



Australian Dairy
Nutritionals Group

Growing Local, Going Global

Annual General Meeting of Shareholders
20 January 2022

Agenda

Welcome

CEO's Address

Consideration of Items of Business per Notice of Meeting

- Item 1: 2021 Annual Report
- Resolution 1: Adoption of the Remuneration Report
- Resolution 2: Re-election of Director – Martin Bryant
- Resolution 3: Re-election of Director – Jason Dong
- Resolution 4: Issue of Performance Rights to Peter Skene
- Resolution 5: Issue of Performance Rights to Martin Bryant
- Resolution 6: Issue of Performance Rights to Adrian Rowley
- Resolution 7: Issue of Performance Rights to Jason Dong
- Resolution 8: Section 195 Approval

Questions

Close



Welcome to Shareholders



A high-speed photograph of a white liquid, likely milk, being poured into a white bowl. The liquid is captured in mid-splash, with a thick stream falling from the top left and creating a large, frothy splash that spreads across the bowl. Several small droplets are suspended in the air around the splash. The background is a solid, vibrant blue. The text "CEO's Address" is centered over the splash in a white, sans-serif font.

CEO's Address

FY21 presented a number of challenges

Management has done an excellent job of meeting the many challenges and progressing the key strategic steps

FY21 - Another Challenging Year

While we continued to operate every week and deliver to customers every week, Covid challenges included the following

- Increased operating costs
- Significant and abrupt changes in demand for key products
- Reduced demand for some products (eg. kids pouches)
- Constant review and adjustment across operations
- Some reluctance for change within the trade
- Labour shortages
- Time delays due to lockdowns and isolation requirements (limited effect as well managed by staff)

Continued focus on becoming a vertically integrated manufacturer of premium infant formula products

FY21 – Key Achievements



✓ Successful commercial manufacture of future Gradulac formula range (after significant development phase)



✓ Completed infant formula building on the Group's site on Depot Road, Camperdown



✓ Installed infant formula plant



✓ Purchased a high speed canning line and relocated it to Camperdown (for future installation)



✓ Increased our commitment to the environment with organic and regenerative farming practices



✓ Recognised for outstanding quality products at State and National level:

- Australia's best yoghurt (highest scoring cultured product)
- Champion milk
- Multiple National and State gold awards.

Recent Developments

FY22 Realising our strategy

- After several years of investment the Group is now entering the final phase of its vertical integration strategy
- Focus is now on completing the infant formula project and growing the Group's domestic and international distribution footprint
- Key successes to date:
 - ✓ Launched the future Gradulac infant formula range
 - ✓ Progressed the finalisation of the infant formula plant for commercial production
 - ✓ All farms completed the organic pasture conversion process with one herd due for organic cattle conversion in 2022
 - ✓ Repaid bank debt to deliver a debt free balance sheet
 - ✓ Entered the China CBEC channel with a key distributor
 - ✓ Entering onto a JV with Wellnex/Brand solutions amid at accelerating the roll out of the formulas

New Infant Formula Facility

- Our new processing plant is located on AHF's 42,000m² industrial zoned site in Camperdown, Victoria
- Outputs will include organic, organic A2 milk powders, premium infant formula and other dairy products
- Trials in progress with commercial production of powders and infant formula anticipated in Q2FY22



Launch of our future® Gradulac Formula Range

- Unique, scientifically developed product range innovation (as far as we know a world first)
- Premium Formulation: contains both prebiotics and probiotics for infant gut development – Leading the way with probiotics (many brands don't have both of these)
- Contains Arachidonic Acid (ARA) and Docosahexaenoic (DHA) that promote brain development
- Made in Victoria with Australian farm fresh milk
- Major focus on securing and growing domestic and international distribution opportunities

| Distribution Channels | | | |
|---|---|--|---|
| Website | Online Platforms | Retail/Pharmacy | International |
| <ul style="list-style-type: none">• futureformula.com.au• Guaranteed subscription supply | <ul style="list-style-type: none">• Woolworths Everyday Market (online marketplace)• Woolworths online customers can purchase with groceries | <ul style="list-style-type: none">• Joint venture with Wellnex Life• Focus on domestic pharmacy channel | <ul style="list-style-type: none">• Appointed Tier 1 Distributor for Chinese Cross Border Ecommerce Channel (CBEC)• Store development on major Chinese platforms |



Organic A2 Infant Formula Range

- Combines the purity of organic with A2 milk
- Exclusively sourced from our organic A2 cows which naturally produce only A2 beta casein protein milk
- Premium formulation includes Prebiotics & Probiotics
- Premium, innovative packaging including:
 - ✓ Straight wall tin
 - ✓ Scoop underneath the lid in a sealed chamber- protecting from contamination
 - ✓ Inbuilt security code in the lid of the tin and QR code for authentication



Target Launch: Mid
2022

Farms

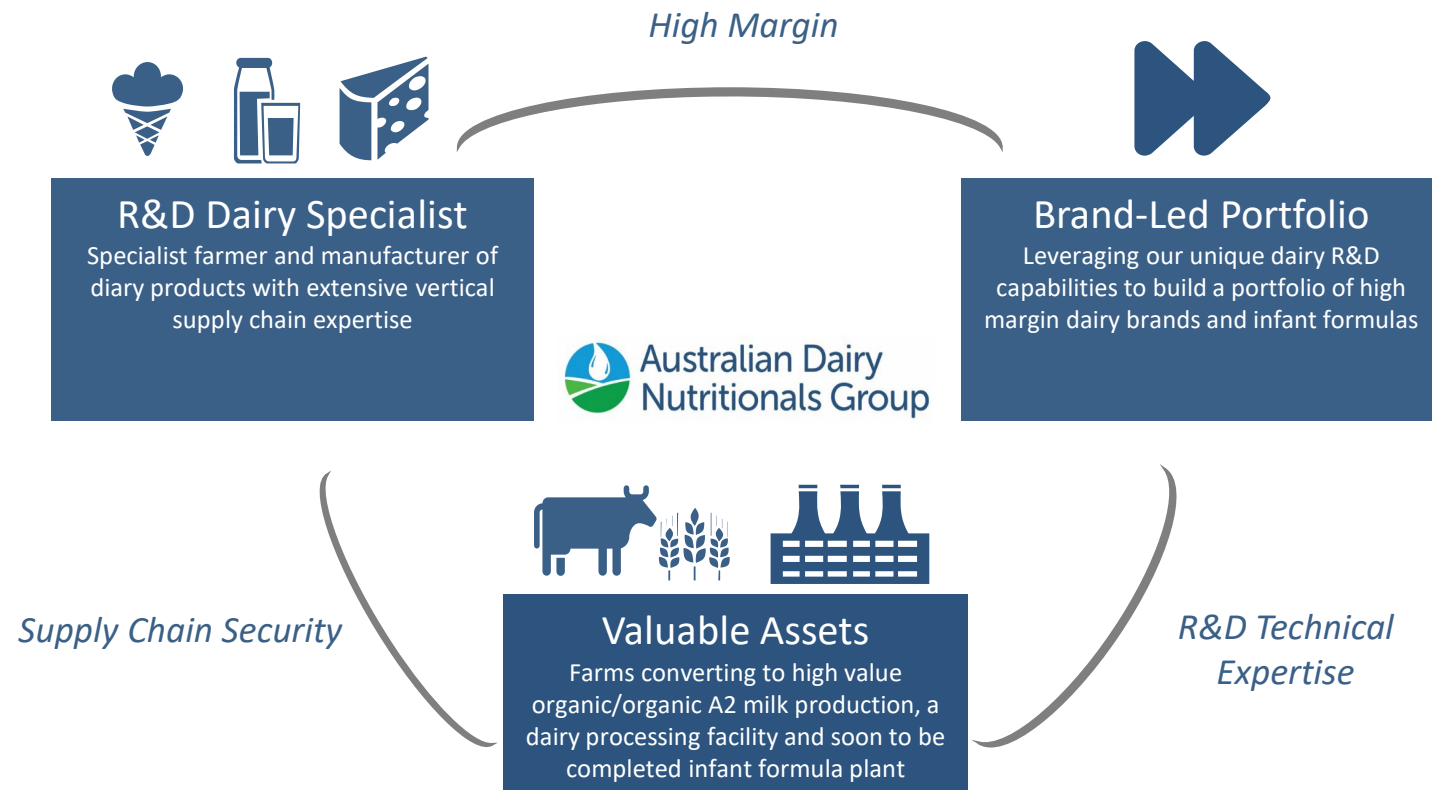
- Right sized farm portfolio to match future production requirements
- Proceeds of Ecklin South farm sale used to repay the Group's bank debt delivering a debt free balance sheet
- All 3 farms have achieved organic pasture certification with the last farm's herd to convert to organic in 2022
- All farms will be running A2 only producing herds by March 2022
- Focus on regenerative farming practises to enhance farm profitability and reduce environmental impact



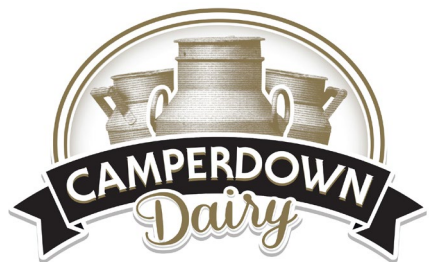


Leveraging Expertise Across Multiple Business Segments

AHF's value proposition is generated through its fully integrated business model combining ingredient and manufacturing expertise together with a growing portfolio of brand-led and consumer focused products



Business of Meeting



Resolution 1 – Remuneration Report

Business of Meeting

“That for the purposes of section 250R(2) of the Corporations Act 2001 (Cth), Remuneration Report set out in the Directors’ Report for the financial year ending 30 June 2021 be adopted.”

Business of Meeting

Proxies for Resolution 1

| | |
|---------------|------------|
| For: | 31,463,255 |
| Against: | 5,811,882 |
| Open Useable: | 9,038,463 |
| Abstain: | 4,129,997 |

Resolution 2 – Re-election of Martin Bryant as Director

Business of Meeting

“That Martin Bryant who, retires from office in accordance with Article 49(b)(i) of the Company’s Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election, to be elected as a Director.”

Business of Meeting

Proxies for Resolution 2

| | |
|---------------|------------|
| For: | 52,313,049 |
| Against: | 3,129,323 |
| Open Useable: | 9,028,463 |
| Abstain: | 388,147 |

Resolution 3 – Re-election of Director – Jason Dong

Business of Meeting

“That Jason Dong who, having been appointed by the Board on 16 April 2021, retires in accordance with Article 49(d) of the Company's Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election as a Director, be elected as a Director.”

Business of Meeting

Proxies for Resolution 3

For: 51,554,108

Against: 3,281,323

Open Useable: 9,028,463

Abstain: 995,088

Resolution 4 – Issue of Performance Rights to Peter Skene

Business of Meeting

“That Securityholders approve for the purposes of Listing Rule 10.14, the issue of 3,000,000 Performance Rights under the Company's Incentive Plan to Peter Skene, subject to achievement of specific performance conditions set by the Board, on the terms and conditions set out in the Explanatory Memorandum.”

Business of Meeting

Proxies for Resolution 4

| | |
|---------------|------------|
| For: | 32,608,958 |
| Against: | 9,465,665 |
| Open Useable: | 8,024,732 |
| Abstain: | 344,242 |

Resolution 5 – Issue of Performance Rights to Adrian Rowley

Business of Meeting

“That Securityholders approve for the purposes of Listing Rule 10.14, the issue of 1,000,000 Performance Rights under the Company's Incentive Plan to Martin Bryant, subject to achievement of specific performance conditions set by the Board, on the terms and conditions set out in the Explanatory Memorandum.”

Business of Meeting

Proxies for Resolution 5

For: 25,722,226

Against: 16,298,166

Open Useable: 8,078,963

Abstain: 344,242

Resolution 6 – Issue of Performance Rights to Adrian Rowley

Business of Meeting

“That Securityholders approve for the purposes of Listing Rule 10.14, the issue of 1,000,000 Performance Rights under the Company's Incentive Plan to Adrian Rowley, subject to achievement of specific performance conditions set by the Board, on the terms and conditions set out in the Explanatory Memorandum.”

Business of Meeting

Proxies for Resolution 6

| | |
|---------------|------------|
| For: | 25,722,226 |
| Against: | 16,298,166 |
| Open Useable: | 8,078,963 |
| Abstain: | 344,242 |

Resolution 7 – Issue of Performance Rights to Jason Dong

Business of Meeting

“That Securityholders approve for the purposes of Listing Rule 10.14, the issue of 1,000,000 Performance Rights under the Company's Incentive Plan to Jason Dong, subject to achievement of specific performance conditions set by the Board, on the terms and conditions set out in the Explanatory Memorandum.”

Business of Meeting

Proxies for Resolution 7

| | |
|---------------|------------|
| For: | 25,747,901 |
| Against: | 15,692,781 |
| Open Useable: | 8,078,963 |
| Abstain: | 923,952 |

Resolution 8 – Section 195 Approval

Business of Meeting

“That pursuant to and in accordance with section 195(4) of the Corporations Act and for all other purposes, Securityholders approve the transactions contemplated in Resolutions 4 - 7 inclusive.”

Business of Meeting

Proxies for Resolution 8

| | |
|---------------|------------|
| For: | 50,467,531 |
| Against: | 4,836,386 |
| Open Useable: | 8,646,810 |
| Abstain: | 908,255 |

A high-speed photograph of a white liquid, possibly milk, being poured into a white bowl. The liquid is captured in mid-splash, with several droplets and a large, billowing splash of liquid. The background is a solid, vibrant blue. The word "Questions" is centered in the image in a clean, white, sans-serif font.

Questions



Thank you