



Oliver's Real Food Ltd
ABN 33 166 495 441

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10 August 2017

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

Oliver's Real Food secures strategic location on Hume Highway Euroa, Victoria

Highlights and Financial Impact

- Oliver's Real Food Limited (**Oliver's** or the **Company**), has secured another strategic location, this time on the Hume Highway at Euroa, 2 hours drive north of Melbourne.
- Oliver's will acquire the business currently known as Jax Café for a total cost of \$1.6 million.
- Expected to generate annual revenue of circa \$1.7m and EBITDA of \$0.35 million in its first full year.
- The lease term is 15 years assuming the renewal of options.
- Oliver's Euroa should be open for trading before the end of this calendar year.

Overview

Oliver's has today executed binding agreements to acquire the business currently known as Jax Café for a total cost of \$1.6 million, with completion expected on or about 1 September 2017.

Jax Café is located in the Euroa Service Centre Food Court on the Hume Highway at Euroa which also include a McDonald's store and a kebab shop. The store is ideally located to service both northbound and southbound travellers on the Hume Highway. A ten year lease with one 5-year extension has been executed.

Strategic Rationale

As disclosed in Oliver's Prospectus dated 17th May 2017 (Prospectus), Oliver's business strategy is to accelerate the roll out of new stores along the arterial highways of Australia's eastern and southern seaboard. Store location is selected for its traffic flows, ease of access, situation of other Quick Service Restaurant outlets and the location of Oliver's kitchens and service routes. A key benefit from the roll out strategy is economies of scale. New store openings will be a combination of acquiring existing retail outlets and converting them to Oliver's stores and via greenfield development. The acquisition of Jax Café is consistent with the growth plans detailed in the Prospectus.

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Oliver's identified 11 new locations in the Prospectus for roll out in FY18. This store was not at a location identified in the Prospectus but as disclosed in the Prospectus, the Board will consider other sites that become available. Jax Café is a site that satisfies Oliver's criteria for roll out of new stores and was an attractive opportunity to Oliver's. In particular, Jax Café is:

- Currently a profitable roadside store with approximately \$1.8 million in sales per annum;
- Strategically located on the Hume Highway, a major road between Sydney and Melbourne; and
- Consistent with Oliver's strategy to open more stores on major arterial roads.

Local residents and people driving the Hume Highway will now have another Oliver's store on the Hume Highway to be able to choose from a variety of nutrient rich foods including: salads, sushi, gourmet pita pockets, chia cups, yoghurt cups, organic soups and curries, sandwiches, coffee and protein balls. They can also enjoy a portion of Oliver's steamed organic beans with Himalayan rock salt – the healthy alternative to fries.

"I have had my eye on this business for many years and I am delighted to have finally been able to secure such a fantastic location that fits so well into our strategic plan for the Hume Highway", said CEO Jason Gunn. "We have already changed the way that hundreds of thousands of people eat when they are travelling, and many people tell us that we have "changed their lives" (and their health) for the better"" said CEO Jason Gunn.

"The Euroa store is the latest of a number of new stores planned to serve travellers on the eastern seaboard. It marks another step forward for a company whose business model has successfully anticipated the convergence of three significant trends in the Australian market," said Chairman Mark Richardson. "The growth of the fast food market, investment in highway infrastructure and the growing awareness of the health benefits of thoughtful food choices all converge to provide a bright future for Oliver's".

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 12 year operating history, Oliver's has established a significant market position providing a healthy, fresh food alternative to traditional fast food 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 with stores along the arterial highways of Australia's eastern seaboard. Oliver's provides its customers with premium quality, "real" food that is fresh and natural, free from additives and preservatives, 7 days a week at major highway locations. Oliver's is passionate about nutrition and the benefits of eating well. Approximately 50% of the food and beverages sold at Oliver's sites is organically grown and 90% of it is Oliver's branded.

Oliver's plans to own and operate approximately 33 stores by the end of FY2018 and over 60 stores within the next few years.

www.oliversrealfood.com.au

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