



Oliver's Real Food Ltd
ABN 33 166 495 441

PO Box 3678
TUGGERAH NSW 2259
(02) 4353 8055

31st October 2018

ASX Release

Oliver's Real Food (ASX:OLI) Appendix 4C – Quarterly Cash Flow Report to 30th September 2018

Oliver's Real Food Limited (Oliver's) today released its Appendix 4C – Quarterly Cash Flow Report for the Quarter to 30th September 2018, attached.

Mark Richardson, Chairman said: *“Greg Madigan commenced as CEO on 9th April 2018 and during these last two Quarters the Board is pleased with the speed with which Greg has built out a highly qualified and experienced QSR team, who have:*

- *addressed our product offering to make it more competitive;*
- *applied marketing and sales initiatives across the network;*
- *launched self-ordering kiosks;*
- *achieved real supply chain benefits;*
- *opened new stores in Shepparton, Dubbo and Coomera;*
- *closed an underperforming store; and*
- *upskilled our in-store operational capabilities at every level.*

Of course, this has required significant additional cash expenditure and thus we are pleased to have funded all these initiatives and operational improvements from internal cash flow, with no increase in debt levels, while retaining a positive cash balance of \$1.9 million at the end of the September Quarter. Importantly, each initiative has been implemented prior to the two far busier trading quarters, being the upcoming October to March period, and we are confident that Oliver's will see a positive revenue, cash flow and profit benefit through these quarters.”

Highlights for the Quarter:

- Cash receipts for the period were \$8.8 million resulting in net operating cash outflow for the Quarter of \$0.7 million, compared to \$8.5 million and \$1.3 million respectively in the June Quarter.

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- Group gross margin was 74.5%, which is on budget with further improvements anticipated from the supply chain initiatives and improved store management.
- At the end of the September Quarter, the number of stores in the group was 28, all of which are company owned and operated.
- Capital expenditures for the quarter of \$328k included final payments for the fit-outs of stores opened in June 2018 (Coomera and Dubbo) as well as refurbishment of Corporate Head Office at Wyong.
- The Company ended the quarter with a cash balance of \$1.9 million compared to \$2.9 million in the June Quarter.

Greg Madigan, CEO said that "I am pleased with the progress made in the September Quarter and after a period of consolidation since my commencement as CEO, I am now looking forward to improved sales and cashflows over the next 6 months."

For further information please contact:

Greg Madigan
CEO
Phone: 02 4353 8055

Mark Richardson
Chairman
Phone: 02 4353 8055

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 13 year operating history, Oliver's has established a significant market position providing a Fresh, Natural and Organic fast food alternative for travellers on Australia's major arterial highways. Oliver's Real Food is believed to be the world's first "certified organic fast food chain". Oliver's provides its customers with premium quality, "real" food that is fresh, natural, & free from additives and preservatives, 7 days a week.

Oliver's currently operates 28 company owned stores, with plans to extend this network.

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

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Oliver's Real Food Limited

ABN

33 166 495 441

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	8,820	8,820
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(4,147)	(4,147)
(c) advertising and marketing	(176)	(176)
(d) leased assets		
(e) staff costs	(4,783)	(4,783)
(f) administration and corporate costs	(324)	(324)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(30)	(30)
1.6 Income taxes paid	(80)	(80)
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(719)	(719)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(328)	(328)
(b) businesses (see item 10)	-	-
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) 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	(328)	(328)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings	70	70
3.6 Repayment of borrowings	(23)	(23)
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	47	47

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,859	2,859
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(719)	(719)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(328)	(328)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	47	47

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	1,859	1,859

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	1,859	2,859
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,859	2,859

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000

95

Being directors' fees for the quarter.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	1,390	1,390
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Secured market rate loan facility provided by CBA with interest rate at the 3 months BBSY.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	(6,674)
9.3 Advertising and marketing	(163)
9.4 Leased assets	
9.5 Staff costs	(4,641)
9.6 Administration and corporate costs	(211)
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	(11,689)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	Acquisition of businesses only, not business entities	
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

