



Pure Foods Tasmania Ltd
100 -104 Mornington Rd
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www.purefoodstas.com

ASX Announcement

Pure Foods Tasmania Limited (ASX: PFT)

29th April 2022

Quarterly Activities Report for Q3 FY22

Strong Revenue for group sales up 40% YTD FY22 v pcp Plant-Based Ice Cream lead's growth

Pure Foods Tasmania Ltd (ASX:PFT) ('PFT' or 'the Company') provides its Quarterly Activities Report and Appendix 4C for the quarter ended 31 March 2022. Unless otherwise stated all financial results are unaudited.

FINANCIAL HIGHLIGHTS

- Q3 FY22 sales revenue of \$2.7 million, up 23% vs Q3 FY21
- YTD FY22 sales revenue up 40% from \$5.82m in FY21 to \$8.2m
- The Cashew Creamery sales up 1051% Q3 FY 22 vs Q3 FY21
- Plant-based foods segment grew at 368% Q3 FY22 v Q3 FY21
- Net cash of \$3.7 million as at 31 March 2021 provides capital for continued investment to expand product ranging, lift manufacturing capacity and explore complementary value accretive acquisitions.

OPERATIONAL HIGHLIGHTS

- Successful ranging of The Cashew Creamery 4-Pack range in 5 flavours, in Woolworths Metro stores, increasing the sales of the 4-Pack range by 960%.
- Distribution of Potato & Gravy continues to expand through our active existing customers, with further combo deals now activated (see image attached).



Image: Daly Potato Co Potato & Gravy Combo Deal with customer Hill Street Group

Michael Cooper, Managing Director, highlighted, “Over the quarter we have continued to deliver exceptional results and strong performance across our business segments. This demonstrates the ongoing successful execution of our strategy, and more importantly the strong customer demand for our quality range of products.

“Our business segments are performing in-line or ahead of expectation with our Woodbridge product range continuing to gain significant market share both domestically and internationally, strong international demand for Lauds Plant-Based Foods products and the expansion of The Cashew Creamery.”



Image: 4-Pack range launched in Woolworths Metro stores

FINANCIAL REVIEW

PFT delivered \$2.7 million in sales for Q3 FY22, a 23% increase on the previous corresponding period. The significant increase in sales is a result of our increased product offering, and expanded distribution. Notably, the Plant-based foods segment, encompassing Lauds and The Cashew Creamery, grew at 368% Q3 FY22 v Q3 FY21.

PFT spent a total of \$3.84 million on business activities during the March quarter; a 0.7% increase on the prior quarter. Expenditure for the quarter comprised of approximately \$2.14 million for product manufacturing and operating costs, \$1.42 million for staff costs, \$0.20 million for administration and corporate costs, and \$0.08 million for advertising and marketing.

On capital expenditure for the quarter, PFT spent \$0.14 million to bring YTD capital expenditure to \$1.76 million.

OPERATIONAL REVIEW

The quarter saw strong demand across PFT's product portfolio. Key operational highlights include:

Woodbridge Smokehouse: Delivered a very strong Q3 with sales up 28% vs PCP driven by our growing distribution channels within Australia and Asia, and robust consumer demand.

Daly Potato Co: Sales were strong as demand for potatoes grew with the arrival of the Summer salad season. The homestyle coleslaw in Woolworths continued to grow with another period of strong revenue growth. Daly Potato Co entered a partnership with the Tasmanian AFL State League with a sponsorship of the league's competition live stream. The partnership has already been a success, reaching the brand's target market around Tasmania and across Australia.



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Tasmanian Pate: Achieved strong sales driven by new Homestead SKUs ranged during FY22. Homestead remains the highest ranged brand from the PFT portfolio in the Tasmanian independent market, with growing exposure nationally through our distribution agreement with Monde Nissin Australia.

Lauds Plant-Based Foods: Updated packaging was launched to market in Q3. Plant-based foods continues to grow in the Australian and export market. A premium cream-cheese range is ready to go to market with the installation of new machinery.

The Cashew Creamery: Sales grew 1051% vs Q3 FY21. The Cashew Creamery continues to deliver significant growth as expanded distribution networks increase the availability of the product to our consumers. The Cashew Creamery 4-Pack range was successfully ranged in Q3 in 5 flavours, in Woolworths Metro stores. With increased ranging we anticipate continued volume and sales growth for The Cashew Creamery.

CORPORATE

As detailed in the attached ASX Appendix 4C, the Company had \$3.73 million in cash and \$1.46 million in undrawn facilities as at 31st March 2022.

Payments of \$33,000 were made to related parties and their associates during the quarter, as noted in Section 6 of Appendix 4C.

---ends---

This announcement has been authorised and approved by the Board of PFT.

For further information, please contact:

Corporate

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Investor Relations

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About Pure Foods Tasmania (PFT)

Pure Foods Tasmania Pty Ltd was formed in 2015 with the aim to enhance and promote Tasmania's premium food and beverage businesses. PFT's strategy is to develop new premium products within our existing brands and in the plant-based food market, to acquire complementary brands and businesses and to increase our market penetration and distribution for our suite of brands and



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products globally. PFT's suite of brands and businesses include Woodbridge Smokehouse, Tasmanian Pate, Daly Potato Co, Pure Tasmanian Seafood, Lauds Plant-Based Foods, The Cashew Creamery and New Pastures.

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Appendix 4C

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

Name of entity

Pure Foods Tasmania Limited

ABN

13112682158

Quarter ended ("current quarter")

 31st March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,808	7,695
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(2,136)	(6,143)
(c) advertising and marketing	(83)	(257)
(d) leased assets	(1)	(3)
(e) staff costs	(1,421)	(3,693)
(f) administration and corporate costs	(203)	(603)
1.3 Dividends received (see note 3)		
1.4 Interest received	10	13
1.5 Interest and other costs of finance paid	(18)	(58)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	2	211
1.9 Net cash from / (used in) operating activities	(1,043)	(2,838)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	5	(40)
(b) businesses		
(c) property, plant and equipment	(139)	(1,642)
(d) investments		
(e) intellectual property		(3)
(f) other non-current assets	(0)	(70)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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)		
2.6	Net cash from / (used in) investing activities	(134)	(1,755)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		5,300
3.3	Proceeds from exercise of options		2,280
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2)	(374)
3.5	Proceeds from borrowings		274
3.6	Repayment of borrowings	(66)	(563)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (principal component of lease payments)	(51)	(218)
3.10	Net cash from / (used in) financing activities	(119)	6,699
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,023	1,621
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,043)	(2,838)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(134)	(1,755)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(119)	6,699
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	3,727	3,727

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	327	1,323
5.2	Call deposits	3,400	3,700
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,727	5,023

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	33
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: The amounts paid above entirely relates to \$6,250 in payments to the Fleming Family Trust as a retainer for director Ken Fleming's services.

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000																																																																		
7.1	Loan facilities	2,717	1,311																																																																		
7.2	Credit standby arrangements																																																																				
7.3	Other (please specify)	75	15																																																																		
7.4	Total financing facilities	2,792	1,326																																																																		
7.5	Unused financing facilities available at quarter end		1,466																																																																		
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.																																																																				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Lender</th> <th style="width: 15%;">Interest Rate</th> <th style="width: 15%;">Maturity Date</th> <th style="width: 15%;">Secured or Unsecured</th> <th style="width: 35%;">Amount Drawn \$A'000</th> </tr> </thead> <tbody> <tr><td>NAB</td><td>3.13%</td><td>Sep-24</td><td>Secured</td><td style="text-align: right;">17</td></tr> <tr><td>CBA</td><td>2.72%</td><td>Dec-24</td><td>Secured</td><td style="text-align: right;">527</td></tr> <tr><td>CBA</td><td>2.92%</td><td>Mar-25</td><td>Secured</td><td style="text-align: right;">98</td></tr> <tr><td>CBA</td><td>2.92%</td><td>Apr-25</td><td>Secured</td><td style="text-align: right;">42</td></tr> <tr><td>CBA</td><td>2.92%</td><td>Apr-25</td><td>Secured</td><td style="text-align: right;">55</td></tr> <tr><td>CBA</td><td>2.92%</td><td>Apr-25</td><td>Secured</td><td style="text-align: right;">173</td></tr> <tr><td>CBA</td><td>2.49%</td><td>Jun-25</td><td>Secured</td><td style="text-align: right;">26</td></tr> <tr><td>CBA</td><td>3.49%</td><td>Aug-26</td><td>Secured</td><td style="text-align: right;">257</td></tr> <tr><td>CBA</td><td>2.92%</td><td>Jun-25</td><td>Secured</td><td style="text-align: right;">15</td></tr> <tr><td>CBA</td><td>2.92%</td><td>Jun-25</td><td>Secured</td><td style="text-align: right;">17</td></tr> <tr><td>CBA</td><td>2.92%</td><td>Jun-25</td><td>Secured</td><td style="text-align: right;">85</td></tr> <tr><td>TOTAL</td><td></td><td></td><td></td><td style="text-align: right;">1,311</td></tr> </tbody> </table> <p>The items included as other facilities are NAB Business Visa accounts & Commonwealth Bank MasterCard accounts.</p>				Lender	Interest Rate	Maturity Date	Secured or Unsecured	Amount Drawn \$A'000	NAB	3.13%	Sep-24	Secured	17	CBA	2.72%	Dec-24	Secured	527	CBA	2.92%	Mar-25	Secured	98	CBA	2.92%	Apr-25	Secured	42	CBA	2.92%	Apr-25	Secured	55	CBA	2.92%	Apr-25	Secured	173	CBA	2.49%	Jun-25	Secured	26	CBA	3.49%	Aug-26	Secured	257	CBA	2.92%	Jun-25	Secured	15	CBA	2.92%	Jun-25	Secured	17	CBA	2.92%	Jun-25	Secured	85	TOTAL				1,311
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8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,043)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,727
8.3	Unused finance facilities available at quarter end (item 7.5)	1,466
8.4	Total available funding (item 8.2 + item 8.3)	5,193
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	5
	<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:

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.

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: 29 April 2022.....

Authorised by: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.