

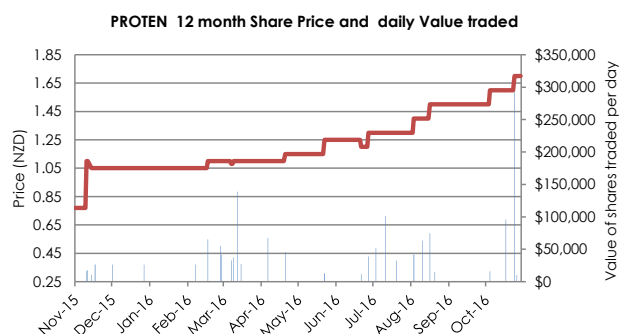
Issuer Profile



ProTen Limited



Code	PROTEN
Last Price (NZD)	\$1.70
Issuer Profile Date	22/11/2016
Market	Unlisted
Listed	Nov-08
Year End	30-Jun
Shares issued	113,367,625
Market Cap (NZD)	\$192,724,963
Dividend yield (Gross)	2.4%
Website	www.proten.com.au



Company Overview

ProTen Limited ('PROTEN') was founded in New Zealand in 2001 to consolidate the broiler chicken farming businesses of four existing operations in New Zealand. Investment into the Australian market commenced in 2002. From 2003 to 2006 all New Zealand assets were sold and the capital reinvested into the Australian market through acquisition and 'green field' development.

ProTen's farms are strategically located in New South Wales and Western Australia, with a total of 268 sheds in operation or under construction. ProTen owns and operates its farms and will produce 68 million birds per annum from July 2017, which represents approximately 11% of Australia's production.

PROTEN has long term extendible contracts to supply chickens to Australia's largest chicken processor, Baiada Pty Ltd ('Baiada'). Baiada markets and sells chicken products under the brands - Steggles, Lillydale and Baiada. The contracts are structured on an annual production volume per square metre basis, with growing fees adjusted annually for inflation and a pass through of key operating cost increases.

Financial Summary (AUD 000's)

	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
Financial Performance					
Total Revenue	17,672	21,091	27,086	29,365	31,294
EBITDA	7,490	9,384	11,712	13,327	13,575
EBIT	7,400	9,158	11,323	12,928	13,158
EBIT Margin	41.9%	43.4%	41.8%	44.0%	42.0%
Net Profit/Comprehensive Income	4,253	4,862	4,289	6,804	21,579
Financial Position					
Current Assets (ex cash)	11,868	4,168	3,568	3,001	5,235
Current Liabilities (ex debt)	(3,045)	(3,640)	(2,739)	(2,698)	(5,433)
Net Working Capital	8,824	528	829	302	(197)
Non-Current Assets	93,235	122,108	133,234	138,712	205,479
Non-Current Liabilities (ex debt)	(13,452)	(16,233)	(18,214)	(20,488)	(28,360)
Total Net Assets (ex cash/debt)	88,606	106,403	115,849	118,526	176,922
Net (Cash)/Overdraft	1,217	637	(758)	(3,647)	(230)
Debt	52,023	67,503	76,022	51,777	81,455
Net Debt	53,240	68,140	75,264	48,130	81,225
Shareholder Funds	35,367	38,262	40,585	70,397	95,697
Total Capital Employed	88,606	106,403	115,849	118,526	176,922
Total Assets (incl cash)	105,156	126,317	137,560	145,360	210,945
Cash Flows					
Operating Cash Flows	5,101	4,266	7,577	9,929	10,550
Investing Cash Flows	(17,660)	(16,739)	(11,540)	(3,197)	(46,714)
Financing Cash Flows	12,110	13,053	5,359	(3,842)	32,747
Net Increase/(Decrease) in Cash	(449)	580	1,395	2,889	(3,417)

Disclaimer

The information contained in this Issuer Profile has been prepared by Armillary Private Capital ('Armillary'), on behalf of Efficient Market Services Limited ('Unlisted'). While the intention is to provide accurate information based on historical performance and market information, Armillary and Unlisted accept no liability for any errors or inaccuracies in this Issuer Profile. The reader is advised to perform their own research to confirm the accuracy of the information contained in this Issuer Profile before relying on it for any investment decision making. This Issuer Profile has been prepared as a 'class service' as defined by the Financial Advisers Act and is general in nature.

Analysis

	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
Investment Performance					
Closing Share Price (NZD)	0.41	0.55	0.65	0.72	1.25
Annual Total Return (NZD including dividends)	(0.4%)	42.9%	24.1%	17.1%	79.8%
A Profitability (EBIT/Revenue)	41.9%	43.4%	41.8%	44.0%	42.0%
B Activity (Rev/Average Total Net Assets)	0.22	0.22	0.24	0.25	0.21
Return on Capital Employed (A x B)	9.2%	9.4%	10.2%	11.0%	8.9%
Return on Equity (NPAT/Average Shareholders Funds)	12.5%	13.2%	10.9%	12.3%	26.0%
Shares on Issue (m)	60.5	60.5	60.5	100.6	113.4
Reported Net Profit/Comprehensive Income (\$m)	4.3	4.9	4.3	6.8	21.6
Payout Ratio	42.7%	37.6%	42.7%	55.4%	22.3%
Net Dividend Yield (NZD)	9.3%	6.5%	5.0%	5.7%	3.5%
Imputation Credits	-	-	-	-	-
Gross Dividend Yield (NZD)	9.3%	6.5%	5.0%	5.7%	3.5%
Per Share (AUD cents)					
EBITDA	12.4	15.5	19.4	13.2	12.0
EPS - Basic	7.0	8.0	7.1	6.8	19.0
EPS - Diluted	7.0	8.0	7.1	6.8	19.0
Net Dividend	3.0	3.0	3.0	3.8	4.3
Net Tangible Assets	58.5	63.2	67.1	70.0	84.4
Cash Flow from Operations	8.4	7.1	12.5	9.9	9.3
Valuation (as at year end)					
Trailing P/E (multiple)	5.8	6.8	9.2	10.6	6.6
Market Value (\$m)	24.8	33.3	39.3	72.4	141.7
Net (Cash)/Debt (\$m)	53.2	68.1	75.3	48.1	81.2
Enterprise Value 'EV' (\$m)	78.0	101.4	114.6	120.6	222.9
EV/EBITDA (multiple)	10.4	10.8	9.8	9.0	16.4
Price/Net Tangible Assets (multiple)	0.7	0.9	1.0	1.0	1.5
Operating Ratios					
EBIT Margin	41.9%	43.4%	41.8%	44.0%	42.0%
NPAT Margin	24.1%	23.1%	15.8%	23.2%	69.0%
Net Capex to Sales	50.8%	119.7%	42.6%	10.9%	151.6%
Annual Growth Rates					
Revenue	6.2%	19.3%	28.4%	8.4%	6.6%
EBITDA	(1.4%)	25.3%	24.8%	13.8%	1.9%
NPAT	(28.5%)	14.3%	(11.8%)	58.6%	217.2%
Net Assets	24.1%	20.1%	8.9%	2.3%	49.3%
Equity	7.4%	8.2%	6.1%	73.5%	35.9%
Capital Structure					
Equity to Total Assets	34.0%	30.5%	29.5%	48.4%	45.4%
Net Debt/(Net Debt+Equity)	60.1%	64.0%	65.0%	40.6%	45.9%
Net Debt to Equity	150.5%	178.1%	185.4%	68.4%	84.9%
Interest Cover (multiple)	2.4	1.9	2.3	2.4	4.8

Directors	Position	Appointed
John Russell Signal	Chair	Dec-01
Maxwell Keith Bryant	Director	Jan-01
Geoffrey Keith McWilliam	Director	Jul-07
Peter Colin Roberts	Director	Jan-08
Andrew Hollis Stevens	Director	Mar-15
Daniel Keith Byrant	Managing Director	May-16