[SLIDE – CHAIRMAN'S ADDRESS]

Retail Food Group Limited

2020 Annual General Meeting

Chairman's Address

27 November 2020

[SLIDE – TURNAROUND PLAN HEADWAY]

Whilst tempered by the impact of COVID19, the past 18 months have been a transformational period during which we have made significant progress in our turnaround journey and established a firm platform from which to pursue a return to future profitability and growth.

The Company's 1H20 recapitalisation addressed RFG's debt burden, afforded financial stability, and provided capacity to execute on a range of operational priorities.

Those priorities included the further restructure and operational turnaround of RFG.

On that count, we've focused attention on RFG's core franchise and coffee businesses, disposing of the Company's loss-making distribution operations, and more recently, the Dairy Country cheese processing business, marking the Group's exit from traditional foodservice operations.

We've also 'right sized' and reconfigured our national office administration and support functions, and attended a significant restructure of Di Bella Coffee, which consolidated domestic roasting operations in our Sydney facility and realised c.$6.0m per annum in annualised cost savings.

[SLIDE – SUPPORTING FRANCHISEES]

We have done these things whilst maintaining an unwavering commitment to supporting our franchisee community.

This has included an ongoing focus on delivering tangible cost of goods improvements, including significant reductions in wholesale coffee pricing, annualised flour range savings for our Brumby's network, and cost reductions across the QSR Division's core ingredient range.

It has also included:

a) The implementation of c.100 customer driven product and marketing campaigns during FY20, generating total estimated annualised network sales of c.$30.0m;

b) Partnering with a market leading leasing agency to drive improved leasing outcomes for franchisees, including COVID related rent support for a large proportion of our domestic network; and

c) Providing significant financial and other ongoing support in response to the emergence of COVID19 and government measures introduced to limit its spread, the scope of which would not have been possible without the hard work we did in 2019 and early 2020.

[SLIDE – REDEFINING NETWORK MANAGEMENT]

Key to our turnaround plan has also been the FY20 redesign of our approach to franchise network management, underpinned by a 'franchisee first' culture that acknowledges the fundamental link between RFG's success and that of our franchisees.

All franchisee facing functions were consolidated under a dedicated internal retail division, IconicCo, which has been resourced with an experienced management team and provided a mandate to pursue best-practice specialisation in retail food franchising under the recently announced leadership of RFG Head of Retail, Matthew Marshall.

IconicCo's core objectives are to:

a) Drive more revenue into franchisee stores;

b) Generate more profit for our franchise partners;

c) Build brand equity through customer experience; and to

d) Maximise return on investment for all stakeholders.

To facilitate these outcomes, IconicCo has focussed on developing world class systemisation across all aspects of its operations. This has included the audit, break-down and rebuilding of systems and processes, informed by new expertise recruited to the business and focused on driving efficiencies, simplicity and positive outcomes for franchisees.

IconicCo is also focussed on driving better relationships.

The role of our Brand System General Managers has been redefined, positioning them as primary contact points for our franchisees so that feedback is delivered promptly to executive management, facilitating early action together with timely and accurate insights regarding network performance and sentiment.

[SLIDE – NEW FIELD SERVICE MODEL]

This step has also enabled the redesign of our field service team structure and support methodology, evolving it from a generalist skillset to one comprised of specialists across seven core areas that reach across operational requirements and franchisee lifecycles.

RETAIL FOOD GROUP

It is a significant change which sees the deployment of specialist coaches to drive change and provide franchisee support. It will enable cross-brand functionality, facilitate enhanced efficiencies, and also reduce travel burdens.

During the COVID lockdown we were able to conduct extensive training activities for our operational staff, and we are now in the process of implementing this initiative and look forward to the positive benefits it is programmed to deliver.

[SLIDE – FY20 RESULTS]

The significant body of work I've mentioned this morning contributed to FY20 underlying EBITDA of $35.5m(1), consistent with guidance provided in June 2020(2), and an underlying Net Profit After Tax of $14.1m(1).

At a statutory level, EBITDA of $32.2m translated to a $4.0m loss after tax.

This was a creditable result in light of the significant and unavoidable impact of COVID19 on our domestic and international business.

This was particularly the case amongst those brands which are largely located within shopping centres where, at one stage, domestic customer count dropped by c.50% and around 100 domestic outlets temporarily closed. The impact on our international network was even more pronounced, with c.480 outlets temporarily closing during the peak of COVID's first wave.

As noted in our 1H20 results announcement, we were on track to deliver original FY20 guidance of c.$42.0m - $46.0m underlying EBITDA(3) before the pandemic hit.

[SLIDE – FY21YTD OPERATIONAL METRICS]

Whilst the vast majority of those stores which temporarily closed due to COVID's impact have now reopened, COVID19 headwinds have continued to blow during FY21, particularly in Victoria where c.18% of the Group's domestic outlet population is based, and where significant trading restrictions have been imposed for much of the year to date.

Total network sales during the first 18 weeks of FY21 were down 14.5% on the prior corresponding period, or PCP, to c.$162.5m, however, c.43% of the sales reduction is attributable to reduced performance within Victoria(4). With the recent lifting of Victoria's lockdown, we expect to see sales in that State improve.

Same Store Sales (SSS) during the same period were down 2.5% vs PCP at a network level, however, are positive at +0.2% when the impact of Victoria is removed(5).

The performance of Brumby's Bakery warrants particular mention, with YTD SSS growth of +10.8% underpinned by strong average transaction value growth of 9.2%[(5)].

We anticipate positive momentum across our domestic network as COVID measures are further eased, IconicCo's new field support team model is rolled out, marketing activity returns to more normal levels, and the Group continues to execute on its broader turnaround plan.

At an international level, the majority of RFG's network continues to be impacted by COVID19 related trading restrictions of varying degrees, and this has contributed to a c.44% decline in licence fee revenues derived from that network during the YTD[(6)].

We continue to closely monitor international operations, noting the northern hemisphere's winter period and the increased risk that poses for subsequent COVID 'waves' and increased government restrictions in response.

[SLIDE – CRUST VALUE MODEL]

Before moving on, it is appropriate to touch upon the new Crust value model, which promises a 'premium quality pizza at affordable prices'.

Successfully trialled during FY20, this initiative has since been rolled out amongst stores located in mid to low socio-demographic populations, which is representative of c.80% of current outlet population.

Results to date have been promising.

Network sales are up 3.7% on PCP[(4)], underpinned by strong customer count growth of c.7.5% and Same Store Sales of +7.4%[(5)], with minimal impact to average transaction values.

Incorporating a refreshed brand identity the new model is intended to:

a) Drive franchisee revenues and customer count;

b) Increase market share; and, importantly

c) Facilitate new store growth opportunity.

This last comment provides an appropriate segue to new outlet growth opportunity more broadly.

[SLIDE – NEW OUTLET GROWTH OPPORTUNITY]

Considerable focus is being applied to driving organic outlet growth.

Key elements of this growth strategy include:

a) Nurturing and growing the Company's 77 Multi-Store Owner (MSO) complement, where we have established a dedicated role to foster relationships and provide pathways for multi-outlet ownership and portfolio growth;

b) Implementation of the Crust value model mentioned previously;

c) An aggressive focus on expansion of the Gloria Jean's drive thru model, which has outperformed traditional outlets throughout the COVID period; and

d) Operational trial of the Donut King mobile van model, which provides opportunity to expand existing franchise territories into commercial and industrial areas leveraging a strong point of difference and the iconic Donut King brand. Whilst still in its early stages, the results of this trial have been promising to date.

Green shoots are starting to appear in response to this activity, with expressions of interest having been received in connection with dozens of new and existing domestic store opportunities, including advanced discussions in relation to 15 new potential sites or territories within the Donut King, Crust and Gloria Jean's brands.

Internationally, 11 new outlet openings during the year to date are complemented by a pipeline anticipated to deliver c.25 new outlets across 14 markets during the remainder of the year.

[SLIDE – OUTLOOK]

Before closing, in terms of regulatory activity, ASIC advised in June of its decision not to take enforcement action following the conclusion of its investigation regarding RFG.

The Company continues to fully co-operate with the ACCC's investigation regarding the Group, and we will provide an update concerning that once appropriate.

In the meantime, and as I said at the outset, we have achieved quite a deal in the past 18 months, and despite the impact of COVID, have observed the positive impact of business improvement initiatives already implemented.

We are not taking our foot off the pedal.

There remains much work to be done, with many initiatives in the process of implementation or development. Underpinning each of these is an unwavering commitment to our franchisees – they are at the heart of each and every one of our decisions.

We therefore continue to approach the future with confidence.

We do that whilst also appreciating the challenging trading conditions in which our businesses continue to operate, and the difficulties this continues to pose for predicting future financial outcomes.

In closing, and on behalf of the Board and executive management team, I would like to take this opportunity to thank RFG's team whose commitment and contribution to the Group's FY20 performance has been exceptional.

I would also like to thank each and every one of our franchise partners for their ongoing commitment and the response they have shown to the unique challenges 2020 has delivered. As I indicated in this year's Annual Report, our strength is inextricably linked to theirs, and the example they have set this year demonstrates the resilience of our franchisee community, the quality of people in our networks, and the strength of our brands in the community.

Lastly, and by no means least, I would like to take this opportunity to once again thank our shareholders, new and old, for their ongoing support for RFG's turnaround plan.

Thank you.

---

(1) Underlying EBITDA is a non-IFRS measure used by management to assess financial performance. Non-IFRS financial measures are not subject to audit or review. Refer FY20 Results Presentation for reconciliation of underlying to statutory performance

(2) FY20 Underlying EBITDA guidance of c.$35m, assuming full year contributions from all continuing operations but excluding the impact of AASB15 & 16

(3) Assuming full year contributions from all continuing operations but excluding the impact of AASB15 & 16

(4) Based on unaudited reported sales by franchisees across all stores for weeks 1 to 18 FY21YTD vs unaudited reported sales by franchisees across all stores for weeks 1 to 18 FY20

(5) Based on unaudited reported sales by franchisees amongst stores trading each week during weeks 1 to 18 FY21YTD vs unaudited reported sales by franchisees amongst same stores trading each week during weeks 1 to 18 FY20

(6) Based on licence fees calculated by reference to unaudited reported sales by master franchise partners for July to October 2020 vs licence fees calculated by reference to unaudited reported sales by master franchisee partners for July to October 2019.

RETAIL FOOD GROUP

Chairman’s Address

Peter George

Executive Chairman, Retail Food Group

Turnaround Plan Headway

The past 18 months have been a transformational period during which RFG has made significant progress in its turnaround journey & established a firm platform from which to pursue a return to profitability & growth:

- Recapitalisation completed 1H20:
  - $193.5m gross equity proceeds
  - New $75.5m three-year debt facility (maturing 2022)
  - Significant debt right off ($71.8m) and repayment (c.$142.8m)

- Exited foodservice and focused on core franchise and coffee pursuits:
  - Disposal of loss-making Hudson Pacific Foodservice business (Jan 2020)
  - Disposal of non-core Dairy Country cheese processing business (Oct 2020)

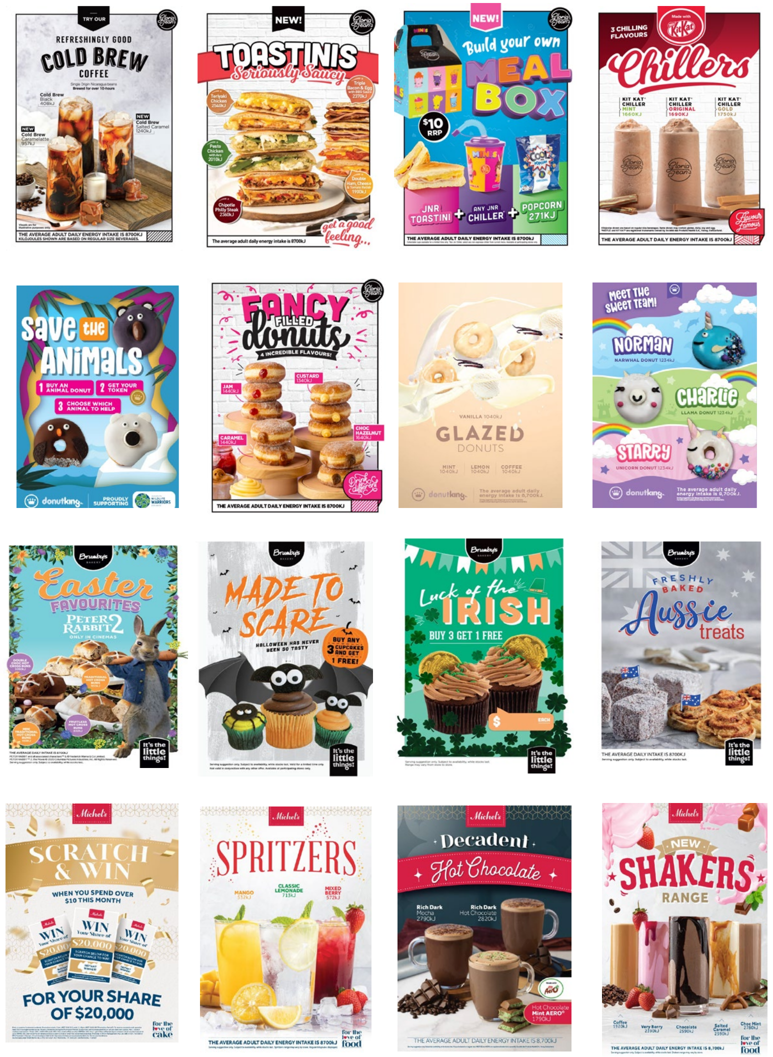
- Significant restructuring activity:
  - ‘Right sized’ national office administration & support functions
  - Attended Di Bella Coffee restructure:
    - Realising annualized cost savings of c.$6.0m per annum
    - Centralised domestic roasting at advanced Sydney facility

RETAIL FOOD GROUP

Supporting Franchisees

Fundamental to RFG's turnaround plan is an unwavering commitment to our franchisees:

- Ongoing focus on tangible cost of goods improvements at store level:
  - c.15-20% reduction in coffee pricing for domestic franchisees
  - >$500K in annualised flour range savings for Brumby's network
  - Demonstrable cost reductions across QSR Division core ingredient range
- FY20 implementation of c.100 customer driven product & marketing campaigns:
  - Generated c.$30.0m in estimated annualized network sales
  - Social media reach of c.160m
- Partnership with leading agency to drive improved leasing outcomes, including COVID rent support for majority of domestic network
- Targeted franchisee support measures in response to COVID19:
  - Operational modifications at store level
  - Waiver or reduction of fixed or percentage-based fees
  - Deferment of payments & waiver of interest
  - Supply chain management
  - Assistance with government requirements



RETAIL FOOD GROUP

Redefining Network Management

- Underpinned by a ‘franchisee first’ culture
    - Where franchisees succeed, the franchisor succeeds
- Establishment of IconicCo:
    - All franchisee facing functions consolidated into dedicated division
    - Resourced with experienced management
    - Mandate to pursue best-practice specialization in retail franchising
- IconicCo’s objectives are to:
    - Drive more revenue into franchisee stores
    - Generate more profit for franchise partners
    - Build brand equity through customer experience
    - Maximise return on investment for all stakeholders
- Focused on driving enhanced relationships & world class systemization across all aspects of business, including:
    - Product development
    - Supplier negotiations
    - Operational performance
    - Lease negotiation
    - Marketing & communications
    - Site selection, store design & construction
    - Franchisee recruitment & network growth
    - Financial reporting

ICONICCO

Systemisation
+
Relationships

New Field Service Model

- Evolution of field support team structure & methodology:
  - To drive change & support franchisees
  - Facilitates cross-brand functionality
  - Drives efficiencies & reduces travel burden

- Transitions support team from ‘generalist’ skillset to specialist coaches across:
  - Front of House
  - Back of House
  - Coffee Excellence
  - Food Quality
  - Business Improvement
  - Local Store Marketing
  - Brand Standards Review

- Underpinned by comprehensive operational re-training course

- Currently being implemented

RETAIL FOOD GROUP

FY20 Results

FY20 REVENUE	**$264.0m[(1)]**
FY20 EBITDA (Underlying)[(2)]	$35.5m
FY20 EBITDA (Statutory)	$32.2m
FY20 NPAT (Underlying)[(2)]	$14.1m
FY20 Statutory Loss after Tax	($4.0m)

(1) Revenue (including discontinued operations)
(2) Underlying EBITDA & NPAT are non-IFRS measures used by management to assess financial performance. Non-IFRS financial measures have not been subject to audit or review. Refer FY20 Results Presentation for reconciliation of underlying to statutory results
(3) FY20 Underlying EBITDA guidance of c.$35m, assuming full year contributions from all continuing operations but excluding the impact of AASB15 & 16, provided 26 June 2020
(4) Assuming full year contributions from all continuing operations but excluding the impact of AASB15 & 16

- FY20 Underlying EBITDA ($35.5m), exceeded guidance[(3)]
- Creditable result having regard to unavoidable 2H20 impact of COVID19
- Observable impacts of turnaround initiatives on performance during first 9 months of FY20 where such that RFG maintained original FY20 guidance (Underlying EBITDA of c.$42.0 – $46.0m[(4)]) when releasing 1H20 results

RETAIL FOOD GROUP

FY21YTD Operational Metrics

***Domestic Operations**:*

- Significant impact in Victoria where c.18% of outlet population is based
- Total Network Sales down 14.5% on PCP, to $162.5m(1)
  - c.43% of sales reduction attributable to Victoria performance
- Same Store Sales (SSS) -2.5% vs PCP(2)
  - +0.2% when Victoria impact removed(2)
  - Brumby's stand-out performer: +10.8% SSS YTD(2)
- Positive momentum anticipated following:
  - Further easing of COVID measures
  - Implementation of new field support model
  - Return to normal marketing activity
  - Ongoing execution of broader turnaround plan

***International Operations**:*

- c.44% decline in YTD licence fee revenues
- c.490 outlets impacted by COVID19 related trading restrictions
- Northern hemisphere entering winter months

(1) Based on unaudited reported sales by franchisees across all stores for weeks 1 to 18 FY21YTD vs unaudited reported sales by franchisees across all stores for weeks 1 to 18 FY20

(2) Based on unaudited reported sales by franchisees amongst stores trading each week during weeks 1 to 18 FY21YTD vs unaudited reported sales by franchisees amongst same stores trading each week during weeks 1 to 18 FY20

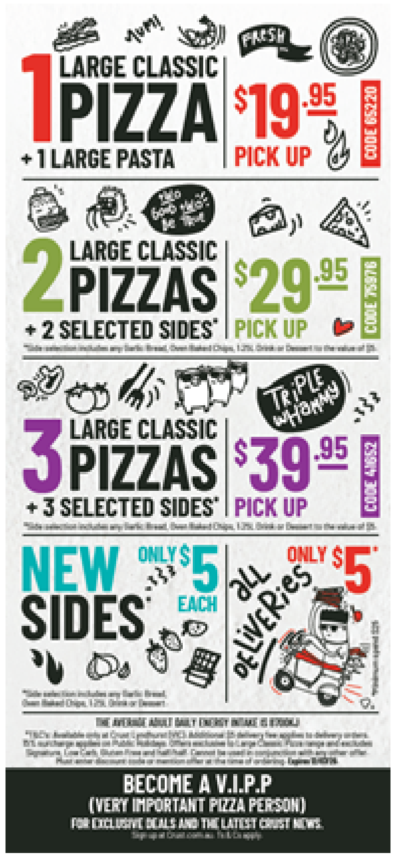
(3) Based on licence fees calculated by reference to unaudited reported sales by master franchise partners for July to Oct 2020 vs licence fees calculated by reference to unaudited reported sales by master franchisee partners for July to October 2019

RETAIL FOOD GROUP

Crust Value Model

- Refreshed brand identity which promises ‘premium quality pizza at affordable prices’
- Successfully trialed in FY20 & since launched across stores in mid to low socio-demographic populations (c.80% of network)
- Promising results to date:
  - Network sales +3.7% on PCP(1)
  - Strong customer count (+7.5%) & SSS (+7.4%)(2) growth
  - Minimal impact on average transaction values to date

(1) Based on unaudited reported sales by franchisees across all stores for weeks 1 to 18 FY21YTD vs unaudited reported sales by franchisees across all stores for weeks 1 to 18 FY20
(2) Based on unaudited reported sales by franchisees amongst stores trading each week during weeks 1 to 18 FY21YTD vs unaudited reported sales by franchisees amongst same stores trading each week during weeks 1 to 18 FY20



New Outlet Growth Opportunity

- Focus on organic outlet growth:
  - Nurturing Multi-Store Owner (MSO) complement
  - Execution of Crust new value model
  - Aggressive focus on Gloria Jean's drive thru opportunity
  - Trial of Donut King mobile concept provides scope for entry into new markets leveraging strong point of difference & iconic brand
- Green shoots starting to appear:
  - Growing interest in RFG brands
  - Advanced discussions for 15 new sites/territories across Donut King, Gloria Jean's & Crust
- Complemented by international new outlet growth:
  - 11 new outlets opened FY21YTD
  - Pipeline of c.25 new outlets across 14 markets

RETAIL FOOD GROUP

Outlook

- ASIC not taking enforcement action following conclusion of its investigation
- ACCC investigation ongoing – the Company continues to cooperate with it
- Whilst much has been achieved, considerable work remains to be done
- Unwavering commitment to franchisee community
- Positive impacts of business improvement initiatives observed
- RFG continues to approach the future with confidence, albeit challenging trading conditions remain, making it difficult to predict future financial outcomes