

A woman with long blonde hair, wearing a black blazer, a white crop top, and black leggings with a colorful floral pattern, is walking barefoot on a wooden pier. The pier extends over a vast, blue ocean. The sky is filled with soft, golden light from a setting or rising sun, with some clouds. The overall mood is serene and peaceful.

# Haio Food Co.

2022 Annual General Meeting

30 August 2022



## Halo Food Co.

### A rapidly growing and expanding health and wellness company

- Halo is a fast growing health and wellness brand owner with an established and diversified manufacturing base across formulated dairy and health and wellness products
- Houses a health halo stable of brands, including The Healthy Mummy ("THM"), Tonik, KeyDairy and Gran's Fudge
- Halo's brands have a growing distribution footprint across B2B, B2C and direct ecommerce channels (with the acquisition of The Healthy Mummy) and include high margin recurring digital subscription based revenue
- The Company's seven purpose-built and fully accredited production facilities in Australia and New Zealand offer a wide range of dairy, health and wellness and nutritional packing solutions, including powders, UHT long life drinks and protein bar capability
- Halo is a trusted production partner, contract packing for well-known brands in Australia, New Zealand and internationally including Coles, Foodstuffs New Zealand, Theland (China), Walmart China, Nouriz, Noumi and My Muscle Chef

\$59.9m

REVENUE FOR FY22

\$80.0m

PRO-FORMA REVENUE FOR  
FY22 INCLUDING THM

18% ↑

INCREASE IN STATUTORY  
REVENUE FROM FY21 to FY22

48% ↑

INCREASE IN TONIK BRAND  
SALES THROUGH FY22

\$2.1m

NORMALISED EBITDA  
FOR FY22

193% ↑

FY22 NORMALISED  
EBITDA FROM FY21

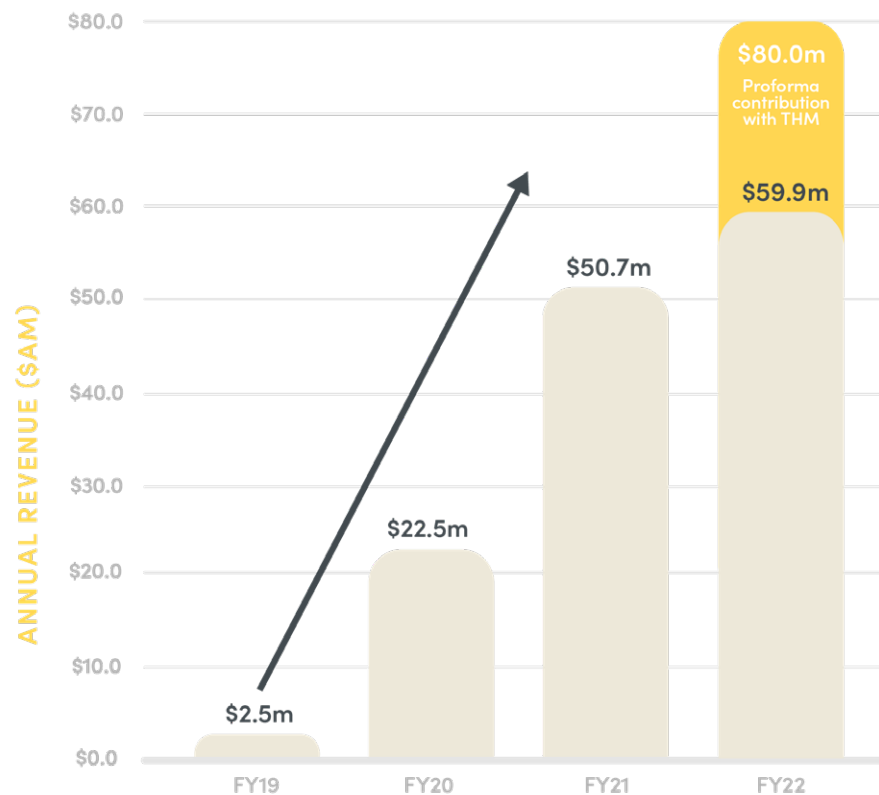




## Positive Financial Trajectory

### Significant financial results being achieved through sales and growth

- Total Sales for FY22 increased 18% to \$59.9 million from \$50.7m in FY21
- Pro-forma sales including THM totalled \$80.0 million in FY22<sup>1</sup>
- Record quarterly sales realised through FY22 – Q3 highest sales quarter of \$17.5m (excluding any contribution from THM) November 2021 sales realised \$8.0m in one month alone
- November 2021 sales realised \$8.0m in one month alone, highlighting the capability and upside for the group
- Sales in Contract Manufacturing and New Zealand increased 16% and 44%, respectively, through FY22 compared with FY21
- Significant positive swing of \$4.4 in normalised group EBITDA to a maiden profit of \$2.1 million, compared with a \$2.3m loss in the prior FY21 year
- Contract Manufacturing and New Zealand Dairy EBITDA profitable on a statutory basis through FY22
- Tonik sales increased 48% through FY22 as brand awareness, distribution and range significantly increased
- The Brands division realised a significant impairment expense against the Super Cubes brand and wrote off obsolete Super Cubes stock, materially impacting the statutory result of the division
- Brands re-focussed and set-up for success in FY23

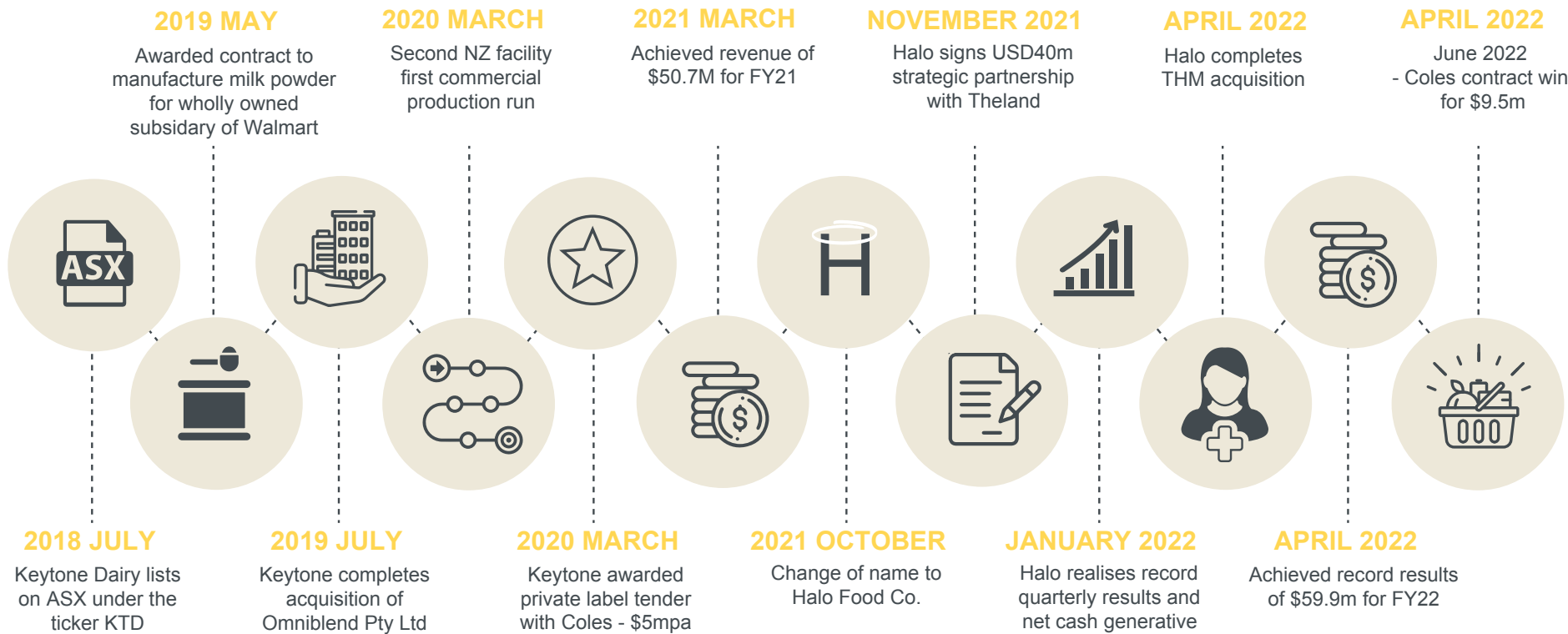


The acquisition of The Healthy Mummy legally completed on 1 April 2022 and the financial contribution of The Healthy Mummy is not included in the group for FY22





## Our Journey







## Our proprietary brands



Designed for busy Mums, our range of health, nutritional and skin products are designed to assist with weight loss, wellness and maintenance of a healthy lifestyle. All our products are formulated by experts to deliver results.



# Tōnik

Proudly Australian owned, this premium functional beverage brand exists to help people get more out of life, one sip at a time. A range of ready to drink solutions including high protein low carb, hydration and plant based options.



A range of delicious handcrafted fudges. Our luxury fudge recipes are blended with the goodness of personally selected quality ingredients, a hint of nostalgia and lashings of flavour.



Convenient, 'ready-to-eat' healthy meal and snack solutions. Super Cubes products are plant based, with protein and highly nutritious ingredients.





## Select distribution channels and retail partners

A growing distribution footprint for our proprietary brands

### Supermarket

**coles**



**ROMEO'S**  
family owned · community minded

**FOODSTUFFS**  
NORTH ISLAND

**FOODSTUFFS**  
South Island Limited

**Drakes.**

### Petrol & convenience

**7-ELEVEN**



**United**

**OTR**

**NightOwl**  
CONVENIENCE

**METRO**  
PETROLEUM

### Pharmacy, specialty & online



THE ICONIC



**GLOBAL**  
— BY NATURE —

**JB Metropolitan Distributors**

**healthmagic**

**NUTRITION SYSTEMS**

**Perth Health**  
FIRST IN NATURAL HEALTH

# Tōnik

## Introduction to Tonik

Tonik Nutrition is a Sports Nutrition brand owned by Halo Food Co.

We developed our brand Tonik as we saw a gap in the Australian market which we wanted to fill.

That gap being health & wellness products, made in Australia, by Australians, functional products made with only the highest quality ingredients, and to provide consumers with products that taste amazing!

## Our Goals

- Introduce Tonik as the “Best Tasting Functional RTD and Bar Brand in Australia”

## Our Strategy

- Provide customers with the best quality, 100% Australian developed and manufactured sports nutrition products
- Produce products that are best in class in terms of taste and performance
- Provide our retail partners with a total brand solution across both functional beverages and bars.



# Tōnik REPLENISH



## TONIK MICRO COLD-FILTRATION & PLANT PROTEIN BLENDS

Tastes Fresher smoother texture Retains Nutrients

20g Protein Aus Made





# The Healthy Mummy

Founded in 2010 with a vision of becoming Australia's leading support solution for mother's aiming to regain their health and fitness

## Company Snapshot

- The Healthy Mummy was founded in Australia in 2010 by Rhian! Allen after giving birth, when she discovered that there was a lack! of support for mothers to regain their health and fitness
- The Healthy Mummy's mission is to help millions of mothers!around the world who want to improve their health and wellbeing!after having children. The Healthy Mummy has the world's largest!health and wellbeing community of mothers with young children; its!28 Day Weight Loss Challenge ("28 Day Challenge") has helped! women lose over 2.7m kg (6m lbs)(1) collectively
- The Healthy Mummy offers digital recurring subscriptions to a! leading health and wellness app plus powdered smoothie products! to assist mums in the health and wellness journey

**1** **Digital Subscription**  
28 Day Challenge

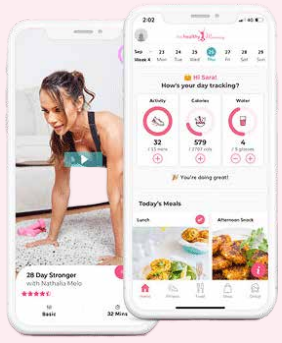
~39% of revenue    100% gross margin

**2** **Food and products to supercharge health & wellbeing**

~61% of revenue    ~48% gross margin

## Core Product Offering

### Digital Subscription Program



**THM**  
Wellness launched June 22

**98k**  
Digital Subscriber base

**4X**  
Attractive CAC to LTV ratio

### Products & Mechanise

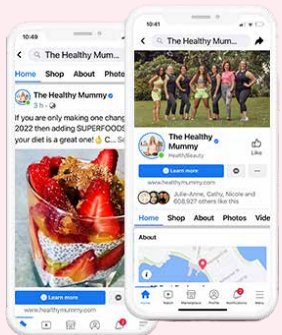


**100+**  
No. of SKUs

**B2C & B2B**  
Multi-channel! distribution

**440 STORES**  
Market penetration

### Powered by a community that motivates & drives revenue



**+1.9M**  
Facebook followers

**+600k**  
Facebook private group members

**~208k**  
Instagram followers (2)

Source: (1) Management analysis based on member surveys and App data; (2) includes @thehealthymummy and @healthymummywellness Instagram accounts



## Digital Subscription Program (28 Day Challenge)

Delivered by the highly rated The Healthy Mummy App, the 28 Day Challenge is a comprehensive customisable program to help women regain body confidence and get fit, healthy and strong



98k+ Subscribers



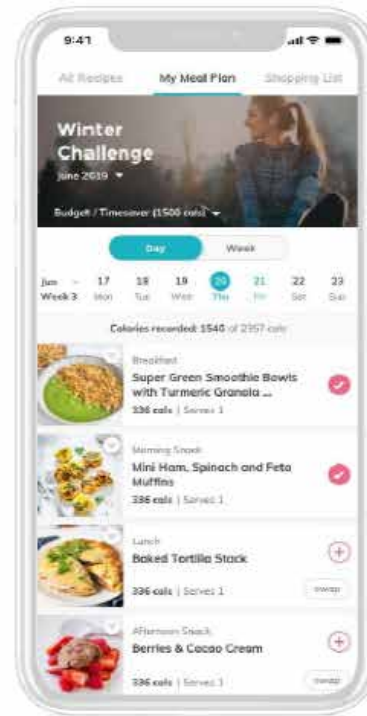
92% increase  
their self-esteem  
after 28 days



90% would  
recommend to  
their friends

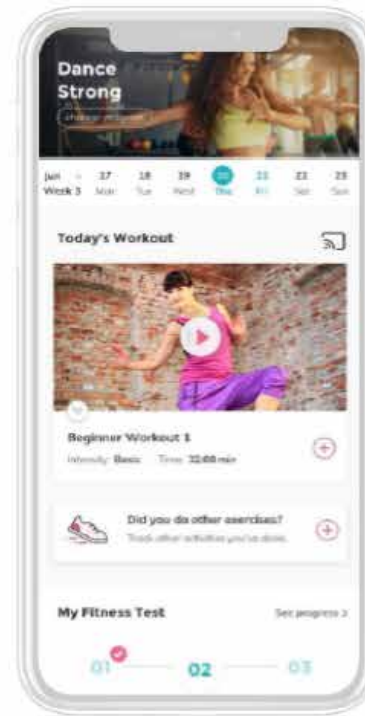


Up to 50% saving on  
average weekly meal  
spend due to budget  
friendly meal plans



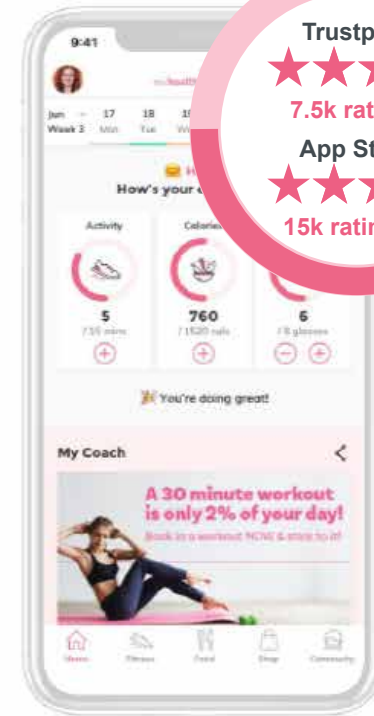
### Nutritionist Designed Meal Plans

Nutritionist designed, budget friendly meal plan with over 5,000 recipes



### Personal Trainer Designed Fitness Plans

500+ videos catering for postnatal to advanced fitness



### Motivational Coach

Lifestyle tips & goal tracker for accountability

Trustpilot  
★★★★★  
7.5k ratings  
App Store  
★★★★★  
15k ratings

## The Healthy Mummy growth initiatives

THM has a structured growth plan for which diversifies revenue streams and stretches the brand equity into adjacent categories. Strong growth in FY23 and beyond in retail channels is expected to boost brand awareness and drive product penetration

1

### Continued B2B expansion

Launched product in Priceline in September 2021  
Continue to assess B2B expansion opportunities to grow sales contribution from retail channels

2

### Monetise traffic through a mummy marketplace

Developing functionality to offer extended product categories through THM website

3

### Development of The Healthy Mummy Wellness App

Launched in June 2022 - a new vertical for The Healthy Mummy focussed on total wellbeing

4

### Partner with corporates to access new customers

Recently signed partnership with Optus to create fitness content and increase digital traffic

5

### Extend products and services to new audiences

Physical and digital product extensions including The Healthy Man

6

### Re-consider strategic international expansion

UK growth number one international priority, doubling down on existing UK presence

7

### Other growth initiatives include:

- Re-design of website and improving the overall e-commerce and customer experience
- Focus on more sustainable packaging



# Manufacturing capabilities - Australia

## Diversified manufacturing capabilities built to scale

- **Powder facilities integrated into the large and modern Mordialloc facility**
  - Dedicated multi-room blending and warehousing facility  
9 accredited packing rooms, including dairy-free, gluten free
  - In-house product development laboratory
  - Powder packing capabilities include: Jars & Tubs, Buckets, Composite Containers, Doy Bags, Pillow & Block Bottom, Sachets
- **Ready-to-drink (UHT) PET bottled products in Australia**
  - Production of long-life drinks at aseptic site including sports nutrition, weight loss and non-dairy drinks
  - Ranging in size from 225ml up to 450ml
- **Protein Bar and Healthy Snacking Plant**
  - Significant capex program undertaken through FY21 to build a state-of-the-art snacking and bar plant - fully operational from September 2021
  - Specialises in the production of sports and fitness bars, functional multi-layered protein bars, cereal bars and healthy snacks
  - Manufacture of permissible indulgence products, including Gran's Fudge



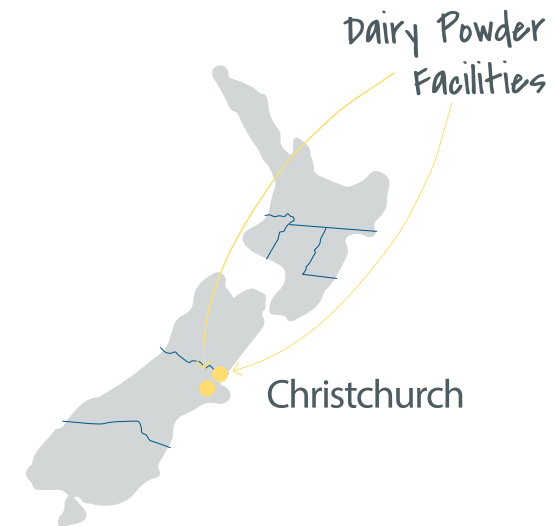




## Manufacturing capabilities - New Zealand

### Diversified manufacturing capabilities built to scale

- Two fully operational dairy powder manufacturing and packing facilities in Christchurch, New Zealand
- Constructed to comply with the highest food grade standards, infant formula capable
- Powder packing capabilities include Sachets, Pillow Bags, Zip-lock bags, Cans and Jars (from Q3 FY22)



Ministry for Primary Industries  
Manatū Ahu Matua



Certification and Accreditation  
Administration of the People's Republic of China



*Selected blue chip clients*

**coles**

 **countdown**

Tony  
Ferguson 

 **noumi**<sup>TM</sup>  
nutritionals

**THE MAN  
SHAKE**

MY MUSCLE  
**CHEF**<sup>®</sup>



**Foodstuffs**<sup>NZ</sup>

**Walmart** 



**The Land**<sup>®</sup> 



## The Halo team



*Peter James*

Non-Executive Chairman



*Danny Rotman*

Chief Executive Officer



*Andrew Reeves*

Non-Executive Director



*Sue Klose*

Non-Executive Director



*Jourdan Thompson*

Chief Financial Officer



*Heidi Aldred*

Company Secretary



## Key Highlights





H

