

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

My Food Bag Group Limited

Pro Forma Consolidated Statement of Financial Position

As at 30 September 2020

Reporting entity and basis of preparation

The table below sets out the adjustments that have been made to the consolidated statement of financial position of My Food Bag Group Limited ('the Company') as at 30 September 2020, in order to prepare the unaudited pro forma consolidated statement of financial position ('Pro Forma Consolidated Statement of Financial Position') for the Company. These adjustments reflect the events and assumptions discussed in the notes to the table, including the impact of the capital structure that will be in place following completion of the offer of ordinary shares in the Company (the 'Offer').

The Pro Forma Consolidated Statement of Financial Position has been prepared using the same accounting policies as the Company's audit-reviewed half-year financial statements for the period ended 30 September 2020 which is available on the Offer Register filed in connection with the Offer at <https://disclose-register.companiesoffice.govt.nz/> (OFR13033)

The adjustments are consistent with the assumptions adopted in the Prospective Financial Information prepared in connection with the Offer. The Pro Forma Consolidated Statement of Financial Position has been prepared solely for the purpose of satisfying the requirements imposed under the listing rules of the Australian Securities Exchange ('ASX') in connection with the admission of My Food Bag Group Limited to the official list of ASX as a Foreign Exempt Listing.

My Food Bag Group Limited

Statutory Historical Consolidated Statement of Financial Position and Pro Forma Consolidated Statement of Financial Position As at 30 September 2020

NZ\$m	FY21H1 Historical statutory consolidated statement of financial position (audit reviewed)	Pro forma adjustments					Unaudited Pro Forma Consolidated Statement of Financial Position
		Repayment of shareholder loans 2	Vesting of Employee Share Options 3	Capital Issued 4	Transaction Costs 5	Repayment of debt 6	
	1						
Assets							
Current							
Cash and cash equivalents	4.4		1.5	54.8	(16.4)	(44.4)	-
Trade and other receivables	1.0						1.0
Raw materials work in progress	1.1						1.1
Packaging	0.3						0.3
Prepayments	0.7						0.7
Other current assets	0.1						0.1
Current finance lease receivable	-						-
Total current assets	7.6	-	1.5	54.8	(16.4)	(44.4)	3.2
Non-current							
Property, plant and equipment	3.2						3.2
Intangible assets	85.8						85.8
Finance lease receivable	0.3						0.3
Right-of-use assets	12.1						12.1
Total non-current assets	101.4	-	-	-	-	-	101.4
Total assets	109.0	-	1.5	54.8	(16.4)	(44.4)	104.6
Liabilities							
Current							
Trade and other payables	(11.9)						(11.9)
Deferred revenue	(3.4)						(3.4)
Finance lease liabilities	-						-
Current lease liabilities	(2.4)						(2.4)
Derivative financial liabilities	(0.4)						(0.4)
Other current liabilities	(1.1)						(1.1)
Current bank loan	0.1					(0.0)	0.1
Current tax liability	(2.5)		3.6				1.1
Total current liabilities	(21.7)	-	3.6	-	-	(0.0)	(18.0)
Non-current							
Trade and other payables	-						-
Finance lease liabilities	-						-
Lease liabilities	(11.1)						(11.1)
Provisions	(0.3)						(0.3)
Bank loan	(18.1)	(45.0)				44.4	(18.6)
Deferred tax liability	(4.4)		(0.1)				(4.5)
Total non-current liabilities	(33.8)	(45.0)	(0.1)	-	-	44.4	(34.5)
Total liabilities	(55.5)	(45.0)	3.5	-	-	44.4	(52.5)
Net assets	53.6	(45.0)	5.0	54.8	(16.4)	(0.0)	52.1
Equity							
Share capital	1.0		5.7	54.8	(2.0)		59.5
Retained earnings	7.1		(0.2)		(14.3)		(7.4)
Other shareholder contributions	45.0	(45.0)					-
Share based payment reserve	0.5		(0.5)				0.0
Total equity	53.6	(45.0)	5.0	54.8	(16.4)	-	52.1

My Food Bag Group Limited

Statutory Historical Consolidated Statement of Financial Position and Pro Forma Consolidated Statement of Financial Position As at 30 September 2020

Notes supporting the Pro Forma Consolidated Statement of Financial Position

1. The historical statutory consolidated statement of financial position represents the audit reviewed statement of financial position for My Food Bag Group Limited as at 30 September 2020;
2. **Repayment of shareholder loans** – prior to the offer, \$45.0m was drawn on long-term debt facilities to repay long-term shareholder loans of \$45.0m;
3. **Vesting of employee share options** – prior to the Offer, the employee share options issued to current and former senior members of it's management team will be converted to share capital;
4. **Capital issued** – a total of \$54.8m of new equity is to be issued through the Offer;
5. **Transaction costs** – As a consequence of the Offer, total cash transaction costs of \$16.7m are payable, and to be recognised in FY21F, note \$0.3m were recognised in H1FY21. Of these costs, \$14.6m will be recognised in the statement of comprehensive income and is assumed not deductible for tax purposes. The remaining \$2.0m is expected to be capitalised against equity as these relate to the issue and listing of new capital;
6. **Repayment of debt** – At the IPO date, a net \$44.4 m of debt will be repaid from the proceeds of the Offer and operating cashflows within the business.