



Oliver's Real Food Ltd
ABN 33 166 495 441

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26 April 2023
ASX Announcement

Oliver's Real Food Limited (ASX: OLI) Quarterly Appendix 4C – March 2023

The Company hereby provides its Operations report and its Appendix 4C for the quarter ended 31 March 2023.

We wish to advise that after relisting, the Company requested and received approval from the ASX to cease monthly 4C reporting, thus we are only releasing our March 2023 quarter appendix 4C and commentary on that quarterly trading period.

March Quarter Trading Update

Our unaudited operating result was \$43k above forecast. While sales fell short of forecast, our gross margin percentage was slightly ahead of forecast and expenses well controlled. In comparison to the corresponding period in 2022, when we ran 24 stores, the result is an improvement of \$1.393 million.

Like-for-like store sales increased 25% and we were particularly pleased with the strong recovery in Victoria where the five remaining stores increased sales by 61%.

Material business activities for January to March Quarter

- Company-owned store sales \$6,275k.
- Like-for-like store comparison is up 25% on 2022 sales.
- Like-for-like store performance by State compared with 2022: NSW up 17%, VIC up 61%, QLD down 3%.
- Cash flows from operating activities were positive at \$97k.
- EBITDA was \$509k.
- Working Capital improved by \$465k.
- Food-to-Go total sales were \$1,177k, and the Company earned \$106k in royalties.

March Quarter unaudited financial summary

	FY2023 Actual	FY2023 Budget	Actual v Budget	FY2022 Actual	FY23 v FY22
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	6,385	6,607	(222)	6,102	283
Less COGS	2,301	2,407	(106)	2,693	(392)
Gross Margin	4,084	4,200	(116)	3,409	675
GM %	63.96%	63.57%		55.87%	
Less Expenses	3,803	3,965	(162)	4,526	(723)
EBIT	281	235	46	(1,117)	1,398
Less Interest	314	311	3	309	5
Operating result	(33)	(76)	43	(1,426)	1,393
Stores	16	16		24	

FY2023 quarterly summary and 9 months year to date

	FY23 Q1 Actual	FY23 Q2 Actual	FY23 Q3 Actual	9 months Actual
	\$'000	\$'000	\$'000	\$'000
Revenue	5,925	6,758	6,385	19,068
Less COGS	2,239	2,568	2,301	7,108
Gross Margin	3,686	4,190	4,084	11,960
GM %	62.20%	61.95%	63.96%	62.72%
Less Expenses	3,612	3,784	3,803	11,199
EBIT	74	412	281	767
Less Interest Paid	263	326	314	903
Operating result	(189)	86	(33)	(136)
Lease liability write back	6,404			6,404
NPBT	6,215	86	(33)	6,268

Outlook

Same store sales in April are presently 4% up compared to 2022.

Easter trading was slightly below last year (transactions down 3%) but this was offset by a 6% increase in our Average Transaction Value.

We anticipate that recent interest rate rises, with the potential for the RBA to increase further, will cause the macro-economic conditions to soften and thereby impact consumer spending. The Company is mindful of this and the possible impact on sales, but we remain positive and focussed on executing our strategy. Considering present trading conditions we confirm our current earnings forecast, released at the time of relisting, remains unchanged.

Payments to related parties (Listing Rule 4.7C.3)

Interest paid to related party entities on loans was \$214k for the quarter. Directors' Fees paid amounted to \$28k.

Pheasant Nest Update

We continue to work closely with Ampol to finalise all legal requirements. Assuming no unforeseen issues, and allowing for store fix out, we anticipate both stores will commence trading in the month of August 2023.

Funding Interest Rate

The Principal Lenders have advised that effective from 1 May 2023 the interest rate will fall from 8.10% to 7.30%.

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The Board of Directors has authorised this ASX release.

For further information, please contact:

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Appendix 4C

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

Name of entity

OLIVERS REAL FOOD LIMITED

ABN

33 166 495 441

Quarter ended

MARCH 2023

Consolidated statement of cash flows	Current Quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	6,614	19,757
1.2 Payments for		
(a) research and development	-	-3
(b) product manufacturing and operating costs	-3,445	-9,981
(c) advertising and marketing	-81	-271
(d) leased assets	-	-
(e) staff costs	-2,394	-7,258
(f) administration and corporate costs	-377	-1,117
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-221	-410
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Brisbane Kitchen make-good	-	-80
1.9 Net cash from / (used in) operating activities	97	638
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-66	-163
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows	Current Quarter \$A'000	Year to date (9 months) \$A'000
(f) other non-current assets -Term Deposit	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment		19
(d) investments	-	23
(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	-66	-121

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	420	1,920
3.6 Repayment of borrowings (leased assets)	-636	-2,286
Repayment of borrowings	-44	-123
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-260	-489

Consolidated statement of cash flows		Current Quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	479	222
4.2	Net cash from / (used in) operating activities (item 1.9 above)	97	638
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-66	-121
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-260	-489
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	250	250

5. Reconciliation of cash and cash equivalents		Current Quarter \$A'000	Previous Quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts			
5.1	Bank balances	143	273
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	107	206
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	250	479

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. Interest on Related party loans (\$214k), Directors Fees (\$28k).	242
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.

Appendix 4C
Monthly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities <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>	Total facility amounts at quarter end \$A'000	Amount drawn at Quarter end \$A'000
7.1 Loan facilities	9,000	8,420
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	301	301
7.4 Total financing facilities	9,301	8,721
7.5 Unused financing facilities available at month end		580
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.		
<p>7.1 A \$5.0m secured facility with Gelba Pty. Limited and Michael and Suzanne Gregg at an interest rate of 8.10% pa calculated daily and payable quarterly in arrears maturing 30 September 2028. Repayment of \$250k per quarter from 1 October 2023 with first repayment due 31 December 2023.</p> <p>A \$2.5m secured revolving line of credit facility with Gelba Pty. Limited and Michael and Suzanne Gregg at an interest rate of 8.10% pa calculated daily and payable monthly in arrears maturing 30 September 2028. Repayment of \$125k per quarter from 1 October 2023 with first repayment due 31 December 2023</p> <p>A \$1.5m unsecured revolving line of credit with Gelba Pty. Limited and Michael and Suzanne Gregg at an interest rate of 8.10% pa calculated daily and payable monthly in arrears maturing 30 September 2024.</p> <p>7.3 Secured loan \$301k from Green Superannuation Fund assignment of the Safety Aviation Factor Pty Ltd loan, only repayable after 1st July 2021 and the consolidated entity has recorded a positive NPAT during the two calendar quarters prior to the quarter in which the payment is made; The interest rate being 6% calculated daily, payable monthly in arrears.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	97
8.2 Cash and cash equivalents at month end (item 4.6)	250
8.3 Unused finance facilities available at month end (item 7.5)	580
8.4 Total available funding (item 8.2 + item 8.3)	830
8.5 Estimated Quarters of funding available (item 8.4 divided by item 8.1)	N/A
<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: N/A	
8.6.2	
Answer: N/A	

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: N/A

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.

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: 26 April 2023.....

Authorised by: Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This monthly 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 – e.g., 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.