



**6 months to 31 Jan 2015**  
**25 March 2015**

NEXT GENERATION NUTRITION

# VISION AND MISSION STATEMENT CLOVER CORPORATION

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**Vision: To optimise the health and development of adults, infants and children.**

**Mission: To deliver science based bioactives which provide health benefits to the global infant, children, adult and medical food markets.**

# Half Year 2015 Results



AUD million	4D Reported 31 Jan 2015	4D Reported 31 Jan 2014
Revenue	\$16.1	\$14.9
Profit before tax	\$0.9	\$1.9
EBITDA	\$1.1	\$2.0
EBIT	\$0.9	\$1.8
Tax	(\$0.2)	(\$0.5)
NPAT	\$0.7	\$1.4
EPS	0.43 cps	0.83 cps

# Balance Sheet

## 31 January 2015



AUD million	Reported 31 Jan 2015	Reported 31 Jul 2014	Movement
Cash	\$5.8	\$8.0	2.2↓
Trade Receivables	\$7.2	\$8.1	0.9↓
Inventories	\$15.5	\$16.5	1.0↓
<b>Total Current Assets</b>	<b>\$29.5</b>	<b>\$32.9</b>	<b>3.4↓</b>
PPE/Intangible Assets	\$4.8	\$4.9	0.1↓
<b>Total Assets</b>	<b>\$35.6</b>	<b>\$39.5</b>	<b>3.9↓</b>
Trade Payables	(\$4.9)	(\$8.6)	3.7↓
<b>Total Current Liabilities</b>	<b>(\$5.4)</b>	<b>(\$9.2)</b>	<b>3.8↓</b>
<b>Total Liabilities</b>	<b>(\$5.6)</b>	<b>(\$9.4)</b>	<b>3.8↓</b>
<b>Net Assets</b>	<b>\$30.0</b>	<b>\$30.1</b>	<b>0.1↓</b>

# Cash Flow

## 6 months ended 31 Jan 2015



AUD million From Operations	Reported 31 Jan 2015
EBITDA	\$1.1
Working Capital Movement	(\$2.9)
Tax Received	\$0.5
Cash Flow from Operations	(\$1.3)
Financing Activities	(\$0.8)
Capex	(\$0.1)
Net Cash Flow	(\$2.2)

# 1H 2015 KEY ITEMS



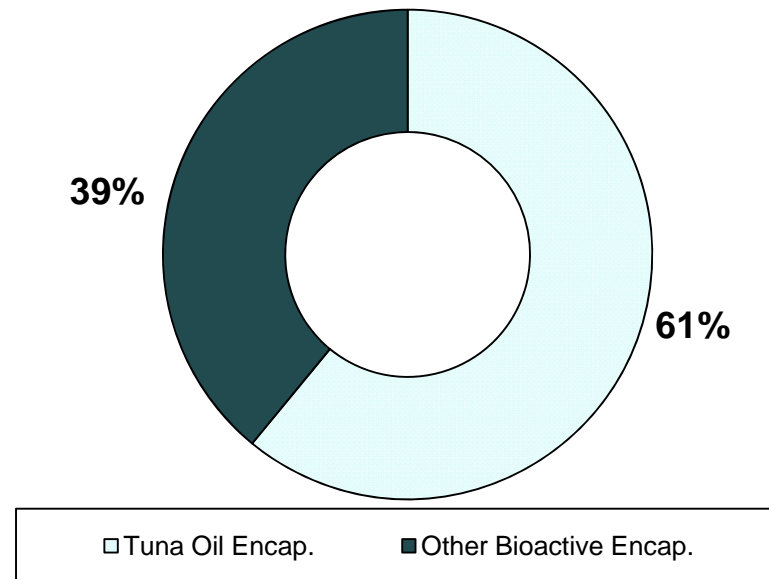
- Revenue improved 6% driven by growth of customers in existing and new markets.
- Revenue from China based customers has not improved as quickly as we would like.
- Profit down 47.8% impacted by a change in customer ordering preference, raw material cost increases, competitor pricing pressure and the devaluation of the AUD ( to the USD).
- Operating expenses down 20.2% with a focus on discretionary expenditure.
- Inventory management is, and will, remain a key focus for the business improved by 6.4% YTD.
- Multiple oil suppliers qualified to manage risk going forward.
- Preterm clinical trials surpass 1,000 infant recruitment.
- Waikato spray dryer on track for 2015 delivery with potential new customers trialling product. The Waikato project expands production capacity for speciality products in New Zealand and overseas markets.

# DELIVERY SYSTEMS BASED ON A VARIETY OF NUTRITIONAL BIOACTIVES



- Product portfolio includes encapsulated powders containing marine oil, algal oils, other specialty oils and important micronutrients
- Encapsulation technologies protect important and sensitive nutritional materials and allow their use in many applications

Sales Revenue based on Diversified Bioactives in 1H 2015



# SALES BY GEOGRAPHY/PRODUCT



- Continued strong presence though Oceania and Asia
- Encapsulation technology strong and proven

## 1H 2015 Geographic

Australia / New Zealand	44%
Asia	41%
Europe	9%
Americas	6%

## 1H 2015 Products

Oil	2%
Encapsulated Powders	98%



# GROWTH OBJECTIVES



- Partnering of customers in expansion and development plans.
- Delivering perfect service every time, quality and delivery.
- Pursuit of new customers and markets.

- Enhancement of existing products and IP.
- Creation of new products to align with customer demands.
- Development and/or acquisition of product and process technology.

- Clinical trial of preterm product.
- Development of aligned products and technology.
- Establishment of commercial and technical partnerships.

# OPERATIONAL OBJECTIVES



## Supply Chain security and integration

- Contingency plans to cover all supply chain requirements.
- Qualification of alternate raw material suppliers.
- Establishment of NZ Waikato spray dryer, delivering alternate products, risk management and new customers.

## Clover and Nu-Mega brand development

- Brand development and positioning.
- Leverage the value of the Nu-Mega brand.
- Developing connections into the research community.

## Employee development and engagement

- Developing a team culture and ownership of the customer experience.
- Develop and protect our best resource, our people.

# FULL YEAR 2015 OUTLOOK & PRIORITIES



- **Strengthen our sales team to develop new customer and market opportunities.**
- **Focus on our existing customers to grow with them in products, applications and markets.**
- **Maintain focus on efficiencies in operational expenditure and inventory.**
- **Continued development of new products and looking at other opportunities to expand our product lines.**
- **Establish the NZ Waikato spray dryer and qualify product with new and existing customers.**
- **Seek commercialisation partner for the Preterm product and further development of the product line.**
- **Pursue acquisition and / or partnerships to add value.**



**THANK YOU**  
**Questions?**

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