

ASX: BUB

Bubs Australia

bübs®



Australasian AgFood Conference

25 November 2020



Jennifer Hawkins

Bubs Global Brand Ambassador





FINANCIAL PERFORMANCE



FY20 FINANCIAL HIGHLIGHTS



FY20 results were driven by the strong performance of **Bubs® Infant Formula** in all retail channels and regions.

\$62m

Group Gross Revenue¹

+32%

Group Gross Revenue¹ pcp

+32%

Direct sales to China growth pcp

55%

Infant Formula Share
Group Gross Revenue¹

5x

Export sales growth pcp to
emerging markets outside of China

+69%

Infant Formula Gross
Revenue¹ growth pcp

\$26m

Cash reserves as at
30 June 2020

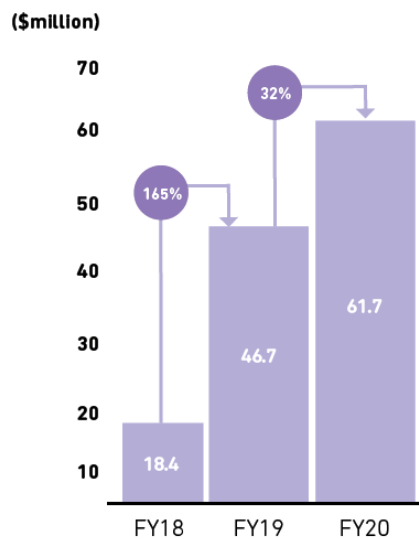
¹ Gross revenue is a non-IFRS measure. Non IFRS measures have not been subject to audit or review. Gross revenue represents the revenue recognised without rebates and marketing contribution.

FY20 GROUP FINANCIAL PERFORMANCE

Strong FY growth across core products in all regions.

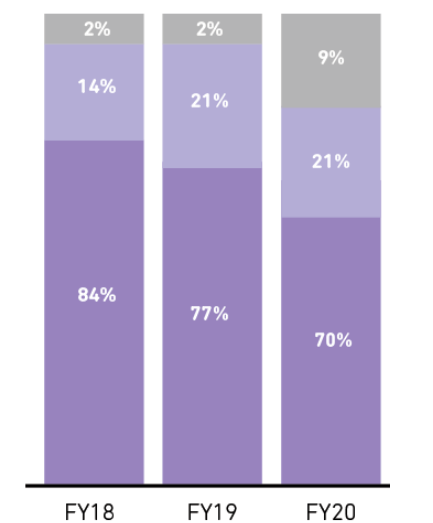
GROUP GROSS REVENUE

Continued strong growth year on year.



REGIONAL CHANNEL MIX

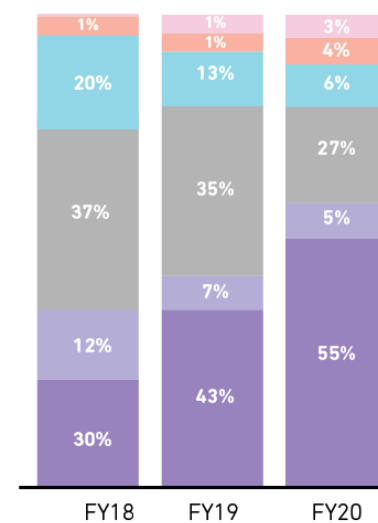
Increasing market diversification.



● Australia ● China ● Other International

BALANCED PRODUCT MIX

Optimising portfolio mix to maximise profitability.



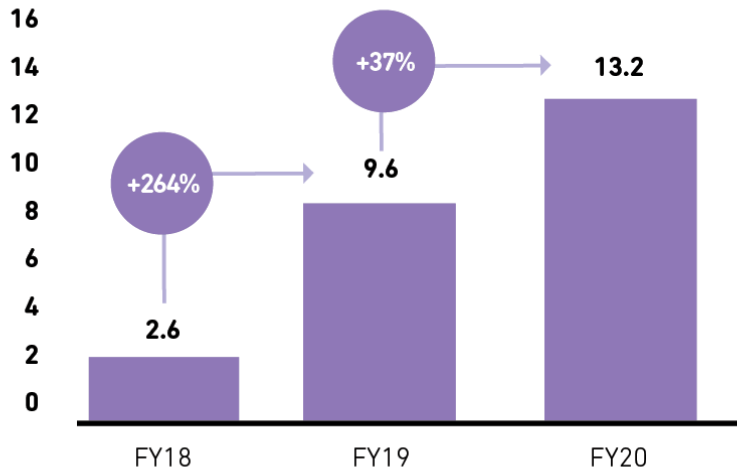
● Infant formula ● Organic baby food ● Adult goat milk powder
● Fresh goat dairy ● Raw materials ● Canning services

UNDERPINNED BY **STRONG CHINA DEMAND**

China remains catalyst for global growth.

TOTAL CHINA DIRECT EXPORT GROWTH

(\$million)



- Growth driven by demand for Bubs® Goat Infant Formula portfolio.
- Supported by expansion into Mother & Baby Stores General Trade with China Label products.
- Scale in China provides platform for global expansion.

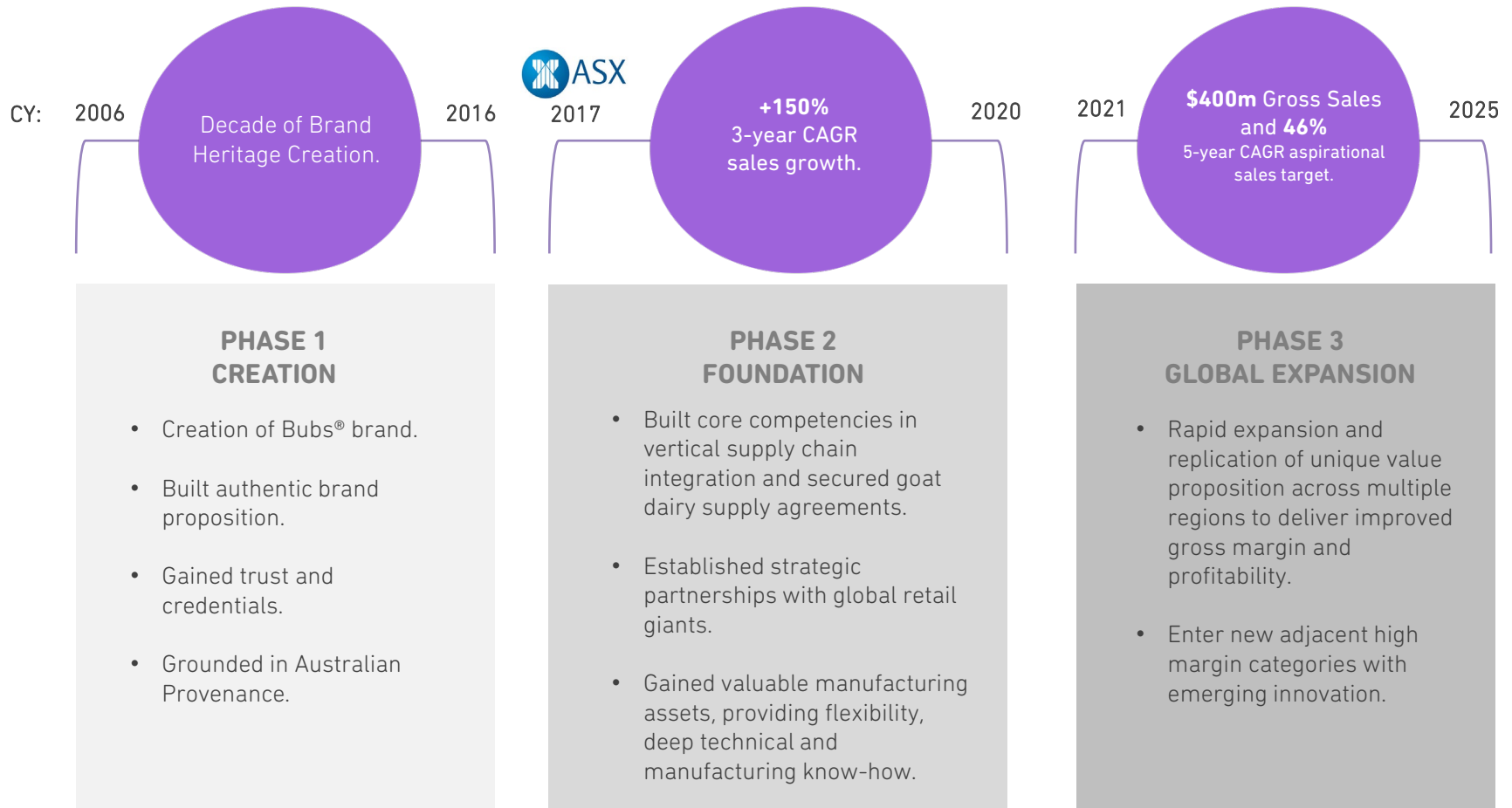
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BUSINESS OVERVIEW



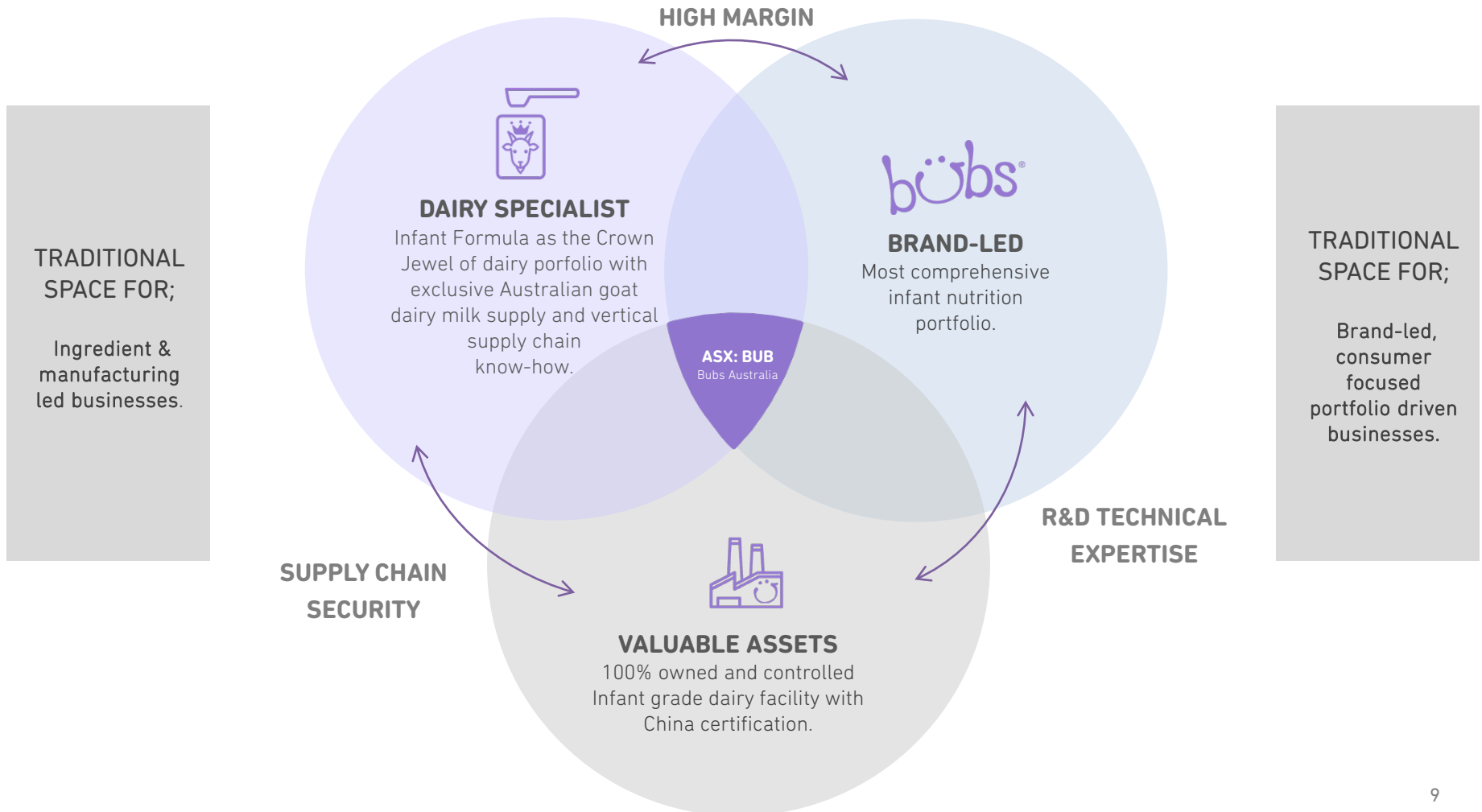
WE ARE NOW ENTERING THE THIRD PHASE OF BUBS® JOURNEY

Could have only been reached after period of gaining supply chain expertise and scale as a foundation for rapid global expansion built on brand trust, invaluable knowledge and intellectual property.



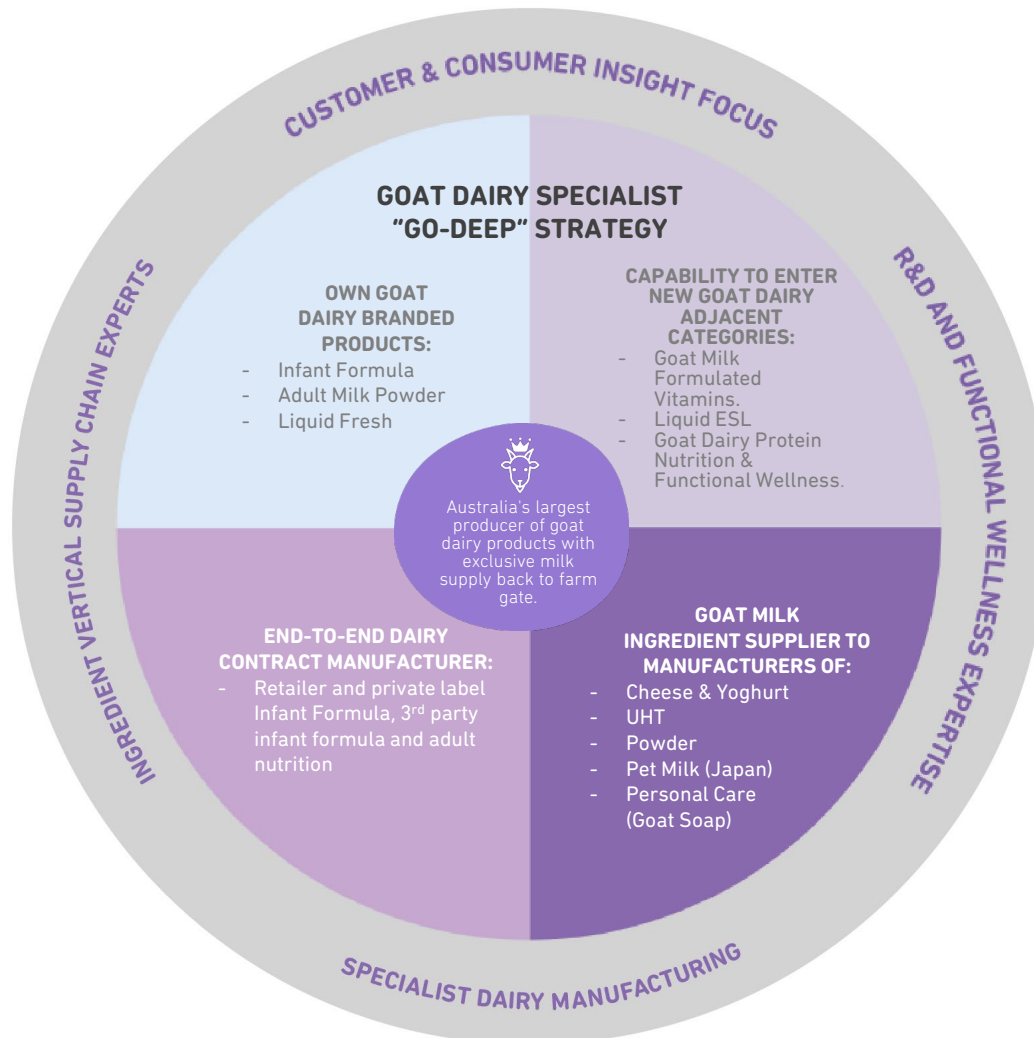
OUR UNIQUE **VALUE PROPOSITION**

360° integrated business model, combining the best of an ingredient and manufacturing business, together with a brand-led and consumer focused portfolio driven business.



SPECIALIST LEADER IN AUSTRALIAN GOAT DAIRY

As Australia's largest goat dairy producer, we have now optimised the highest and best use of an exclusive milk source and gained valuable specialist dairy competencies.



ONE BRAND, **MULTIPLE FEEDING OCCASIONS**

Bubs® caters for all feeding occasions throughout a child's development. Our comprehensive portfolio provides a unique advantage to extend consumer lifecycle and increase basket size with single customer base and brand message.



DRIVING PUSH AND PULL CHINA CHANNEL STRATEGIES

Building momentum across China's complex ecosystem, pinpointing the most lucrative channel tiers and demographics, ensuring all paths lead to Bubs®.



Q1 FY21: CHINA & INFANT FORMULA GROWTH

We remain true to our core strategy for sustainable profitable long-term growth.

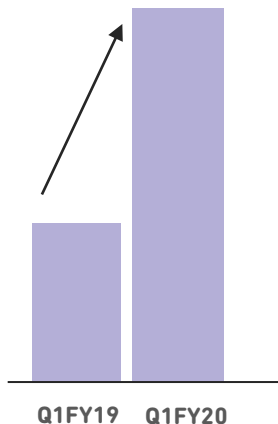
DIRECT CHINA EXPORTS



BUBS® GOAT MILK FORMULA

+76% pcp

Significant export growth for Bubs® Infant Formula into China.



BUBS® INFANT FORMULA SALES ACROSS ALL CHANNELS

+9% pcp

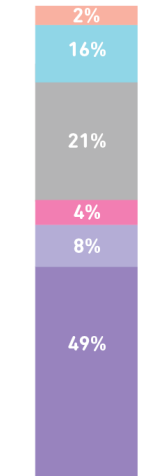
REGIONAL CHANNEL MIX



Q1FY20

- Australia
- China
- Other International

BALANCED PRODUCT MIX



Q1FY20

- Infant formula
- Organic baby food
- Vitamins & Supplements
- Adult goat milk powder
- Fresh goat dairy
- Canning services

EXPORT SALES FOR INFANT FORMULA OUTSIDE OF CHINA

+6% pcp



With total sales to international markets outside of China now representing 8% of Q1 FY21 gross revenue.



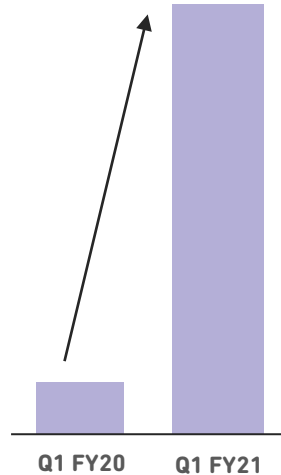
ACCELERATING CHINA DEMAND ON CBEC

Demonstrating CBEC channel shift & continued strength of brand connection with our end China consumers, as well as positive outcome from our China strategic partnerships with Alibaba and Beingmate. Chinese consumer offtake demand remains strong.



Total China CBEC platform offtake sales to end consumer*.

+ 937%



*Source: Alibaba, total Tier 1 Platforms Bubs Infant Formula sales.

^Source: Alibaba, Tmall Global Sales Data as at 30 September 2020.

**Source: JDI last 30 days total platform sales as at 8 October 2020.

No.3
Goat Brand
on Tmall Global^



BUBS HOLDS 12% GOAT INFANT FORMULA MARKET SHARE ON Tmall GLOBAL^

+100% market share growth pcp.

No.1
Goat Brand
on JD.com**



MILESTONE ACHIEVEMENT

Ahead of China's top selling Goat infant Nutrition Brand.

OFFICIAL TMALL GLOBAL BUBS® 11.11 RESULTS +174%¹ pcp.

Record results surpassing the previous year's total in first hour of Double 11 sales. Bubs® Goat ranked number 3 imported goat brand across Tmall Global¹ and #1 Australian Goat brand in Tmall.²

Tmall Global (CBEC)¹
11.11 Event Official ranking.



T-MALL Global Goat IMF Ranking



Tmall (General Trade and CBEC)²
11.11 event official ranking.



- #3 Imported goat brand across Tmall Global¹.
- #1 Australian Goat Milk brand in Tmall² (General Trade & CBEC) for official 11.11 sales results.
- #1 Australian Goat Milk brand in Tmall Global¹ (CBEC) for official 11.11 sales results.
- #3 CBEC imported Goat IMF brand on Kaola³ official 11.11 results, behind our two largest international competitors.
- Bubs® Tmall flagship store surpassed prior year's total Double 11 sales in first hour.
- Bubs sales on Tmall Global increased by 174% vs. Double 11 last year¹.
- Bubs® Goat official Double 11 event ranking on JD also increased by 200% pcp⁴.

¹ 2020 Double 11 Event Official results in unit sales data from Tmall Global (CBEC) platform, 1 Nov to 11 Nov 2020.

² 2020 Double 11 Event Official results in unit sales data from Tmall (General Trade + CBEC) platform, 1 Nov to 11 Nov 2020.

³ 2020 Double 11 Event Official results in unit sales data from Kaola (CBEC) platform, 1 Nov to 11 Nov 2020.

⁴ 2020 Double 11 Event Official results in unit sales data from JD (CBEC) platform, 1 Nov to 11 Nov 2020.

CAPRILAC® DOUBLE 11 +48% SALES GROWTH pcp¹.

CapriLac® ranked #1 adult goat powder product on Tmall platform (General Trade + CBEC).



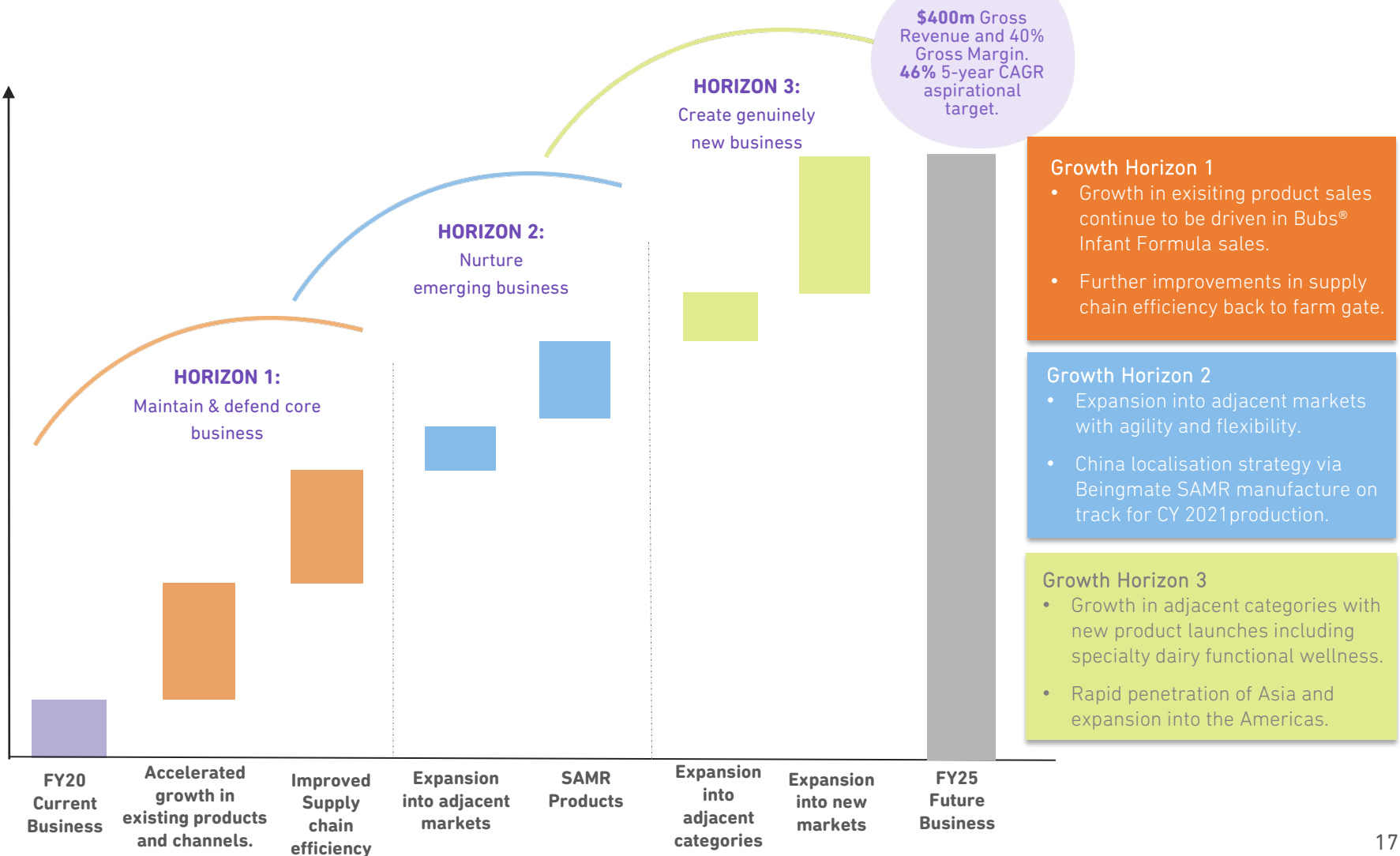
- Flagship Store sales achieved +48% growth on Double 11 pcp¹.
- Total Alibaba Tmall Global sales growth +60% pcp¹.

¹2020 Double 11, official unit sales data from Alibaba platforms, 21 Oct to 11 Nov 2020.



THREE HORIZONS FOR LONG TERM SUSTAINABLE GROWTH

5-year profitable growth strategy towards \$400m target gross revenue.



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QUESTIONS



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Growing Generation Joy