

28 January 2021
ASX Announcement

ASX – OLI
Quarterly Activities Statement and
Appendix 4C

Oliver's Real Food Limited (**Oliver's** or the **Company**) is pleased to present its Appendix 4C for the second quarter of FY21.

Highlights for the period:

- Oliver's opens first franchise outlet with EG Fuelco (Australia) Limited (**EG**)
- Oliver's Food To Go roll out with EG hits 100 + stores
- Appointment of Kimley Wood as Non-Executive Independent Director
- End of period cash balance of \$2.711m

Other key information:

- Receipts for the quarter were \$6,980k versus \$4,778k up 46% from the first quarter, due to reopening of borders and stores. Unfortunately, in mid-December borders and stores started closing due to new outbreaks of COVID 19 in NSW. This significantly affected our normally busiest period of the year and business throughout the quarter.
- Net cash used for operating activities for the December quarter was (\$1,130k), as opposed to cash generated in Q1 FY21 of \$243k. However, cash decreases of (\$1,260k) were as a result of:
 - accounts receivables increased due to sales growth with EG rollout (\$487k)
 - delay in Job Keeper payments (\$773k)
- Net cash used for investing activities for Q2 FY21 was (\$296k), as a result of PPE expenditure of \$14k and a Term Deposit of \$282k to cover contingent liabilities, as a result of closing the Commonwealth Bank financing facilities.
- Net cash used for financing activities for Q2 FY21 was (\$995k), made up of repaying the Commonwealth Bank facility of \$850k and of reducing Safety Factor Aviation Pty Ltd facility by \$145k.
- Sales were down to \$7,441k compared to \$9,901k in the same quarter last year, as only 12 stores traded for most of the quarter out of the Company's 24 stores, due to the severe COVID 19 travel restrictions in Victoria.
- The Company will continue to be eligible for the JobKeeper 3 subsidies as well as the ongoing rent relief provisions which have been extended to 31st March 2021.

During the quarter ended 31 December 2020, the Company was pleased with the following major developments:

EG Fuelco (Australia) Limited first Oliver's franchise venue opens

The first EG franchised Oliver's Real Food outlet opened in Liverpool, Western Sydney on 16th December 2020.

Oliver's Food To Go (OFTG) roll out

The OFTG roll out continues at a strong pace with the network now operating 114 outlets – 59 NSW, 20 VIC, 27 QLD, 8 ACT.

New Non-Executive Director

On 1 December 2020, the Company announced that it had appointed **Kimley Wood** to the Board of Directors as a Non-Executive (Independent) Director. Kim has extensive experience in various CEO roles and in a range of both executive and non-executive directorships.

Listing Rule 4.7C.1 and 4.7C.3

The Company has detailed its material business activities above including material activities during the recent quarter.

The Company further reports that the expenditure of \$192k to related parties reported at Item 6.1 is solely Directors Fees paid to Non-Executive Directors and salaried Executive Directors.

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This ASX release has been authorised by the Board of Directors.

For further information please contact: Jason Gunn, **Chairman**
jason@oliversrealfood.com.au + 61 (0) 434 390 758

About Oliver's Real Food Limited (ASX:OLI)

Oliver's Real Food Limited (**Oliver's**) listed on the ASX on 21 June 2017. Over its 15-year operating history, Oliver's has established a significant market position providing a health fast food alternative for travelers on Australia's major arterial highways. Oliver's Real Food is the world's first "certified organic fast food chain" and provides its customers with premium quality, "real" food that is fresh, natural, & free from additive sand preservatives. Oliver's is a conscious business that understands, and is committed to, the interdependency of "all stakeholders" including our customers, investors, team members, suppliers, the environment, and the communities in which we operate. www.oliversrealfood.com.au.

Appendix 4C

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

Name of entity

OLIVER'S REAL FOOD LIMITED

ABN

33 166 495 441

Quarter ended ("current quarter")

DECEMBER 2020

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	6,980	11,758
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-3,104	-6,123
(c) advertising and marketing	--62	-182
(d) leased assets	-1,218	-1,466
(e) staff costs	-3,760	-6,466
(f) administration and corporate costs	-675	-1,302
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-144	-144
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	853	3,038
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	-1,130	-887
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-14	-14
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
(f)	other non-current assets -Term Deposit	-282	-282
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	-296	-296

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	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	5,000
3.6	Repayment of borrowings	-995	-1,495
3.7	Transaction costs related to loans and borrowings	-	-75
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-995	3,430

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,132	464
4.2	Net cash from / (used in) operating activities (item 1.9 above)	-1,130	-887

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-296	-296
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-995	3,430
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,711	2,711

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	2,616	5,108
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	95	24
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,711	5,132

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. Directors Fees paid to Non-Executive Directors and salaried Executive Directors.	192
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	5,000	5,000
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	343	343
7.4 Total financing facilities	5,343	5,343
7.5 Unused financing facilities available at quarter end		-
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.		
7.1 A \$5.0m secured facility with PURE Asset Management at an interest rate at 10.5% pa calculated daily and payable quarterly in arrears maturing 30 September 2023.		
7.3 Secured loan from Jason Gunn through his wholly owned Company, Safety Aviation Factor Pty Ltd, repayable 1 st July, 2021. The interest rate being 6% calculated daily, payable monthly in arrears.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	-1,130
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,711
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	2,711
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.4
<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:	
<i>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.</i>	

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: 28 January 2021.....

Authorised by: Board of Directors.....
(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.