RETAIL FOOD GROUP
Retail Food Group Limited
Level 4, 35 Robina Town Centre Drive
Robina Qld 4226

28 February 2023

1H23 Results Presentation

Please find enclosed for release to the market Retail Food Group Limited's 1H23 Results Presentation.

This announcement has been authorised for release by the Board of Directors.

ENDS

For further information, interviews or images, please contact:
RFG Company Secretariat c/- 07 5591 3242 or company.secretariat@rfg.com.au

About Retail Food Group Limited:

RFG is a global food and beverage company headquartered in Queensland. It is Australia's largest multi-brand retail food franchise manager, and is the owner of iconic brands including Gloria Jean's, Donut King, Brumby's Bakery, Michel's Patisserie, Crust Gourmet Pizza, Pizza Capers, Cafe2U and The Coffee Guy. The Company is also a roaster and supplier of high-quality coffee products, supplied under the Di Bella Coffee brand. For more information about RFG visit: www.rfg.com.au

RETAIL FOOD GROUP

1H23 RESULTS PRESENTATION

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OPERATIONAL METRICS

Unless otherwise specified, all operational metrics (SSS, CC, ATV) provided in this Presentation are based on unaudited reported sales by franchisees amongst stores trading, in the case of a half year, a minimum 23 of 26 weeks, and in the case of a full year, a minimum 46 of 52 weeks, vs unaudited reported sales by franchisees against same stores trading a similar number weeks during the comparable preceding period (as the case may be).

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Information on past performance is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition including future share price performance. Paster performance of the Company cannot be relied upon as an indicator of (and provides no guidance as to) future Company performance.

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This Presentation includes certain statements including but not limited to, opinions, estimates, projections, guidance and forward-looking statements with respect to future earnings and performance of RFG as well as statements regarding RFG's plans, strategies and the development of the market. These forward looking statements are not historical facts but rather are based on RFG's current expectations, estimates and projections about the industry in which RFG operations, and beliefs and assumptions. Forward-looking statements include those containing words such as: 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'consider', 'foresee', 'aim', 'will' and other similar expressions.

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IMPACT OF CORONAVIRUS (COVID-19)

The COVID-19 pandemic and the measures undertaken to contain it have materially changed the global economic outlook, directly and or indirectly causing large-scale economic disruption in all markets the Group operates in. The economic disruption could lead, and in some cases has led, to elevated levels of credit losses from business insolvencies and ongoing disruption to trading conditions, including supply chain disruption or delay and inflationary pressures. In an attempt to mitigate the direct or indirect economic effect of COVID-19, governments, regulators and central banks have offered significant fiscal and regulatory support in FY20 and FY21 to assist certain businesses to remain liquid and solvent, and to support employees and the unemployed. Some residual government & industry support measures continued after this time. The extent to which these efforts will reduce the adverse effects, direct and indirect, of COVID-19 remains uncertain.

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NON-IFRS INFORMATION & GLOSSARY

This Presentation contains certain non-IFRS financial measures that RFG believes are relevant and appropriate to understanding its business. Non-IFRS financial measures are defined as financial measures that are presented other than in accordance with all relevant Accounting Standards. Non-IFRS financial measures are used internally by management to assess the financial performance of RFG's business and include EBITDA, Underlying EBITDA, Underlying NPAT and Underlying EPS.

A reconciliation and description of the items that contribute to the difference between RFG's Underlying and statutory results is provided on slide number 15 of this Presentation.

Further information regarding the non-IFRS financial measures and other key terms used in this Presentation is included in the Appendix.

Non-IFRS measures have not been subject to audit or review.

EFFECT OF ROUNDING

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation. Reference should be made to the Company's Appendix 4D and Financial Report for the Half Year Ended 30 December 2022, lodged with the Australian Securities Exchange on 28 February 2023.

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1H23 HIGHLIGHTS

Underlying EBITDA[(1)] ↑ **47.4%**

Same Store Sales[(2)] ↑ **17.9%**

ACCC Proceedings resolved[(3)]

FY23 Guidance expected at Mid to Upper end of range[(4)]

Resilient Multi-Brand Portfolio

TURNAROUND PLAN HEADWAY

- ✓ 2019 Recapitalisation
- ✓ Legacy regulatory actions finalized
- ✓ Positive Franchise First strategy
  +13.3% SSS/+20.6 ATV vs 1H19[(5)]
- ✓ Non-Core Units Disposed
- ✓ Restructure to reduce cost base & improve systems

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(1) Versus 1H22. Underlying EBITDA is a non-IFRS measure used by management to assess financial performance & is not subject to review or audit. Refer to page 15 for reconciliation of underlying to statutory results.
(2) Domestic network: 1H23 vs 1H22
(3) Refer RFG Announcement to the Australian Securities Exchange, dated 23.12.22
(4) FY23 guidance of Underlying EBITDA growth in the range of $26.0m to $29.0m, excluding AASB 15, AASB 16 & non-core expenses (provided at 30.11.22 AGM)
(5) Domestic network: 1H23 v 1H19

KEY HIGHLIGHTS FOR 1H23

Underlying EBITDA of $13.7m (up 47.4% vs 1H22)[1]

Network Sales +14.0% vs 1H22

Same Store Sales (SSS) +17.9% vs 1H22

Expect FY23 Underlying EBITDA be at the mid to upper end of the guidance range

FY23 Underlying EBITDA guidance of $26.0m to $29.0m[2]

Positive contribution across all divisions with all brands enjoying positive SSS growth[3]

Network Sales +14.0% vs 1H22

Same Store Sales (SSS) +17.9% vs 1H22

Customer Count (CC) +17.3% vs 1H22

Average Transaction Value (ATV) +0.5% vs 1H22

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(1) Underlying EBITDA is a non-IFRS measure used by management to assess financial performance & is not subject to review or audit. Refer to page 15 for reconciliation of underlying to statutory results.

(2) FY23 guidance of Underlying EBITDA growth in the range of $26.0m to $29.0m, excluding AASB 15, AASB 16 & non-core expenses (provided at 30.11.22 AGM)

(3) Domestic network metrics only.

KEY HIGHLIGHTS FOR 1H23 (CONT'D)

✓ Positive start to 2H23 with momentum continuing across key metrics[1]

- Network Sales +6.8% vs 2H22YTD
- Same Store Sales (SSS) +11.8% vs 2H22YTD
- Customer Count (CC) +12.0% vs 2H22YTD
- Positive ATV for all Brand Systems (vs 2H22YTD)[(2)]

✓ ACCC resolution removes significant element of uncertainty & allows enhanced focus on growth

- Removes significant element of uncertainty & constraint on ability to deploy capital into growth
- Management time can be more focused on exploring & implementing growth initiatives
- Anticipate relaxation of bank debt funding constraints on franchisees

✓ Platform for growth in FY23 & beyond established

- Resilient & diversified brand system portfolio well positioned in uncertain trading environment
- Strong domestic & international network development pipeline
- Multiple growth opportunities being pursued

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(1) All metrics based on unaudited reported sales by franchisees in respect of Week 27 (week ending 01.01.23) to Week 33 (week ending 12.02.23) vs corresponding weeks in 2H22 unless otherwise stated

(2) Donut King +7.7%; Brumby's Bakery +1.2%; Michel's Patisserie: +8.7%; Gloria Jean's: +6.3%; Crust: +5.2%; Pizza Capers: +4.4%

SNAPSHOT[1]

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POSITIVE CONTRIBUTIONS ACROSS ALL DIVISIONS

> +17.9% 1H23 SSS growth across domestic franchise network:
  - Underpinned by +17.3% CC & +0.5% ATV increases
  - All Brand Systems enjoyed positive SSS growth in 1H23:
    - Significant SSS, CC & ATV growth across coffee-based Brand Systems as customers returned to more normal shopping routines:
      - Donut King 'stand out' performer: +40.7% SSS [2]
      - Gloria Jean's: +31.2% SSS
      - Michel's Patisserie: +24.0% SSS
    - Sustained SSS growth across Brumby's & QSR Division:
      - Brumby's Bakery: +6.8% SSS
      - QSR Division: +3.1% SSS
> Domestic network performance measures favourably to pre-COVID 1H19 performance:
  - +13.3% SSS growth, driven by +20.6% ATV increase offsetting -6.0% CC decline as consumer post COVID-19 behaviours have evolved
  - Validates Brand System resilience & strategies implemented as part of 'Franchisee First' turnaround plan
> Contributed to 51.0% increase in Underlying EBITDA attributable to domestic franchise operations (1H23: $11.1m vs 1H22: $7.3m)
> 39.1% increase in International Division Underlying EBITDA (to $2.0m) driven by[3]:
  - Improved trading conditions across majority of international territories
  - 1H23 net outlet growth (+8 outlets)
> Gross margin improvement in Di Bella Coffee driving improved Underlying EBITDA outcomes (+16.9% vs PCP to $0.6m) despite reduced revenues attributable to exit from certain low-margin supermarket supply contracts & lingering COVID-19 impact on independent foodservice channel

IMPRESSIVE UNDERLYING RESULTS:

> Strong divisional outcomes contributed to 47.4% increase in 1H23 Group Underlying EBITDA to $13.7m (1H22: $9.3m):
  - Underpinned 65.7% increase in Underlying NPAT to $12.3m (1H22: $7.4m)
> Statutory net loss after tax of $1.1m (1H22: $5.1m profit):
  - Reflects effect of:
    - Financial commitments arising out of Dec 2022 resolution of ACCC proceedings ($7.8m impact after tax)
    - AASB 15 & AASB 16, non-cash impairments & restructuring costs
  - Derived from Statutory EBITDA of $5.5m (1H22: $11.8m)
> 1H23 Net Operating Cash Flows increased $2.3m to $7.9m (1H22: $5.6m)

(1) Underlying EBITDA & Underlying NPAT are non-IFRS measures used by management to assess financial performance & are not subject to review or audit. Refer to page 15 for reconciliation of underlying to statutory results.
(2) Excluding Donut King mobile units
(3) As reported by Master Franchise Partners

SNAPSHOT

MATERIAL LITIGIOUS ACTIVITY:

> Dec 2022 resolution of ACCC proceedings[1]:
  - Proceedings discontinued, without RFG:
    - Making any admission as to ACCC's allegations in proceeding
    - Paying a pecuniary penalty
    - Being subject to an injunction, disclosure or adverse publicity order
  - As part of resolution, RFG has provided a s87 undertaking pursuant to which it will (inter alia):
    - Pay c.$3.0m to, & waive c.$1.8m in debts owed by, a cohort of franchisees who purchased certain corporate stores between Jan 15 – Dec 18 (c.$2.8m paid 2H23YTD)
    - Pay c.$5.0m to certain franchisees of the Michel's Patisserie brand system who paid marketing levies between Jul 2012 – June 2017
    - Contribute $0.5m to the ACCC's costs (paid 2H23)
    - Implement a compliance program that satisfies the requirements of the undertaking

> In terms of Michel's Patisserie class action[2]:
  - RFG obtained orders that applicant's original Statement of Claim be struck-out with costs
  - Court afforded applicant opportunity to replead:
    - Statement of Claim filed Dec 2022
    - Timetable for RFG to file Defence & Cross-Claim set
  - Court has refused to determine & therefore dismissed applicant's Dec 2021 application concerning legality of funding arrangements

TURNAROUND JOURNEY FURTHER ADVANCED

> Resolution of ACCC proceeding represents finalization of legacy regulatory activity
  - Removes significant element of uncertainty & constraint on ability to deploy capital into growth
  - Management time can be more focused on exploring & implementing growth initiatives
  - Anticipate relaxation of bank debt funding constraints on franchisees

> Corporate, franchise & wholesale coffee restructuring initiatives ongoing to reduce cost base, enhance efficiencies & drive positive outcomes

> Key management appointments during & following 1H23, when coupled with appointments over prior 2 years, enhance internal capabilities:
  - New CFO commencing April 2023

> 1H23 establishment of Sustainability Strategy Framework & Dec 2022 release of inaugural Sustainability Report:
  - Demonstrates vision to improve processes, pursue growth & add value for all stakeholders within framework that equitably meets Group needs without jeopardizing the ability of future generations to meet their own needs

> Roadmap continues to be guided by four key principles:
  - Franchisee First
  - Customer Obsessed
  - People Matter
  - Future Focused

> Strengthening of RFG business systems, including advancements in reporting & technology, continue to underpin ability to:
  - Drive the quality & performance of brand system portfolio
  - Identify & unlock new growth opportunities

(1) Refer RFG Announcement to the Australian Securities Exchange, dated 23.12.22
(2) Announced to Australian Securities Exchange 19 October 2021

SNAPSHOT

POSITIVE START TO 2H23[1]:

> 2H23YTD domestic network performance remains strong despite challenging environment:
  - +6.8% increase in network sales
  - +11.8% SSS growth / +12.0% CC growth
  - Positive ATV growth across all Brand Systems[2]
  - Strong performances amongst coffee based Brand Systems maintained:
    - Donut King: +31.0% SSS; +21.7% CC; +7.7% ATV
      - Affordable & compelling product offer, broad customer appeal & strong momentum into 2H23 provides opportunity to win market share
    - Gloria Jean's[3]: +21.2% SSS; +14.1% CC; +6.3% ATV
    - Michel's Patisserie: +28.3% SSS; +18.0% CC; +8.7% ATV

> Performance reflects:
  - Seasonal post Christmas reduction in CC consistent with historical trends
  - Inflationary/interest rate pressures on consumer discretionary spend:
    - Proactive pricing strategies & COGs management to drive ATV & absorb margin pressures
    - ATV remains relatively low @ sub $10 (ex QSR Division)[4], providing scope & flexibility to better compete & more effectively manage retail pricing in inflationary environment
    - Operational support to drive execution standards & customer experience
    - Focus on unlocking new customer occasions via product development & investment in technology to integrate delivery channels

POSITIVE START TO 2H23 CONT'[1]:

- Moderation of QSR Division performance following all time highs given return to more 'normalised' dine-in & eat out routines vs eat in preferences post COVID-19:
  - QSR Division: -4.1% SSS; -8.7% CC; +5.0% ATV
    - Excludes impact of Rack 'em Bones BBQ Ribs concept (refer slide 10)
    - PCP influenced by strong 'Omicron effect'
  - Despite 2H23 moderation in CC, underlying business remains robust:
    - Comparison to same (pre-COVID-19) period in FY19 highlights considerable growth within QSR Division:
      - Crust: +15.3% SSS; +10.4% CC; +4.4% ATV
      - Pizza Capers: +38.6% SSS; +23.2% CC; +12.4% ATV
- Focussed on delivering solutions for Franchise Partners to unlock growth opportunity & drive profitability, including:
  - Virtual brand extension (Rack 'em Bones BBQ Ribs)
  - Ongoing COGs review, menu optimization, pricing evaluation & RRP review to offset inflationary pressures
  - Marketing investment to enhance brand awareness, attract new customers & grow share within 3PA platforms
  - 2H23 implementation of new eCommerce platform to improve customer experience & loyalty functionality

(1) All metrics based on unaudited reported sales by franchisees in respect of Week 27 (week ending 01.01.23) to Week 33 (week ending 12.02.23) vs corresponding weeks in 2H22 unless otherwise stated
(2) Donut King +7.7%; Brumby's Bakery +1.2%; Michel's Patisserie: +8.7%; Gloria Jean's: +6.3%; Crust: +5.2%; Pizza Capers: +4.4%
(3) Includes Gloria Jean's Drive Thru. Excluding Drive Thru network, metrics increase to +26.8% SSS; +19.1% CC; +6.4% ATV
(4) Based on unaudited reported sales by franchisees

SNAPSHOT

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OUTLOOK

> Firm platform for much stronger FY23 established:
  - Resilient Brand Systems & broader business remain well positioned to respond to challenging trading environment
  - Relatively low sub $10 (ex QSR Division) ATV[(1)] provides scope & flexibility to better compete & more effectively manage retail pricing
  - Diversified Brand System portfolio reduces reliance on individual business unit performance
  - Growing domestic new outlet momentum & strong international new store pipeline
  - Multiple growth opportunities being pursued:
    - Prioritised to expedite positive outcomes
  - Initiatives ongoing to further reduce cost base & enhance efficiencies
  - Legacy regulatory matters resolved
> Board retains confidence in various positive initiatives implemented or in development
> FY23 guidance of Underlying EBITDA growth in the range of $26.0m to $29.0m, excluding AASB 15 & AASB 16 & non-core expenses, maintained[(2)]



(1) Based on unaudited reported sales by franchisees

(2) FY23 guidance range provided at 30 November 2022 Annual General Meeting

DOMESTIC NETWORK METRICS



Network Sales:

14.0% vs 1H22



Same Store Sales (SSS):

17.9% vs 1H22



Customer Count (CC):

17.3% vs 1H22



Average Transaction Value (ATV)

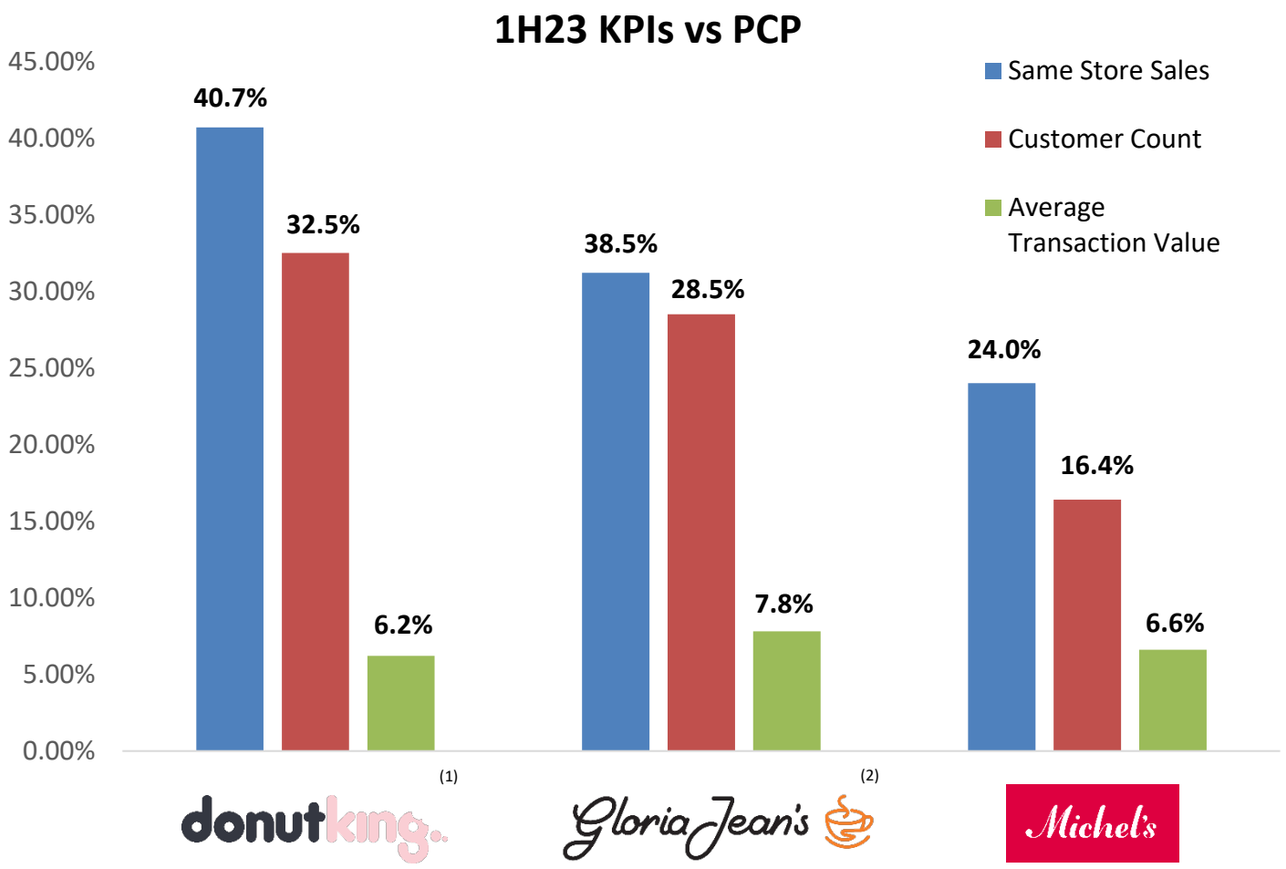
0.5% vs 1H22

> Strong 2H22 momentum carried over into 1H23, despite impact of inflationary pressures & staffing challenges:

- Network sales grew +14.0% vs PCP to c.$258.8m
- 1H23 SSS growth of +17.9% vs PCP reflects:
  - 1H23 maintenance of SSS growth vs PCP across Brumby's Bakery (+6.8%), pizza Brand Systems (+3.1%) & Gloria Jean's Drive Thru outlets (+3.7%)
  - Return to more 'normal' trading conditions vs PCP (which was impacted by lockdowns, border closures & other COVID-19 measures):
    - Release of 'COVID-19 shackles' on coffee-based Brand Systems as consumers continued to return to shopping centres & metro environments:
      - Led by Donut King[(1)]: +40.7% SSS vs PCP
  - Realisation of benefits derived from structural changes arising out of turnaround plan execution:
    - +13.3% 1H23 network SSS growth vs pre-COVID-19 1H19, despite 6.0% Customer Count decline (vs 1H19) as consumer behaviours have evolved (including increased online shopping & reduced frequency of shopping centre visits)
    - Supported by strong +20.6% ATV growth vs 1H19
  - Demonstrates resilience of Brand System portfolio

(1) Excludes Donut King mobile units & trial outlets

COFFEE BRAND SYSTEM BOUNCE BACK



(1) Excludes DK mobile units

(2) Excludes Drive Thru Locations (1H23 Drive Thru network metrics vs PCP: +3.7% SSS; -8.1% CC; +12.8% ATV)

> Strong post COVID-19 recovery amongst coffee-based brand systems:
  - Donut King a 'stand out' performer
  - Strong marketing campaigns designed to build brand awareness & relevance, driving conversion at outlet level
  - Reflects significant increase in customer count vs PCP as consumers returned to more normal post COVID-19 routines
  - Aided by strong ATV performance:
    - ATV growth maintained during 1H23 as customer count recovered
    - Supported by strong campaign execution & focus on product development in recent years
  - Evidences:
    - Resilience of underlying brands
    - Ongoing relevance of customer offer/brand proposition
> Donut King & Gloria Jean's demonstrating positive SSS growth against both PCP & 1H19 (pre-COVID) performance[3]:
  - Donut King: +20.2% SSS vs 1H19
  - Gloria Jean's: +4.1% SSS vs 1H19
  - Demonstrates positive outcomes derived from turnaround activity

(3) Excludes DK mobile units/GJC Drive Thru units. Michel's Patisserie 1H23 SSS vs 1H19: -7.1%

ATV MOMENTUM MAINTAINED

> Continuing investment in marketing, product innovation & consumer engagement:

- >60 campaigns/product launches across all Brand Systems during 1H23, leveraging multiple tools including traditional, social & digital medias to:
  - Drive additional revenues at store level
  - Grow Average Transaction Value (ATV)
  - Increase brand awareness & further cement brand proposition
  - Showcase 'hero' products & core competencies
  - Respond to 'at home' consumption opportunities
  - Leverage strategic partnerships to attract new customers
  - Exploit shopping occasions/events (such as 'Black Friday' sales)
  - Engage existing customers via loyalty programs
- Contributed to 1H23 network ATV growth of +0.5% vs PCP:
  - ATV growth maintained across all Brand Systems despite inflationary pressures impacting consumers
  - Aided by careful focus on recommended retail pricing to meet market
  - Contributed to a +20.6% increase in ATV since pre-COVID 1H19
    - Demonstrates positive outcomes delivered by turnaround plan
  - Future ATV growth opportunity amongst bakery/café Brand Systems given existing ATV remains relatively low (sub $10)[(1)]



(1) Based on unaudited reported sales by franchisees

CONTINUING FOCUS ON ENGAGING NEW AUDIENCES/CUSTOMERS

> Continuing focus on creating innovative new products, market activations & consumer engagement strategies to:
  - Engage new customer audiences
  - Drive increased engagement via digital platforms
  - Bolster ATV & instore footfall
  - Enhance brand relevance
  - Evolve consumer expectations vis-à-vis brand offers

> Key 1H23 Initiatives included:



Donut Rush

- 1H23 relaunch of the new & improved Donut Rush gameplay App following 5 year hiatus
- Drove market penetration & engaged new consumer audiences:
  - Attractive proposition offering chance to win >$1m in prizes
  - Rose to #1 in 'free arcade' category on Google Play & #4 in Apple App store during campaign period
  - c.143K players & c.118K prize winners
  - Contributed to c.21.7K new DK Rewards members during campaign period
  - c.20m interactions with campaign material across digital platforms
  - Increased brand awareness & relevance driving sales conversion at outlet level



"In Burgers we Crust"

- Creation of 'ultimate food collision' via Crust's 1H23 collaboration with cult burger chain Milky Lane® to offer 4 pizza-burger hybrids:
  - Provided opportunity to engage new customers
  - >39,000 campaign pizzas sold
  - Indulgent pizza profiles inspired by Milky Lane's top burgers stimulated customers to share experiences via social channels, leading to c.6% growth in Crust's organic Instagram following
  - Contributed to c.2K new loyalty program members during campaign period
  - Leveraged Milky Lane's >600,000 social media followers
- VIP launch party showcasing collaboration drove further public relations value

INTRODUCING RACK ‘EM BONES BBQ RIBS

> Launch of wholly new Brand System following successful FY23YTD trial:
  - Complementary ‘virtual’ brand designed to leverage existing QSR outlet (Crust/Pizza Capers) fixed costs & assets to maximise profitability:
    - Simple low-cost business model affording incremental sales opportunity in new food category
    - Pursued as a new Brand System to avoid potential cannibalisation of existing QSR Division sales/menu
    - Compelling ‘delivered only’ menu underpinned by signature gourmet ribs, with scope for menu expansion/innovation
> Successful FY23 trial across 11 Sydney centric sites:
  - Digital assets & footprint established
  - Trial outlets generating c.$3.5K sales per week on average YTD(1)
    - Strong ATV of >$48
    - Exclusively derived via Uber Eats platform:
      - Uber Eats customer rating averaging 4.3 stars
      - Scope for extension to additional 3PA platforms & bespoke online ordering platform
      - Pricing structure to allow for 3PA cost regime
  - Limited set-up/training required
> Operations, training & 3PA investment structured to facilitate deployment of brand at scale:
  - Trial outlets to convert to franchised outlets 2H23
  - 2H23 rollout underway
  - Complements broader QSR Division network expansion opportunity
  - Scope to offer Brand System to independent operators



(1) Based on unaudited sales reported by trial outlets FY23YTD (Week 13 – Week 32 inclusive). Not all trial outlets operated during this period

NETWORK DEVELOPMENT

> Continued focus on domestic network development:

- 13 new outlets across 4 Brand Systems established 1H23 (excludes trial outlets, totalling 16 sites[1]):

donut king	8 outlets[2]
crust Gourmet Pizza Bar	2 outlets
Gloria Jean's	2 drive thru outlets
Michel's	1 outlet

  - Contributed to net outlet decline of 16 outlets:
    - Includes 8 van closures having relatively limited impact on Group performance

> >80 existing store transfers (19) & renewals (66) demonstrates:

- Continuing relevance/attraction of Brand Systems/franchise offer
- Franchise Partner confidence in Brand System trajectory

> Strong pipeline developed for new & existing outlets:

- 33 new outlets, including Rack 'em Bones BBQ Ribs outlets
- 23 Franchise Partner applicants approved (>100 pending)

> International Division momentum maintained:

- 44 new outlets established in 1H23 (offsetting 36 closures, 75% of which occurred across 4 licensed territories)[3]
- Strong CY23 new outlet pipeline of >60 outlets across 15 countries[3]

> Further development of corporate store portfolio:

- Demonstrating Brand System benchmarks & fostering retail mindsets
- 29 outlets as at 30 December 2022
- Ongoing investment in people, systems & channels (inc 3PA):
  - Dedicated Head Office & field team support & oversight
  - 2H23 launch of 1st 'dark kitchen' to trial evolved 'home delivery' positioning for Donut King across existing & new occasions
- 1H23 performance vastly improved vs PCP
  - Revenues increased $3.8m vs 1H22
  - Provides confidence in ability to:
    - Maintain & grow viable outlets which might otherwise close
    - Grow network footprint via establishment of new outlets



Gloria Jean's Drive Thru Cairns – Corporate Store opened 19 October 2022

(1) 1H23: 10 Rack 'em Bones trial sites & 6 virtual Crust/Pizza Capers outlets
(2) Includes 1 DK Van & 1 DK 'Mini' outlet
(3) As reported by Master Franchise Partners

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1H23 PERFORMANCE SUMMARY

GROUP PERFORMANCE[1]	1H23	1H22	% Change
Revenue[2]	$63.0m	$54.7m	15.3%
EBITDA (underlying)	$13.7m	$9.3m	47.4%
EBITDA (statutory)	$5.5m	$11.8m	(53.2%)
NPAT (underlying)	$12.3m	$7.4m	65.7%
NPAT (statutory)	($1.1m)	$5.1m	(121.5%)
Dividend	-	-	
Net Operating Cash Flow[3]	$7.9m	$5.6m	
Net Debt[4]	$17.6m	$21.2m	

(1) Underlying EBITDA & Underlying NPAT are non-IFRS measures used by management to assess financial performance & are not subject to review or audit. Refer to page 15 for reconciliation of underlying to statutory results.
(2) Statutory Revenue
(3) Statutory
(4) Net Debt is calculated in accordance with Senior Debt Facility Agreement definition

1H23 PERFORMANCE SUMMARY[1]

> 47.4% increase in 1H23 Underlying EBITDA to $13.7m (1H22: $9.3m):
- 52.3% increase when 1H22 COVID-19 related Government assistance excluded ($0.3m)
- Underpinned 65.7% increase in Underlying NPAT to $12.3m (1H22: $7.4m)

> Statutory net loss after tax of $1.1m (1H22: $5.1m profit):
- Reflects impact of:
  - Financial commitments arising out of Dec 2022 resolution of ACCC proceeding ($7.8m impact after tax)
  - AASB 15, AASB 16 & restructuring costs
- Represents 32.0% increase on PCP when effect of ACCC resolution excluded

> 1H23 performance influenced by:
- Strong domestic network performance:
  - Significant SSS, CC & ATV growth across coffee-based Brand Systems as customers returned to more normal shopping habits
  - Sustained SSS growth across Brumby's Bakery & QSR Division
  - Increased domestic network revenues driven by improved & increased corporate store operations & higher network SSS (+17.9% on PCP)
- Positive contributions from International & Di Bella Coffee Divisions

RECONCILIATION OF UNDERLYING TO STATUTORY RESULTS

> $6.8m non-core expenditure in continuing operations from restructuring activities & provisioning, comprising:
  - Advisory costs in connection with restructuring activity & ACCC & class action response, including $0.5m contribution towards ACCC legal costs (arising out of Dec 2022 resolution of ACCC proceeding)
  - Wholesale Coffee Division: Cost savings program to bring fixed costs base in line with reduced volume to achieve enhanced gross margin
  - Corporate restructuring costs including:
    - Upgrade of eCommerce platform & IT systems to enhance controls & automation
    - Reduction in redundant systems & roles, reducing cost base of continuing operations

> $8.0m liability booked for amounts payable pursuant to Dec 2022 resolution of ACCC proceeding:
  - $3.0m payable to cohort of franchisees who purchased certain corporate stores between 1 January 2015 & 31 December 2018
  - $5.0m payable to certain franchisees of the Michel's Patisserie franchise system who paid marketing levies between 1 July 2012 & 30 June 2017

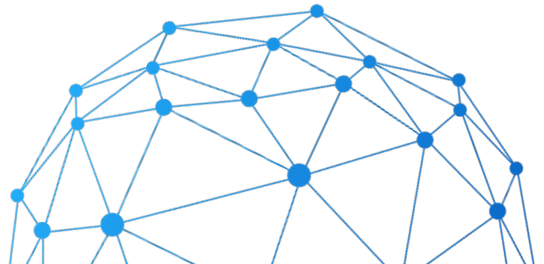
> $7.0m gain associated with AASB 16 Lease Accounting, includes:
  - $5.0m gain resulting from reduction of lease impairment recognised in prior periods
    - Significant 1H23 reduction, before impairment, in gross arrears reported by landlords in respect to franchised stores where the Group is 'head on lease' (c.$4.3m decrease to c.$4.1 m)
    - 83 leases renewed across domestic network in 1H23

1H23	UNDERLYING	STATUTORY
EBITDA	$13.7m	$5.5m
NPAT	$12.3m	($1.1m)

1H23 UNDERLYING ADJUSTMENTS[(1)]

Underlying EBITDA - Continuing	**$13.7m**
AASB 15	$0.7m
AASB 16	$7.0m
Business restructuring and Projects	($6.8m)
ACCC settlement	($8.0m)
Marketing Funds EBITDA	($1.1m)
Statutory EBITDA	**$5.5m**

(1) Refer to Financial Report for half year ended 30 December 2022 for further details



UNDERLYING EBITDA[1]	1H23	1H22	% Change
Bakery / Café Division[2]	$5.6m	$2.6m	114.0%
Coffee Retail Division[3]	$2.1m	$1.5m	38.4%
QSR[4]	$3.4m	$3.2m	5.7%
Domestic Franchising Total	$11.1m	$7.3m	51.0%
International Franchising[5]	$2.0m	$1.5m	39.1%
Di Bella Coffee[6]	$0.6m	$0.5m	16.9%
Group Total EBITDA	**$13.7m**	**$9.3m**	**47.4%**

(1) Underlying EBITDA & Underlying NPAT are non-IFRS measures used by management to assess financial performance & are not subject to review or audit.
(2) Donut King, Brumby's Bakery, Michel's Patisserie
(3) Gloria Jean's domestic and Mobile. International Franchising is presented within the Coffee Retail Division in the segment note of the statutory financial statements
(4) Crust Gourmet Pizza Bar, Pizza Capers
(5) International Franchising is presented within the Coffee Retail Division in the segment note of the statutory financial statements
(6) EBITDA derived from Di Bella Coffee supply to franchise network is reported within the Franchise Division's results
(7) As reported by Master Franchise Partners

RETAIL FOOD GROUP

EBITDA PERFORMANCE BY DIVISION TO PCP

> 1H23 Underlying EBITDA divisional results attributable to:

- Franchise Operations:
  - Strong domestic network performance:
    - Significant SSS, CC & ATV growth across coffee-based Brand Systems as customers returned to more normal shopping routines
    - Sustained SSS growth across Brumby's Bakery & QSR Division
    - Increased domestic network revenues driven by:
      - More profitable franchise network (higher SSS despite lower outlet population)
      - Increased revenues derived from corporate store operations (+$3.8m vs PCP)
      - 1H23 trading days increased vs PCP
      - 1H23 new outlets, offset by ongoing rationalization of underperforming outlets
  - Positive contribution of International Division, driven by[7]:
    - Improved trading conditions across majority of international territories
    - 1H23 net outlet growth (+8 outlets)
- Di Bella Coffee:
  - Reduced revenues attributable to FY22 exit from certain low-margin supermarket supply contracts & lingering COVID-19 impact on independent foodservice channel
  - Gross margin improvement derived from past restructuring activity, focus on reducing cost base, Nov 2022 wholesale price increases & exit from low-margin supermarket & international roasting activities, moderated by increases in raw materials & ancillary items

CASH FLOWS

> Increase in cash receipts from customers & payments to suppliers & employees consistent with:
  - Growth of underlying revenues in Franchise vs. COVID-19 impacted PCP
  - Increase in operating costs associated with business growth
  - Increase in the number of trading corporate stores

> Cash outflows include $6.4m in payments for costs associated with restructuring activities & non-core matters, including:
  - Advisory costs & regulatory response
  - Cost reduction initiatives, including staff redundancies
  - Corporate, Franchise & wholesale coffee division restructuring

> 1H23 Net Operating Cash Flows increased $2.3m to $7.9m (1H22: $5.6m)

> $5.0m in 1H23 senior debt & ancillary facilities repayments per existing debt arrangements

> $0.3m income tax refund attributable to prior periods

CASH FLOW STATEMENT	1H23 ($m)	1H22 ($m)
Receipts from Customers	64.9	53.8
Payments to Suppliers & Employees	(50.5)	(41.7)
Gross Operating Cash Flows - Underlying	**14.4**	**12.1**
Restructuring costs, Projects and development	(6.4)	(5.3)
Gross Operating Cash Flows	**8.0**	**6.8**
Net Interest & Other Costs of Finance Paid	(0.4)	(0.5)
Income Taxes Paid	0.3	(0.7)
Net Operating Cash Flows	**7.9**	**5.6**
Net Debt (repayment)	(5.0)	(2.5)
Payments for Property, Plant & Equipment	(1.9)	(1.5)
Disposal of discountinued operations	-	0.9
Sale proceeds of Property, Plant & Equipment	0.3	0.1
Lease payments	(6.3)	(5.6)
Other Cash Activities	(0.2)	0.3
	(13.1)	**(8.3)**
Net Increase/(Decrease) in Cash Reserves	(5.2)	(2.7)
Cash Reserves at Period End(1)	**24.2**	**32.2**

(1) Cash Reserves include restricted cash of $5.9 million (1H22: $6.2 million). Restricted cash relates to cash reserved for marketing specific pursuits and unclaimed dividends.

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BALANCE SHEET AT 30 Dec 2022	1H23 ($m)	FY22 ($m)
Assets		
Cash Reserves	**24.2**	29.2
Trade Receivables	**8.9**	7.7
Finance Lease Receivables	**51.5**	49.4
Financial Assets	**1.6**	1.8
Inventories	**5.2**	6.4
Plant & Equipment	**29.8**	23.6
Intangibles	**225.7**	225.5
Other	**9.6**	6.5
Total Assets	**356.5**	**350.1**
Liabilities		
Trade Payables	**17.4**	10.7
Provisions	**18.1**	13.4
Borrowings	**32.1**	37.0
Lease Liabilities	**92.6**	91.5
Unearned Income	**12.0**	12.6
Deferred Tax Liabilities	**0.2**	0.2
Other	**0.9**	0.9
Total Liabilities	**173.3**	**166.3**
Net Assets	**183.2**	**183.8**

BALANCE SHEET

> Increased net assets arising from 1H23 Statutory NPAT result

> 1H23 movements in lease receivables & lease liabilities reflect:

- Significant c.$4.3m decrease (to c.$4.1m), before impairment, in gross arrears reported by landlords in respect to franchised stores where the Group is 'head on lease' (arrears net of impairment decreased by $0.6 million)
- Renewal of leases (83) & contractual lease payments made during 1H23 in the ordinary course of business

> $1.2m decrease in inventory reflects consumption of excess stock supplies held during COVID-19 to mitigate supply chain risks.

> Plant & Equipment increased due to investment in building new stores & refurbishing existing stores within network

> $0.2m 1H23 increase in intangibles attributable to 'buy back' of Crust WA Area Developer rights:

- Returns full operational control of WA network to Group

> Trade Payables increase reflects $8.0m accrual of financial commitments arising out of Dec 2022 resolution of ACCC proceeding

> Borrowings have decreased following programmed repayment of debt ($5.0m) during the period

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DEBT STRUCTURE

> Fully compliant with all covenants as of 30 December 2022

> Borrowings decreased by $5.0m during period, following 1H23 programmed repayments:

- Follows $7.5m in repayments made FY22

> Gross debt of $35.9m (FY22: $40.9m) & Net debt of $17.6m (FY22: $18.6m) have reduced $5.0m & $1.0m respectively since June 2022, reflecting consistent compliance in making repayments over past 6 months

> Senior debt facilities mature 30 September 2023:

- All debt classified as current as it will be settled in less than 12 months
- RFG remains confident of successful refinance &/or extinguishment of senior debt facilities

Gross debt	$35.9 million
Net debt at 30 December 2022 (1)	$17.6 million
Covenant compliance	Fully compliant with all lending covenants

(1) Net debt calculated in accordance with Senior Debt Facility Agreement for covenant testing purposes, includes ancillary facilities of $2.8 million, contingent financial guarantees of $0.8 million & maximum cash offset of $18.3 million. Net debt excludes lease liability.

Gross debt	$35.9 million
Bank debt - Current	$32.3 million
Bank debt - Non-current	-
Other facilities (2)	$3.6 million

(2) Other facilities includes ancillary facilities of $2.8 million and contingent financial guarantees of $0.8 million.

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1H23 DIVISIONAL PERFORMANCE

DOMESTIC BAKERY / CAFÉ DIVISION

> 1H23 performance influenced by:

- Strong performances across Donut King & Michel's Patisserie Brand Systems vs PCP:
  - Donut King[4]: SSS +40.7%, CC +32.5%, ATV +6.2%
    - Represents +20.2% SSS increase vs pre-COVID-19 1H19, evidencing significant traction derived from turnaround activities & quality of existing network
  - Michel's Patisserie: SSS +24.0%, CC +16.4%, ATV +6.6%
  - Influenced by post COVID-19 consumer return to more normal shopping & leisure habits
- Continued growth in Brumby's Bakery SSS (+6.8% vs PCP):
  - Driven by increases in ATV (+4.1% vs PCP) & CC (+2.6% vs PCP)
  - Reflects 6 consecutive halves of SSS growth
- Positive impacts derived from:
  - Focus on strong in-store execution & maintenance of brand standards
  - Compelling marketing activity & product innovation to increase brand awareness & drive customers to Franchise Partner counters
  - Launch of coordinated 3PA channel to drive enhanced 'at home' consumption
- Offset by:
  - Cumulative impact of underperforming outlets closed during 1H23 & prior reporting periods (partially offset by 9 1H23 new outlet openings (8 stores & 1 DK van))

	1H23	1H22	% Change
New Outlets	9	4	
Closures	(13)	(32)	
Outlets at Half-Year [1]	403	425	(5.2%)
Same Store Sales (SSS)	24.4%	(5.9%)	
Network Sales	$124.2m	$103.0m	20.6%
Transaction Revenues	$0.5m	$0.3m	40.1%
Trading Revenues	$13.9m	$11.2m	24.1%
External Revenue [2]	$14.4m	$11.5m	25.7%
Bakery Café Division EBITDA[3]	**$5.6m**	**$2.6m**	**114.0%**
Brumby's Bakery EBITDA	$1.5m	$1.9m	(19.1%)
Donut King EBITDA	$4.0m	$1.1m	271.8%
Michel's Patisserie EBITDA	$0.1m	($0.4m)	126.9%

(1) Outlet statistics including trading & non-trading sites (refer FY22 Results Presentation, released to ASX on 24 August 2022, for total outlets as at 1 July 2022)

(2) Revenues exclude impact of AASB 15 & AASB 16

(3) Underlying EBITDA & Underlying NPAT are non-IFRS measures used by management to assess financial performance & are not subject to review or audit.

(4) Excluding Donut King mobile units

DOMESTIC COFFEE RETAIL DIVISION

> 38.4% increase in Underlying EBITDA vs PCP attributable to strong performance amongst Gloria Jean's network driven by:
  - Post COVID-19 increases in customer count
  - Menu innovation, including launch of Banoffee Chillers
  - Leveraging strategic partnerships, including reintroduction of customer favourite Tim Tam® Chiller in partnership with Arnotts
  - Focus on hyper-local marketing strategies & in-store execution standards
> Contributed to strong GJC Brand System metrics:
  - SSS +38.5%, CC +28.5%, ATV +7.8% vs PCP(5)
  - Represents +6.1% SSS vs pre COVID-19 1H19 performance
  - Drive Thru network 1H23 performance: +3.7% SSS; -8.1% CC; +12.8% ATV vs PCP
> Mobile Division: Ongoing focus on menu innovation, including pipeline of coffee & frappe launches, & consumer competitions to drive trial & outlet cheque







	1H23	1H22	% Change
New Outlets	2	-	
Closures	(11)	(34)	
Outlets at Half-Year (1)	181	191	(5.2%)
Mobile Vans at Half-Year (1)	71	85	(16.5%)
Same Store Sales (SSS)	31.2%	(10.2%)	
Network Sales (2)	$56.7m	$45.5m	24.7%
Transaction Revenues	$0.2m	$0.1m	97.5%
Trading Revenues	$13.2m	$11.7m	12.6%
External Revenue (3)	$13.4m	$11.8m	13.2%
Coffee Retail Division EBITDA(4)	**$2.1m**	**$1.5m**	**38.4%**
Gloria Jean's EBITDA	$1.8m	$0.9m	90.5%
Mobile Coffee EBITDA	$0.3m	$0.6m	(32.0%)

(1) Outlet statistics including trading & non-trading sites (refer FY22 Results Presentation, released to ASX on 24 August 2022, for total outlets as at 1 July 2022)

(2) Excludes sales from Mobile network

(3) Revenues exclude impact of AASB 15 & AASB 16

(4) Underlying EBITDA & Underlying NPAT are non-IFRS measures used by management to assess financial performance & are not subject to review or audit.

(5) Excludes Drive Thru Outlets

DOMESTIC QSR DIVISION[1]

> 5.7% growth in Underlying EBITDA vs PCP influenced by:
  - Continued growth in Divisional SSS (+3.1% vs PCP) despite moderation in Customer Count (-1.0% vs PCP) attributable to post-COVID-19 customer preferences for 'eat out' options, growing meal occasion competition via 3PA platforms & ongoing staffing constraints:
    - Pizza Capers (vs PCP): SSS +12.7%, CC +9.0%, ATV +3.4%
    - Crust (vs PCP): SSS +1.9%, CC -2.2%, ATV +4.2%
  - Comparison to pre-COVID-19 1H19 performance demonstrates headway achieved by Division in recent years:
    - Crust SSS vs 1H19: +12.1%
    - Pizza Capers SSS vs 1H19: +32.6%
> Crust 1H23 initiatives to sustain growth & brand relevance:
  - Launch of 2 new plant-based pizzas to cement market leading plant-based proteins offer (including first implementation of plant-based 'lamb')
  - Introduction of 'Thank Crust' campaign:
    - 1st TV commercial & brand campaign since 2019
    - Focused on product freshness & quality
  - Ongoing investment in 3PA & digital channels
  - Leveraging partnerships with cult burger chain Milky Lane & Foxtel to engage new audiences & drive revenues at store level
> Pizza Capers 1H23 partnership with Byron Bay Chilli Co via return of popular 'Inferno' range, including inaugural inclusion of plant-based & vegan options

	1H23	1H22	% Change
New Outlets	2	-	
Closures	(5)	(3)	
Outlets at Half-Year [2]	169	177	(4.5%)
Same Store Sales (SSS)	3.1%	6.8%	
Network Sales	$78.1m	$78.4m	(0.3%)
Transaction Revenues	$0.2m	$0.2m	(7.4%)
Trading Revenues	$6.7m	$6.6m	0.6%
External Revenue [3]	$6.9m	$6.8m	1.8%
QSR Division EBITDA[4]	**$3.4m**	**$3.2m**	**5.7%**

(1) Results exclude performance of trial sites in operation during 1H23 (10 Rack 'em Bones outlets; 3 Crust virtual outlets & 3 Pizza Capers virtual outlets). Refer page 12 for commentary regarding Rack 'em Bones Brand System)

(2) Outlet statistics including trading & non-trading sites (refer FY22 Results Presentation, released to ASX on 24 August 2022, for total outlets as at 1 July 2022)

(3) Revenues exclude impact of AASB 15 & AASB 16

(4) Underlying EBITDA & Underlying NPAT are non-IFRS measures used by management to assess financial performance & are not subject to review or audit.





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INTERNATIONAL FRANCHISING DIVISION(1)

> 39.1% increase in Underlying EBTIDA vs PCP influenced by:
  - Improved trading conditions across majority of international territories
  - Sustained new outlet growth(2):
    - 44 new outlets (37 stores/7 vans), including:
      - Turkey a standout performer: 19 new 1H23 outlets
      - 1st of 3 Texas (USA) GJC Drive Thru outlets(5)
      - 1st GJC Drive Thru outlet in Saudi Arabia
      - Offset by 36 closures (27 stores/ 9 vans)
        - 75% of which attributable to 4 licensed territories

> Strong CY23 new outlet pipeline of >60 outlets across 15 countries(2)
  - c.35 programmed for 2H23 commissioning

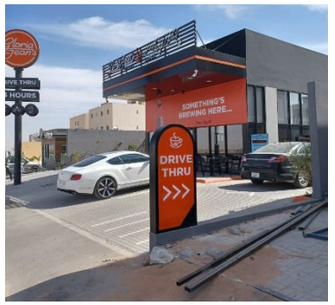
> Limited operational impact of recent Turkey earthquake on licensed territory:
  - 4 outlets impacted but expected to re-open by April 2023

> Implementation of strategic initiative to drive USA network growth:
  - >100 sites targeted over 2-3 year horizon
  - Locational analysis & action plan complete
  - USA infrastructure & operational reset underway to support initiative

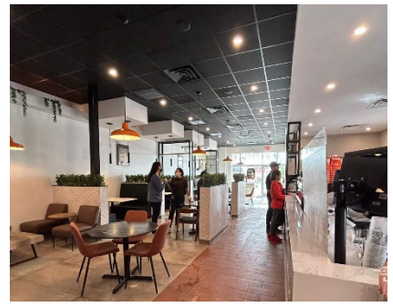
> As at 30 December 2022, international operations comprised 592 outlets across 52 international territories in 41 countries

	1H23	1H22	% Change
New Master Franchise Agreements	-	1	
New Outlets	44	36	
Outlets at Half-Year (2)	592	570	3.9%
Transaction Revenues	$0.2m	$0.2m	(5.9%)
Trading Revenues	$5.7m	$4.3m	33.0%
External Revenue (3)	$5.9m	$4.5m	30.9%
Franchise International EBITDA(4)	**$2.0m**	**$1.5m**	**39.1%**

(1) International Franchising is presented within the Coffee Retail Division in the segment note of the statutory financial statements.
(2) As reported by Master Franchise Partners
(3) Revenues exclude impact of AASB 15 & AASB 16
(4) Underlying EBITDA & Underlying NPAT are non-IFRS measures used by management to assess financial performance & are not subject to review or audit.
(5) Remaining 2 GJC Texas Drive Thru outlets programmed for commission pre Christmas 2023







Left: GJC Saudi Drive Thru (opened Nov 22); Middle/Right: GJC Drive Thru – Ware Road, Texas

DI BELLA COFFEE (DBC)

> 1H23 divisional performance influenced by:
  - Reduced revenues attributable to:
    - FY22 exit from certain low-market supermarket supply contracts
    - Reduced volumes/lost customers within independent foodservice channel (principally COVID-19 related impacts on CBD based customers)
  - Improved gross margin:
    - Positively impacted by FY22 exit from low-margin supermarket & international roasting activities, benefits of past restructuring activity & continued focus on reducing cost base
    - Moderated by increases in raw materials & ancillary items
      - Wholesale price rises applied to independent foodservice channel in November 2022
> 2H22 implementation of new route to market strategy for independent foodservice channel driving improved high-margin customer retention
> Industry recognition at 2022 Sydney Royal Fine Food Championships (x2 medals)

	1H23	1H22	% Change
External Revenue	$2.3m	$3.6m	(36.2%)
EBITDA Underlying[(1)(2)]	$0.6m	$0.5m	16.9%

(1) Underlying EBITDA & Underlying NPAT are non-IFRS measures used by management to assess financial performance & are not subject to review or audit.

(2) Di Bella Coffee segment excludes contribution from Di Bella Coffee to supply franchisees, which is included within the franchise divisional results



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OUTLOOK

OUTLOOK

- 1H23 domestic network momentum maintained in 2H23YTD[1]:
  - +6.8% increase in network sales
  - +11.8% SSS growth / +12.0% CC growth
  - Positive ATV growth across all Brand Systems[2]
  - Strong performances amongst coffee based Brand Systems:
    - Donut King a standout performer:
      - Affordable & compelling product offer, broad customer appeal & strong momentum provides opportunity to win market share
- Challenging trading conditions & barriers to optimal trading remain:
  - Staffing availability imposing pressures on traded hours:
    - Reduced trading hours moderating, however, effective operations continue to be impacted by short rosters
  - Moderation of QSR Division performance following return to more 'normalised' dine-in & eat out routines vs COVID-19 assisted growth:
  - Focussed on delivering solutions to unlock growth opportunity & drive outlet profitability, including:
    - Virtual brand extension (Rack 'em Bones BBQ Ribs)
    - Ongoing COGs review, menu optimization, pricing evaluation & RRP review to offset inflationary pressures
    - Marketing investment to enhance brand awareness, attract new customers, build brand loyalty & grow share within 3PA platforms
    - 2H23 implementation of new eCommerce platform to improve customer experience & loyalty functionality
  - Inflationary/interest rate pressures on consumer discretionary spend:
    - Focus on operational support to drive brand standard execution, proactive pricing strategies & COGs management to drive ATV & absorb margin pressures
    - ATV remains relatively low @ sub $10 (ex QSR Division)[3], providing scope & flexibility to better compete & more effectively manage retail pricing in inflationary environment
- Optimism maintained regarding potential future contribution of international network:
  - Strong CY23 new outlet pipeline[4]
  - Implementation of USA expansion strategy
- Firm platform for much stronger FY23 established:
  - Resilient Brand Systems & broader business remain well positioned to respond to challenging trading environment
  - Relatively low sub $10 (ex QSR Division) ATV[3] provides scope & flexibility to better compete & more effectively manage retail pricing
  - Diversified Brand System portfolio reduces reliance on individual business unit performance
  - Growing domestic new outlet momentum
  - Multiple growth opportunities being pursued:
    - Prioritized to expedite positive outcomes
  - Initiatives ongoing to further reduce cost base & enhance efficiencies
  - Legacy regulatory matters resolved
- FY23 guidance of Underlying EBITDA growth in the range of $26.0m to $29.0m, excluding AASB 15 & AASB 16 & non-core expenses, maintained[5]

(1) All metrics based on unaudited reported sales by franchisees in respect of Week 27 (week ending 01.01.23) to Week 33 (week ending 12.02.23) vs corresponding weeks in 2H22

(2) Donut King +7.7%; Brumby's Bakery +1.2%; Michel's Patisserie: +8.7%; Gloria Jean's: +6.3%; Crust: +5.2%; Pizza Capers: +4.4%

(3) Based on unaudited reported sales by franchisees

(4) As reported by Master Franchise Partners

(5) FY23 guidance range provided at 30 November 2022 Annual General Meeting

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APPENDIX

Definitions

3PA	Third party aggregator
ATV	Average Transaction Value
AWS	Average Weekly Sale
BCD	Bakery/Café Division: Donut King; Michel's Patisserie; Brumby's Bakery
CC	Customer Count
COGS	Cost of Goods Sold
CRD	Coffee Retail Division: Gloria Jean's; Cafe2U; The Coffee Guy; It's A Grind; Esquires Coffee
Coffee	Coffee Division: Franchise supply; specialty roasting; in-home/grocery; contract roasting
EBITDA	Earnings Before Interest, Tax, Depreciation & Amortisation
EPS	Earnings per Share
FSF	Franchise Service Fees
Mobile	Mobile Van Division: Café2U; The Coffee Guy
MSO	Multi-Store Owner
NPAT	Net Profit After Tax
PCP	Previous Corresponding Period
POS	Point of Sale
QSR	QSR Division: Crust Gourmet Pizza Bar; Pizza Capers; Rack'em bones
SSS	Same Store Sales
YOY	Year on Year

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