



Oliver's Real Food Ltd
ABN 33 166 495 441

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30th August 2018

ASX Release

Oliver's Real Food Limited (ASX:OLI) FY2018 Results

Oliver's Real Food Limited (Oliver's or the Company) announces FY2018 full year results for the year ended 30 June 2018.

Highlights:

- Revenue for FY2018 increased by 73.2% to \$35.9m,
- Same store growth of the existing network was 4.3%,
- Revenue growth was achieved through the opening of nine new owned and operated stores and closure of one store,
- EBITDA* was \$2.7m compared to loss of \$2.3m in FY2017,
- Underlying EBITDA**, excluding one off expenses and non-recurring items, was \$3.4m,
- At the reporting date, the company's cash position was \$2.9m,
- Transitioned from a Founder/CEO to a professional industry CEO, and
- Successfully restructured with a C-Suite team, built to take the Company forward to achieve positive growth and outcomes.
- Opened nine new owned and operated stores including; Aratula, Horsham, Maryborough, Euroa, Port Macquarie, Bulahdelah, Shepparton, Dubbo, and Coomera
- Closed the Horsham store due to underperformance and operational losses, minimizing losses for FY19;

Summary of FY2018 Results, relative to the prior year:

AUD	FY18	FY17	Increase
Total Revenue (\$m)	\$35.9m	\$20.7m	+\$15.2m
EBITDA*	\$2.7m	(\$2.3m)	+\$5.0m
Underlying EBITDA ** (\$m)	\$3.4m	(\$1.6m)	+\$5.0m
NPAT	(\$0.6m)	(\$2.9m)	+\$2.3m
Underlying NPAT***	\$0.4m	(\$2.2m)	+\$2.6m
Basic Earnings Per Share (\$)	0.00	(0.03)	+0.03
Number of Stores	28	20	8



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**Earnings before Interest, Taxation, Depreciation and Amortisation and (EBITDA) is a financial measure, which is not prescribed by Australian Accounting Standards ("AASB") and represents the profit under AASB adjusted for specific non-cash and significant items. The Directors consider EBITDA to reflect the core earnings of the consolidated entity.*

***Underlying EBITDA excludes one-off expenses that are not considered to form the ordinary part of the business, such as business acquisition costs, redundancy and legal costs and other one-off items.*

****Underlying Net Profit after Tax (NPAT) excludes the same one-off expenses that are not considered to form the ordinary part of the business as EBITDA, plus tax adjustments.*

Summary of Results for FY18 relative to FY18 earnings guidance:

AUD	FY18 Actual	FY18 Revised Guidance #
Total Revenue (\$m)	\$35.9m	\$36-37m
EBITDA* (\$m)	\$2.7m	\$3.0-3.3m
Underlying EBITDA** (\$m)	\$3.4m	\$3.0-3.3m

Revised Guidance was issued to the ASX on 23rd May 2018

FY2019 Outlook:

Since the appointment of Greg Madigan as CEO, a number of immediate actions have been initiated to improve organisational and operational efficiencies, including:

- Developed a comprehensive FY2019 Business Plan to provide a structured and coordinated approach to the store rollout plan and address other identified opportunities;
- Recruited key positions including Chief People Officer, Chief of Operations, Business Analyst, Operations Compliance Officer, Leasing Specialist and Red Dragon Business Development Manager;
- Installed Self-ordering kiosks system in key stores with a view to increasing average spend and improve speed of service;
- Undertaking a full review of the pricing to ensure the pricing is competitive, appropriate and relevant to the menu offering;
- Worked with the newly appointed Chief of Supply Chain to bring efficiencies into the supply chain process;
- Commenced strategy to correctly position the Oliver's brand in the highly competitive QSR market including delivering a marketing, advertising and media program to drive traffic growth;
- Commenced review of the Oliver's menu as an evolution to ensure the menu is appropriate, attractive and competitive. The objective is to review fresh, natural and organic food trends to ensure the brand remains a leader in the healthy options category;
- Redeveloped the signature Pita Pocket product to address customer feedback, improve the value perception and provide a better quality and value product.



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At the end of FY2018, the Company had a total of 28 stores. For the coming year, there were already 3 new locations with signed leases and in development. The CEO is taking the approach of measured development over the coming 6-12 months to complete the review of, and implement changes to, the current store operations. The store development pipeline is robust and remains a strong focus to ensure the Company takes advantage of all premium location opportunities as they become available. Additional development opportunities for the 2019 year are in negotiation and will be discussed when commercially appropriate.

The Directors are very confident that under the new leadership of CEO Greg Madigan, Oliver's can continue to grow as a sustainable and profitable business, given the strength of the Oliver's brand, the fresh and healthy food offering, the improved supply chain, revenue generating digital and technology initiatives and a clear focus on improving store operations.

FY2019 earnings guidance:

The Directors advise that they do not intend to provide FY2019 earnings guidance at this time, until results from the many initiatives in progress are realised and will review this position again at the AGM.

For further information please contact:

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

Oliver's Real Food Limited (**Oliver's**) listed on the ASX on 21 June 2017 after raising \$15m by way of an Initial Public Offering. Over its 13 year operating history, Oliver's has established a significant market position providing a healthy fast food alternative for travellers on Australia's major arterial highways. Oliver's Real Food is considered to be the world's first "certified organic fast food chain" and provides its customers with premium quality, "real" food that is fresh, natural, & free from additives and preservatives, 7 days a week.

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