

OLIVER'S REAL FOOD LIMITED ABN 33 166 495 441

APPENDIX 4D



REPORTING PERIOD

Current reporting period	Half year ended 31 DECEMBER 2017
Previous reporting period	Half year ended 31 DECEMBER 2016

RESULTS FOR ANNOUNCEMENT TO THE MARKET

- Revenue increased by 93.3% to \$17.6m
- Gross margin increased to 75.6% with gross profit up by 122% to \$13.3m
- EBITDA increased by 243% to \$1.0m
- Same store sales growth for the whole network was 5.7%
- Six new stores opened during the period
- Operating cashflows increased to \$1.8m

REVENUE AND NET PROFITS

	Half-Year ended 31-DEC-2017 \$'000s	Half-Year ended 31-DEC-2016 \$'000s	Variance %
Revenue from ordinary activities	17,562	9,085	93.3%
Earnings before interest, taxes, depreciation and amortisation (EBITDA) *	993	(695)	242.9%
Net profit after tax	(127)	(1,047)	87.9%
Profit after tax attributable to members of the parent entity	(127)	(1,035)	87.7%
Earnings per share (cents)			
– Basic	(0.00)	(0.01)	-
– Diluted	(0.00)	(0.01)	-

	As at 31-DEC-2017	As at 30-JUN-2017
Net Tangible Assets (per share)	0.07	0.08

* EBITDA is a financial measure which is not prescribed by the Australian Accounting Standards ("AAS") and represents the profit/loss under AAS adjusted for specific non-cash and significant items. The directors consider EBITDA to reflect the core earnings of the consolidated entity. A reconciliation between EBITDA and profit after income tax for the half years ended 31 December 2017 and 31 December 2016 are set out below:

	Half-Year ended 31-DEC-2017 \$'000s	Half-Year ended 31-DEC-2016 \$'000s
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	993	(695)
Less: Depreciation and amortisation	(1,092)	(351)
Less: Finance costs (net)	(41)	(118)
Profit before tax	(140)	(1,164)
Income tax expense	13	117
Net profit after tax	(127)	(1,047)

DIVIDENDS

No dividend was declared or paid during the reporting period.

COMMENTARY ON THE RESULTS

Revenue for the half year to December 2017 increased by 93.3% to \$17.6m. Same store growth of the existing network was 5.7%.

Revenue growth was also achieved through the opening of 7 new company owned stores since the IPO and the buyback of 7 franchised stores. The last franchised restaurant of the Group, Oliver's Eastlink Outbound, was bought back from the franchisee on 1 August 2017.

Gross margin for the half year was 75.6% compared to 65.7% for the same period last year. Gross profit increased by 122% to \$13.3m

EBITDA were \$992,994 an increase of \$1.69m (243%) from a loss of \$694,929 on the prior period.

Depreciation and Amortisation up from \$0.3m to \$1.1m resulting from new stores opened and the amortisation of reacquired rights from the acquisition of franchised stores.

The acquisition of the remaining 25% equity interest in The Delicious & Nutritious Co Pty Ltd (the owner of the intellectual property and the business known as Red Dragon) was completed in July 2017.

At the reporting date, the company's cash position was \$2.3m. Cashflow from operations was \$1.8m compared to negative \$0.1m from the prior period.

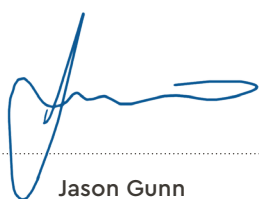
The company operates 26 quick service restaurants as at 31 December 2017 of which 6 new stores were opened during the reporting period.

EVENTS AFTER THE CURRENT REPORTING PERIOD

- On 19 January 2018, the Company sold the freehold property at Maryborough for \$1.85m; and
- On 20 February 2018, the Company sold the freehold property at Bulahdelah for \$2.075m with settlement anticipated during April 2018.

INTERIM FINANCIAL REPORT

The Interim Financial Report of Oliver's Real Food Limited for the half year ended 31 December 2017 follows.



Jason Gunn
Chief Executive Officer



Alan Lee
Chief Financial Officer

Dated: 26 FEBRUARY 2018