



Welcome to the 2015 Buderim Ginger Limited Annual General Meeting



Order of Business

- Welcome & Introductions
- Chairman's Address
- Chief Executive Officer's Address
- Items of Business
- Discussion

Introductions

Board

- Steve Morrow
Chairman
- Shane Templeton
Non Executive Director
- Peter O'Keefe
Non Executive Director
- Lewis Timms
Non Executive Director

Executives

- Roger Masters
Chief Executive Officer
- Andrew Bond
Company Secretary/CFO



GINGER PETS
Channel

WHO'S A PRETTY BOY THEN?
HERE'S TO OUR FURRY GINGER
FRIENDS



HOT FOR GINGER
Channel

WHO'S THE SEXIEST GINGER ON
THE PLANET?



MO' GINGER
Channel

WE ALL KNOW A CAPTAIN
REDWARD WHO DESERVES MY
CREDIT



*Australia's
Hottest
Ginger*

Enter Now



GINGER LAUGHS
Channel

BECAUSE PEOPLE WITH GINGER
HAIR ARE SOME OF THE
FUNNIEST PEOPLE



GINGER CATS
Channel

THE BEST THING ON THE
INTERNET JUST GOT MORE
AWESOME



*Try Our New
Ginger Beer*

Learn More



GINGER RECIPES
Channel

FROM TEA TO NOODLES, DINNER
TO DESSERT

Chairman's Address



GINGER MIXOLOGIST
Channel

GINGER COCKTAILS, MIXERS,
AND HOMEBREWS FOR
SOOOOOOOO TIMES



GINGER PRIDE
Channel

THE LATEST FROM THE GINGER
REVOLUTION FRONTLINE



Year in Review

- Year of improvement
- More improvement needed

	2015 \$'000's	2014 \$'000's
Revenue	\$76,042	\$70,067
NPBT	\$2,515	\$(2,956)
NPBT normalised	\$ 331	\$(2,956)

Year in Review

- First full year focussed on three core businesses
 - Ginger
 - Macadamias
 - Tourism

Ginger

- New branding
- New packaging
- New product development
- Cost down project



Macadamias

- Acquired Kapua macadamia orchard - \$5.6m
 - 4000 acre orchard
 - receivals and processing facilities
 - timing good with \$AUD, macadamia prices, excellent seasonal growing conditions



Macadamias

- Extending MacFarms brand
- Agrimac receivals down from 4,200t to 2,400t
 - reasons
- Opportunities to secure supply



Tourism

- Visitor numbers continue to improve
- Continue to enhance attractions
- Continue to upgrade park facilities
- Pro-active market engagement



The Outlook

Macadamias

- Excellent on-going seasonal conditions MacFarms
- Continued high prices
- Extension of MacFarms brand
- Look to secure more macadamias for Agrimac

The Outlook

Ginger

- Seek extended distribution for both new and old products (domestic and export)
- Continue Cost Down projects at Yandina
- Modernise Fiji and improve quality
- Continue developing new products

Summary

- Improved profitability in 2016
- Share price should follow
- Dividends at year end will depend on profitability and capital requirements



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Chief Executive Officer's Address



Chief Executive Officer's Address

Review of Business

1 July 2014 to 30 June 2015

Highlights

- ✓ Sales Revenue increased by \$5.9 million (8.5%)
- ✓ Net Profit Before Tax up \$5.4 million (pre-normalised) and \$3.3 million (normalised).
- ✓ Net Profit After Tax up \$1.8 million to \$290,000.
- ✓ Purchase of Kapua Orchard US\$4.5m valued at \$US12.5m.

Highlights

- ✓ Production driven to a market driven
 - New products developed to replace deleted and/or mature products.
- ✓ Industrial focus to retail brand focus
 - Buderim Ginger branding differentiation using the **‘Ginger Revolution’** launched in October 2014 on a digital media platform.
 - MacFarms for an international macadamia retail brand

Highlights

- ✓ Processing and cost reduction outcomes continued with Business Improvement Program
 - Removed duplicated costs in 4 subsidiaries – Head Office
 - Removed onerous contracts
 - Reduced excessive outsourcing
 - Cut organisational slack
 - improving production and processing flows eg sugar management
 - Projects to secure supply
- ✓ Appointment of factory managers to Alstonville and Hawaii plants to improve production.
- ✓ Improved QA function to improve processes and reduce stock deterioration.
- ✓ Tourism continues to improve

New Products 2014-15

- ✓ Ginger Pouches
- ✓ Snack Packs 40g
- ✓ Chocolate Covered Ginger
- ✓ MacFarms brand 'Easy Open' NIS
- ✓ Macabella macadamia chocolate spread
- ✓ Non Alcoholic ginger beer range in 250ml can and glass bottle range
- ✓ Alcoholic ginger beer range in 250 ml can and glass bottle range

New Product Challenges

- ✓ Pouches to comply with supermarket request, other markets & fit with co-packer equipment.
- ✓ Establishing right flavour profiles in drink mixes.
- ✓ Establishing the right formula for macadamia spread options including chocolate options.
- ✓ Locating suitable suppliers for packaging options.
- ✓ Locating suitable co-packers within price, quality parameters.
- ✓ Execute suitable brand designs to fit market positioning.

New Products 2014-15



Creating a Ginger Revolution

ONLINE GINGER HUB



The internet's finest ginger brought to you by the world's finest ginger.

An online portal celebrating all things ginger!

Competitions

Sampling & Events

- Launch Party
- Ginger Pride Rally

Advertising

- Social Media
- Traditional



#goginger



Ginger Revolution

✓ Areas of focus: Current & New consumers

Increase
frequency
of purchase

Entice
existing
consumers
to buy more

Price promotions
Recipe advertorials
Online engagement

Increase
penetration

Attract
new buyers
i.e. younger
audience

Brand relevance
Sampling
New products
**Get them talking
about ginger!**



The internet's finest ginger...



...in one sweet location



#GoGinger

CHOOSE A GINGER CHANNEL



GINGER CATS
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GOT MORE
AWESOME



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Send us your own
Ginger content by
using the hashtag or
submitting from
here, here or here...



View #GoGinger

Subscribe

Give us your email,
& we'll give you free
stuff...

Your email address

Submit



'Ran-ga'
Channel

GINGER



MO' GINGER
Channel

WE ALL KNOW A
CAPTAIN RED
BEARD WHO



Revenues

	2011	2012	2013 H1	2014	2015
Revenue	\$000's	\$000's	\$000's	\$000's	\$000's
Ginger	30,761	28,891	14,689	29,663	29,256
Macadamias	26,063	36,222	17,627	37,850	51,369
Baking	19,773	9,681	4,279	3,713	0
Tourism	3,833	3,877	1,857	3,994	4,069
Consol. Entry	(747)	(1,501)	(3,475)	(5,153)	(8,652)
Consolidated Revenue	79,683	77,170	34,977	70,067	76,042

- Sales Revenue increased by \$5.9 million (8.5%)
- Macadamia revenues increase on back of higher prices, volumes and favourable FX movement
- Baking revenues now gone.

Profitability

	2011	2012	2013 H1	2014	2015
EBITDA pre-normalised			(4,602)	125	5,519
EBIT	3,137	4,181	(5,940)	(1,944)	3,328
NPBT pre-normalised	1,829	3,008	(6,403)	(2,956)	2,515
NPAT	1,541	1,840	(4,601)	(1,493)	290

	2011	2012	2013 H1	2014	2015
NPBT pre-normalised	1,829	3,008	(6,403)	(2,956)	2,515
Fair Value Adjustment					(3,556)
Crop insurance			(476)	(1,124)	0
Baking closedown (2013&14); Inventory, redundancies, product withdrawal.			5,701	1,119	1,372
Other				26	
NPBT normalised	1,829	3,008	(1,178)	(2,935)	331

- Net Profit Before Tax up \$5.4 million (pre-normalised) and \$3.3 million (normalised).
- Net Profit After Tax up \$1.8 million to \$290,000.
- No contribution from formerly significant sales to Bundaberg Brewed Drinks.
- No contribution from deleted products Lemon, Lime & Bitters (incl.diet); 375g Crystallised Ginger.

Cash Flow

	2013 H1 \$000's	2014 \$000's	2015 \$000's
Cash Flows			
Operating	(1,812)	462	145
Investing	(1,090)	(206)	(7,210)
Financing	2,978	11,360	(1,037)
Net Cash Flow	76	11,616	(8,102)
Debt	21,624	21,458	21,024
Cash	1,018	12,634	4,532
Net Debt	20,606	8,824	16,492

Major cash flows:

- Net debt repayments of \$1 million
- Investing outflows in Kapua orchard purchase A\$5.6 million and \$1.6 million in plant & equipment
- Cash generated from operations \$145,000.
- Cash at end of year \$4.5 million

Last Years Outlook

- ✓ Strengthen our brand position with a better communication strategy.
- ✓ New products
- ✓ Low cost structure with better automation.
- ✓ Vertical integration demonstrated by Kapua Orchard purchase.

This Years Outlook

- ❑ Strengthen our distribution platform.
- ❑ Drive sales growth with new & existing products in enhanced distribution channels.
 - Drinks in local channels IGA and Coles liquor
 - Canada
 - China
 - UK
 - Europe
- ❑ Reduce product cost through increased volume and enhanced co-packing relationship
- ❑ Consider vertical integration opportunities

Discussion / Questions



2015 AGM

ITEMS OF

BUSINESS



Financial Statements and Reports

To receive and consider the following reports in respect of the financial year of the Company ended 30 June 2015:

- The Financial Report (which includes the Statement of Financial Position, Statement of Comprehensive Income, Cash Flow Statement and Directors' Declaration); and
- The Directors' Report and the Auditor's Report.

Resolution 1 – Re-election of Director Mr Stephen John Morrow

To consider and, if thought fit, to pass the following Ordinary Resolution:

- That Mr Stephen John Morrow, who retires by rotation in accordance with the Constitution and, being eligible for re-election, be re-elected as a Director.

Resolution 2 – Withdrawn

Resolution 3 – Election of Director Mr William Lewis Timms

To consider and, if thought fit, to pass the following Ordinary Resolution:

- That Mr William Lewis Timms, having been appointed as a director by the Board on 30 January 2015 to fill a casual vacancy, and, being eligible for election, be elected as a Director.

Resolution 4 - Remuneration Report included in the Directors' Report

To consider and, if thought fit, to pass the following Ordinary Resolution under section 250R of the Corporations Act:

- That the section of the Directors' Report dealing with the remuneration of the Company's Directors and senior executives ('Remuneration Report') be adopted.

Resolution 5 – Approval of Increase in Total Amount of Non-Executive Director’ Fees

To consider and, if thought fit, pass the following resolution as an ordinary resolution:-

- That for the purposes of ASX Listing Rule 10.17 and Clause 16 of the Company’s Constitution and all other purposes, the members approve the increase of the maximum aggregate amount payable to non-executive directors by way of directors fees by \$50,000 from \$250,000 to \$300,000 per annum, to be divided among them in such a proportion and manner as the directors determine.

Resolution 6 – Change of Company Name

To consider and if thought fit, pass the following resolution as a special resolution.

- That, with effect from the date on which the Australian Securities & Investments Commission alters the details of the Company's registration:
 - (a) the name of the Company be changed to Buderim Group Limited; and
 - (b) the Constitution of the Company be amended to reflect the change of name of the Company to Buderim Group Limited by changing all references to Buderim Ginger Limited in the Constitution to Buderim Group Limited.



Discussion / Questions





**Thank you
Please join us
for
Refreshments**

