

**1<sup>st</sup> May 2020**  
**ASX Announcement**

## **ASX – OLI** **Appendix 4C**

Oliver's Real Food Limited (**Oliver's** or **the Company**) today releases its ASX Appendix 4C for the quarter ended 31 March 2020.

### **Commentary:**

The Oliver's Board presents the trading results and consequent cash flow for the quarter.

The trading performance appeared to be progressing toward a strong result, however this was cut short when the impacts of COVID19 started to affect the business in early March, and when on the 23<sup>rd</sup> March 2020, the govt announced the strict measures to manage the spread of COVID19.

As a result, OLI ceased operations on the evening of March 23<sup>rd</sup> 2020, and we stood down our entire workforce and effectively put the business into hibernation. This has clearly had a negative impact on both the overall trading result and cash flows.

Olivers intends to recommence trading as soon as the Govt mandated travel restrictions are relaxed or removed and we look forward to moving forward as soon as possible.

### **Update on EG Scheme of arrangement**

On 25 April 2020, EG's CEO wrote to OLI's Board and responded to OLI's request for the waiver of the Net Debt condition and its consent to increase its borrowings, as follows:

*"EG does not agree to waive the "Net Indebtedness" condition precedent in clause 3.1(j) of the SID pursuant to clause 3.4(a) of the SID nor does EG consent to the increase in Oliver's borrowings as described pursuant to clause 5.5(b) of the SID.*

*In light of the circumstances, I understand that your board may wish to put an alternate proposal to us regarding the mutual termination of the SID and potentially entry into other arrangements. I look forward to receiving the proposal"*

*Pursuant to clause 3.7(a)(ii) of the SID "if any event occurs which would, or does in fact, prevent a Condition being satisfied and that Condition is not waived by Oliver's or EG or both (as applicable) ... then the parties must consult in good faith [over the next 5 business days] with a view to determining whether:*

*(iii) the Scheme or a transaction which results in the EG Group having beneficial ownership of all the Shares may proceed by way of alternative means or methods;*

*(iv) to extend the End Date or the relevant time or date for satisfaction of the Condition;*

*(v) to change the date of the application to be made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed by the parties and, if required, approved by the Court.*

*If EG and Oliver's are unable to reach agreement under clause 3.7(a) of the SID within the next 5 business days then, unless:*

*(i) the relevant Condition has been waived; or*

*(ii) the party entitled to waive the relevant Condition confirms in writing to the other party that it will not rely on the event or occurrence that would or does prevent the relevant Condition from being satisfied, either party may terminate the deed.*

We announced on April 27<sup>th</sup> 2020 that OLI and EG will now consult with each other over the next 5 business days as required under clause 3.7 of the SID as set out above.

Consultations between EG and OLI have commenced, and OLI will provide further updates in relation to the Scheme in accordance with its continuous disclosure obligations.



**Steven Metter**  
**Company Secretary**



## 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 ("current quarter")**

March 2020

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (.....months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	8,935	26,756
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(6,586)	(15,283)
(c) advertising and marketing	(98)	(332)
(d) leased assets		
(e) staff costs	(2,926)	(10,816)
(f) administration and corporate costs	(540)	(1,312)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(34)	(78)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,249)</b>	<b>(1,065)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		(93)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (.....months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		157
(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)		
<b>2.6 Net cash from / (used in) investing activities</b>		<b>64</b>

<b>3. Cash flows from financing activities</b>		
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	425	425
3.4 Transaction costs related to issues of equity securities or convertible debt securities		
3.5 Proceeds from borrowings		520
3.6 Repayment of borrowings	(75)	(175)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>350</b>	<b>770</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	1,559	891
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,249)	(1,065)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		64

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (.....months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	350	770
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of period</b>	<b>660</b>	<b>660</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	660	1,559
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>660</b>	<b>1,559</b>

**6. Payments to related parties of the entity and their  
associates**

- 6.1 Aggregate amount of payments to related parties and their  
associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their  
associates included in item 2

<b>Current quarter \$A'000</b>

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**

*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.*

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
975	975
500	395
1,475	1,370

7.5 **Unused financing facilities available at quarter end**

105

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 Secured market rate loan facility provided by CBA with interest rate at the 3-month BBSY.  
7.3 Unsecured loan from Jason Gunn through his wholly owned Company, Safety Factor Aviation Pty Ltd, repayable on March 20<sup>th</sup>, 2021. The Interest Rate being 6% per annum.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,249)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	660
8.3 Unused finance facilities available at quarter end (Item 7.5)	105
8.4 Total available funding (Item 8.2 + Item 8.3)	705
8.5 <b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	0.56

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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: Yes, the Company expects to have sufficient cash flows.

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: No steps are being considered at the present point in time

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: Yes, the Company expects to be able to continue operations once COVID 19 travel restrictions are relaxed or removed and the business starts to generate cash flow.

## 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: 30<sup>th</sup> April 2020.....

Authorised by: Steven Metter.....  
(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.