



ASX Announcement

28<sup>th</sup> April 2023

## March 2023 – Quarterly Activity Report

The Original Juice Co. Ltd (**Company**) is pleased to update the market on activity levels for the quarter ended 31 March 2023.

### Highlights

- **EGM conducted on 6<sup>th</sup> March 2023 – outcomes were to change name to The Original Juice Co Limited and 4:1 share consolidation.**
- **Q3 Gross revenue was \$13.8m, increase 19% on Q3 March 2022.**
- **Repayment of NAB debt facility of \$0.32m during the quarter.**
- **Cash receipts from customers of \$11.6m during the quarter, cash balance of \$0.7m on 31 March 2023.**
- **OJC continued to maintain service levels through difficult market conditions regarding transport and labour shortages.**

### Activities during Q3 of FY2023

The Company ended the quarter with a cash balance of \$0.7m. Quarterly operating cash inflow for the period was \$0.6m, which is an improvement of \$0.2m over Q3 FY2022 cash inflow of \$0.4m, and an improvement of \$1.1m over previous quarter (Q2 FY2023) cash outflow of \$0.5mm.

Manufacturing and operating expenditure of \$7.3m for the quarter were in line with expectations and in line with the previous quarter.

Advertising and marketing expenditure for the quarter has delivered Original Juice Co. video content during a recent board and senior management visit to Griffith visiting our Australian farmers.

The payments made related to research and development expenditure for the quarter are as per previous quarters and are based on the time and effort invested in creating and formulating future products.

The interest paid on the NAB facility is at a fixed rate of 4.2%.

### Payments to related parties during the quarter

In accordance with Listing Rule 4.7C.3, and as noted in section 6 of the Appendix 4C Cashflow Statement, during the March 2023 quarter the aggregated amount of payments made to related parties and their associates totaled \$35k, comprising directors fees.



## Brand update

### Juice Lab range

- Shots remain market leading and continue to improve market share, now capturing 79% of market share **(IRI data)<sup>1</sup>**.
- New products performing well, range has grown with additional multidose SKU and shots flavors performing well.

### Original Juice Company range

- Year on year growth of 6% for the range YTD
- New 'Purple Veggie' juice to hit shelves in March.

### Private Label and Industrial Sales

- Aldi private label increased sales in February 2023 due to expanded ranging and additional SKU's.
- OJC continues pushing volume in industrial (tanker) sales with an 86% increase YOY.

### Export range

- Final stages of tender for export juice sales, outcomes to be announced to market in the first week of May 2023.
- Eridani sales of Collagen and Wellness Gels now selling in China.

## Q3 – New product and ranging driving growth

Strong growth has continued in Q3 FY2023, recording further revenue growth, up 19% on prior comparative period to \$13.8m. The result demonstrates positive outcomes from continued investment in new product development and expanding a strong core offering.

The Original Juice Co. Ltd CEO, Steven Cail, commented:

*"Q3 has been a fantastic quarter of growth for the business, delivering 19% uplift YOY. Pleasingly, the business continues to go from strength to strength and with constant double-digit growth, the business has created a strong core to expand beyond the supermarket retailers."*

*The growth hasn't come at the cost of profitability, as our margins continue to improve with both Original Juice Co branded volumes, along with Juice Lab volumes growing significantly. Last quarter we had the Aldi announcement and pleasingly these increased volumes have helped the business gain economies of scale as growth continues to bring down our overhead costs at a unit level.*

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<sup>1</sup> Source data- IRI Australia data Total Grocery MAT dollars to 31/03/2023



*Positive operating cash continues to support our balance sheet. Expectation is our cash position will improve significantly in Q4 which will further help our growth expectations. Our plans to expand distribution channels in both industrial and export remains a focus, with further updates (once contractually solidified) expected to be announced in the coming weeks.*

*Our total business transformation continued in Q3 with our name change to 'Original Juice Co Limited' well received, along with the 4:1 share consolidation. The additional independent resources on the board, now led by Mr. Jeff Kennett, is exciting as we continue to evolve on governance to support the accelerated success of the business.*

*In a continuation from last quarter, operationally the business has maintained strong service levels whilst operating in a safe environment. Record volumes leaving the production facility is a great achievement given the complex environment we operate in regarding labor and logistical challenges. The business foundations are well positioned to provide a great launch pad to continue growth and profitability."*

This announcement was authorised by the Company's Board of Directors.

For more information, please contact:

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### **About The Original Juice Co. Limited**

The Original Juice Co. Limited (ASX: OJC) is an Australian-based food processing company that uses a combination of conventional juice processing equipment and custom-developed equipment and processes to manufacture a range of high-quality juices, fibres, infused fruits and fruit waters that are sold as branded products or ingredients to customers domestically and overseas.

OJC uses a range of processing technologies, including Counter Current Extraction (CCE) technology which was developed in conjunction with Australia's CSIRO to extract juice from fruit and vegetables. Its processing facilities are located in Mill Park, Victoria.

OJC is aiming to generate shareholder value through exploring opportunities for growth in the functional food, beverage and nutraceutical markets in Australian and key international markets, including China.

## Appendix 4C

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

**Name of entity**

THE ORIGINAL JUICE CO. LTD

**ABN**

20 150 015 446

**Quarter ended ("current quarter")**

31 March 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	11,560	29,862
1.2 Payments for	-	-
(a) research and development	-129	-419
(b) product manufacturing and operating costs	-7,324	-20,874
(c) advertising and marketing	-137	-281
(d) leased assets	-307	-795
(e) staff costs	-2,800	-7,057
(f) administration and corporate costs	-168	-534
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-92	-226
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>603</b>	<b>-234</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-159	-561
(d) investments	-	-
(e) intellectual property	-31	-104

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(f) other non-current assets	-	-
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)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-190</b>	<b>-665</b>

<b>3. Cash flows from financing activities</b>		
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	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-48	1,737
3.6 Repayment of borrowings	-325	-975
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-373</b>	<b>762</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	733	910
4.2 Net cash from / (used in) operating activities (item 1.9 above)	603	-234

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-190	-655
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-373	762
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>733</b>	<b>733</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	733	633
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>733</b>	<b>633</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Payment for director fees	35

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	5,181	5,181
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>5,181</b>	<b>5,181</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>53</b>
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.		
<ol style="list-style-type: none"> <li>1. \$4.2m equipment finance loan at a fixed 4.2% interest. The equipment finance loan is secured over all of the company's assets and will be over a 5-year term.</li> <li>2. \$1.0m invoice finance facility at 6.22% interest – is secured over all of the company's assets and reviewed by annually on an ongoing basis; this facility will be used for working capital.</li> </ol>		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	603
8.2 Cash and cash equivalents at quarter end (item 4.6)	733
8.3 Unused finance facilities available at quarter end (item 7.5)	53
<b>8.4 Total available funding (item 8.2 + item 8.3)</b>	<b>1,389</b>
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>N/A</b>
<i>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.</i>	
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:	
<i>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.</i>	

## 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 April 2023

Authorised 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.