

A wide-angle photograph of a rural landscape during the 'golden hour' of sunrise or sunset. The sky is a mix of soft orange, yellow, and pale blue. In the foreground, the backs of two black and white cows are visible, looking out over a field of tall, dry grass. In the middle ground, two more cows are grazing. To the left, a green hay cart filled with hay sits in the field. A line of trees forms a dark silhouette against the bright sky in the background.

TasFoods Ltd (TFL.ASX) Annual General Meeting 30 May 2022

Craig Treasure – Chairman
Scott Hadley – Chief Executive Officer

Items of Business

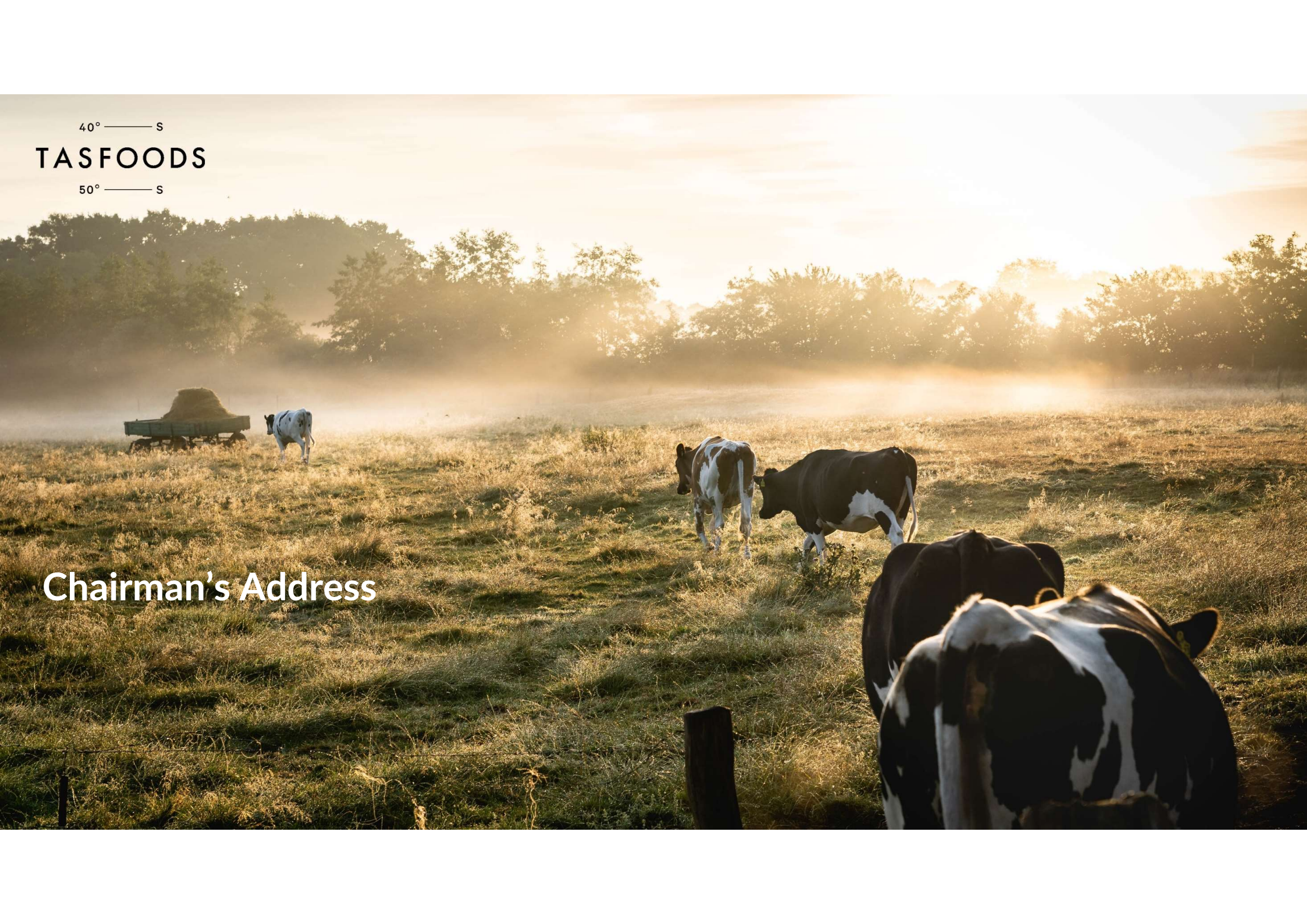
Item 1: Consideration of Financial Statements

Resolutions:

- | | | | |
|----|--|-----|--|
| 1: | Adoption of Remuneration Report | 6: | Amendments to the Company's Constitution (special resolution) |
| 2: | Election of Director – Mr John O'Hara | 7: | Renewal of Proportional Takeover Provisions |
| 3: | Election of Director – Mr John Murphy | 8: | Ratification of prior issue of Tranche 1 Placement Shares issued under ASX Listing Rule 7.1 |
| 4: | Approval of the TasFoods Limited Rights Plan (TLRP) | 9: | Approval to issue Tranche 2 Placement Shares to CVC Limited |
| 5: | Approval for the Granting of Share Appreciation Rights to a Director | 10: | Approval to issue Tranche 2 Placement Shares to Elsie Cameron Foundation |
| | (a) Craig Treasure, Non-executive Director WITHDRAWN | 11: | Approval of additional capacity to issue shares under ASX Listing Rule 7.1A (special resolution) |
| | (b) John Murphy, Non-executive Director | | |
| | (c) John O'Hara, Non-executive Director | | |
| | (d) Ben Swain, Non-executive Director | | |

40° — S
TASFOODS
50° — S

Chairman's Address





Reimagining authentic provenance

Our Vision

To create the most reputable, sustainable, and authentic premium products collective

Our Mission

Create a world leading growth platform for premium provenance brands to deliver superior consumer and customer experience and market leading shareholder returns

Our Winning Capabilities



People and Capability

TasFoods will invest in our people and their capability to ensure they thrive, develop and grow in the support of our business.



Brand building

TasFoods will invest behind our premium brands to ensure we remain relevant to evolving consumer needs.



Customer service

TasFoods will deliver exceptional service to all customers and be known for being easy to do business with for mutual growth.



Operational excellence

TasFoods will deliver the highest quality products and be known for being best in class in efficiency and effectiveness.



Capital management

TasFoods will pro actively manage our portfolio of business' and brands to maximise returns to all stakeholders.

Our Values



Passion

We are passionate about our people, products and brands.



Respect

We have respect for each other, our stakeholders, the animals and the environment.



Accountability

Our people are accountable for their actions and focused on results that deliver on our strategy.



Together

Working together as a team we achieve amazing outcomes.

Executive Team

Newly appointed, highly credentialled team

Scott Hadley – Chief Executive Officer – joined 1 October 2021

- Outstanding track record of growing valuable businesses, developing his people, building high performing teams and cultivating supplier partnerships.
- Passionate commitment to consumers and customers.

Shona Croucher – Chief Financial Officer – joined 25 October 2021

- Extensive experience in the ASX agriculture environment.
- Has proven to be a tremendous asset to the leadership team since joining.

FY21 results

Sales momentum maintained in challenging market conditions

FY21 Profit & Loss

- 4% Revenue growth to \$69.4 million.
- Operating EBITDA of -\$4.45 million.
- Dairy and poultry goodwill fully impaired.

Balance Sheet at 31 December 2021

- Year end cash of \$1.5 million, and \$2.5 million in undrawn debt capacity.
- NTA of \$28.6 million (8.1 cents per share).

Equity Raising

Strongly supported by existing and new long-term investors

- Equity raising in April 2022 to support the implementation of the Company's new strategic direction including general working capital support, connectivity improvements and commercial acceleration initiatives.
- The Company has successfully raised approximately \$5.9 million, comprising:
 - two tranche Placement; and
 - Share Purchase Plan.
- The completion of the second tranche of the Placement is subject to shareholder approval at this meeting.

Board Renewal

Board succession planning continues

2021

- John Murphy & John O'Hara joined the Board. Roger McBain resigned.

2022

- Election of John Murphy & John O'Hara supported by the Board.
- Craig Treasure steps down as Chairman & Director at conclusion of meeting.
- John Murphy appointed as Acting Chairman.
- Collective skill set to be further strengthened in 2022.

Remuneration

Fit for purpose, aligned with strategy and stage of Company life cycle

- Remuneration structure considered annually to ensure it is fit for purpose.
- FY21 STI weighted towards financial performance and an EBITDA performance hurdle - Nil STI paid in FY21.
- TasFoods Rights Plan modernised, aligned with current regulations and market best-practices – aims to improve the long-term performance and align remuneration to strategy.
- Resolution 5(a) – grant of SAR's to Craig Treasure withdrawn.

Investor Relations

Committed to being an accessible and transparent company

- Investor relations activities will continue throughout the year:
 - reporting against our strategy and key initiatives; and
 - Continuing to highlight the opportunity intrinsic in the TasFoods business.

Thank you

For your continued support

- Employees
- Executive
- Board members
- Shareholders

40° — S
TASFOODS
50° — S

CEO Address



Welcome



SCOTT HADLEY

Chief Executive Officer

Who am I?

- Born in Tasmania. Grew up in Westbury and did all my schooling here in Tasmania.
- Graduated Uni of Tas and then travelled the world.
- Worked for some major multi nationals like Cadbury, Fosters, GSK, Asahi plus an iconic local business, Spirit of Tasmania.

The TasFoods opportunity

- After 20+ years learning what good looks like, I saw the opportunity to turn this company into a Tasmanian success story we can all be proud of.
- I have built National & Global brands and the opportunity here is to build our brands for long term success.
- With great products as our foundation (like my favourite MVD Double Cream!) we need to invest in the business to capitalise and win.
- Whilst the challenge may be more than initially thought and the road ahead more windy than we want, I am confident we can turn the business around with time, hard work, passion and innovation.
- Doing more of the same wont deliver what we want, we will be bold, decisive and take some calculated risks.

New Leadership Team to deliver the change



SCOTT HADLEY

Chief Executive Officer
Since October 2021



SHONA CROUCHER

Chief Financial Officer
Since October 2021



MIKE DAVIES

GM - Marketing
Since April 2022



AARON HALL

GM – Supply Chain
Since May 2022



GREGG FLOWER

GM - Sales
Since April 2022



PHIL STEPHENSON

Chief Poultry Officer
Since 2017



TRISTAN NICHOLS

Agriculture Manager
Since 2016

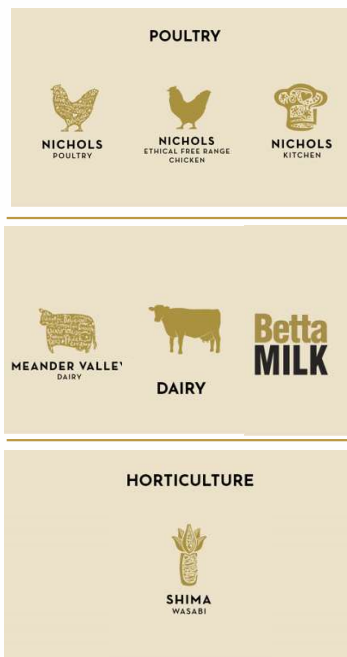


LEIGH AUSTIN

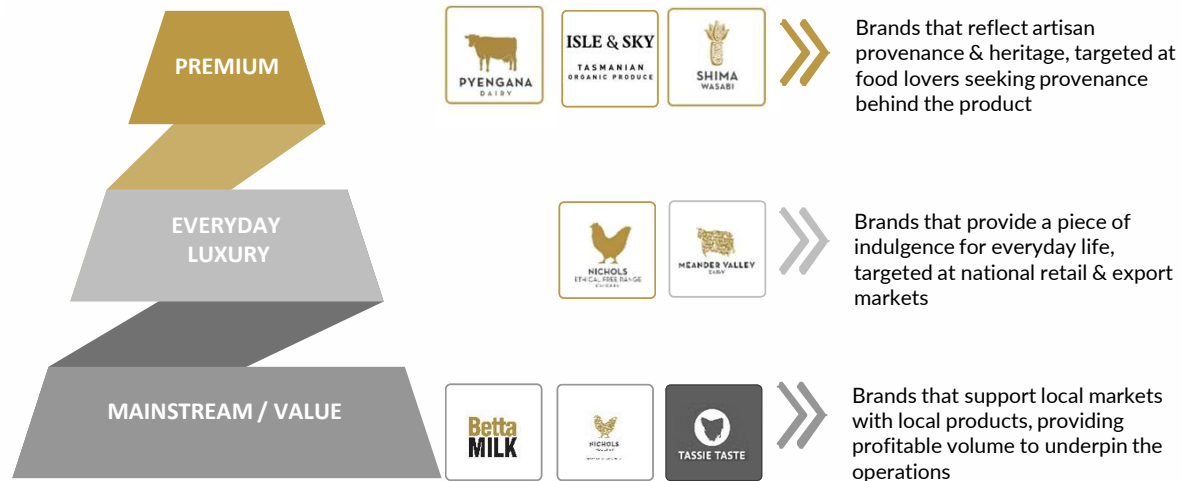
Dairy Operations Manager
Since 2015

Overview

Brands



Product Hierarchy



Sales Channels



Retail



Distributors



Food Service



Direct to consumer

FY21 Financial Review

Segment profit & loss

\$000's	FY21				FY20			
	Dairy	Poultry	Corporate & Other	Total	Dairy	Poultry	Corporate & Other	Total
Total Segment Revenue	30,497	39,083	488	70,067	29,617	37,311	508	67,436
Segment EBITDA	2,377	(1,123)	(5,683)	(4,429)	2,908	1,075	(4,426)	(443)
Depreciation	(899)	(957)	(181)	(2,037)	(938)	(973)	(197)	(2,107)
Interest	(43)	(233)	(16)	(291)	(53)	(267)	(24)	(344)
Impairment Expense	(2,770)	(1,137)	-	(3,907)	(1,500)	(2,000)	-	(3,500)
Biological Asset Write Down	(32)	(113)	69	(76)	(38)	(107)	(1,154)	(1,300)
Segment Profit / (Loss)	(1,367)	(3,563)	(5,811)	(10,741)	379	(2,272)	(5,816)	(7,709)
Income Tax Benefit / (Expense)	(157)	1,006	(850)	-	(394)	298	1,398	1,302
Loss After Income Tax Expense	(1,524)	(2,556)	(6,661)	(10,741)	(14)	(1,975)	(4,418)	(6,407)

- Sales growth of 3.8% achieved despite challenging conditions and covid related headwinds
- EBITDA position in 2021 was impacted by input cost increases relating to raw materials and labour. Mitigation strategies are now in place to improve product and customer profitability
- Strategic review of the value chain has highlighted immediate areas of focus for the business in terms of value enhancement and cost mitigation

Balance Sheet & Cash Flow

- The Group is supported by a balance sheet at 31/12/2021 with a net asset position of \$28.6m (including property, plant and equipment balances of \$25.9m)
- Cash position reduced to \$1.4m cash at bank. \$2.5m of unused finance facility available to be drawn upon if required.
- After the goodwill impairment charge, the intangible assets solely relate to the brand values in Dairy and Poultry business units
- Net cash outflows from operating activities were \$4.4 million due to increased grain costs associated with feed, substantial increases in milk prices, increased labour processing costs and significant increases in freight and distribution costs.
- Investment of \$2.4 million into fixed assets including \$1.6 million for new organic chicken farming sheds.
- The proceeds from borrowings increase in 2021 relates to the recapitalisation of the organic sheds of \$1.5m

FY22 April YTD Trading Result

Pleasing revenue performance whilst facing input cost challenges

- YTD sales as at the end of April was in line with the pcp but below management expectations.
- Poultry division sales increased on pcp as revenue enhancing initiatives start to show a positive impact.
- Dairy division sales reduced on pcp driven by value chain initiatives within Betta milk. MVD sales reduced slightly on pcp whilst Pyengana Dairy is showing positive momentum.
- Input costs have significantly increased compared to PCP driven by grain, milk and fuel.
- Labour shortages associated with COVID-19 and the resulting requirements to engage additional external labour hire in order to maintain supply and ensure animal welfare standards continue to be met have increased costs YTD by over \$300k.
- Gross margin's are under pressure as input costs rise faster than the implementation of revenue enhancing initiatives.
- This has resulted in an EBITDA loss greater than planned for the first four months of the year and unfavourable to pcp.
- Whilst EBITDA is unfavourable to pcp, cash flow from operating activities YTD are favourable compared to pcp highlighting the companies focus on cash flow initiatives.
- Balance sheet remains strong with a net asset's in line with December year end position.

The platform for change

Strong brand & product assets that require a solid corporate foundation to realise their potential

- During 2H21 the Company went through a significant period of leadership change at both at the Board and Executive level.
- Following this change the Company has undertaken several strategic reviews to ensure the business operations are positioned to grow in a sustainable manner.
- The new strategy specifically focuses on four key pillars to ensure the Company can leverage its competitive advantage and realise its potential as a leading branded premium produce group.
- Outstanding base of strong Tasmanian (Betta and Nichols) and national (Pyengana, Meander Valley & Shima) brands with heritage and authenticity.
- Opportunity lies in building sales and marketing investment, category & insights capability. We needed to be a brand led business.
- Opportunity to capitalise on our strength in Tasmania with strong customer relationships to provide a platform for future growth.
- Untapped potential in Mainland markets with circa 10% of sales outside of Tasmania.
- The board composition and capabilities will continue to be reviewed to ensure that the skill set, industry experience and tenure of the directors remains appropriate for the business and continues to provide the necessary support and guidance to the new management team as it embarks on the implementation stage of the new business strategy.

TasFoods New Strategic Focus

From 2022 onwards TasFoods will focus on four key pillars to ensure the Company can leverage its competitive advantage and realise its potential as a leading branded premium produce group



Fortress Tasmania

Capitalise on our home-grown advantage



Mainland Markets

Expand aggressively but strategically with the right products, in the right markets



Adjacent Expansion

NPD and M&A under a strict criteria to ensure success













Centre of Excellence

Right-sized, focussed and professional corporate centre

Our Centre of Excellence is the foundation to build from

Top 10 Initiatives

Progress update on the Top 10 priority areas.

1	Fix the foundations		6	Determine TasFoods distribution and warehouse model	
2	Reset strategic direction		7	Build commercial accountability and capability	
3	Implement capital management framework e.g. organic poultry decision		8	Implement value chain analysis findings	
4	Develop a marketing and brand investment plan		9	Build Centre of Excellence	
5	Implement ERP		10	Targeted mainland and e-commerce growth	

Marketing initiatives

The business now has a dedicated marketing resource to build our brands for the future

4 x Gold
9 x Silver



PYENGANA
DAIRY

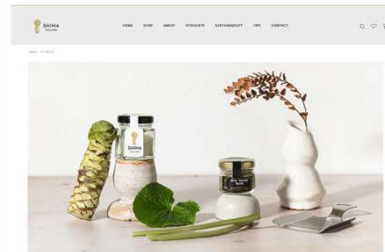


MEANDER VALLEY
DAIRY

Shima PR



Shima Web redesign



Relaunch Shima Socials



**Betta Milk consumer campaign -
September**



- Strengthened Tas brand positioning
- Community centric Consumer Promo
- On pack redemption
- Grass roots advertising
- IG activation focus

**Nichols consumer campaign -
August**



- Drive differentiated position
- Tas distribution drive
- New BTL campaign
- Full POS suite

Epicurean Powerhouse



MVD

- New differentiated positioning
- Refreshed brand identity
- New socials + web



PYENGANA

- Upgrade brand identity
- Web refresh
- Premiumise socials & web



DISTRIBUTION DRIVE

- HORECA and Specialty push
- VIC/NSW focus
- Trade focussed advertising
- Refreshed collateral

Capital raise funds – immediate priorities

Working Capital

- Significant proportion of funds will be used to eliminate overdraft and provide financial stability.

Connectivity

- The base ERP (SAP Business 1) will be fully implemented by Q4 2022.
- Additional functionality such as CRM and Customer portal (online ordering) implemented 2023.
- Implementation of distribution & warehouse review i.e. smart tablets, integrated delivery across divisions, implemented 2023

Commercial acceleration through brands

- Increasing distribution, both in Tasmania and Mainland, the main priority.
- Partnering model through distributors/wholesalers on Mainland critical to achieving scale.
- Our brands are our key assets and they need immediate attention.
- Enhance our D2C offering

The Opportunity



We have a premium portfolio of authentic brands – we just need to give them some love and attention



Lifting of commercial capabilities will improve profitability



Unrivalled distribution network in Tasmania



Under represented in growing e-commerce channel which provides direct to consumer access



Product quality is excellent



Platform for growth on mainland



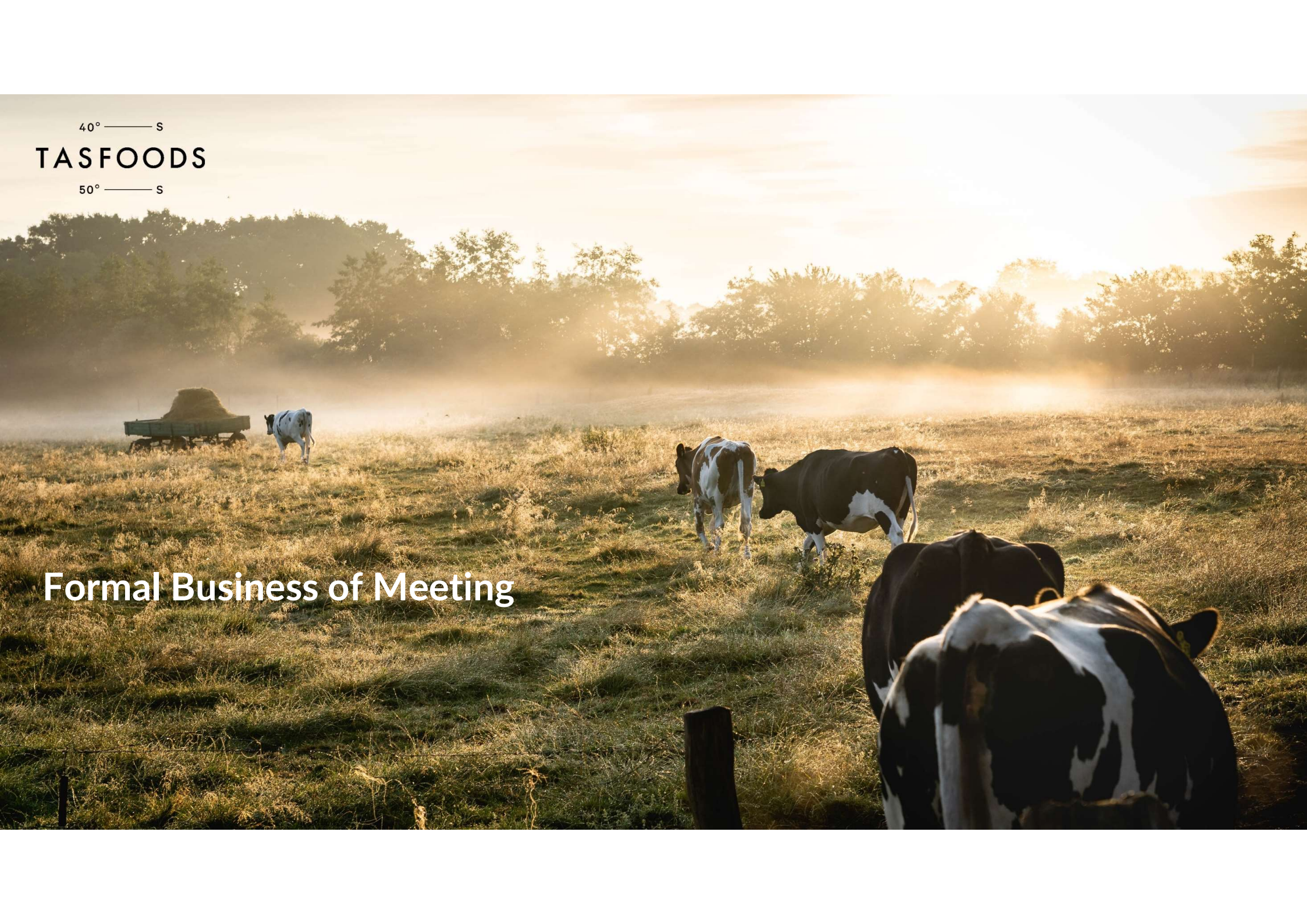
A level of integration will unlock efficiency dividends



Adjacent expansion will quickly accelerate growth and profit

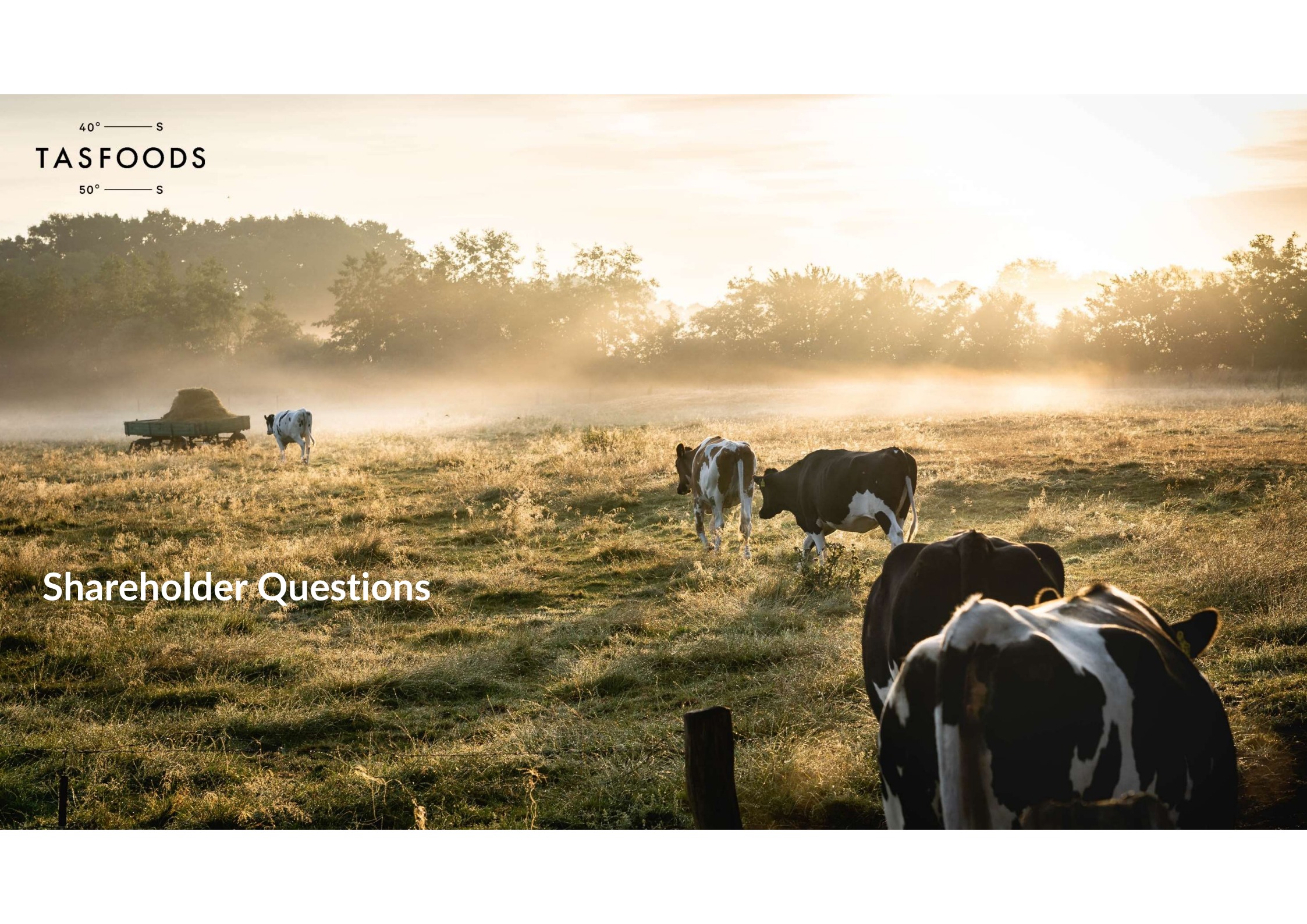
40° — S
TASFOODS
50° — S

Formal Business of Meeting



40° — S
TASFOODS
50° — S

Shareholder Questions



40° — S
TASFOODS
50° — S

Thank you

