

MORGAN'S QUEENSLAND  
CONFERENCE – 13 OCTOBER 2017



# DYNAMIC GROWTH PILLARS



**VISION: CREATING COMPELLING OPPORTUNITIES FOR GLOBAL SUCCESS**

## FRANCHISE



A diverse portfolio of market leading Brand Systems across bakery, café, retail coffee & QSR segments, supported by an engaged complement of Franchise & Master Franchise Partners

## INTERNATIONAL



A “world of opportunity” – expanding RFG’s global footprint & providing a platform for sustainable long-term growth

## COFFEE & ALLIED BEVERAGE



State-of-the-art infrastructure, significant expertise & growing global demand, allied with a diverse market platform, offers significant opportunity to enhance earnings

## COMMERCIAL



Provides access to multiple opportunities whilst laying the foundation for an enhanced vertically integrated foodservice & manufacturing base that supports further diversification

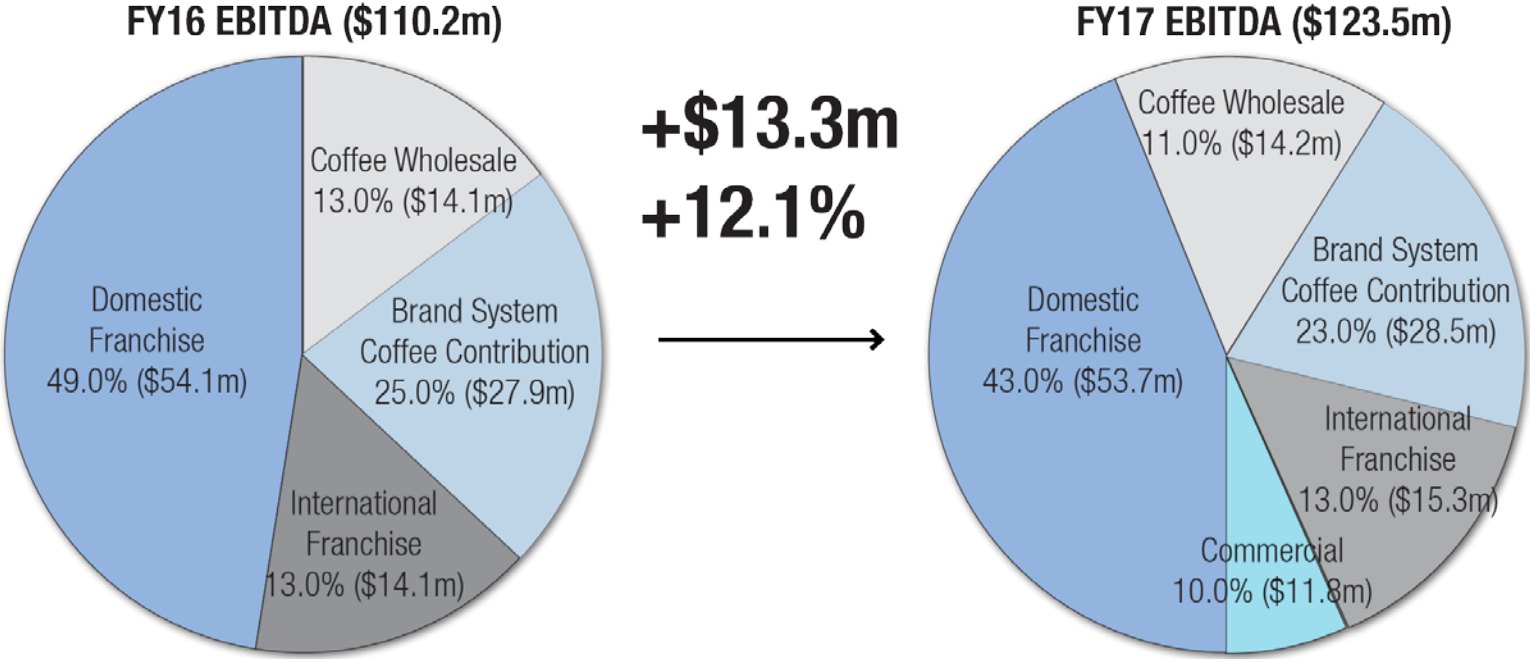
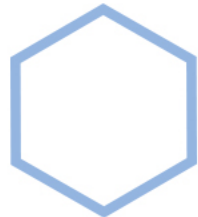
## M&A



15+ strategic acquisitions since Listing have driven RFG’s evolution into a global food & beverage company – prudent & measured M&A approach driving additional growth opportunity

# GROWING DIVERSIFICATION

VERTICALLY INTEGRATED GLOBAL MODEL PROVIDES ENHANCED REVENUE DIVERSIFICATION





# FRANCHISE SECTOR: A HOME GROWN SUCCESS STORY



DEVELOPED AUSTRALIAN  
**LANDSCAPE**

**90%** OF BRANDS ORIGINATING  
FROM AUSTRALIA



**FRANCHISES  
COMPRISE 4% OF SMALL BUSINESS  
IN AUSTRALIA**



FRANCHISE SECTOR IN AUSTRALIA  
PREDICTED TO GROW BY c.5% TO

**90,500** UNITS BY 2020  
AND GENERATE **\$160b**  
IN SALES



**EMPLOYED 470,000 PEOPLE IN 2016**



# INVESTING IN INNOVATION

## DIGITAL CENTRE OF EXCELLENCE



## BUSINESS INTELLIGENCE DIVISION



*FORTIFYING KEY BUSINESS DRIVERS  
TO ATTAIN LASTING POSITIVE CHANGE*

## PRODUCT INNOVATION LAB



## RETAIL PROJECTS STUDIO



# DRIVING CUSTOMERS TO FRANCHISE CHANNELS

## LEVERAGING NEW IDEAS & TECHNOLOGY TO INVEST IN OUR FRANCHISE NETWORKS

Innovative product developments, cutting-edge digital solutions & first-to-market brand initiatives accelerate customer engagement & bolster Franchise Partner profitability

RETAILFOODGROUP  
**RFG** BUSINESS  
INTELLIGENCE



### **SPECIALIST SUPPORT** ACROSS RFG DIVISIONS & BRAND SYSTEMS

DATA DRIVEN, MARKET LEADING INITIATIVES  
PREDICTIVE MODELLING SUPPORTS NETWORK OPTIMISATION  
STRATEGIC CUSTOMER & OPERATIONAL INSIGHT

donutking  
**DONUT  
RUSH**



### **REACHED #1**

RANKING: GOOGLE PLAY & APPLE APP STORE

**c.400,000  
DOWNLOADS  
& OVER  
30m MINUTES  
OF GAMEPLAY**

ACHIEVED **343%** OF TARGETED  
COUPON REDEMPTIONS

**416%** OF ESTIMATED ADVERTISING  
VALUE OVER CAMPAIGN PERIOD

Brumby's  
**BREAD LOVERS  
LOYALTY CARD**



### **LAUNCHED**

NATIONALLY (JAN 17) AFTER PILOT TRIAL

**>28,000**  
REGISTERED MEMBERS



DRIVING **c.30%**  
**ATV PREMIUM**  
AMONGST MEMBERS

Michel's  
PATISSERIE  
**IMAGE  
PRINTERS**



### **NATIONAL ROLLOUT LAUNCHED 1H17**

PRODUCT CUSTOMISATION NOW AT  
**CUSTOMERS FINGERTIPS**

**1** WINNER: BEST DIGITAL INITIATIVE AWARD  
(2017 QSR Media Awards)

RETAILFOODGROUP  
**RFG** FOUNDATIONS  
BUILD YOUR BEST BUSINESS

**INNOVATIVE  
PARTNERSHIP** WITH **NRA** National  
Retail Association

AVAILABLE TO ALL RFG FRANCHISE PARTNERS

**PROVIDES MEMBERS ACCESS TO**  
TRAINING, ONLINE RESOURCES & WORKPLACE ADVICE

crust  
Gourmet Pizza Bar



### **STRATEGIC FOCUS** ON PREMIUM UPPER CRUST SEGMENT

NEW MENU ADDITIONS  
BOOSTING SALES **+8.6%**  
ON PCP



### **DISRUPTIVE**

SNACK TARGETING MILLENNIAL CUSTOMERS

**OVER 40,000**

UNITS SOLD DURING TWO-MONTH PROMOTION

Gloria Jean's  
COFFEES



### **FRESH IS BEST** NEW PRODUCT RANGE

**QUALITY  
INGREDIENTS**  
MADE FRESH IN STORE

**PRECURSOR  
TO WIDER BRAND  
EVOLUTION**

# GLOBAL FOOTPRINT

81 TERRITORIES ACROSS  
10 BRAND SYSTEMS  
(+17% ON FY16)

ROASTING HUBS IN **AUSTRALIA,**  
**NEW ZEALAND & USA**  
**MIDDLE EAST HUB FACILITY**  
**TO BE COMMISSIONED 2H18**

## LEGEND

 RFG EXISTING TERRITORIES

 RFG ROASTING FACILITIES

## 15 NEW LICENSES GRANTED ACROSS 5 BRAND SYSTEMS



UNITED KINGDOM  
CHICAGO & INDIANA  
KENYA  
SINGAPORE  
INDONESIA AIRPORTS



SWEDEN  
MYANMAR



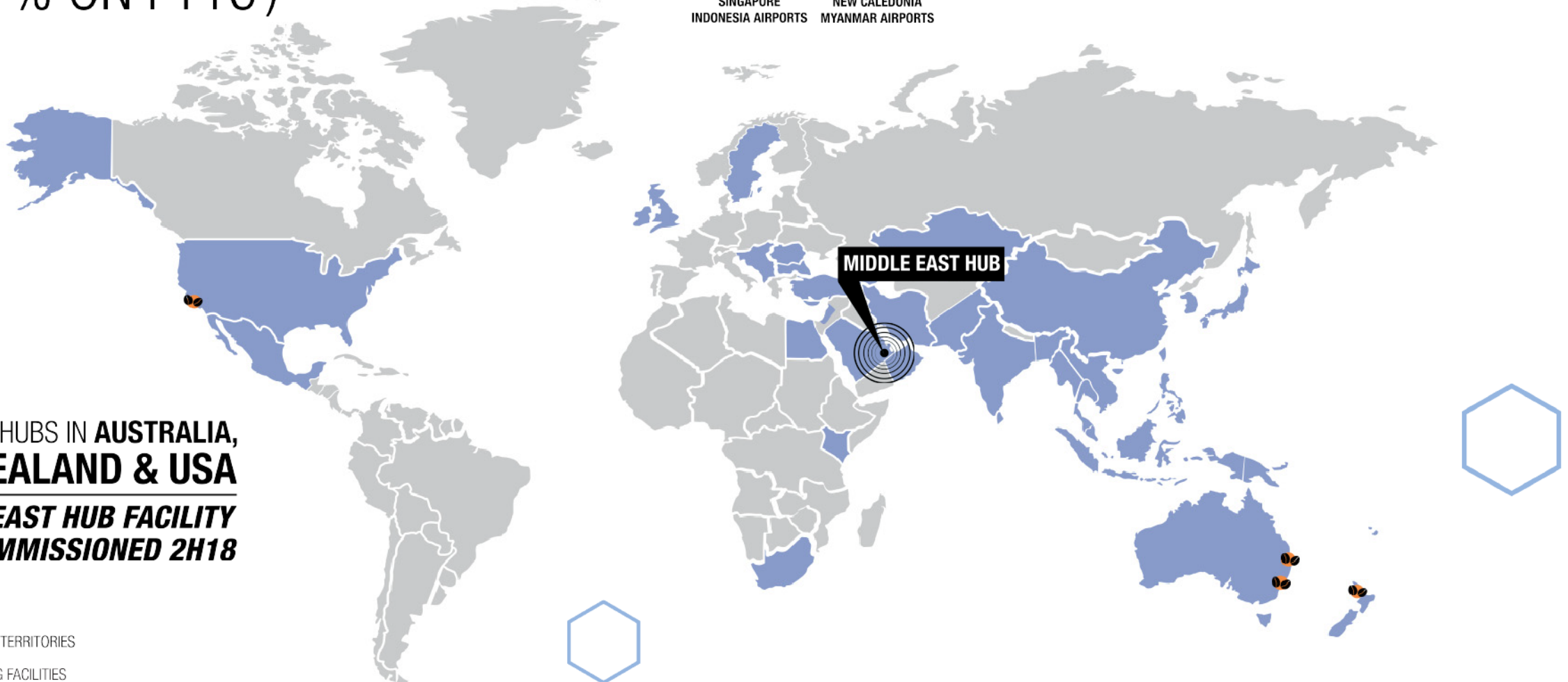
SAUDI ARABIA &  
KUWAIT



INDIA



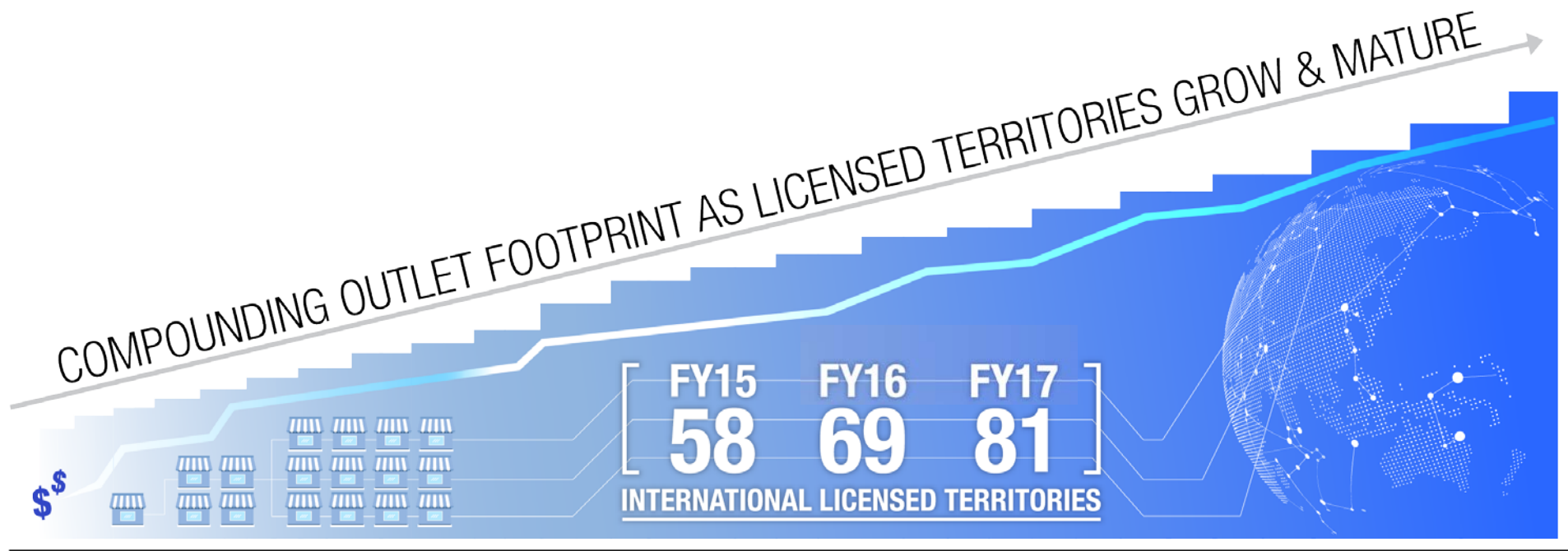
FIJI





# GROWING INTERNATIONAL PLATFORM

SETS FOUNDATION FOR ENHANCED MEDIUM TO LONG-TERM GROWTH



## BUILDING REVENUE STREAMS

**SHORT TERM:** INITIAL LICENSE & TRAINING FEES

**LONG TERM:** GROWING RECURRENT REVENUE STREAMS  
ROYALTIES, NEW OUTLET/RENEWAL/TRANSFER FEES, PRODUCT SUPPLY



# INTERNATIONAL HUB STRATEGY



## THE HUB

MEDIUM TO LONG-TERM  
GROWTH STRATEGY



# GLOBAL AMBITION FOR COFFEE & ALLIED BEVERAGE



## CURRENT



## UNDERWAY



## FUTURE

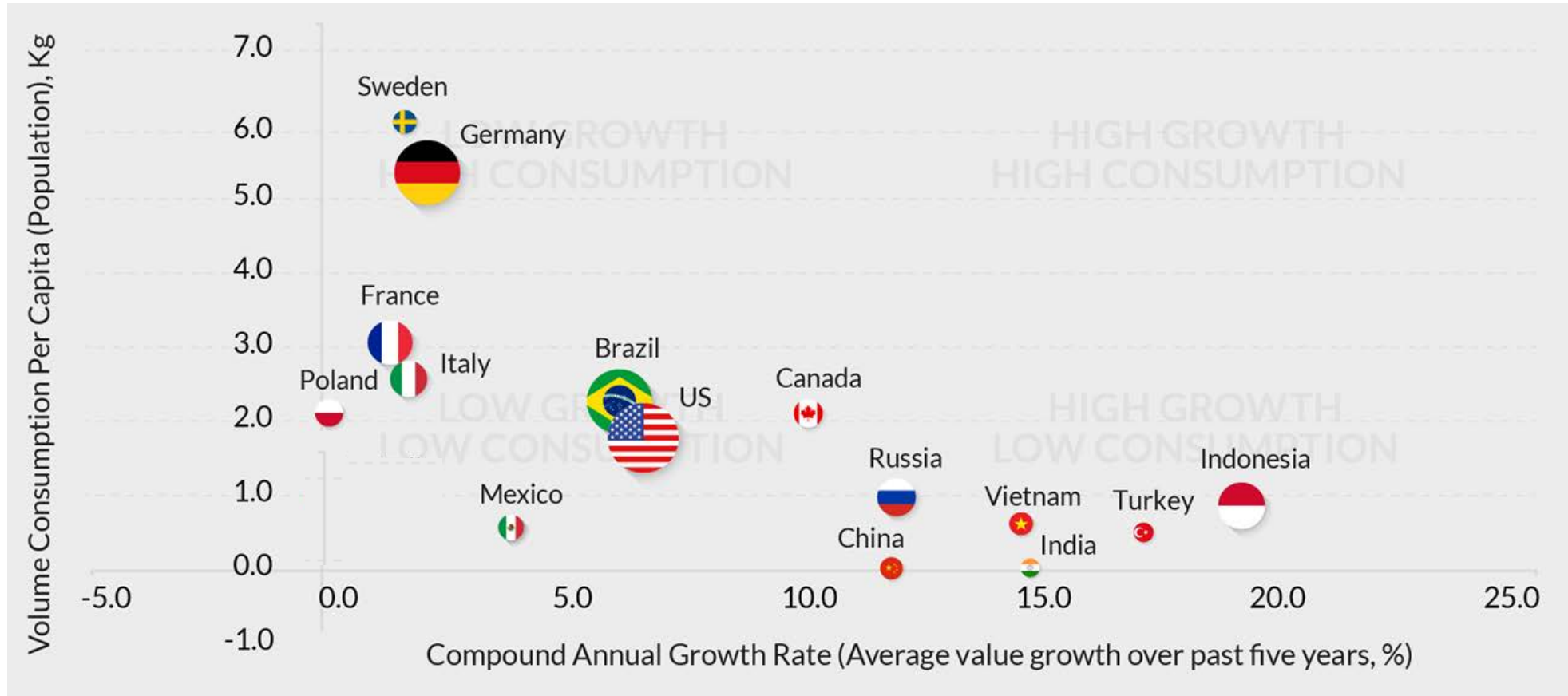


REPLICATING SUCCESSFUL AUSTRALIAN MODEL



COFFEE & ALLIED BEVERAGE OPERATIONS REPOSITIONED UNDER DI BELLA COFFEE CO TO LEVERAGE MARKET REPUTATION & BRAND STRENGTH ACROSS ENTIRE COFFEE BUSINESS

# GLOBAL SNAPSHOT OF COFFEE GROWTH

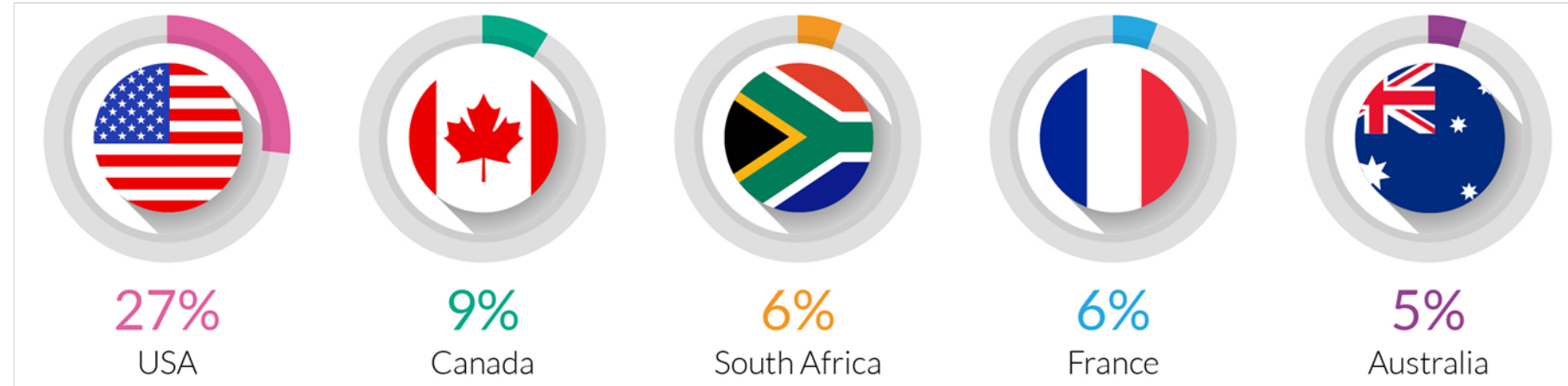


Source: Mintel Group Coffee Global Annual Review  
January 2017



# PREMIUM COFFEE GROWTH CONTINUES

Share of global third wave fresh coffee\*retail launches, top 5 markets, Jan 2015 – mid-Dec 2016



\*Ground or beans or pods/capsules which use the product descriptions: "small batch" or "single origin" or artisanal or craft

Source: Mintel Group Coffee Global Annual Review  
January 2017

- Australia is one of the top five markets in the world for having a thriving and fast-growing local specialty coffee shop scene
- Di Bella Coffee provides the ideal product solution to fulfil this demand

# COMMERCIAL OVERVIEW

## FOODSERVICE DISTRIBUTION



### ACQUISITIONS ADDED:

**+2,400** CUSTOMERS

**+5,500** SKU'S

**>\$300M** DISTRIBUTION VALUE WHEN  
COMBINED WITH RFG

## MANUFACTURING AND WHOLESALE



**+6% ON PCP**  
TO c.26.4m kg  
VALUE ADDED CHEESE PROCESSING



**+16% ON PCP**  
TO 3.8m kg  
BAKERY PRODUCT SUPPLY



## ALIGNMENT OF GROWTH PLATFORM



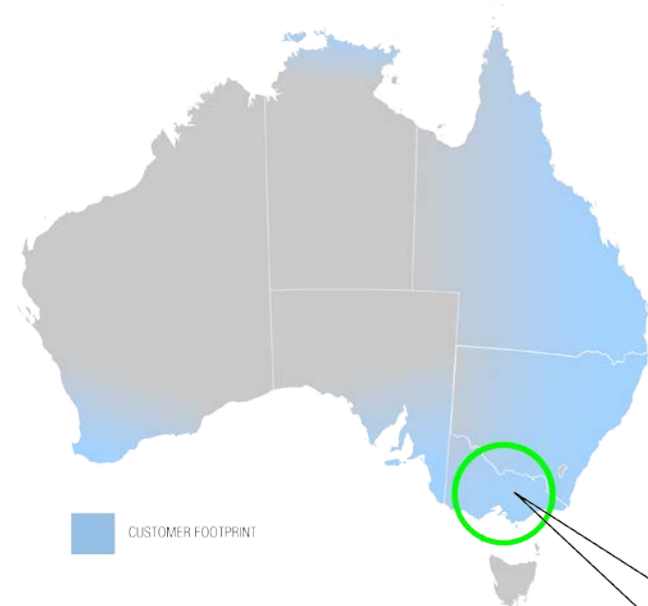
### COMMERCIAL DIVISION STRATEGY

UNDERPINNED BY COMPLEMENTARY GROWTH OPPORTUNITIES



#### REALISATION OF SCALE BENEFITS

- OPERATIONAL GROWTH ALIGNED WITH FRANCHISEE/CUSTOMER POPULATION
- FAST TRACKS DELIVERY OF VERTICAL INTEGRATION/SYNERGISTIC BENEFITS



CUSTOMER FOOTPRINT

*MEDIUM TERM*  
M&A PROGRAM ALIGNED WITH  
**EASTERN SEABOARD  
GROWTH STRATEGY**

#### FY17 AQUISITIONS



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