

Oliver's Real Food Limited 2019 Annual General Meeting 29 NOVEMBER 2019



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Oliver's Real Food Limited 2019 Annual General Meeting

Friday 29 November 2019

Kooindah Waters Golf Resort, 40 Kooindah Blvd, Wyong NSW 2259

AGENDA

- 1. Quorum / Open Meeting
- Chairman's Welcome, Introduction of Board & Management
- Chairman's Address 3.
- **CEO's Presentation** 4.
- Notice of Meeting Taken as Read 5.
- 6. Meeting and Voting Procedure
- Business Consideration of Reports (General Q&A)
- **Resolutions:** 8.
 - 1. Remuneration Report
 - 2. Resignation of RSM as auditors and appointment of Bishop Collins Audit PTY LTD as auditors
 - 3. Re-election of Director
- **Other Questions**
- 10. Meeting and Poll Close

TO THE WORLD'S FIRST

JEK I LFL

FAST FOOD CHAIN

ORGANIC

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The Background

- \rightarrow Jason Gunn founded Oliver's in 2003
- \rightarrow We opened the first store in Wyong in 2005
- \rightarrow Jason took the risk and proved the concept
- → Jason developed the concept and built the business into what it was when Oli listed on ASX in June 2017
- → Jason's employment as CEO and Board Member ceased in May 2018 as a result of disagreements with the Board on fundamental issues

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The Turning Point

- \rightarrow On Tuesday 26th February 2019, I was contacted by Kathy Hatzis to let me know that the business was in "serious" trouble", that Mark Richardson (Chairman) had resigned, and asking if Amanda and I were prepared to return to the business to "try to save it"
- \rightarrow On Thursday 28th February 2019, Amanda and I were appointed to the board as NEDs
- \rightarrow Also on Thursday 28th February 2019, John Diddams and Peter Rodwell both resigned from the board
- \rightarrow On 11th March 2019, I am appointed as CEO, Amanda Gunn is appointed as National Operations Manager
- \rightarrow Also On 11th March 2019, Nicholas Dower is appointed as NED and Chairman, along with Steven Metter as NED and Company Secretary
- \rightarrow Again On 11th March 2019, Kathy Hatzis resigns as NED





The Resurrection

- Address excessive spending: Immediately address the → **Reduce overheads:** Close the NSW production kitchen \rightarrow excessive spending on things like a corporate office in to bring efficiencies through the two remaining (newer) Sydney, cars for senior executives, corporate Amex cards facilities in Melbourne and Brisbane for management team, and external consultants TOTAL SAVINGS IN EXCESS OF \$250,000 PA TOTAL SAVINGS IN EXCESS OF \$500,000 PA
- Rationalise the wages and salaries: Restructure and \rightarrow rationalise the board fees and top heavy Head Office management team TOTAL SAVINGS IN EXCESS OF \$1,000,000 PA
- **Drive efficiency:** Restructure the operational personnel \rightarrow and get them working efficiently TOTAL SAVINGS IN THE ORDER OF \$1,500,000 PA

Build Revenue: Rebuild the operations team and get \rightarrow focussed on the customer experience and building revenue at all locations.





Building Revenue

- \rightarrow Increased revenue is a simple equation.
- → Happy, engaged team members sell more product.
- delicious sides?"





Financial Overview

Revenue from ordinary activities

Gross Profit

Gross Margin

Other Income

Operating Expenses

Reported EBITDA*

Less Land Sale EBITDA[#]

Operational EBITDA

One-off Costs

Normalised EBITDA (excluding land sales)

NPATA**

NPAT

* 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.

#Included sales of franchised stores

** NPATA = Net Profit After Tax but before Amortisation

FINANCIAL OVERVIEW

YEAR ENDED 30-JUN-16	YEAR ENDED 30-JUN-17	YEAR ENDED 30-JUN-18	YEAR ENDED 30-JUN-19
ACTUAL	ACTUAL	ACTUAL	ACTUAL
\$17.1M	\$20.7M	\$35.9M	\$35.0M
\$10.5M	\$13.9M	\$27.5M	\$25.7M
61.3%	67.2%	76.3%	73.4%
\$2.8M	\$0.4M	\$1.9M	\$0.1M
(\$11.5M)	(\$16.6M)	(\$26.7M)	(\$31.7M)
\$1.8M	(\$2.3M)	\$2.7M	(\$5.9M)
\$2.8M	-	\$1.9M	
(\$1.0M)	(\$2.3M)	\$0.8M	(\$6.0)
-	\$0.7M	\$0.7M	
(\$1.0M)	(\$1.6M)	\$1.5M	(\$6.0)
\$0.6M	(\$2.9M)	\$0.0M	
\$0.6M	(\$2.9M)	(\$0.6M)	(\$6.0)



FY 2017 vs FY 2018 NET SALES





FY 2017 vs FY 2018



FY 2018 vs FY 2019 NET SALES



FY 2018 vs FY 2019 PATRON COUNT



FY 2018 vs FY 2019

FY 2018 vs FY 2019 ATV



FY 2019 vs FY 2020 NET SALES





FY 2019 vs FY 2020



First four months – Financial Year 2019 v's Financial Year 2020



Comparison

*NOTE: FY20 figures shown are unaudited



The Key is Happy Customers

- \rightarrow Happy customers spend more money.
- \rightarrow Happy customers come back time after time.
- \rightarrow Happy customers bring their friends with them.
- \rightarrow The business with happy customers cannot help but grow.

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High Net Promoter Score = **Higher Average Transaction Value**





CUSTOMER FEEDBACK RECORD APRIL - NOVEMBER 2019



Subsequent to the FY2019 reporting period

- → Introduced Take Home Meals to three locations to test
- \rightarrow Introduced other new menu items
- → Commenced 24 hour trading
- → Self service kiosks into all stores
- → Online store development
- → Launched Feed Your Good Magazine

SUBSEQUENT TO THE FY2019 REPORTING PERIOD

CLEVER.

Health

CHOC BI

Health Lab

SALTED CARAMEL PROTEIN BALL

GB 🚺 📾 📾





LOCATIONS

QUEENSLAND Maryborough

NEW SOUTH WALES

Chinderah Port Macquarie Ferry Park Coffs Harbour Sth Coffs Harbour Nth Bulahdelah Hexham Wyong Sth Wyong Nth Lithgow Goulburn Gundagai

organic.

VICTORIA

Euroa Wallan Sth Wallan Nth Geelong Sth Geelong Nth Ballarat Eastlink Out Eastlink In Officer Out Officer In Penlink Out Penlink In

STORE NETWORK

Current Store Network

MARYBOROUGH, QLD CHINDERAH, NSW FERRY PARK, NSW COFFS HARBOUR SOUTHBOUND, NSW COFFS HARBOUR NORTHBOUND, NSW PORT MACQUARIE, NSW BULAHDELAH, NSW HEXHAM, NSW WYONG SOUTHBOUND, NSW WYONG NORTHBOUND, NSW LITHGOW, NSW GOULBURN, NSW

Central Kitchens and Distribution Centres

→ BRISBANE KITCHEN AND DC
→ WYONG DC
→ MELBOURNE KITCHEN AND DC

EUROA, VIC WALLAN SOUTHBOUND, VIC WALLAN NORTHBOUND, VIC EASTLINK OUTBOUND, VIC EASTLINK INBOUND, VIC OFFICER OUTBOUND, VIC OFFICER INBOUND, VIC PEN-LINK OUTBOUND, VIC PEN-LINK INBOUND, VIC GEELONG SOUTHBOUND, VIC BALLARAT, VIC





A Team of Committed and Dedicated Human Beings



Executive Director, Founder

Jason successfully anticipated the health food trend within the fast food market and leads the organisation with his passion and commitment to healthy nutrient dense food and sustainable business practices. His passion has resulted in Oliver's status as the world's first certified organic fast food chain. Before launching Oliver's, Jason created the Info-Link Building Information System Australia. Info-Link was successfully franchised internationally and sold to Reed Business Information Pty Ltd in 1997.

Jason has driven the Oliver's business growth since incorporation in 2003 and has been the brand, cause champion, food development lead, service, logistics, finance and operations steward since then. As Oliver's has developed, Jason has been able to attract an experienced and dedicated group of key management to manage the company's growth. Jason is a Graduate of the Australian Institute of Company Directors.



David McMahon Chief Financial Officer

David joins the executive team at Oliver's as CFO with fantastic experience.

As a Fellow of the Institute of Public Accountants, a Member of the Governance Institute of Australia and also The Institute of Chartered Secretaries and Administrators, David is very well credentialed to fill the role.

In particular his experience at Woolworths On Line Division where David managed the Home Shop Division and was part of a successful relocation of the entire operation from Alexandria to Homebush without losing any trading days.

David project managed the complete upgrade of the website, a \$10.0m project.

In the Woolworths Property Division: David managed the national Construction Finance Team, a Division of Supermarkets and implemented full reporting and forecasting of all Capital Expenditure across the Supermarket Division. David was also part of a successful SAP implementation Team.



Amanda Gunn National Operations Manager

Amanda joined Oliver's in 2010 and brings to the Board of Directors extensive experience in Oliver's store management, company operations and performance, recruitment, training and store development.

Prior to joining Oliver's, Amanda worked with McDonalds before becoming a multi-store franchisee at Wendy's and also worked as a workplace trainer and assessor, delivering the franchisor's training programme to new franchisees.

EXECUTIVE MANAGEMENT



Evan Solomon IT Systems Manager

- Evan Solomon is responsible for IT Infrastructure and Technical Support.
- Evan has 25 years background in technical support, training and programming. Supporting companies in fields ranging from music and radio, non-profit, and manufacturing.
- This has included development, planning and support of Customer Relationship Management systems, Material Requirements Planning (MRP) and Enterprise Resource Planning (ERP) systems, product weighing systems, and disaster and recovery planning.



Lori Thompson Retail Operations Manager

Lori started with Oliver's in 2010. She managed the Oliver's Hexham site for 5 years and went on to be the first franchisee for 2 years. This helped Lori learn so much more about the Oliver's business.

- In her current role as the National Business Development Manager, Lori absolutely loves working for Oliver's and developing and growing the stores and teams.
- Prior to working for Oliver's Lori assisted with operating her family's business (pub/hotel) for 11 years.



Darren Anderson National Supply Chain Manage

Darren joined Oliver's in 2011 as our Facilities Manager after 25 years with McDonalds.

Darren started with McDonalds as a Store Supervisor and worked his way through the business eventually consulting to franchisees within the McDonalds network.

Darren's experience, combined with his detailed knowledge of the Oliver's business, its products and suppliers, makes him an extremely valuable part of the executive management team.



Shane Friswell National Production Manager

Shane joined Oliver's in 2015 as

Head Chef of the Queensland kitchen. Over time, Shane has successfully run and spent time in all of Oliver's production kitchens. Shane was promoted to Executive Sous Chef in 2018 and stepped up into the National Production Manager role in 2019. Shane has over 20 years experience as a chef having run a wide variety of kitchens from large hotels and sports clubs to restaurants and cafes.





OUR PURPOSE

"TO EMPOWER OUR CUSTOMERS TO LIVE A HAPPIER AND **HEALTHIER LIFE''**

FEED YOUR GOOD BODY, MIND & SPIRIT

OUR VALUES WE ARE ABSOLUTELY CUSTOMER FOCUSED



WE ARE ALWAYS POSITIVE IN OUR INTERACTIONS. WE LOVE WHAT WE DO.



WE ARE ACCOUNTABLE FOR OUR CHOICES AND DECISIONS.WE 'OWN IT.'

OUR MISSION "TO PROVIDE EXCEPTIONALLY DELICIOUS AND NUTRITIOUS **REAL FOOD''**

A CONSISTENTLY FANTASTIC CUSTOMER EXPERIENCE



accountable



conscious

WE ARE CONSCIOUS AT ALL TIMES OF OURSELVES AND OUR ENVIRONMENT.



WE UNDERSTAND THAT WE ARE WHAT WE REPEATEDLY DO. EXCELLENCE IS OUR HABIT.

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Where To From Here

Consolidate & Strengthen

- → We have 25 fantastic locations
- → Get focussed on delivering a consistently fantastic customer experience
 BUILD THAT NPS
- → Get focussed on being a better retailer
 SELL MORE PRODUCT TO MORE PEOPLE
- → Build revenue and manage the business for profitability





QUESTIONS **& ANSWERS**





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