

## OLIVER'S REAL FOOD LIMITED APPENDIX 4D HALF-YEAR REPORT

### 1. COMPANY DETAILS

<b>NAME OF ENTITY:</b>	Oliver's Real Food Limited
<b>ABN:</b>	33 166 495 441
<b>REPORTING PERIOD:</b>	For the half-year ended 31 December 2020
<b>PREVIOUS PERIOD:</b>	For the half-year ended 31 December 2019

### 2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

		\$
Revenues from ordinary activities	down 31.8% to	12,240,086
Loss from ordinary activities after tax attributable to the owners of Oliver's Real Food Limited	down 48.9% to	(1,864,802)
Loss for the half-year attributable to the owners of Oliver's Real Food Limited	down 48.9% to	(1,864,802)

#### Dividends

There were no dividends paid, recommended or declared during the current financial period.

#### Revenue and Net Losses

	Consolidated	
	31 December 2020 \$(000)	31 December 2019 \$(000)
Revenues from ordinary activities	12,240	17,937
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	1,317	-
Earnings before interest, taxes, depreciation and amortisation and impairments (EBITDAI)*	1,317	300
Net loss after tax	(1,865)	(3,648)
Earnings per share (dollars)		
Basic	(0.01)	(0.01)
Diluted	(0.01)	(0.01)

	Consolidated	
	31 December 2020 \$	31 December 2019 \$
Net assets (per share)	(0.02)	0.04
Net tangible assets (per share)	(0.03)	(0.11)

\*Underlying EBITDAI 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 not expected to recur between periods. The directors consider Underlying EBITDAI to reflect the core earnings of the consolidated entity. A reconciliation between Underlying EBITDA and profit after income tax for the half years ended 31 December 2020 and 31 December 2019 are set out below.

	Consolidated	
	31 December 2020 \$(000)	31 December 2019 \$(000)
<b>Net loss after tax – Reported</b>	(1,865)	(3,648)
Tax expense (benefit)	-	90
<b>Net loss before tax</b>	(1,865)	(3,558)
Depreciation and amortisation expenses	2,475	2,812
Finance costs, net of interest income	707	746
Total add backs	3,182	3,558
Impairment of fixed assets	-	300
<b>EBITDAI</b>	1,317	300
<b>One-off items</b>		
Government concessions – JobKeeper	(3,436)	-
Provision for Calcoffs lease surrender costs	-	75
Lease concessions	(660)	-
Share based payments	-	917
Total one-off items	(4,096)	992

### COMMENTARY ON THE RESULTS

- In this first half trading period, the company has opened 101 new Oliver's Food To Go ("OFTG") locations with EG, bringing the total number of OFTG outlets to 115 at 31 December 2020.
- EBITDAI was \$1,317k as compared to EBITDAI of \$300k on prior year.
- However, revenue for the half year to December 2020 reduced by 32% to \$12.2 m attributed largely to the impact of Covid19 and state and border closures during the half year.
- Gross margin for the half year was 56% compared to 72.8% for the same period last year.
- There are two main reasons for the reduction in gross margin:
  - 1. Is the fact the EG Fuelco business is a wholesale supply business so gross margins are substantially less than the corresponding margins earned at a retail level within the company-owned Oliver's stores.
  - 2. As expected, this level of expansion required a meaningful investment in areas such as product support and development, creating new logistic flows, and merchandising etc, the bulk of which costs are reflected in the increase in the Group's Cost of Goods over this 6-month period.
- Depreciation and Amortisation reduced from \$2.8m to \$2.5m due to effect of impairments at 30 June 2020
- The company operated a total of 24 (2019:25) company-owned quick service restaurants throughout the half-year.
- The company's cash and cash equivalents balance was \$2.7m as at the balance sheet date.

### 3. CONTROL GAINED OVER ENTITIES

Not applicable.

#### 4. LOSS OF CONTROL OVER ENTITIES

Not applicable.

#### 5. DIVIDENDS

##### *Current period*

There were no dividends paid, recommended or declared during the current financial period.

##### *Previous period*

There were no dividends paid, recommended or declared during the previous financial period.

##### *Dividends reinvestment plan*

Not applicable.

#### 6. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

Not applicable.

#### 7. FOREIGN ENTITIES

##### *Details of origin of accounting standards used in compiling the report*

Not applicable.

#### 8. EVENTS AFTER THE REPORTING PERIOD

- The board have requested management to develop a restructure plan for the business specifically focused on achieving a significant reduction in overheads and fixed costs, whilst at the same time providing the capacity needed to embrace the opportunities for growth that are currently available to the business. The plan is to be cash flow positive after incurring initial restructure costs. The plan will also consider capital and infrastructure requirements.
- Management have already made significant progress with this very comprehensive exercise and we anticipate the results of this planning will be made available during March 2021.

#### 9. AUDIT QUALIFICATION OR REVIEW

##### *Details of audit/review dispute or qualification (if any)*

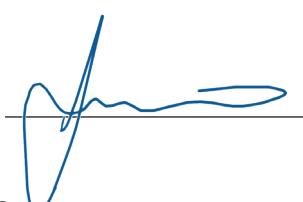
The financial statements were subject to a review by the auditors and the modified review report is attached as part of the Interim Report.

#### 10. ATTACHMENTS

##### *Details of attachments (if any)*

The Interim Report of Oliver's Real Food Limited for the half-year ended 31 December 2020 is attached.

#### 11. SIGNED

Signed  Date: 25 February 2021

**Jason Gunn**  
Chairman