 Quarter. Unless otherwise stated all financial results are unaudited.

FINANCIAL HIGHLIGHTS

- Q1 FY22 sales revenue of \$2.78m million, up **137%** vs Q1 FY21
- Strong revenue growth across divisions
- Latest acquisition (The Cash Creamery) records highest growth sales **207%** v pc
- Net cash of \$772k as 30 September 2021 with a further \$1.347 million in undrawn debt facilities

OPERATIONAL HIGHLIGHTS

- Woodbridge Smokehouse (**WBSH**) has received an additional order from Tas'Mania Fresh for \$140k (approximately 50,000 units). The order represents WBSH's single largest purchase order to date with ongoing orders secured for the balance of FY22
- Daly Potato has traded very strongly with sales growing at 38% v pc. The increase has been driven by our Premium Homestyle coleslaw
- Plant-based foods segment accounted for over 6% of revenue during the quarter following continued volume, distribution and sales growth of The Cashew Creamery and Lauds Plant Based Food products
- Expansion of the Cashew Creamery ice cream range into IGA stores providing leverage into a large and growing national market
- Distribution network continues to expand with over 2,000 domestic and international partners. The strong scale and breadth of the distribution network provides leverage for new products and ranges
- The Company will continue to execute on its strategy of organically growing the core portfolio and delivering upside via targeted value accretive acquisitions.

PFT Managing Director and CEO, Michael Cooper said: “We are exceptionally pleased to continue to deliver record revenue performance, a reflection of the execution of our strategy, and more importantly of the strong customer demand for our quality range of products.

Our WBSH product range continues to gain significant market share driven by strong distribution agreements with quality partners such as Monde Nissan Australia and Tas’Mania Fresh. We are very excited to see strong demand from Tas’Mania Fresh in Hong Kong. They have been a long-term partner of the Company and has provided a strong distribution network into Asian markets over the past six years. The growing orders reflect the demand for our products in the large and lucrative Asian market.

We have continued to expand our distribution pipeline, with our products now in over 2,000 stockists. The strong distribution platform and customer demand for our range of quality products provides a significant growth opportunity in FY22 and beyond.”

FINANCIAL REVIEW

The Company delivered \$2.78 million in sales for Q1 FY22, a 137% increase on the previous corresponding period. The uplift in sales has been driven by the continued growth in product offering, expanded distribution networks, expanding presence in the fast-growing Asian markets and the strong increase in demand from the e-commerce site.

A\$000's	1Q FY22	1Q FY21	% Change
Total Revenue	2,785,679	1,177,233	137%
Woodbridge Smokehouse	843,873	280,672	201%
Lauds Plant-Based Food	75,779	0	na
The Cashew Creamery	99,540	0	na
Tasmanian Pate	1,027,239	882,429	16%
Daly Potato Co	704,499	0	na
Online Store	34,749	14,132	146%

PFT has expended a total of \$3.038 million on its business activities during the quarter ending 30 September 2021 which is comprised of approx \$1.626 million for product manufacturing and operating costs; \$1.156 for staffing costs; \$166k for administration and corporate costs and \$89k for advertising and marketing (see section 1.2 of the Appendix 4C).

OPERATIONAL REVIEW

The Company is well-positioned with established export agreements, strong presence through PFT's brands in all major Australian retailers, a strong and rapidly expanding distribution network in smaller and boutique stores and domestic e-commerce site, shop.purefoodtas.com.

Woodbridge Smokehouse: Delivered a very strong Q1 with an increase of **201%** in sales over Q1 FY21 driven by the new distribution channels within Australia and Asia. The pickup in WBSH sales is being driven by the sole distribution with Monde Nissin Australia, strong demand in Asia via our partnership with Tas'Mania Fresh and growing demand from consumers via our e-commerce website.

Daly Potato Co: Sales grew **38%** vs PCP. Daly Potato Co has experienced an increase in sales brought on by the increase in weather temperature coming into the salad season. The recently launched Homestyle Coleslaw in Woolworths is achieving record orders and is now the second-best performing SKU from the Daly range. PFT continues to work on NPD for Daly to expand the range into new segments.

Tasmanian Pate: Sales up **16%** vs PCP driven by strong sales of "Homestead" our new premium Pate which launched in October 2020. The ranging was expanded with a new SKU in Q1 FY22, with strong initial feedback. Two new SKUs were launched locally, which has resulted in Homestead being the highest ranged brand from the PFT portfolio in the Tasmanian independent market. Homestead Pate also launched into the independent market nationally through Monde Nissin.



Homestead's two new SKUs – Free Range Chicken with Aged Cheddar and Free Range Chicken with Red Chilli

Lauds Plant Based Foods: New product development continues to be the focus with Lauds and we will be launching these into market in Q3 FY22.

The Cashew Creamery: Sales grew **207%** vs PCP. The Cashew Creamery has continued to grow exponentially, with the start of distribution through PFT's distribution partner Monde Nissin nationally. The introduction of seven new SKUs targeted at retail customers has also significantly increased sales with all existing distributors beginning to range. Production has now moved to double shifts to meet demand. The Cashew Creamery has consistently been producing over fifteen thousand units per week, which is a quarter of the total units for last financial year.

EXPANSION IN TO THE PLANT BASED FOOD MARKET



During the past year the Company has strategically extended its presence in the plant-based food market through the acquisition of Lauds and The Cashew Creamery. These acquisitions are aligned with PFT's long-term strategic plan to grow organically and through acquisition into the expanding globally plant-based cheese market, which is forecasted to reach \$3.9 billion by 2024¹. Additionally, their complimentary nature alongside the New Pastures range enhances the retail network opportunity for each product and further embeds the Company into this market.

CORPORATE

As detailed in the attached ASX Appendix 4C, the Company had \$772k in cash and cash equivalents as at 30 September 2021.

Payments of \$33k were made to related parties and their associates during the quarter, being the payment of Director's Fees as noted in Section 6 of Appendix 4C.

---ends---

¹¹ Source: Plant-based Cheese Market - Global Outlook and Forecast 2019-2024, Report, December 2019



Pure Foods Tasmania Ltd
100 -104 Mornington Rd
Mornington TAS 7018
ASX: PFT
+61 3 6231 4233
www.purefoodstas.com

This announcement has been authorised and approved by the Board of PFT.

For further information, please contact:

Corporate

Michael Cooper
Managing Director
mc@purefoodstas.com
+61 419 124433

Investor Relations

Craig Sainsbury
craig.sainsbury@marketeye.com.au
0428 550 499

About Pure Foods Tasmania (PFT)

Pure Foods Tasmania Pty Ltd was formed in 2015 with the aim to enhance and promote Tasmania's premium food and beverage businesses. PFT's strategy is to develop new premium products within our existing brands and in the plant-based food market, to acquire complementary brands and businesses and to increase our market penetration and distribution for our suite of brands and products globally. PFT's suite of brands and businesses include Woodbridge Smokehouse, Tasmanian Pate, Daly Potato Co, Pure Tasmanian Seafood, Lauds Plant Based Foods, The Cashew Creamery and New Pastures.

purefoodstas.com

shop.purefoodstas.com

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Pure Foods Tasmania Limited

ABN

13112682158

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,167	2,167
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(1,626)	(1,626)
(c) advertising and marketing	(89)	(89)
(d) leased assets	(1)	(1)
(e) staff costs	(1,156)	(1,156)
(f) administration and corporate costs	(166)	(166)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(21)	(21)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (GST Refunded/(Paid))	177	177
1.9 Net cash from / (used in) operating activities	(714)	(714)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(630)	(630)
(d) investments		
(e) intellectual property	(3)	(3)
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(633)	(633)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	702	702
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	274	274
3.6	Repayment of borrowings	(431)	(431)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (principal component of lease payments)	(47)	(47)
3.10	Net cash from / (used in) financing activities	498	498

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,621	1,621
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(714)	(714)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(633)	(633)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	498	498
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	772	772

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	572	921
5.2	Call deposits	200	700
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	772	1,621

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	33
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

The amount displayed above is entirely related to;

- \$2,000 - payments to the Fleming Family Trust as a retainer for director Ken Fleming's services.
- \$31,000 – Director's fees

7.	Financing facilities <i>Note: the term “facility” includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A’000	Amount drawn at quarter end \$A’000																																																												
7.1	Loan facilities	2,721	1,442																																																												
7.2	Credit standby arrangements																																																														
7.3	Other (please specify)	75	7																																																												
7.4	Total financing facilities	2,796	1,449																																																												
7.5	Unused financing facilities available at quarter end		1,347																																																												
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.																																																														
<table><tr><th>Lender</th><th>Interest Rate</th><th>Maturity Date</th><th>Secured or Unsecured</th><th>Amount Drawn \$A’000</th></tr><tr><td>NAB</td><td>3.13%</td><td>September 2024</td><td>Secured</td><td>20</td></tr><tr><td>CBA</td><td>2.72%</td><td>December 2024</td><td>Secured</td><td>584</td></tr><tr><td>CBA</td><td>2.92%</td><td>March 2025</td><td>Secured</td><td>105</td></tr><tr><td>CBA</td><td>2.92%</td><td>April 2025</td><td>Secured</td><td>46</td></tr><tr><td>CBA</td><td>2.92%</td><td>April 2025</td><td>Secured</td><td>64</td></tr><tr><td>CBA</td><td>2.92%</td><td>April 2025</td><td>Secured</td><td>190</td></tr><tr><td>CBA</td><td>2.49%</td><td>June 2025</td><td>Secured</td><td>28</td></tr><tr><td>CBA</td><td>3.49%</td><td>August 2026</td><td>Secured</td><td>272</td></tr><tr><td>CBA</td><td>2.92%</td><td>June 2025</td><td>Secured</td><td>17</td></tr><tr><td>CBA</td><td>2.92%</td><td>June 2025</td><td>Secured</td><td>19</td></tr><tr><td>CBA</td><td>2.92%</td><td>July 2025</td><td>Secured</td><td>97</td></tr></table>				Lender	Interest Rate	Maturity Date	Secured or Unsecured	Amount Drawn \$A’000	NAB	3.13%	September 2024	Secured	20	CBA	2.72%	December 2024	Secured	584	CBA	2.92%	March 2025	Secured	105	CBA	2.92%	April 2025	Secured	46	CBA	2.92%	April 2025	Secured	64	CBA	2.92%	April 2025	Secured	190	CBA	2.49%	June 2025	Secured	28	CBA	3.49%	August 2026	Secured	272	CBA	2.92%	June 2025	Secured	17	CBA	2.92%	June 2025	Secured	19	CBA	2.92%	July 2025	Secured	97
Lender	Interest Rate	Maturity Date	Secured or Unsecured	Amount Drawn \$A’000																																																											
NAB	3.13%	September 2024	Secured	20																																																											
CBA	2.72%	December 2024	Secured	584																																																											
CBA	2.92%	March 2025	Secured	105																																																											
CBA	2.92%	April 2025	Secured	46																																																											
CBA	2.92%	April 2025	Secured	64																																																											
CBA	2.92%	April 2025	Secured	190																																																											
CBA	2.49%	June 2025	Secured	28																																																											
CBA	3.49%	August 2026	Secured	272																																																											
CBA	2.92%	June 2025	Secured	17																																																											
CBA	2.92%	June 2025	Secured	19																																																											
CBA	2.92%	July 2025	Secured	97																																																											
The items included as other facilities are NAB Business Visa accounts & Commonwealth Bank Credit Cards.																																																															

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(714)
8.2	Cash and cash equivalents at quarter end (item 4.6)	772
8.3	Unused finance facilities available at quarter end (item 7.5)	1,347
8.4	Total available funding (item 8.2 + item 8.3)	2,119

8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)

3

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2021
.....

Authorised by: By the Board
.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.