

A still life composition of fresh vegetables and herbs on a wooden surface. In the center, a white card with black text reads "DRIVING STRATEGIC GROWTH" and "RETAIL FOOD GROUP". The card is surrounded by various fresh ingredients: red and green bell peppers, onions, garlic, tomatoes, basil, and small red berries. The scene is lit with dramatic, low-key lighting, creating strong highlights and deep shadows.

# DRIVING STRATEGIC GROWTH

RETAIL  
FOOD  
GROUP

## OUR GUIDING PRINCIPLES



### FRANCHISEE FIRST

We recognise that the success of our franchise partners fuels our collective growth.



### CUSTOMER OBSESSED

We understand that our customers are the driving force behind our endeavours, and we strive to exceed their expectations at every touchpoint.



### PEOPLE MATTER

We are committed to fostering a supportive and inclusive environment, valuing the contributions of every individual within our community.



### FUTURE FOCUSED

As we journey forward, we embrace innovation and adaptability to stay ahead in a rapidly evolving landscape.

## FY23 HIGHLIGHTS



**Network Sales Growth**

**7.2%**

on pcp



**Average Transaction Value<sup>(4)</sup>**

**2.4%**

on pcp



**Underlying EBITDA<sup>(2)</sup>**

**\$26.0m**

up 21.0% on pcp



**Same Store Sales Growth**

**12.1%**

on pcp



**Underlying Revenue<sup>(1)</sup>**

**\$98.0m**

up 8.0% on pcp



**Net Debt<sup>(3)</sup>**

**88.7%**

on pcp to \$2.1m

- RFG has transitioned out of turnaround into growth under a new management team with appointment of new CEO and CFO in H2 alongside continuity and new skillsets on the Board
- Successful launch of first virtual brand, Rack 'em Bones BBQ Ribs, as part of our omni-channel growth strategy to leverage our domestic footprint
- Network sales growth and Same Store Sales growth despite challenging retail conditions
- Secure balance sheet with 3-year debt funding secured through to 2026 and minimal net debt

(1) Underlying Revenue is a non-IFRS measure not subject to audit. Underlying Revenue excludes restricted domestic marketing fund revenues and the impacts of AASB15 & 16

(2) Underlying EBITDA is a non-IFRS measure not subject to audit. Underlying EBITDA excludes non-recurring, non-core costs of legacy ACCC proceedings and associated legal fees, restructuring and non-cash impairments. Refer to pages 14 & 46 for reconciliation of underlying to statutory results

(3) Net Debt is calculated as current and non-current external borrowings less unrestricted cash

(4) ATV refers to all trading outlets, on a same store basis ATV increased by 1.5%

(5) All metrics refer to the domestic network and exclude mobile

## ABOUT RETAIL FOOD GROUP

Retail Food Group is a global food and beverage company headquartered in Queensland, Australia. RFG is Australia's largest multi-brand retail food and beverage franchise owner with a portfolio of quality franchise brands under its ownership.

**33**

COUNTRIES

**>40m**

CONSUMER TRANSACTIONS

**10**

BRANDS

**>\$500m**

DOMESTIC NETWORK SALES

**6800**

ESTIMATED DOMESTIC NETWORK EMPLOYEES

**c. 1300**

GLOBAL TRADING OUTLETS



**RETAIL  
FOOD  
GROUP**

10 BRANDS  
OPERATING IN  
33 COUNTRIES USE  
THE RFG RECIPE  
FOR SUCCESS

**LEAH SOUTAR**  
Head of Brand  
Operations & Training

**TOM ELLIOTT**  
Head of Company  
Store Operations

**NICOLA SWARBRICK**  
Head of Growth

**ROB SHORE**  
Chief Financial Officer

**BREN GRAY**      **KHLOE CANERIS**  
Head of Procurement      Head of People & Culture

**RICHARD SPELLMAN**  
General Manger Coffee

**KATE MCGRATH**  
Head of Marketing

**MATT MARSHALL**  
Chief Executive Officer

**MARK CONNORS**  
Director of Corporate Services  
& Company Secretary

**ADAM BAILEY**  
Chief Information Officer

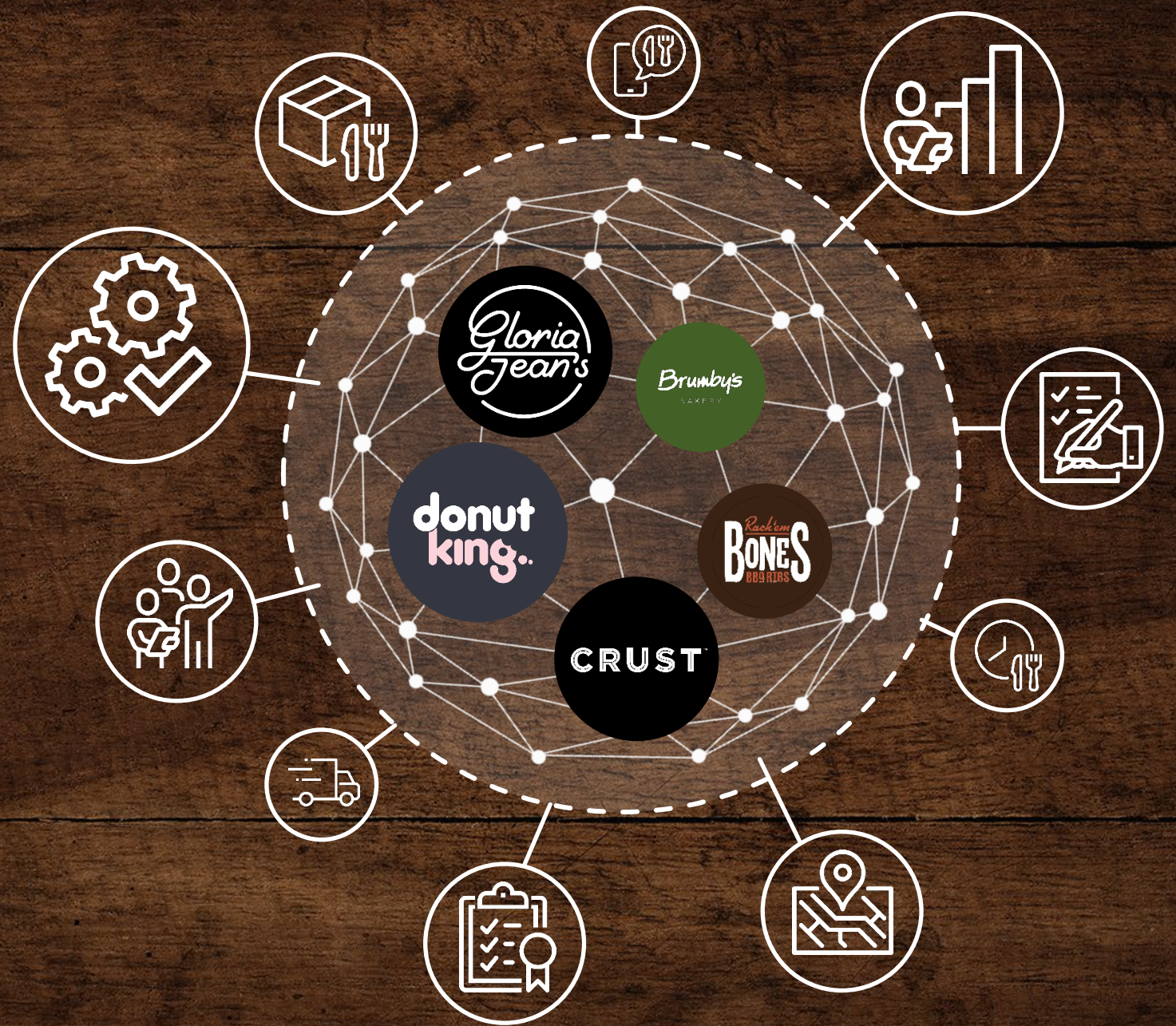


**RFG IS PRIMED  
FOR GROWTH  
WITH NEW  
MANAGEMENT  
TEAM**



## FRANCHISING AT SCALE

Retail Food Group redefines adaptability on a global scale. The Group's model gives us the power to plug in an improvement and watch it resonate across a diverse network of food retail businesses worldwide. This is the unique advantage we offer – the ability to leverage innovation and insights, enhancing operations for every member of our dynamic franchise community.



# OUR GROWTH RECIPE

for 3-5 years

## EXECUTE BRILLIANTLY

- Strong unit economics – we make money when our Franchise Partners make money
- Clear picture of success at store to manage core retail systems
- Disciplined approach to category management
- Active supplier engagement, reliability of supply and negotiation of contracts for value creation
- New product innovation & renovation

## QUALITY SYSTEMS LEVERAGING SCALE

- Quality systems providing confidence in site and Franchise Partner selection, onboarding and operational support
- Leverage common technology platforms across multiple brand systems to drive consumer experience and back office efficiency
- Ability to unlock organic and inorganic opportunities with confidence

## NETWORK EXPANSION

- Targeted outlet growth in focused brands across all formats and channels
- Capital light business model supported by strength of unit economics
- Strategic international growth with selected brands, markets and quality partners
- Profitable corporate store portfolio
- Support multi-site operator expansion
- Create new opportunities through manage to own programs and retail partnerships

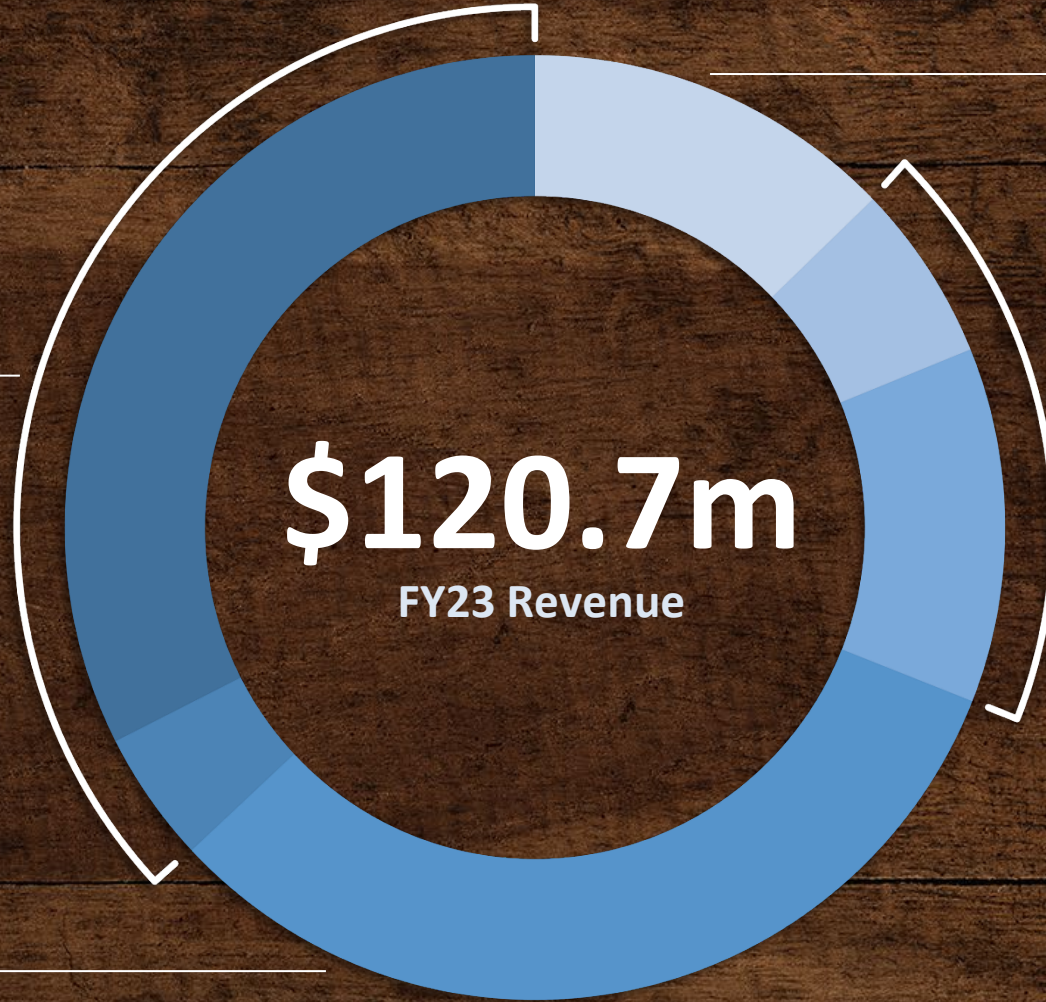
# RFG GENERATES MULTIPLE REVENUE STREAMS THROUGH ITS SUPPORT OF FRANCHISE PARTNERS

## Franchise Fees c. 37% revenues

RFG supports our Franchise Partners with access to brands, leasing including initial site selection, landlord negotiations, store design and fit out support and store operational support including product assortment, placement, till systems and customer services in return for recurring Franchise Service Fees ('FSF') of 6-9% of Network Sales and Initial Franchise Fees ('IFF') and renewal fees for access to territories and markets

## Supply of Products c. 32% revenues

RFG supports our Franchise Partners & Customers through supply of various products including our vertically integrated supply of coffee and receipt of Supplier Licence Fees ('SLF'). Our activities include new product development and sourcing, food safety & product quality, supplier negotiation, logistics and SKU gross profit management



## Corporate Stores c. 13% revenues

RFG operates 31<sup>(1)</sup> Corporate Stores, in the Coffee, Café & Bakery segment which supports our Franchise Partners through aiding our understanding of the retail environment, development of flagship stores, testing of new ideas such as AI roster management systems and supporting Franchise Partner entry and exit points to the network

## Marketing Levies & Other c. 18% revenues

RFG supports our Franchise Partners through the provision of Marketing which is typically 3% of Network Sales and restricted for specific activities. The Group also provides other services such as eComm channels to market for which it may receive a transaction based fee. Our activities include mass consumer marketing, collaborations, branding and loyalty programs

(1) As at 30 June 2023 the Group operated 31 Corporate stores



# DOMESTIC NETWORK HEALTH IMPROVING WITH A STRONG NEW STORE AND FRANCHISE PARTNER PIPELINE

## SECURITY OF NETWORK

- We completed 119 Franchise Partner renewals in FY23
- Ongoing focus on renewals in FY24
- Strength in Multi-Site Operator network and their appetite for growth

72

MULTI SITE OPERATORS

2.8

AVERAGE STORES PER MSO

## NEW FRANCHISE PARTNERS

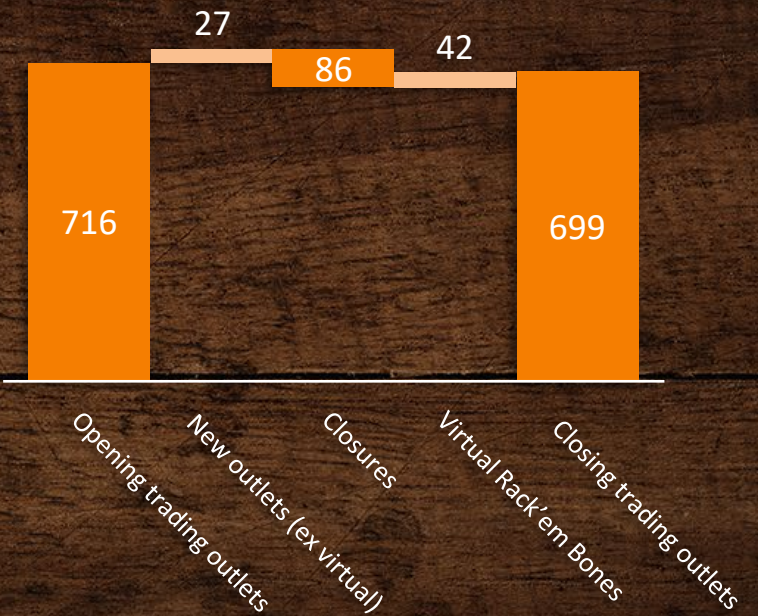
- Relaunch of franchise recruitment collateral
- Panel of lenders available to Franchise Partners for business funding
- Significantly improved pipeline of new enquiries with 34 applications approved and 148 pending at 30 June 2023
- Systems to support quality Franchise Partner recruitment to maximise their opportunity for success



## NET NETWORK GROWTH

FY24 growth will be driven by:

- Brumby's Manage To Own Program
- Donut King corporate & FP growth
- New partnership sites for GJ DT
- Crust territory review
- Expansion of Rack 'em Bones virtual



# HOW WILL WE SEGMENT OURSELVES IN FY24

**504**

TRADING OUTLETS  
(DOWN 54 ON PCP)

**+18.4%**

SAME STORE SALES

**\$9.11**

AVERAGE TRANSACTION  
VALUE

## CAFÉ, COFFEE, BAKERY ('CCB')

Our CCB segment offers consumers a sub \$10 purchase for habitual, coffee routine or impulsive occasions. Brand awareness is key to activate see, smell, buy



All metrics refer to Domestic FY23 data relative to the PCP

**\$349M**

NETWORK SALES

**38.3M**

CUSTOMER COUNT

**\$86.5M**

REVENUE

**\$20.2M**

EBITDA

# HOW WILL WE SEGMENT OURSELVES IN FY24

**195**

TRADING OUTLETS  
(UP 37 ON PCP)

**+0.7%**

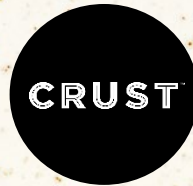
SAME STORE SALES

**\$40.91**

AVERAGE TRANSACTION  
VALUE

## QUICK SERVICE RESTAURANTS ('QSR')

Our QSR segment services the takeaway evening meal occasion, primarily for sharing – “I just don’t want to cook”. A quick and easy solution negating the need to cook



All metrics refer to domestic FY23 data relative to the PCP and are inclusive of Rack 'em Bones

**\$153M**

NETWORK SALES

**3.7M**

CUSTOMER COUNT

**\$13.1M**

REVENUE

**\$5.8M**

EBITDA

# CRUST™

CATEGORY  
EXPANSION VIA  
VIRTUAL  
BRANDS

Rack'em  
**BONES** | BBQ  
RIBS

# Rack'em BONES | BBQ RIBS

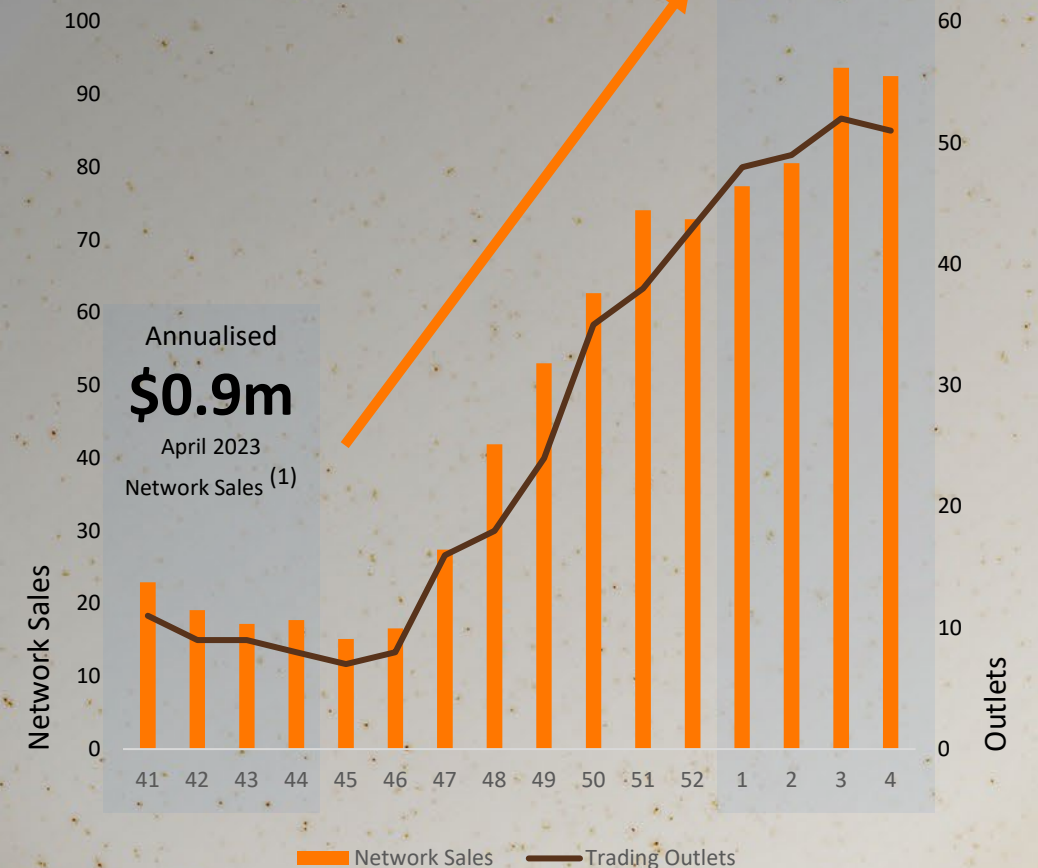
Rack 'em Bones BBQ Ribs demonstrates a significant opportunity to expand our eCommerce presence across all brands

- In FY23 we trialled and subsequently launched Rack 'em Bones as a new Brand System
- Complementary 'virtual' brand designed to leverage existing QSR outlet fixed costs & assets to maximise profitability with incremental sales
- Compelling 'delivered only' menu of signature gourmet ribs, with scope for menu expansion/innovation
- Exclusively derived via Uber Eats platform with planned extension to additional 3PA platforms & eComm platform in FY24
- Opportunities for new virtual brand extensions to complement our other brands will be explored in FY24



**GROWTH ACCELERATING**  
Aiming for more than 100 outlets

Annualised  
**\$4.1m**  
July 2023  
Network Sales<sup>(1)</sup>



(1) Unaudited as reported by Franchise Partners

## KEY TAKEAWAYS

We can demonstrate resilient weekly sales have continued into the initial weeks of FY24 with softness in QSR now being offset by the expansion of virtual brand Rack 'em Bones

We'll focus on two segments (CCB & QSR) with simplified reporting and a focus on cash conversion

We'll lay the foundations for significant Franchise Partner expansion in our US and international markets

We'll use our balance sheet strength to deliver numerous capital light opportunities for net trading outlet growth in FY24

We'll invest in technology to modernize, access new markets, deliver a consistent experience across all channels to market and maximise operational efficiencies

Turnaround complete, business primed for growth with new management team

# Q&A