



2023 ANNUAL GENERAL MEETING

Chair's Address

3 November 2023

Welcome to the Cobram Estate Olives Limited 2023 Annual General Meeting.

On behalf of my fellow Directors, I would like to thank you for joining us today, either in person or online. Today's meeting marks 25 years since Paul Riordan and I started this business and began our olive journey. We are both extremely proud of the amazing business CBO has become.

In fact, I could not be more excited about where the business is at, and the tremendous opportunity in front of us.

From humble beginnings, CBO is now recognised as a global leader in all aspects of the olive industry, from growing to milling, research, and marketing. Our vertically integrated operations are now firmly established on two continents, and we are being rewarded by consumers for our commitment to quality, innovation, and sustainability.

Before you hear about our business in detail from our joint-CEOs, I would like to highlight why I am so excited about our future.

Our business is extremely well positioned as a vertically integrated producer of extra virgin olive oil, an established and highly sought-after health food. The Company has many unique and impressive attributes and competitive advantages, some of which include:

1. Our strong domestic market position, both brand market share and supply. We produce around 70% of Australia's annual olive oil crop from our own groves.
2. Our strong and growing USA business. This harvest we expect to become the USA's largest olive oil producer, with nearly 35% of USA domestic olive oil production.
3. Our proprietary, integrated olive production system, Oliv.iQ®, which allows us to be one of the lowest cost producers of olive oil globally, and at the same time produce olive oil that is ranked in the top 10% of quality worldwide. This is unique, and almost unheard of in any industry.
4. The Company owns real assets, valued in excess of \$700 million, excluding our consumer brands.
5. There are material barriers to entry to replicating these assets, including:
 - a. time - olive trees take a minimum of 8 years to mature after planting.
 - b. investment – we estimate it would cost over \$1 billion to rebuild our business from scratch.
 - c. know-how - not only does our Oliv.iQ® system produce higher quality olive oil at lower cost, but it also uses less water, less fertilizer, and sequesters more carbon per litre of olive oil produced than world's best practice. In fact, independent studies confirm that we sink ~4kg of carbon per litre of olive oil we produce.
6. We have strong earnings growth built in, driven by our maturing olive groves and our growing businesses in both Australia and the USA.

7. And our Cobram Estate® brand is one of the most decorated olive oil brands in the world, with over 668 trophies and medals including two of our products awarded the “healthiest olive oil in the world” in 2017 and 2022.

This has all been made possible by our brilliant team, and their commitment to continuous improvement and innovation. As an example, our staff have published more than 30 peer-reviewed research papers since our inception.

Our business is also supported by favourable tailwinds resulting in growing demand for extra virgin olive oil. This growth in demand is driven by increasing awareness of extra virgin olive oil’s unique health benefits and the fact that it is simply the juice of fresh olives and the only mainstream edible oil that is produced without heat, chemicals, or solvents. It is largely due to the antioxidants it contains, derived from the fresh olive fruit, that deliver its consumer value in the form of flavour, smell, and health benefits, and thanks to our Oliv.iQ® system, our olive oils deliver more real value to consumers.

Olive oil remains one of the world’s most adulterated foods, and consumers are steadily realising the importance of knowing where their olive oil comes from and trusting their brand, to avoid being cheated. This has given us an immense opportunity, and thanks to the high integrity of our production system and the consistently superior quality of our extra virgin olive oils, the trust in our brands grows stronger by the day, as does consumer demand for more natural, less refined, less processed food products.

The past year

Financial year 2023 was a successful year for CBO, with substantial growth in packaged goods sales in Australia and the USA alongside stabilising input costs, resulting in a strong EBITDA profit of \$40.8 million and record operating cash flow of \$54.1 million. Sam will take you through the FY2023 results in detail.

Importantly, our record operating cash flow result was achieved in the year following a lower yielding “off-year”, reflecting the ability of the business to successfully manage the higher and lower yielding crop cycle alongside the regular purchasing patterns of our customers.

Our values and our people

Guided by core values of honesty, passion, and humility, we seek to create a workplace that thrives on trust, dedication, and continuous improvement. We are extremely grateful for the amazing team of people, both in Australia and the USA, that lead and operate our business every day. The success of this Company is a direct reflection of their passion, focus, and commitment.

Sincere thanks to all our team members for their contribution to CBO, capably led by our Joint-CEOs, Sam Beaton and Leandro Ravetti.

As a business, we are committed to ensuring a safe and healthy work environment on all our sites. We also recognise the benefits of fostering a diverse workforce, and continually strive to improve our performance in these important areas.

Important updates since 30 June 2023

A few important updates since 30 June 2023 which Sam and Leandro will go into in more detail.

- I can confirm that our olive harvest has started in the USA, and although it is early days with approximately a 15% of the harvest completed, both yields and quality are in line with expectations.

- Most of our Australian groves reached full bloom this week. This is an important event and is the first time in the growing cycle that we can assess the potential of the following year's crop. We are pleased to report that flowering conditions are currently ideal.
- Olive oil sales have been strong in both USA and Australia and are tracking ahead of plan for the first four months of FY2024.
- Water costs have risen in anticipation of drier conditions but remain well below long-term average price. Other costs have stabilised, although some remain at elevated levels.
- The Board has declared a dividend of 3.3 cents per share, 70% franked, to be paid in December 2023. Sam will announce the full details.

Full-year outlook

Our outlook for the year ahead remains positive, and we anticipate a continuation of strong sales and a favourable trading environment.

When assessing our business, it is important to understand that most agricultural products have a one-year production cycle, but olives have a two-year production cycle. This is easily managed operationally but is often misunderstood. Monthly trading cashflow and sales are reasonably consistent and predictable, but we manage our olive oil crop in two-year cycles as we have a larger crop followed by a smaller crop and vice versa. As a result, the best indicators of the performance of our business are operating cashflow and the rolling average profit across two financial years (considering both a higher yielding crop year and a lower yielding crop year).

Whilst our FY2023 results were impacted by weather, we expect our Two-Year Rolling Average EBITDA (Normalised) to continue to increase over time because of our past investment in new plantings and our maturing grove profile. As FY2024 is a lower yielding crop year on CBO's Australian groves, we expect the olive oil crop will be lower than in FY2023.

Passing of Non-Executive Director Mr. Jonathan West

With deep sadness, we announced the passing of Non-Executive Director Professor Jonathan West in late July this year after losing his battle with Motor Neuron Disease. Jonathan served as a Non-Executive Director of CBO for an exceptional period of 15 years, during which time his dedication, strategic expertise, and guidance played a significant role in shaping our success. Jonathan also played a key role in mentoring and developing many of our senior executives. His presence and friendship will be sorely missed.

Just a couple of months prior to his passing, Jonathan travelled to Boort in central Victoria to see the start of harvest in the new processing facility and our new 407-hectare olive grove. In memory of Jonathan, this new grove is now called "Jonathan's" and a hand-made stone chair with a bronze memorial plaque will sit proudly under a large gum tree in the middle of the grove.

On behalf of the Board and all CBO employees, we extend our deepest sympathies to Jonathan's family and friends, especially his wife Susan and son Erik.

Retirement of Non-Executive Director Mr. Tim Jonas

Tim Jonas recently informed the Board of his intention to retire as a Director of CBO at the conclusion of today's Meeting. Tim has been involved with CBO since its inception, both as an advisor and as an investor in the Company's first olive grove development. When the Company corporatised in 2005, he

was appointed as a Non-Executive Director and has held the role since that time, chairing the Audit and Risk Committee.

Tim has made a monumental contribution to CBO over his 25-plus years of involvement with the Company. He has been a trusted advisor and mentor to the co-founders and executive directors, and his strategic input, sound judgment, and financial expertise have been invaluable to the Company. His compassion, wisdom, intellect, and work ethic are exceptional.

In recognition of Tim's outstanding contribution to the Company, the new Boort Olive Mill will be forever more known as the "Tim Jonas Mill". The official opening will be at the beginning of harvest next year at an open day for shareholders. Please put your hands together for Tim Jonas.

Appointment of Non-Executive Director Mr. David Wills

After conducting an extensive independent search, we are pleased to announce the appointment of Mr. David Wills as a Non-Executive Director of the Company. David has more than 35 years of financial and professional experience in tax, corporate advisory, and private and family business, specialising in regulatory management, transactions, and dispute resolutions. During his career, he held various roles of Partner and Managing Partner at Arthur Anderson, Ernst & Young, and PwC.

David retired from PwC in 2019 and is currently a member of the Board of the Essendon Football Club where he is the Chair of the Audit, Risk, and Integrity Committee and is a member of the People and Remuneration Committee. He is also a Non-Executive Director of an early-stage company in the aerospace industry.

David will commence as a Non-Executive Director of CBO at the close of this Meeting.

Board Composition

In light of the recent unexpected passing of the serving Non-Executive Director, Professor Jonathan West, the Board will begin an external search to recruit an additional Non-Executive Director. Our goal is to use this appointment to continue the Board's composition evolution, enhancing its balance and required skills. An update will be provided as soon as an appointment is made.

Looking forward

We are very excited about the years ahead, with the maturing of our groves, combined with our investment in new olive groves in California, set to deliver significant increases in olive oil supply, enabling us to maintain our strong growth in packaged good sales. Coupled with our industry-leading sustainability program and increasing consumer demand for extra virgin olive oil, the Company is well placed to meet its objectives and deliver significant future growth.

We would like to take this opportunity to thank our shareholders and our loyal customers for their trust in the Company and our products. We look forward to a successful FY2024.

That brings me to the end of my address, so I will hand-over to Joint-CEO Sam Beaton.

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