



THE **FOOD**
REVOLUTION
GROUP

We're all about creating a
global food revolution.

ASX: FOD

FY2016 Results Presentation

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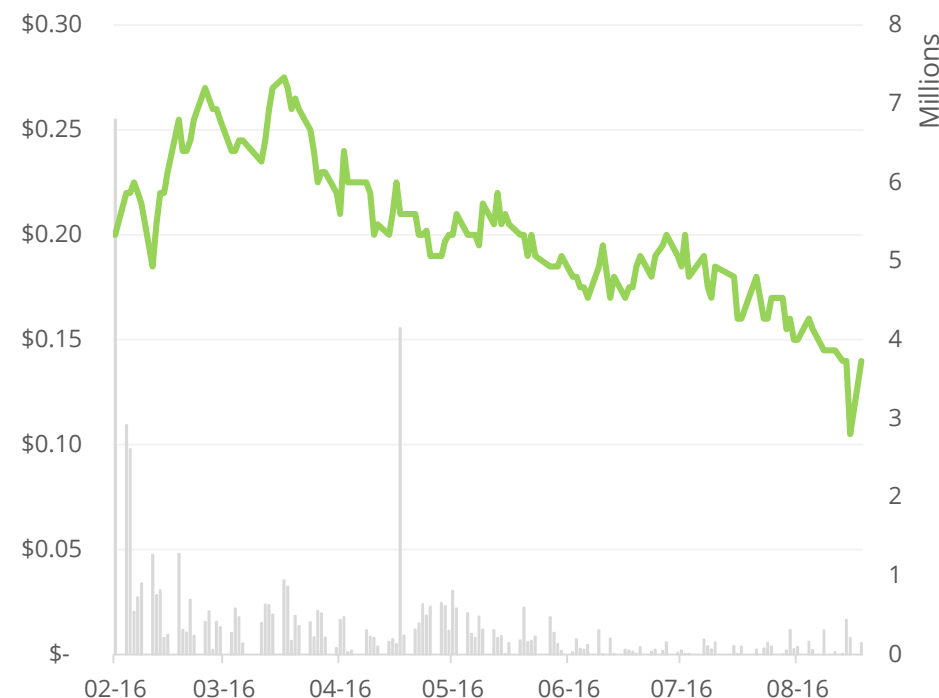
Corporate Snapshot

Trading Information

ASX ticker	FOD
Share price	\$0.14
Shares quoted on the ASX	228.4m
Market Cap (free-float)	\$32m
ASX Escrow Shares	145.6m
Performance Shares/Rights	
Class B performance shares/rights	60m
Class C performance shares/rights	80m
Options	7.7m
Market Cap (fully diluted)	\$73m

- Performance shares/rights B 60M shares = EBITDA run rate of \$5M (excluding one offs)
- Performance shares/rights C 80M = EBITDA run rate \$10M (excluding one offs).

Share Price Performance Since Listing



FY16

Building the base

FY17

*Growing long-term
sustainable earnings*

Investor Highlights

- Exposure to high growth **functional food and beverage** market
- Diversified **portfolio of branded products**
- Strategic **Chinese partners** with existing channels to **market in China**
- **Multiple avenues for revenue and earnings growth- CAGR for branded products above 100% p.a**
- Significant **opportunity for international growth**, particularly in China
- Established channels to **market for wholesale business**
- Vertically integrated business with **capacity to support future growth**
- **Highly experienced Board and management team**

Our Board



Graham Duff

Chairman

Mr Duff has more than 40 years of experience as a developer and major contractor throughout Australia and internationally.

Among his roles, Mr Duff served as foundation Chairman of the Victorian Institute of Sport, Chairman of the 2002 World Masters Games, Chairman of the Construction Advisory Panel of Austrade, and Chairman of the Construction Sector for two Federal Government Trade Missions to China and the first Trade Mission from Australia to Vietnam.



Matthew Bailey

Non-Executive Director

Matthew Bailey has more than 20 years of sales, marketing and brand building experience. Appointed the CEO of The Bailey Group at 26, he developed it into a \$50 million business, providing sales and marketing advice to Fast Moving Consumer Goods (FMCG) suppliers and developing brands that included The Natural Confectionery Company, Sakata rice crackers and launching Ocean Spray and V energy drink into the Australian market. Mr Bailey sold the business in 2004 and later re-entered the FMCG industry when he formed The Bailey Boys.



Minna (Norman) Rong

Non-Executive Director

Norman Rong is Managing Director of Shenzhen Youngheng Biotechnology Co., Ltd, FOD's largest shareholder, and is based in Melbourne.

In this role, Mr Rong has built one of the largest distributors of Australian food and health products to the Chinese market and overseen the marketing of these products into China via cross border, online and offline channels.

He is a leader in marketing products using Daigou, the commerce channel used by many leading Australian food manufacturers to sell products into China, and has developed a large database of Daigou shoppers.

Mr Rong holds a Master of Medical Science degree from the University of Western Australia. He has extensive knowledge of the Chinese healthcare industry and the use of Chinese Medicine, and has extensive experience in international trade, import and export logistics, and medicinal and health products.



Hong Wang

Non-Executive Director

Hong Wang manages a number of enterprises in China and has extensive experience in marketing and management. He set up his first company in 1996 and he has more than 20 years of experience in business operations management and marketing. He has extensive knowledge in dealing with the Chinese market.

Mr Wang is the General Manager of Shandong Co., Ltd, a new digital technology company, which is the core distributor and largest dealer of German SIEMENS in the north China area. In addition to his management roles, Mr Wang specializes in high-end building materials. He is responsible for the management of Jinan Saite Metal Doors and Windows Company, which is the core agent of German KOMMERLING in the Shandong Province. Mr Wang has strong relationships with many other large state-owned and private enterprises in other industries.

Senior Management



Bill Nikolovski

Chief Executive Officer

Bill Nikolovski is a qualified engineer and has, over the past 20 years, held senior leadership roles in a number of Australian and international businesses in market research, clean technologies, automotive, information technology, telecommunications and consumer goods industries.

Mr Nikolovski has been responsible for strategy and planning, business development, marketing, product development, acquisitions and divestments, and operational management in companies ranging from Ipsos (as Managing Director of Australia and COO of the Asia-Pacific), through to NCS Pearson Australia, Australian Electronic Manufacturing Services, Cleantech Ventures, Metaca Corporation, Leigh Mardon and Pilkington Automotive.



Dean Fraser

Chief Financial Officer, Company Secretary & General Counsel

Dean Fraser has significant financial and commercial experience across corporate finance, investment banking, business development and legal roles. He founded Fortis Corporate Advisory (Fortis) in 2009, an independent corporate advisory firm specialising in mergers and acquisitions, divestments, capital management and strategic advisory mandates.

Prior to Fortis, Mr Fraser worked as a corporate adviser with Greenhill Calburn, one of Australia's leading independent corporate advisory firms, and as a mergers and acquisitions lawyer with Australian law firm Minter Ellison. Mr Fraser has significant experience in mergers and acquisitions, and equity and debt capital markets across a variety of sectors, and is a qualified lawyer.

Our Brands



The Juice Lab range of functional, premium quality pressed fruit & vegetable juice & smoothies.



Hi-Fi is an all-natural, fruit-based fibre supplement focused on digestive health.

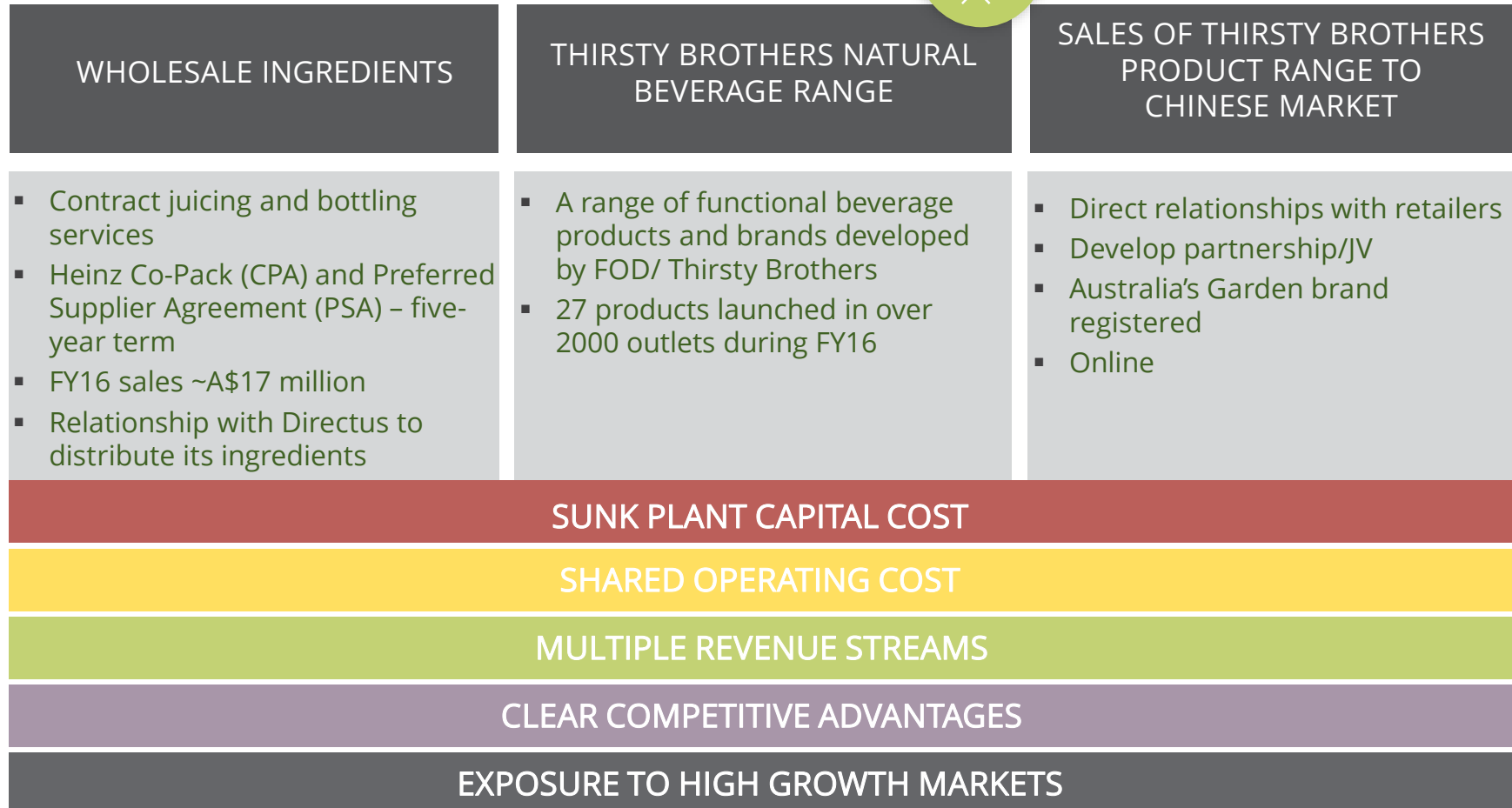


Badu infused water is the revolutionary, zero-calorie drinking alternative for the health conscious.

MIXOLOGIST

Lightly carbonated beverages made from carefully crafted blend of fruit juice and hints of botanicals.

Value Proposition



Vertically Integrated Business Model

PRODUCTION CAPACITY TO SUPPORT FUTURE GROWTH

- Operational leverage over fixed cost base
- Only running at 33% of current capacity
- Focus on cost, quality and efficiency
- Strategic procurement provides competitive advantages
- Emphasis on quality assurance and compliance with key government certifications
- Opportunities to insource and process further fruits
- Recent capital investment in extraction technologies

MILL PARK SITE

PROCESSING CAPABILITY

- Extraction of juice (80K tonnes p.a) currently running at 20K tonne
- Cold and ambient storage and distribution
- Combination technologies
- Drying
- Micro-dosing
- Bottling (50M litres p.a) currently at 10M.
- Chromatographic separation
- Product development team

The Functional Food Market

A Growing Sector

Key market observations:

- **Functional food is growing**
- Snacking, on the run, convenience
- Natural

Our Marketing and Branding is:

- On trend
- Innovative packaging and branding
- **Disruptive and innovative in large categories** that have had little innovation eg. juice, dairy, snack food

Key Strategies are:

- Concentrate on functional food
- Our products must be **nutritionally better for you**
- Use our natural products
- Products need to fit snacking, convenience, natural trend
- Beverage
- Bars
- Health food aisle

Retail Channels

Entered in 2016

coles

coles
express



Targeted in 2017



**Core ranging in
FY17



FY2016 Highlights

Achieved since listing in Feb 2016

1. Sales Growth of 22% YoY or 71% annualised:

- ✓ Developed and launched 27 new products into the Healthy Food market
- ✓ More products developed and ready for launch in FY2017
- ✓ Products sold through Coles, Woolworths, IGA, convenience stores
- ✓ Achieved significant market share – 12% in Coles (Nielsen data, Aug '16)
- ✓ Building a distribution network – more than 2000 operating outlets in FY16

2. EBITDA of \$754K (excluding one-offs):

- ✓ Gross profit margin healthy

3. Restructured Business:

- ✓ Divested loss-making assets Roxdale Foods and LangTech Citrus - total losses of \$3.5 million p.a.
- ✓ Sold undervalued IP as part of \$17M deal with Gravity Solutions Global Pte Ltd ("GSG")
- ✓ Restructuring to focus on Food products

4. Board and Management team strengthened:

- ✓ Graham Duff (AM) appointed as Independent Chairman from 1 September 2016
- ✓ Moving to best practice corporate governance principles and recommendations (Independent Chairman & Directors)
- ✓ Norman Rong appointed Director
- ✓ Management team focus on products rather than R&D.

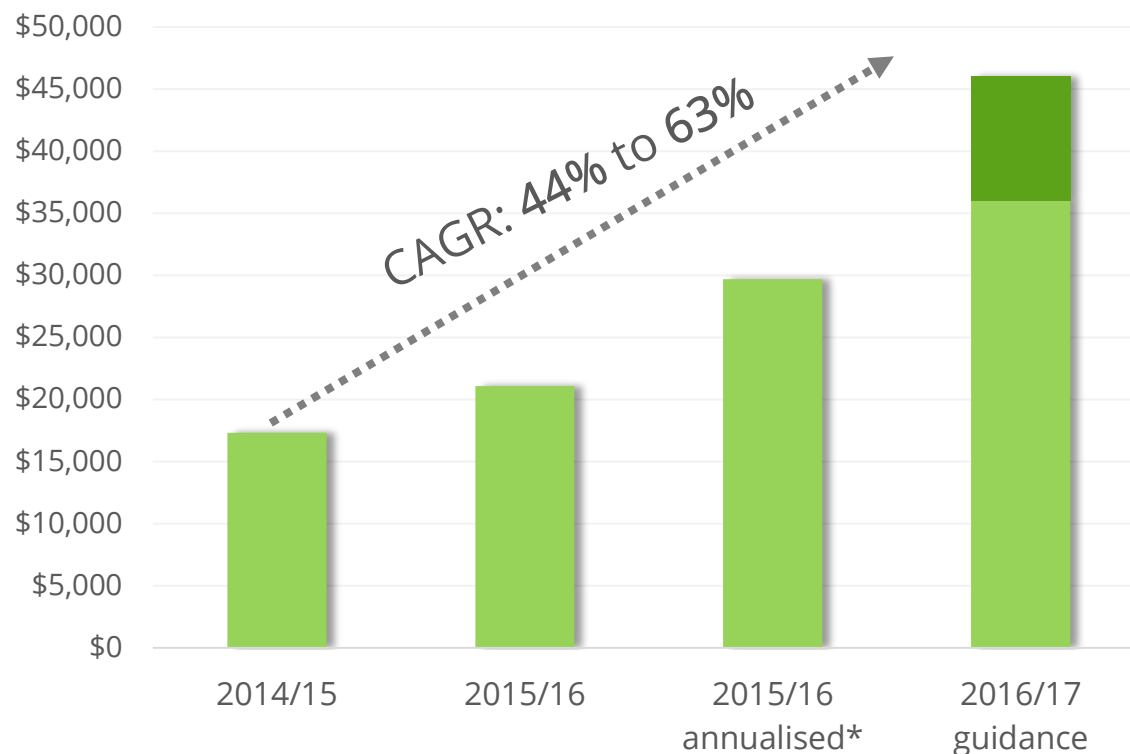
FY2016 Highlights (cont.)

5. **Focus on international growth, particularly in China:**
 - ✓ Products registered in China
 - ✓ JV relationships developed
 - ✓ Products sent and tested
 - ✓ Currently securing supply chain contracts
6. **Service levels:**
 - ✓ High level of product development, time to market and customer service
 - ✓ Quality SQF certification achieved
 - ✓ Finalist in Coles' supplier awards for Innovation
7. **Acquisitions:**
 - ✓ Options have been identified.

FY2017 Objectives

1. **Organically grow retail sales by more than 70% YoY:**
 - Develop additional distribution channels for existing products
 - Launch new products in Sep/Oct '16 & Feb '17
 - Continued focus on international growth:
 - Focus on growing export opportunities through established channels
2. **Maintain ingredients business:**
 - Continue through a simplified offering
3. **Complete transaction with GSG:**
 - Sale of Roxdale Foods - \$1.18M
 - Sale of bio-actives IP - \$1.725M
 - Lease of equipment - \$12M over 10 years
 - Provision of services to GSG - \$250K p.a.
4. **Diversify into other categories:**
 - New acquisition anticipated in FY2017 (not included in our forecast)

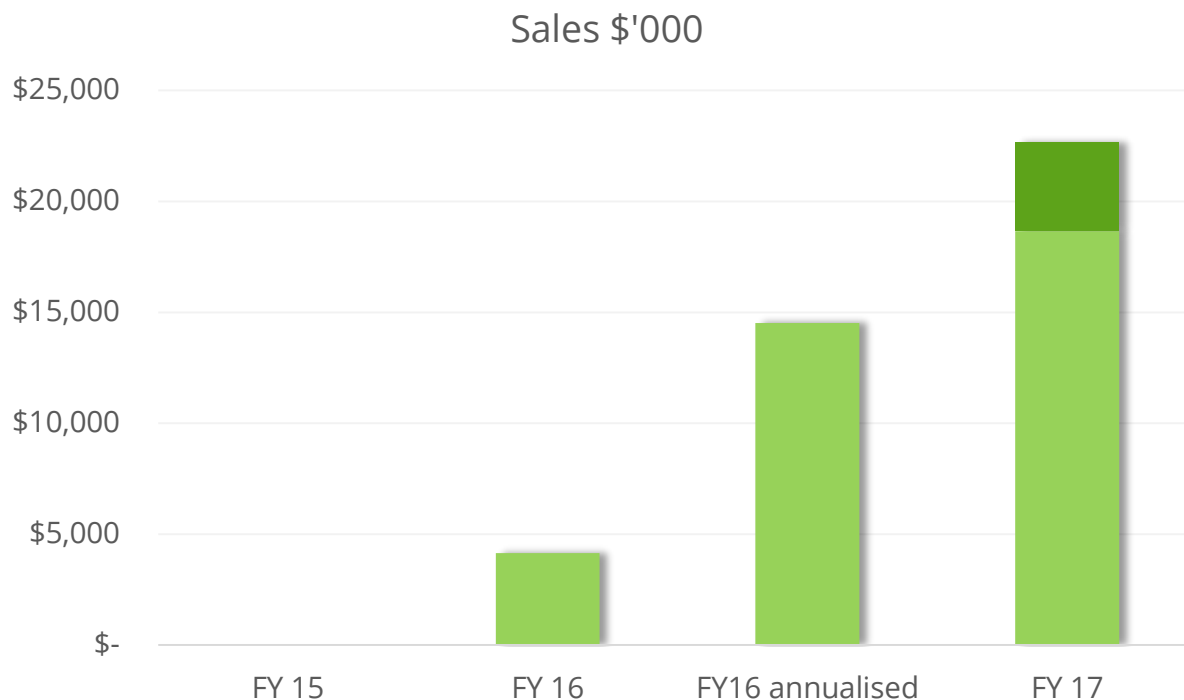
Financial Results – Sales



- Sales growth of **22%** YOY
- Sales growth of **71%** annualised
- Sales of **\$36-\$46M** forecast for FY2017
- *annualised revenue from Q4 '16

	2014/15	2015/16	2015/16 annualised*	2016/17 lower	2016/17 upper
Sales \$'000	17,312	21,084	29,690	36,000	46,000
growth		22%	71%	71%	118%

Growth In Branded Products



400%+ growth year on year

- Growing market share, already third largest supplier to Coles (Nielsen Aug '16)
- Continued growth through optimised product range

2000+ current distribution outlets

- Key focus on growing petrol & convenience stations and independent channels
- Launch of branded products into China



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FY17 Forecast Guidance

Lower guidance Upper guidance

FY '17	\$'000	\$'000
Sales	\$36,000	\$46,000
<i>EBITDA</i>	<i>\$3,200</i>	<i>\$3,800</i>
<i>% EBITDA Margin</i>	<i>8.9%</i>	<i>8.3%</i>
<i>One off gains</i>	<i>\$1,900</i>	<i>\$1,900</i>
<i>EBITDA (including one off)</i>	<i>\$5,100</i>	<i>\$5,700</i>

*FOD forecast EBITDA guidance includes one-off sales of bioactives IP & New Zealand operations - a gain of \$1.9 million