



**Pure Foods Tasmania Ltd**  
100 -104 Mornington Rd  
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ASX: PFT  
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www.purefoodstas.com

*ASX Announcement*

**Pure Foods Tasmania Limited (ASX: PFT)**

**22 February 2021**

## **Record Half Year Sales with strong demand for all our brands**

Pure Foods Tasmania Ltd (ASX:PFT) ('PFT' or 'the Company') is pleased to provide the below commentary on its audited results for the half year period ending 31 December 2020.

### **FINANCIAL HIGHLIGHTS**

- 1H21 sales of \$3.5 million, up 51% vs 1H20 (pcp)
- Positive EBITDA of \$0.155m a strong improvement on FY20
- Strong growth in e-commerce sales, up 305%
- Group is well funded with a cash position of \$3.88m in cash and undrawn finance facilities

### **OPERATIONAL HIGHLIGHTS**

- All three trading entities (Woodbridge Smokehouse, Daly Potato Co. and Tasmanian Pate) delivered double digit revenue growth and positive EBITDA
- Growing product sales driven by strong consumer demand for quality premium products, increasing domestic distribution network, new product range and increasing online & e-commerce presence
- Further diversification of products with 16 new SKUs launched in the half across the Company
- Acquisition of Lauds Plant Based Foods, post period end, secured the Company's move into the lucrative and fast-growing plant-based food market

**PFT Managing Director and CEO, Michael Cooper said:** "We are pleased with the solid results for this half with a 51% increase in sales revenue on the pcp with all three businesses trading very well. We are continuing to expand our distribution networks and channels to drive the availability of our premium products to consumers. Our growing e-commerce platform, which generated a 305%+ uplift in online sales for the period reflects the growing consumer awareness and demand for our products."

"Post the end of the period, we acquired Lauds Plant Based Foods, which will provide scale to our New Pastures range in targeting the large and lucrative global plant-based cheese market. The acquisition of Lauds will allow PFT to expand its range of plant-based food and beverages, delivering another avenue of growth for the Company."

“The Company continues to lever its core products and skill set to advance new product ranges with 16 new products launched in the half. As previously outlined, we have a number of products in development including our DPC fresh potato and gravy product which has been launched locally and we are in active discussions to launch in major retailers. Additionally, we continue to work to diversify our product range and look forward to updating the market on the development and acceptance of our new products in due course.

“As we achieve product diversification and increase our distribution, we will continue to build our capability to support our growth which is underpinned by a strong balance sheet and an experienced board and management team.”

## FINANCIAL REVIEW

The Company delivered \$3.5m of revenue for 1H FY21, a 51% increase on the previous corresponding period. Importantly all three trading entities, Woodbridge Smokehouse, Daly Potato Co and Tasmanian Pate delivered double digit revenue growth and positive divisional EBITDA.

\$m	1HFY20	1HFY21	% Change
<b>Group Revenue</b>	<b>2.311</b>	<b>3.497</b>	<b>51</b>
○ Woodbridge	0.51	0.84	65
○ Daly Potato	0	0.70	n/a
○ Tasmanian Pate	1.8	1.94	8

The Group is well funded with \$3.881m in cash and undrawn finance facilities.

## OPERATIONAL REVIEW

The Group is well-positioned with established export agreements, the strong presence of a number of PFT’s brands in major Australian retailers, a strong distribution network in smaller and boutique stores and a recently launched domestic e-commerce site, shop.purefoottas.com. The Group has seen strong demand from the e-commerce strategy with a record 198 orders received in November driving a 305% increase in sales in the first half of FY21.

Our customer base continues to grow month on month as we reach out to new channels supported by acquisitions and our new distribution partners.

**Woodbridge Smokehouse (WBSH)**, had growth in all sales channels covering retail, local route, e-commerce, and export growth. An expansion of the Tasmanian route sales team delivered 40 new customers over the six months. Additionally, WBSH was introduced into South Australia through Monde Nissin Australia (MNA) securing range in 48 stores by 31 December 2020 with rollout expected across a further 1,400 independent stores. Enhanced export sales were recorded with two new major Asia partners. Agreements have been signed to roll out into other states with first orders received in Feb 21.

**Daly Potato Co. (DPC)** achieved record sales for H1 FY21. An increase in distribution through the local route market, with the addition of 47 local stores, was a big driver in this growth, with a very high acceptance from new consumers. DPC is also now available on our online store opening another sales channel Australia wide.



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The Bacon & Cheese Potato Bake was the fifth highest selling product. Focus continues with our signature project Potato & Gravy which is anticipated to roll out in to retail stores in 4Q FY 21.

**Tasmanian Pate** continues to perform solidly with 8% sales growth H1 FY21 driven by the very successful launch of the sub-range, Homestead Pate which launched into 850 Woolworth stores in October FY21. The remaining products in Tasmanian Pate's range have also continued to grow as a result of the market seeing an increase in the overall entertaining category.

### **ACQUISITION OF LAUDS PLANT BASED FOODS**

Post the end of the period, PFT agreed to acquire Tasmanian plant-based dairy alternative production business Lauds Plant Based Foods ("Lauds"). The acquisition secures PFT's move into the \$3.9 billion global plant-based cheese market with production operations and supports PFT's existing New Pastures plant-based brand.

Lauds currently provides all products for PFT's recently launched New Pastures range, in which the mutual benefits of this successful partnership led to discussions that have now culminated in the agreement to acquire Lauds to support further growth and product development.

The Lauds brand will work alongside New Pastures, with Lauds targeting a more traditional lifestyle motivated plant-based market, and New Pastures targeting a broader mass consumer market

The acquisition is aligned with PFT's Strategic Plan to grow organically (through brands such as New Pastures) and acquisition into the expanding globally plant-based cheese market, which is forecasted to reach \$3.9 Billion by 2024 (Source: Plant-based Cheese Market - Global Outlook and Forecast 2019-2024, Report, December 2019.)

---ends---

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

For further information, please contact:

#### **Corporate**

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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 products globally.

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

[purefoodstas.com](http://purefoodstas.com)

[shop.purefoodstas.com](http://shop.purefoodstas.com)

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## Pure Foods Tasmania Limited

### Appendix 4D

### Half Year Report

### 1 Company Details

Name of Entity	Pure Foods Tasmania Limited
Reporting Period	For the period ended 31 December 2020.
Previous Period	For the period ended 31 December 2019.

### 2 Results for Announcement to The Market

2.1			\$
Revenue from ordinary activities	up 51% ↑		to 3,497,081
2.2			
Loss from ordinary activities after tax attributable to PFT Limited	up 104% ↑		to 3,069
2.3			
Loss for the year attributable to the owners of PFT Limited	up 104% ↑		to 3,069

2.4

There were no dividends paid, recommended, or declared during the current financial period.

2.5

Not applicable

2.6

Pure Foods Limited (ASX: PFT) is pleased to announce its full year results H1 FY21.

The group saw strong sales growth of 51 % H1 FY 21 over H1 FY 20 this was achieved by positive sales from each business unit.

PFT had an EBITDA of \$155,231 for H1 FY21



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### Tasmanian Pate Sales

- Delivered record sales growth in H1 FY21 over H1 FY 20
- This growth was supported by NPD and a successful launch of a new Premium Pate range into Woolworths supermarkets Nationally.
- Increased distribution into independent channel also helped support record sales period.

### Woodbridge Smoke House

- Achieved record sales growth of 59% in H1 FY 21 compared to H1 FY 20
- Export sales continue to develop with new customers activated in Singapore.
- New distribution agreement to support Independent stores also was secured.
- New E-Commerce channels into Asia was achieved in H1 FY 21.

### Daly Potato Co.

- In October FY 21 PFT acquired Daly Potato Co this acquisition underpins our move into the meal solution category along with NPD in the Salads space.
- Daly also achieved record sales in H1 FY21 a pleasing result in H1 FY 20
- The focus continues with Daly to deliver our signature project "Potato & Gravy" now launched into Independents and major retail in 4<sup>TH</sup> Qtr. FY21.

### Online Store

- In August we relaunched of our online store with great success a growth of 305% was achieved over H1 FY 20
- We continue to see growth in this area as we deliver a point of difference for our consumers with unique offerings from PFT and other Tasmanian producers.

### 3 Net Tangible Assets per Security

	Reporting	Previous
	Period Cents	Period Cents
Net Tangible Assets per Ordinary Security	0.141	0.719



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#### **4 Details of Entities which Control has been Gained**

4.1 Daly Potato Company

4.2 2 October 2020

4.3 2020 \$69,892, 2019 was a loss of (\$65,790)

#### **5 Dividends or Distributions**

Not Applicable

#### **6 Dividend or Distribution Reinvestment Plans**

Not Applicable

#### **7 Details of Associates and Joint Venture Entities**

Not applicable

#### **8 Foreign Entities**

Not applicable

#### **9 Audit Report**

Not applicable

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Pure Foods Tasmania  
Limited  
Financial Report  
For the Half Year Ended  
31 December 2020



Pure Foods Tasmania Limited  
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The Directors of Pure Foods Tasmania Limited (the Company) present the financial report on the Company and its controlled entities (the Group) for the half-year ended 31 December 2020.

### Directors

Details of the Directors of the Company in office at any time during or since the end of the period and at the date of this report are:

Malcom McAully	Non-executive Chairman
Michael Cooper	Managing Director
Alexander "Sandy" Beard	Non-executive Director
Ken Fleming	Non-executive Director

### Company Secretary

Justin Hill

### Principal Activities

The principal activities of the Group are the processing, manufacture and sales of premium Tasmanian food products.

### Operating and Financial Review

It has been a very busy first half for PFT since listing in April 2020. The business has performed very well with revenue growth up 51% on H1 FY19 and a strong EBITDA of \$155,231.

With the acquisition of Daly Potato Co in October this has enabled PFT to move into another consumer lead category being prepared solutions which is very exciting. Tasmanian Pate also continued to deliver strong growth with the support of new product development and our new premium pate range Homestead. We are well under way with our automation project for Tasmanian Pate with equipment designed and ordered for delivery in 1st quarter FY21.

Woodbridge Smokehouse has been a standout with growth of 59% over H1 FY19. The growth has been driven by new customers both domestically and internationally. Of note would be our new relationship with RedMart, an Alibaba owned E-Commerce business in Asia. A new distribution agreement with Monde Nissin Australia was also secured, increasing the availability of Woodbridge Smokehouse products into the national independent channel.

Our new online store has also seen amazing growth with 305% over H1 FY19. Our marketing team continue to deliver a point of difference supporting our great brands, including new product development, packaging upgrades, along with working with our customers to present our products to our growing consumer base.

Our cash position remains strong with \$3.881 million in cash and undrawn finance facilities, supported by all three entities being cash flow positive during H1 FY20

Our focus will continue to be in growth organically and through acquisition, along factory upgrades which are also well underway to support our growth across all channels. Additionally, we are investing in human and operational resources to support our growth which has been our priority during the first half of FY20.

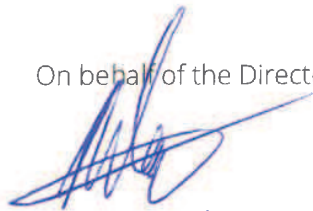
H2 FY21 is looking to be even more exciting with the recent acquisition announcement of Lauds Plant Based food business, opening another fast-growing consumer lead category for the Group.

#### Auditor's Independence

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4 and forms part of this Director's report.

Signed in accordance with a resolution of the Directs made pursuant to section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors



Dated: 19/2/21

Pure Foods Tasmania Limited  
Auditor's Independence Declaration

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Auditor's Independence Declaration



In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Pure Foods Tasmania Limited. As the lead audit partner for the audit of the financial report of Pure Foods Tasmania Limited for the half year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pure Foods Tasmania Limited and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'Nick Carter'.

Nick Carter

Partner

Wise Lord & Ferguson

Date: 19 February 2021

Pure Foods Tasmania Limited  
 Consolidated Statement of Profit or Loss and Other Comprehensive Income  
 For the Half Year Ended 31 December 2020

	31 December 2020 \$	31 December 2019 \$
<b>Revenue</b>		
Revenue from operations	3,497,081	2,311,256
Other income	268,338	35,003
<b>Total revenue</b>	<b>3,765,419</b>	<b>2,346,259</b>
<b>Expenses</b>		
Cost of goods sold	2,416,925	1,534,672
Employment expenses	513,685	323,236
Occupancy, electricity and telephone costs	45,877	66,043
Bad debts	-	983
Depreciation and amortisation	160,827	74,740
ASX listing fees and expenses	37,518	-
Finance costs	30,861	30,959
Insurance costs	76,490	34,760
Legal and professional fees	142,134	55,613
Marketing expenses	178,382	13,977
Motor vehicles expenses	12,355	10,851
Repairs and maintenance	29,428	28,857
Research, development and quality costs	61,175	13,286
Other expenses	65,358	54,345
<b>Total expenses</b>	<b>3,771,015</b>	<b>2,242,322</b>
<b>Profit/(loss) before income tax</b>	<b>(5,596)</b>	<b>103,937</b>
Income tax expense/(benefit)	(2,472)	28,112
<b>Net profit /(loss) after tax for the half year from continuing operations</b>	<b>(3,124)</b>	<b>75,825</b>

The above statement should be read in conjunction with the accompanying notes.

Pure Foods Tasmania Limited  
 Consolidated Statement of Profit or Loss and Other Comprehensive Income  
 For the Half Year Ended 31 December 2020

	31 December 2020 \$	31 December 2019 \$
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss in the future:</i>		
Other comprehensive income net of tax	-	-
<b>Total comprehensive income</b>	<b>(3,124)</b>	<b>75,825</b>
Net profit for the period attributable to:		
Owners of Pure Foods Tasmania Limited	(3,124)	75,825
	<b>(3,124)</b>	<b>75,825</b>
Total comprehensive income for the half year is attributable to:		
Owners of Pure Foods Tasmania Limited	(3,124)	75,825
	<b>(3,124)</b>	<b>75,825</b>
Basic earnings/(loss) per share (cents per share)	(0.000)	0.002
Diluted earnings/(loss) per share (cents per share)	(0.000)	0.002

The above statement should be read in conjunction with the accompanying notes.

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Pure Foods Tasmania Limited  
 Consolidated Statement of Financial Position  
 For the Half Year Ended 31 December 2020

	Note	31 December 2020 \$	30 June 2020 \$
<b>Current Assets</b>			
Cash and cash equivalents	3	3,751,783	4,134,867
Trade and other receivables		1,295,249	482,929
Inventory		653,061	312,965
Other assets		279,377	147,244
<b>Total Current Assets</b>		<b>5,979,470</b>	<b>5,078,005</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	4	3,350,928	1,310,986
Right-of-use assets	5	605,839	430,941
Intangible assets	6	1,400,024	738,837
Deferred tax assets		586,750	380,300
<b>Total Non-Current Assets</b>		<b>5,943,541</b>	<b>2,861,064</b>
<b>Total Assets</b>		<b>11,923,011</b>	<b>7,939,069</b>
<b>Current Liabilities</b>			
Trade and other payables		1,482,404	541,251
Lease liabilities	5	162,091	89,107
Provisions	8	110,930	85,732
Borrowings	7	384,558	164,165
<b>Total Current Liabilities</b>		<b>2,139,983</b>	<b>880,255</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	5	467,804	356,224
Provisions	8	32,520	20,749
Borrowings	7	925,918	419,156
Deferred tax liabilities		409,420	222,942
<b>Total Non-Current Liabilities</b>		<b>1,835,662</b>	<b>1,019,071</b>
<b>Total Liabilities</b>		<b>3,975,645</b>	<b>1,899,326</b>
<b>Net Assets</b>		<b>7,947,366</b>	<b>6,039,743</b>
<b>Equity</b>			
Contributed equity	9	8,782,857	6,872,110
Accumulated losses		(835,491)	(832,367)
<b>Total Equity</b>		<b>7,947,366</b>	<b>6,039,743</b>

The above statement should be read in conjunction with the accompanying notes.

Pure Foods Tasmania Limited  
Consolidated Statement of Changes in Equity  
For the Half Year Ended 31 December 2020

	Contributed Equity \$	Accumulated Losses \$	Total \$
<b>Balance at 1 July 2019</b>	<b>3,535,898</b>	<b>(671,723)</b>	<b>2,864,175</b>
Profit for the half year	-	75,825	75,825
Other comprehensive income	-	-	-
Total comprehensive income for the half year	-	75,825	75,825
Recognition of prior period deferred taxes	-	28,112	28,112
Issue of shares	40,498	-	40,498
Share issue costs	(5,500)	-	(5,500)
<b>Balance at 31 December 2019</b>	<b>3,570,896</b>	<b>(567,786)</b>	<b>3,003,110</b>
<b>Balance at 1 July 2020</b>	<b>6,872,110</b>	<b>(832,367)</b>	<b>6,039,743</b>
Loss for the half year	-	(3,124)	(3,124)
Other comprehensive income	-	-	-
Total comprehensive income for the half year	-	(3,124)	(3,124)
Issue of shares	1,943,365	-	1,943,365
Share issue costs	(32,618)	-	(32,618)
<b>Balance at 31 December 2020</b>	<b>8,782,857</b>	<b>(835,491)</b>	<b>7,947,366</b>

The above statement should be read in conjunction with the accompanying notes.



Pure Foods Tasmania Limited  
 Consolidated Statement of Cash Flows  
 For the Half Year Ended 31 December 2020

	31 December 2020 \$	30 June 2020 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	2,648,322	4,457,757
Payments to suppliers and employees	(2,818,753)	(4,482,371)
Interest received	20,307	18,327
Finance costs	(27,004)	(21,182)
Income taxes received / paid	-	-
<b>Net cash (used in) / provided by operating activities</b>	<b>(177,128)</b>	<b>(27,469)</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(2,125,784)	(866,613)
Payments for business acquisition	(661,187)	-
<b>Net cash (used in) / provided by investing activities</b>	<b>(2,786,971)</b>	<b>(866,613)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of shares	2,050,606	3,298,661
Proceeds from borrowings	727,155	387,922
Principle elements of lease repayments	(196,746)	(46,440)
<b>Net cash (used in) / provided by financing activities</b>	<b>2,581,015</b>	<b>3,640,143</b>
Net (decrease) / increase in cash held	(383,084)	2,746,061
Cash and cash equivalents at the beginning of the half year	4,134,867	1,388,806
<b>Cash and cash equivalents at the end of the half year</b>	<b>3,751,783</b>	<b>4,134,867</b>

The above statement should be read in conjunction with the accompanying notes.

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This consolidated interim financial report and notes represent those of Pure Foods Tasmanian Limited and controlled entities (the Group). Pure Foods Tasmania Limited is a company limited by shares, incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX).

## 1. Basis of preparation

This consolidated interim financial report for the half-year reporting period ended 31 December 2020 has been prepared in accordance with Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim report does not include all the notes and the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

### a) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

### b) Critical accounting estimates, judgements and errors

The preparation of the interim financial statements of the Group requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Groups accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2020.

## 2. Segment information

The operating segments are based upon the units identified in the operating reports reviewed by the Board and executive management, and that are used to make strategic decisions, in conjunction with the quantitative thresholds established by AASB 8 *Operating Segments*. As such, there are four identifiable and reportable segments each of which are outlined below:

- Tasmanian Pate segment;
- Woodbridge Smokehouse segment;
- Daly Potato segment; and
- The Corporate and Other Segment, which comprises corporate costs that are not directly attributable to the operational business units.

Management measures the performance of the segments identified at the 'profit/(loss) before tax' level.

2. Segment information (continued)

	Tasmanian Pate \$	Woodbridge Smokehouse \$	Daly Potato Company \$	Corporate and Other \$	Total \$
<b>Half year 31 December 2020</b>					
<b>Revenue</b>					
Total segment sales	1,943,218	844,220	709,643	-	3,497,081
Other income	169,020	27,389	-	71,929	268,338
<b>Segment profit/(loss)</b>	<b>526,498</b>	<b>105,262</b>	<b>79,420</b>	<b>(716,775)</b>	<b>(5,596)</b>
Profit/(loss) before income tax					(5,596)
Income tax expense/(benefit)					(2,472)
<b>Profit/(loss) after income tax</b>					<b>(3,124)</b>
<b>Assets</b>					
Segment assets	2,836,821	1,355,134	2,780,878	4,950,178	11,923,011
<b>Total Assets</b>	<b>2,836,821</b>	<b>1,355,134</b>	<b>2,780,878</b>	<b>4,950,178</b>	<b>11,923,011</b>
<b>Liabilities</b>					
Segment liabilities	1,020,096	527,365	529,977	1,898,207	3,975,645
<b>Total Liabilities</b>	<b>1,020,096</b>	<b>527,365</b>	<b>529,977</b>	<b>1,898,207</b>	<b>3,975,645</b>
<b>Half year 31 December 2019</b>					
<b>Revenue</b>					
Total segment sales	1,799,856	511,400	-	-	2,311,256
Other income	15,240	10,831	-	8,932	35,003
<b>Segment profit/(loss)</b>	<b>430,832</b>	<b>(100,941)</b>	<b>-</b>	<b>(225,954)</b>	<b>103,937</b>

2. Segment information (continued)

	Tasmanian Pate \$	Woodbridge Smokehouse \$	Daly Potato Company \$	Corporate and Other \$	Total \$
<b>Half year 31 December 2019 (continued)</b>					
Profit/(loss) before income tax					103,937
Income tax expense/(benefit)					28,112
<b>Profit/(loss) after income tax</b>					<b>75,825</b>
<b>Assets</b>					
Segment assets	2,316,141	783,042	-	1,347,512	4,473,695
<b>Total Assets</b>	<b>2,316,141</b>	<b>783,042</b>	<b>-</b>	<b>1,347,512</b>	<b>4,473,695</b>
<b>Liabilities</b>					
Segment liabilities	1,189,120	346,160	-	100,241	1,634,521
<b>Total Liabilities</b>	<b>1,189,120</b>	<b>346,160</b>	<b>-</b>	<b>100,241</b>	<b>1,634,521</b>

	31 December 2020 \$	30 June 2020 \$
<b>3. Cash and cash equivalents</b>		
Cash and cash equivalents	3,751,783	4,134,867
<b>Total cash and cash equivalents</b>	<b>3,751,783</b>	<b>4,134,867</b>

**Reconciliation of cash and cash equivalents to the statement of cash flows:**

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks, and short-term deposits at call, net of outstanding bank overdrafts. Cash and cash equivalents as at the end of the reporting period as shows in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalent	3,751,783	4,134,867
	<b>3,751,783</b>	<b>4,134,867</b>

4. Property, plant and equipment

	Buildings at cost \$	Plant and equipment \$	Total \$
<b>Balance at 30 June 2020</b>			
Cost	876,794	940,933	1,817,727
Accumulated depreciation	(37,145)	(469,596)	(506,741)
<b>Net carrying amount</b>	<b>839,649</b>	<b>471,337</b>	<b>1,310,986</b>
<b>Net carrying amount at the beginning of the half year</b>			
Additions	238,982	1,886,802	2,125,784
Disposals	-	-	-
Depreciation expense	(12,828)	(73,014)	(85,842)
<b>Net carrying amount at the end of the half year</b>	<b>1,065,803</b>	<b>2,285,125</b>	<b>3,350,928</b>
<b>Balance at 31 December 2020</b>			
Cost	1,115,776	2,827,735	3,943,511
Accumulated depreciation	(49,973)	(542,610)	(592,583)
<b>Net carrying amount</b>	<b>1,065,803</b>	<b>2,285,125</b>	<b>3,350,928</b>

5. Right-of-use assets and lease liabilities

Right-of-use assets

	Buildings \$	Total \$
<b>Balance at 30 June 2020</b>		
Cost	511,965	511,965
Accumulated amortisation	(81,024)	(81,024)
<b>Net carrying amount</b>	<b>430,941</b>	<b>430,941</b>
<b>Net carrying amount at the beginning of the half year</b>		
Additions	224,074	224,074
Disposals	-	-
Amortisation expense	(49,176)	(49,176)
<b>Net carrying amount at the end of the half year</b>	<b>605,839</b>	<b>605,839</b>

5. Right-of-use assets and lease liabilities (continued)

	Buildings \$	Total \$
<b>Balance at 31 December 2020</b>		
Cost	736,039	736,039
Accumulated amortisation	(130,200)	(130,200)
<b>Net carrying amount</b>	<b>605,839</b>	<b>605,839</b>
	31 December 2020 \$	30 June 2020 \$
<b>Lease liabilities</b>		
Current	162,091	89,107
Non-current	467,804	356,224
<b>Total lease liabilities</b>	<b>629,895</b>	<b>445,331</b>

6. Intangible assets

	Goodwill \$	Brands and trademarks \$	Other \$	Total \$
<b>Balance at 30 June 2020</b>				
Cost	662,442	6,522	69,873	738,837
Accumulated amortisation and impairment	-	-	-	-
<b>Net carrying amount</b>	<b>662,442</b>	<b>6,522</b>	<b>69,873</b>	<b>738,837</b>
<b>Net carrying amount at the beginning of the half year</b>	<b>662,442</b>	<b>6,522</b>	<b>69,873</b>	<b>738,837</b>
Additions	655,434	2,753	3,000	661,187
Disposals	-	-	-	-
Amortisation/Impairment expense	-	-	-	-
<b>Net carrying amount at the end of the half year</b>	<b>1,317,876</b>	<b>9,275</b>	<b>72,873</b>	<b>1,400,024</b>

## 6. Intangible assets (continued)

	Goodwill \$	Brands and trademarks \$	Other \$	Total \$
<b>Balance at 31 December 2020</b>				
Cost	1,317,876	9,275	72,873	1,400,024
Accumulated amortisation and impairment	-	-	-	-
<b>Net carrying amount</b>	<b>1,317,876</b>	<b>9,275</b>	<b>72,873</b>	<b>1,400,024</b>

The Group has three cash generating units (CGUs) for which impairment testing is completed in accordance with AASB136 Impairment of asset. Goodwill is not amortised but is tested annually for impairment more frequently if events or changes in circumstances indicate that it might be impaired. The CGUs of the Group include Tasmanian Pate, Woodbridge Smokehouse and Daly Potato Company. Note that the Woodbridge Smokehouse goodwill has been fully impaired in a prior period, thus no impairment testing of goodwill for that CGU is performed. Key assumptions used in the value at use calculations include:

- Sales and indirect cost growth
- Production costs
- Long term growth rate
- Pre-tax discount rate

No impairment of goodwill has occurred as at 31 December 2020.

	31 December 2020 \$	30 June 2020 \$
<b>7. Borrowings</b>		
<b>Current</b>		
Hire purchase liabilities	47,940	28,552
Less: Unexpired interest	(2,650)	(3,396)
Loans – bank	378,429	157,562
Less: Unexpired interest	(39,161)	(18,553)
<b>Total current borrowings</b>	<b>384,558</b>	<b>164,165</b>
<b>Non-current</b>		
Hire purchase liabilities	36,423	59,366
Less: Unexpired interest	(2,067)	(1,662)
Loans – bank	941,133	379,330
Less: Unexpired interest	(49,571)	(17,878)
<b>Total non-current borrowings</b>	<b>925,918</b>	<b>419,156</b>

Pure Foods Tasmania Limited  
Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 31 December 2020

	31 December 2020 \$	30 June 2020 \$
<b>8. Provisions</b>		
<b>Current</b>		
Employee benefits	110,930	85,732
	<u>110,930</u>	<u>85,732</u>
<b>Non-current</b>		
Employee benefits	32,520	20,749
	<u>32,520</u>	<u>20,749</u>

**9. Contributed equity**

	Number of shares		Share capital	
	31 December 2020	30 June 2020	31 December 2020 \$	30 June 2020 \$
Ordinary shares – fully paid (post-consolidation)	46,194,177	44,406,577	8,782,857	6,872,110
<b>Total share capital</b>	<u>46,194,177</u>	<u>44,406,577</u>	<u>8,782,857</u>	<u>6,872,110</u>

**Movements in ordinary share capital**

Date	Details	Ordinary Shares	Amount \$
1 July 2020	Balance at beginning of period	44,406,577	6,872,110
	Shares issued	1,787,600	1,943,365
	Issue costs	-	(32,618)
31 December 2020	<b>Balance at end of period</b>	<u>46,194,177</u>	<u>8,782,857</u>



	31 December 2020 \$	30 June 2020 \$
<b>10. Dividend</b>		
Dividends paid or provided for during the half year	-	-

**11. Events occurring after reporting date**

On 2 February 2021 Pure Foods Tasmania announced it had agreed to acquire Tasmanian plant-based dairy alternative business – Lauds Plant Based Foods. The purchase price is \$350,000 (plus working capital adjustments) in an approximate 60/40 scrip/cash split. 314,487 PFT shares will be issued at \$0.879 per share.

Other than the matter detailed above, the Board is not aware of any matter or circumstance not otherwise dealt within these financial statements that has significantly or may significantly affect the operation of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

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Pure Foods Tasmania Limited  
Directors' Declaration

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In the Directors' opinion:

- a) The financial statements and notes set out on pages 5 to 18 are in accordance with the *Corporations Act 2001*, including:
- i. Complying with Accounting Standards, the *Corporations Regulations 2001* and other professional mandatory reporting requirements; and
  - ii. Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half year ended on that date; and
- b) There are reasonable grounds to believe that Pure Foods Tasmania Limited will be able to pay its debts as and when they become due and payable.

The Directors have been given the declaration required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



.....

Michael Cooper

Managing Director

Dated this 19 day of February 2021.

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**Independent Auditor's Review Report to the members of Pure Foods  
Tasmania Limited**



**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Pure Foods Tasmania Limited, which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

**Directors' Responsibility for the Half-Year Financial Report**

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Pure Foods Tasmania Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration.

### Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report Pure Foods Tasmania Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Nick Carter

Partner

Wise Lord & Ferguson

Date: 19 February 2021

### **Board of Directors**

Malcom McAully	Non-executive Chairman
Michael Cooper	Managing Director and CEO
Alexander Beard	Non-executive Director
Ken Fleming	Non-executive Director

### **Company Secretary**

Justin Hill

### **Registered Office**

2/179 Murray Street  
Hobart Tasmania 7000 Australia

### **Postal Address**

100-104 Mornington Road  
Mornington Tasmania 7018 Australia

### **Share Registry**

Automic Registry Services  
Level 2, 267 St George Terrace  
Perth Western Australia 6000 Australia

### **Auditor**

Wise Lord & Ferguson  
160 Collins Street  
Hobart Tasmania 7000 Australia

### **Solicitors**

Page Seager  
2/179 Murray Street  
Hobart Tasmania 7000 Australia

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**Solicitors**

Groom Kennedy Lawyers and Advisers

Level 1 47 Sandy Bay Road

Hobart Tasmania 7000 Australia

**Bankers**

National Australia Bank and Commonwealth Bank of Australia.

**Stock Exchange Listing**

Pure Foods Tasmania Limited shares are listed on the Australian Securities Exchange, code PFT.

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