

A close-up photograph of a hand holding a metal portafilter filled with dark brown coffee grounds. The portafilter is positioned over a coffee machine's group head, which has a perforated metal surface. The background is blurred, showing parts of the coffee machine and a white object. The lighting is warm and focused on the coffee grounds and the hand.

FIRST HALF 2018
INVESTOR
PRESENTATION

SILVER CHEF LIMITED



Silver Chef established by
Non-Executive Chairman
Allan English



Silver Chef
listed
on ASX



Silver Chef
New Zealand
established



Silver Chef
Canada
established



Silver Chef
30 Year
Anniversary

DISCLAIMER

Silver Chef Limited has not considered the financial position or needs of the recipient in providing this presentation. Persons needing advice should consult their stockbroker, bank manager, solicitor, attorney, accountant or other independent financial or legal advisor.

The presentation includes certain 'forward-looking statements' which are not historical facts but rather are based on Silver Chef's current expectations, estimates and projections about the industry in which Silver Chef operates, and beliefs and assumptions regarding Silver Chef's future performance.

Words such as 'anticipates', 'expects', 'intends', 'plans', 'believes', 'seeks', 'estimates' and similar expressions are intended to identify forward-looking statements.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Silver Chef, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements.

Silver Chef cautions shareholders and prospective shareholders not to

place undue reliance on these forward-looking statements, which reflect the view of Silver Chef only at the date of this presentation.

The forward-looking statements made in this presentation relate only to events as of the date on which the statements are made. Silver Chef will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this presentation except as required by law or by any appropriate regulatory authority.

AGENDA

1. GOGETTA EXIT
2. SILVER CHEF STRATEGY
3. FIRST HALF RESULTS
4. CAPITAL MANAGEMENT
5. PEOPLE AND CULTURE
6. FULL YEAR OUTLOOK
7. DETAILED FINANCIALS & APPENDICES

GOGETTA EXIT

Improved first half

Continued challenging credit profile

Decision to exit business

SIV TO EXIT GOGETTA BUSINESS

FOCUS ON RETURNS

- Silver Chef Limited (ASX: SIV) has made the decision to exit its GoGetta business
- Significant change in the strategic focus of the Company
- Provides a pathway to continued growth and expansion
- As a result of strategic review the Company has concluded:
 1. Although underlying GoGetta performance has improved, challenges remain to achieve acceptable long term sustainable financial returns
 2. Best interest of shareholders to exit the GoGetta business
- Effective immediately all sales and marketing activities in the GoGetta business will cease and will exit existing customer contracts in an orderly manner over the next 12 to 18 months

“While the underlying GoGetta business remains profitable and our lending book continues to grow, we have formed the view that achieving the same level of credit quality and return on assets as our hospitality business would require many more years of strategy refinement and investment, at the expense of the business as a whole”

KEY DIFFERENCES BETWEEN HOSPITALITY AND GOGETTA ASSET CLASSES

- Credit quality – GoGetta consistently inferior credit performance over last ten years
- Contract performance drives profitability particularly contract duration and churn – GoGetta historically performs worse
- Intermediary between GoGetta and the customer – relationship and understanding of the customer is critical for success
- Cash conversion cycle differs between Silver Chef and GoGetta - hospitality have daily cash flow versus transport and construction which are monthly
- Competitive landscape more crowded in the GoGetta business leading to diluted unique value proposition (UVP)



EXIT STRATEGY

MAXIMISING RETURNS WHILE FOCUSING ON PEOPLE

- 12 Staff Redeployed to Silver Chef
- 39 Staff leaving the business
- Core team retained to manage orderly run-off of GoGetta business over 12 to 18 months
- Initial restructuring cost estimates expected to be in the order of \$3m (before tax) in FY18
- Significant challenges in recovery of arrears and assets in 'Back Book', particularly Light Commercial channel
- Additional non-cash impairment provisions of \$19.5 million
- Confident of realising the full pre-provision book value of the GoGetta business through the exit process

“As a B Corp and people first organisation, we have made these decisions with the utmost consideration and respect for our people.”

SILVER CHEF TRANSFORMATION PROJECT

One brand – one focus

Streamlined structure

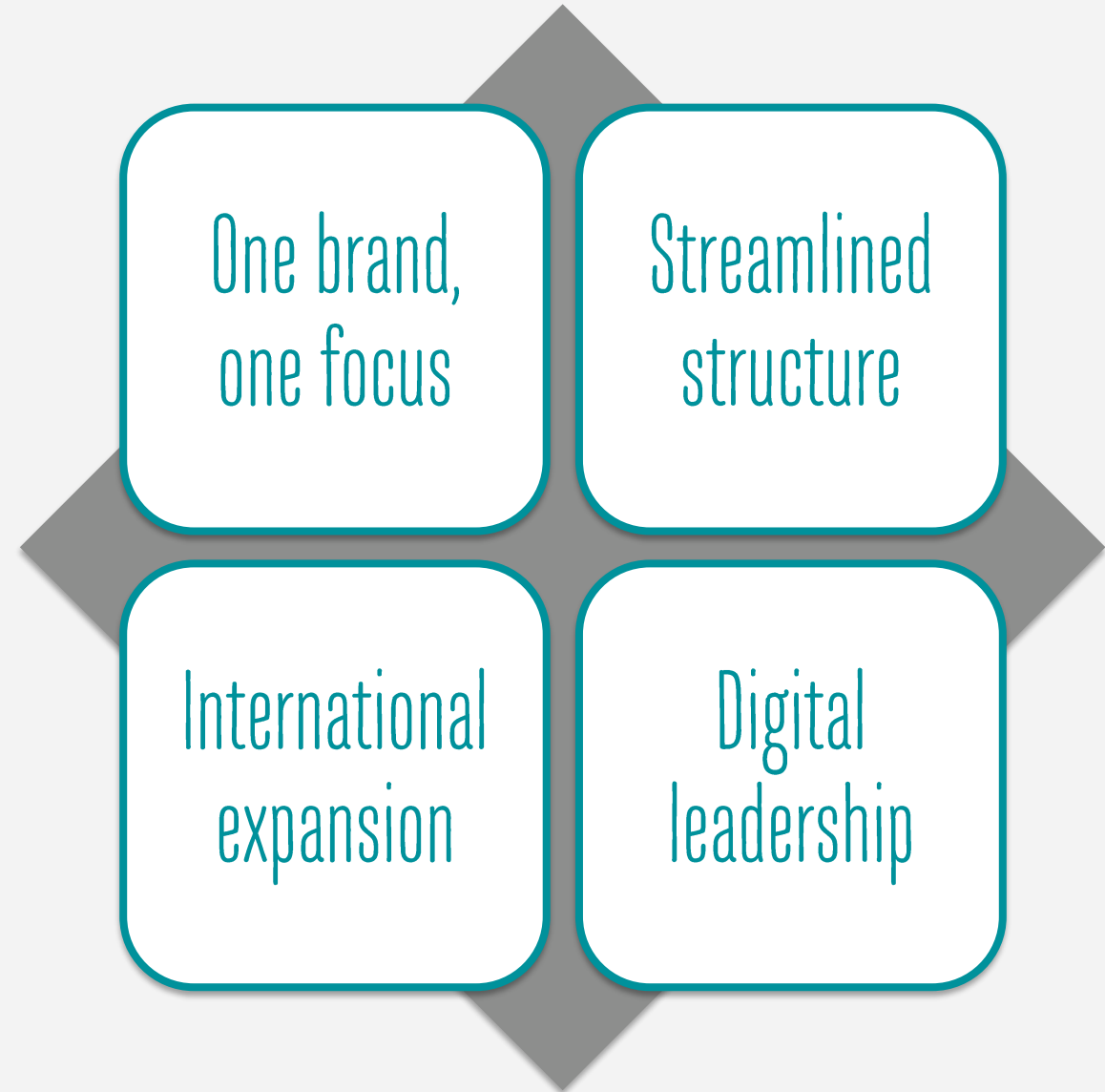
International expansion

Digital leadership

GOING DEEP TO UNLOCK GROWTH

TRANSFORMATION PROJECT

- Silver Chef business to undergo significant transformation project to unlock the next stage of growth
- The transformation project will include four pillars:
 1. Silver Chef will become a single global brand dedicated solely to hospitality
 2. A national restructure of the Australian business
 3. Aggressive expansion in the North American market
 4. Accelerate development of technology and business intelligence



ONE BRAND, ONE FOCUS

CHANNEL FOCUS

- Silver Chef will become a single brand dedicated solely to the hospitality industry
- Proven 30 year history in delivering growth and profitability in the channel
- Sharper focus will enable a deeper understanding of both customers and the industry, which will unlock additional growth in dedicated hospitality channels such as Franchise and Coffee
- Improved efficiencies and clearance rates from nationally managed asset remarketing facility



STREAMLINED STRUCTURE DRIVING GROWTH

PROVEN EXPERIENCE

- Consolidated structure will improve growth and profitability – 3 key drivers:
 1. Increasing need for national account strategy due to dealer consolidation
 2. Channel focus requires national alignment – eg Franchise
 3. Streamlined national structure will allow more cost effective scale
- Further, the Company has completed a restructuring of the executive management team
 1. Rob Phelps (previously Executive General Manager (EGM) of Silver Chef's Northern Region in Australia) has been appointed as President of Silver Chef Canada
 2. Chief Financial Officer (CFO) Doug McAlpine is appointed as EGM of the Australian and NZ business
 3. Group Finance Manager Michael Darke assumes the role of Acting CFO as the company works through the recruitment process



INTERNATIONAL EXPANSION

ENTERING NEW MARKETS

- A key focus of the Transformation Project is to drive market share and returns from our international operations in North America and New Zealand
- Both operations provide considerable upside given the large total addressable markets and our small existing market share
- The North American strategy remains positive – a number of contributing factors:
 - ✓ Key management changes - ensures business has the appropriate experience and local knowledge to drive the business
 - ✓ Building out sales team continues – particularly in the East
 - ✓ Dealer Incentive Program launched
 - ✓ Building out key strategic partnerships

“The Group will continue its aggressive expansion in the Canadian market by leveraging people, intelligence and dealer networks.”

DIGITAL LEADERSHIP

DRIVING SPEED & EASE

- Invest additional capital to accelerate development of technology over the next three years
- Continue to build scalable systems to improve both customer experience and internal efficiencies
- Three core technology streams:
 1. Development of an application portal for equipment dealers
 2. Upgrading of the internal contract management system
 3. Improving the utilisation of the groups 30 year history in hospitality customer data



FIRST HALF REVIEW



FIRST HALF RESULTS SUMMARY

OVERVIEW OF RESULTS

31 DECEMBER 2017 – SEGMENT SPLIT

\$ millions	Hospitality (pre overhead)	GoGetta (pre overhead)	Unallocated overheads	Total
Revenue	87.7	56.3	2.0	146.0
EBITDA	57.7	14.6	(13.5)	58.8
Profit/(loss) before tax	14.2	(18.3)	(14.5)	(18.6)
Net profit/(loss) after tax	9.9	(12.8)	(10.2)	(13.1)

FULL YEAR OUTLOOK – SEGMENT SPLIT

\$ millions	Hospitality (pre overhead)	GoGetta (pre overhead)	Overheads	Total
Ongoing operations	40.0	-	(16.0)	24.0
Discontinuing operations	-	(1.0)	(11.0)	(12.0)
Impairment	(5.0)	(20.0)	-	(25.0)
Profit/(loss) before tax	35.0	(21.0)	(27.0)	(13.0)
Income tax	(10.0)	6.0	8.0	4.0
Net profit/(loss) after tax	25.0	(15.0)	(19.0)	(9.0)

KEY FINANCIAL STATISTICS

\$ millions (unless otherwise stated)	1H18	2H17	Change
Revenue	146.0	137.8	5.9%
Rental assets (at cost)	690.2	624.2	10.6%
Net operating profit/(loss) after tax	(13.1)	4.6	-
Net operating cash flows	75.1	72.8	3.2%
Basic EPS (cents per share)	(33.3)	12.9	-
Dividend fully franked (cps)	10.0	12.9	-

REVIEW OF OPERATIONS



AUSTRALIA

- Australian hospitality lending business continues to perform well with a 6.3% increase in the rental asset base from 30 June 2017
- Silver Chef originations were softer than expected reflective of the transformation changes already taking place within the business



NEW ZEALAND

- New Zealand business continues to outperform generating strong growth in acquisitions leading to a 16.9% increase in rental base to \$19.0 million since 30 June 2017
- To cater to our strong expectations, we have secured new office and warehouse facilities in Penrose, Auckland leading to improved cost efficiency and clearance rates

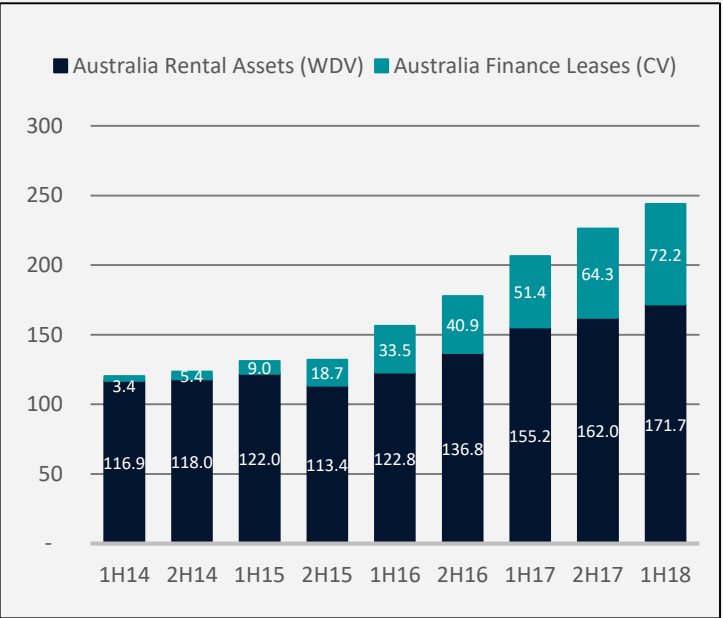


CANADA

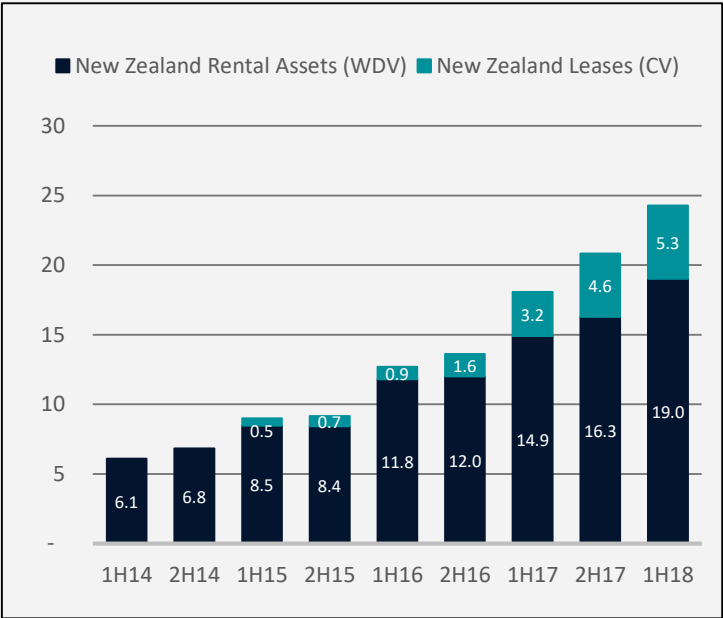
- Continue to see North America as a vast opportunity and will ensure it has the appropriate human and capital resources to establish and grow a significant presence and contribution to overall group performance
- Recently completed a management restructure with Rob Phelps appointed to the position of President
- Soft first half due to management changes – back on track with a strong January and February result

HOSPITALITY PERFORMANCE

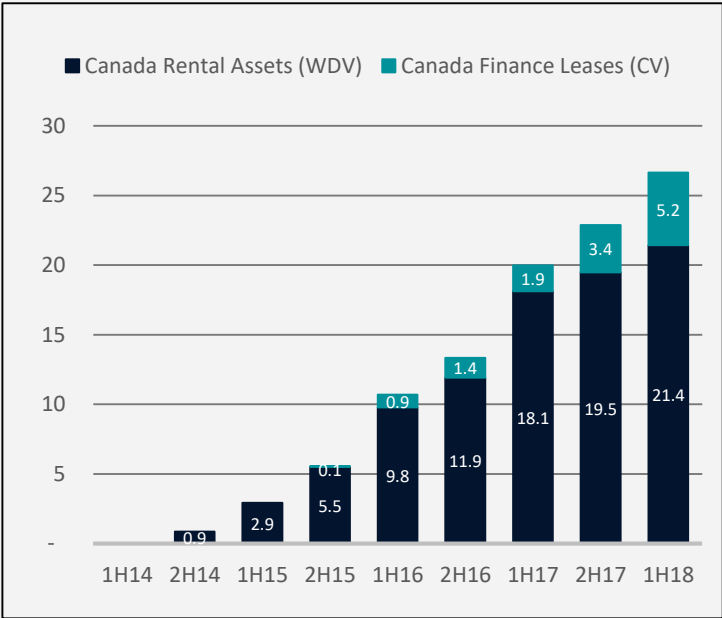
RENTAL ASSETS AND LEASE RECEIVABLES GROWTH (\$millions)



AUSTRALIA



NEW ZEALAND



CANADA

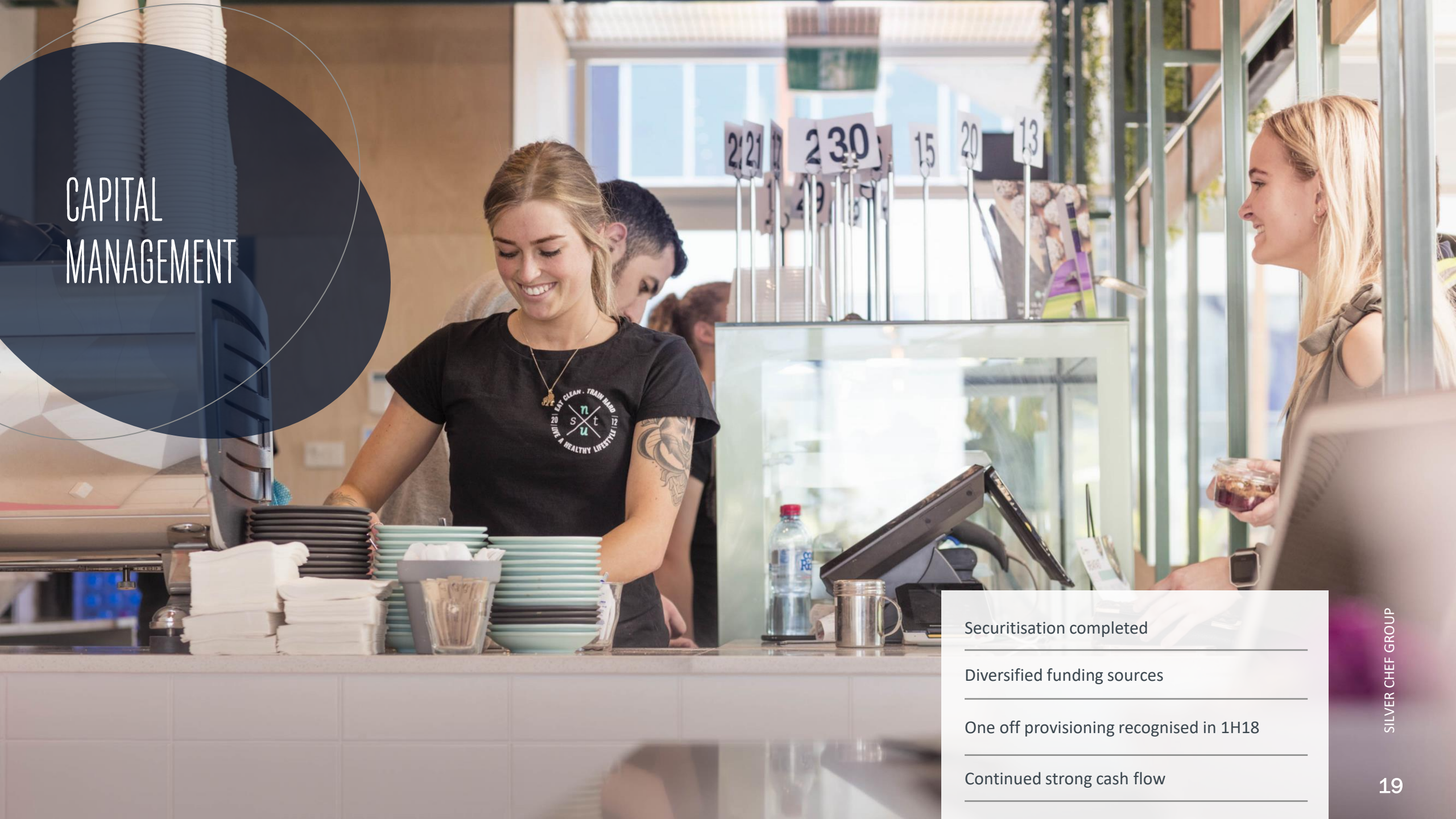
GLOBAL PORTFOLIO

Silver Chef (AU)	1H2018	1H2017
Originations Including Advantage (AUD)	\$79.6m	\$77.4m
Rental Assets at Cost (AUD)	\$268.0m	\$239.6m
Finance Lease Receivables (AUD)	\$72.2m	\$51.4m
Rental Asset Numbers	73,140	67,113
Customer Numbers	12,549	11,500
Average Contract Size	\$12,481	\$11,873
Average Contract Life*	30 months	29 months

Silver Chef (CA)	1H2018	1H2017
Originations Including Advantage (AUD)	\$8.2m	\$10.4m
Rental Assets at Cost (AUD)	\$29.4m	\$22.3m
Finance Lease Receivables (AUD)	\$5.2m	\$1.9m
Rental Asset Numbers	10,607	6,893
Customer Numbers	1,397	1,018
Average Contract Size	\$11,116	\$11,933

Silver Chef (NZ)	1H2018	1H2017
Originations Including Advantage (AUD)	\$9.7m	\$8.3m
Rental Assets at Cost (AUD)	\$28.5m	\$21.9m
Finance Lease Receivables (AUD)	\$5.3m	\$3.2m
Rental Asset Numbers	7,802	6,086
Customer Numbers	1,392	1,083
Average Contract Size	\$12,635	\$12,118
Average Contract Life*	27 months	27 months

*Average contract duration has been prepared using five years' worth of contract data



CAPITAL MANAGEMENT

Securitisation completed

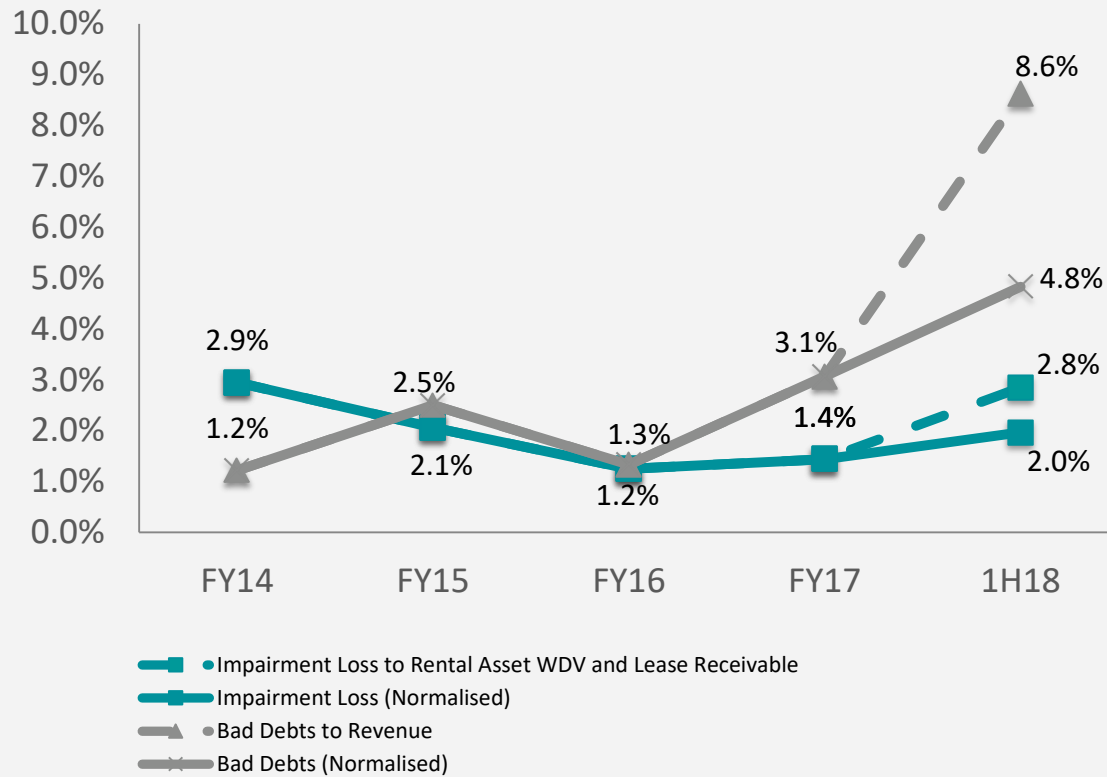
Diversified funding sources

One off provisioning recognised in 1H18

Continued strong cash flow

CREDIT AND RESIDUAL ASSET RISK

HOSPITALITY BAD DEBTS AND IMPAIRMENT LOSS



- Debtors and impairment for half year up on prior periods
- Additional provisioning of \$4.8m against hospitality exposures as part of repositioning Australian business
- Two larger exposures in the Australian and New Zealand business required specific additional provisioning
- Due to lower than expected acquisition volumes underlying rate for impairment and bad debt has increased
- No noticeable underlying deterioration in the quality of hospitality channel credit behaviour

CAPITAL MANAGEMENT



SYNDICATED DEBT

- Renegotiation of existing senior lending arrangements has commenced and will conclude by 31 March 2018
- Financial covenants need to be restructured to hospitality only
- Separate arrangements for repayment of GoGetta share of debt on accelerated basis expected
- Bank waiver for 31 December 2017 covenant testing received
- Company required to record senior facility as current liability until renegotiation finalised



SECURITISATION

- \$200 million securitisation facility agreed on 18 December 2017
- Facility designed to finance new Australia rental contracts
- Facility life of three years
- Intention to draw securitisation facility once syndicated debt arrangements conclude



PURPOSE AND CULTURE

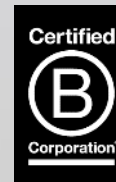
WE ARE A "B CORP" ORGANISATION

Silver Chef became a Certified B Corporation in June 2015. The B Corporation certification is a validation of Silver Chef's commitment to social and environmental responsibility

B Corporations are an emerging group of companies that are using the power of business to create a positive impact on the world

There are more than 2,430 Certified B Corps from 50 countries and 130 industries. B Corporations meet higher standards of social and environmental performance, transparency, and accountability

Some of the most successful and best loved businesses are B Corporations including Patagonia, Ben and Jerry's, Natura and Laureate.



B Corp Highlights

VERIFYING OUR PURPOSE

- **Recertified as a B Corp**, improving our score by 10 points, from 83 in 2015 to 93 in 2017 which further verifies us as a company who uses business as a force for good.
- Key improvements made over this period include:

WORK WELCOME PROGRAM

Paid work experience program
for refugees

REDUCING ENVIRONMENTAL IMPACT

Commitment to reducing our
impact by at least 10%

GOOD BUYING

Aligning our procurement to
our purpose

COMMITMENT TO GIVING

Formalise our giving program by
setting up the Silver Chef
Foundation

B Corp Score

83

2015

↑ 93

2017

*Average company score of 58
80 required for certification*

FULL YEAR OUTLOOK



SIV to embark on significant Business Transformation Project and wind down GoGetta



Business transformation has 4 key pillars:

- Single brand – deep understanding of industry
- Restructure in AU/NZ to unlock continued growth
- Continued aggressive international expansion, particularly North America
- Digital transformation – improve customer experience, internal efficiencies and scalability



The Company is in a strong financial position with securitisation funding ready to be drawn and a significant level of cash will be generated as it exits GoGetta



Solid platform for growth over the coming three to five years



Full year statutory net accounting loss in the range of \$9 to \$12 million



Underlying hospitality pre-tax contribution in the range of \$20 to \$24 million

A young man with short, curly brown hair is smiling warmly at the camera. He is wearing a dark navy blue t-shirt with a logo that reads "KNIGHT'S COFFEE & TEA CO. SAVING EVERYONE". He is leaning forward with his arms crossed on a light-colored wooden counter. In the foreground, there are several black bags of coffee with the "Campos" logo and two tall stacks of brown ceramic coffee cups. Behind him, a white coffee machine is visible, with stacks of white and brown cups on top. The background shows a coffee shop interior with a brick wall, a wooden shelving unit with glassware, and a warm, orange-toned pendant light hanging from the ceiling.

OTHER INFORMATION

PROFIT AND LOSS

\$ millions	1H17	1H18	Change
Revenue	137.8	146.0	6.0%
Expenses from ordinary activities	(43.2)	(67.6)	56.5%
Loss on sale of plant and equipment	(5.1)	(6.5)	27.5%
Earnings before interest, depreciation, amortisation, impairment and tax	89.5	71.9	(19.7%)
Depreciation, amortisation and impairment	(76.4)	(83.4)	9.2%
Finance costs	(6.5)	(7.1)	9.2%
Profit/(loss) before income tax	6.6	(18.6)	-
Income tax expense	(2.0)	5.5	-
Statutory net profit/(loss) after tax	4.6	(13.1)	-
Adjustments*	2.3	0.0	-
Adjusted net profit/(loss) after tax	6.9	(13.1)	-
Earnings per share			
Basic earnings per share (cents)	12.9	(33.3)	-
Diluted earnings per share (cents)	12.9	(33.3)	-

* 1H17 adjustment removes the \$2.3m provision for the fraud event

- Revenue growth reduced due to lower GoGetta acquisitions and slightly softer hospitality acquisitions in Queensland and New South Wales
- Expenses from ordinary activities up due to additional provisioning for bad debts
- Net profit result impacted significantly by additional provisioning for bad debt and impairments

FINANCIAL POSITION

\$ millions	FY17*	1H18	Change
ASSETS			
Cash	7.3	13.7	87.7%
Trade receivables and other	37.8	26.6	(29.6%)
Lease receivables	97.9	110.3	12.7%
Other current assets	3.1	3.9	25.8%
Rental assets at WDV	374.5	372.7	(0.5%)
Other non current assets	19.6	28.9	47.4%
Total assets	540.2	556.1	2.9%
LIABILITIES			
Trade and other payables	56.7	46.8	(17.5%)
Employee benefits	2.6	3.0	15.4%
Loans and borrowings	315.1	362.7	15.1%
Financial liabilities	0.7	0.4	(42.9%)
Total liabilities	375.1	412.9	10.1%
Net assets	165.1	143.2	(13.3%)

*Prior year comparatives restated to reflect changes in impairment allocation on lease receivables balances

- Trade receivables balance affected by additional provisioning
- Good growth in lease receivable book year on year
- Flat rental asset base as a result of lower hospitality and GoGetta volumes in 1H18
- Growth in non-current assets entirely attributable to growth in deferred tax asset (depreciated asset base differential – book to tax)

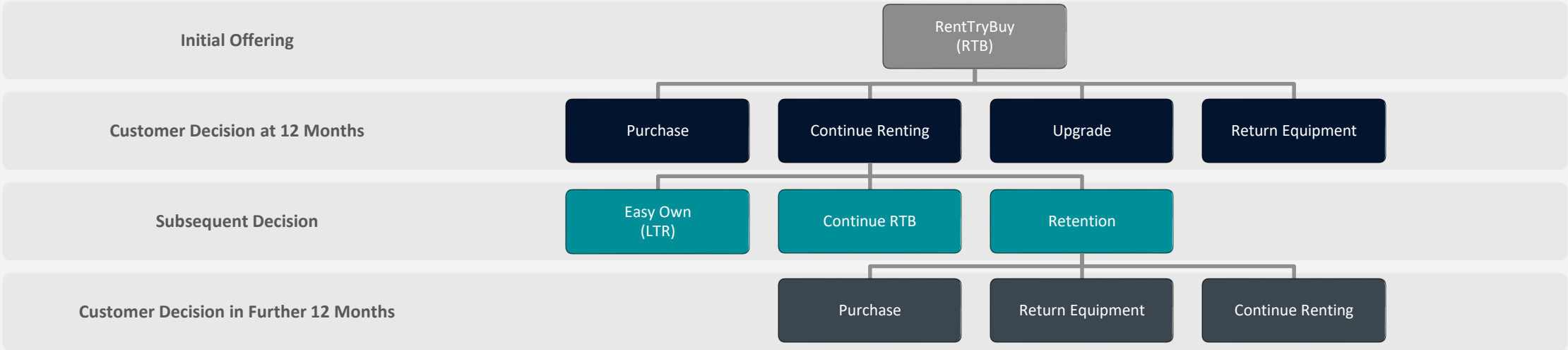
CASH FLOW

\$ millions	1H17*	1H18	Change
Net cash from operating activities	72.8	75.1	2.3
Payments for plant and equipment	(175.0)	(146.3)	28.7
Proceeds from sale of plant and equipment	38.4	39.2	0.8
Net proceeds from borrowing	67.4	47.3	(20.1)
Net proceeds from issue of shares	7.5	0.0	(7.5)
Dividend paid	(7.5)	(8.4)	(0.9)
Other	(0.8)	(0.5)	0.3
Increase/decrease in cash in period	2.8	6.4	3.6
Cash at end of 31 December	8.5	13.7	5.2

*Prior year comparatives restated to reflect changes in current period classification of origination costs of \$10.9 million

- Growth in operating cash flow in line with revenue and EBITDA growth
- Lower acquisition volumes driving lower payments for plant and equipment and lower debt requirements

PRODUCTS AND KEY FEATURES



	RTB	Retention	LTR	LTR	Advantage
Length of Contract	12 Months	12 Months	24 Months	36 Months	48 Months
Operating/Finance Lease	Operating	Operating	Finance	Finance	Finance
Typical Rental Rate	5.5% per month	10% Discount off RTB rate	15% Discount off RTB rate	30% Discount off RTB rate	3.5% per month
Other Features	n/a	n/a	n/a	n/a	6 Months Rent Free; Franchise Only

COMPANY DIRECTORY

COMPANY SECRETARY

Don Mackenzie

SHARE REGISTER

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Phone: 1300 737 760
Fax: 1300 653 459
Website: boardroomlimited.com.au

SECURITIES EXCHANGE

The Company is listed on the Australian Securities Exchange (SIV.AX).

OTHER INFORMATION

Silver Chef Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.