

## Disclosure of beginning to have substantial holding

*Section 276, Financial Markets Conduct Act 2013*

**To** NZX Limited  
and  
**To** My Food Bag Group Limited (*MFB*)

Date this disclosure made: 5 March 2021

Date on which substantial holding began: 5 March 2021

### **Substantial product holder(s) giving disclosure**

Full name(s): Waterman Fund 3 LP (*Waterman LP*) and Waterman Capital (Fund 3) Limited (*Waterman*)

### **Summary of substantial holding**

Class of quoted voting products: Ordinary shares in MFB (NZX Code: MFB)

Summary for Waterman LP and Waterman

For this disclosure,—

- (a) total number held in class: 38,165,965
- (b) total in class: 242,437,524
- (c) total percentage held in class: 15.743%

### **Details of relevant interests**

Details for Waterman LP

Nature of relevant interest(s): Registered holder and beneficial owner

Waterman LP is subject to a restricted security agreement dated 10 February 2021 (the *Restricted Security Agreement*) (6 pages, **attached**) with MFB in respect of all shares held by it prior to the initial public offering of shares in MFB (the *Offer*) which it continues to hold upon completion of the Offer (the *Escrowed Shares*).

Waterman LP has agreed not to sell or otherwise dispose of or do or omit to do anything which could have the effect of transferring effective ownership or control of any Escrowed Shares until the first business day after the MFB's results announcement has been released to the market in respect of its financial results for the year ended 31 March 2022 except in accordance with limited exceptions set out in the agreement.

For that relevant interest,—

- (a) number held in class: 38,165,965
- (b) percentage held in class: 15.743%
- (c) current registered holder(s): Waterman LP

(d) registered holder(s) once transfers are registered: Not applicable

**Details of transactions and events giving rise to substantial holding**

Details of the transactions or other events requiring disclosure: Ordinary shares in MFB listed on the NZX Main Board on 5 March 2021

**Details of relevant interests**

Details for Waterman

Nature of relevant interest(s): Power to control the acquisition and disposition of, and the exercise of the right to vote attached to, the Shares held by Waterman LP as manager of that fund under an investment management contract, which need not be attached. Accordingly, Waterman has a relevant interest in the shares held by Waterman LP and its relevant interest is also qualified by the terms of the Restricted Security Agreement (attached).

For that relevant interest,—

- (a) number held in class: 38,165,965
- (b) percentage held in class: 15.743%
- (c) current registered holder(s): Waterman LP
- (d) registered holder(s) once transfers are registered: Not applicable

**Details of transactions and events giving rise to substantial holding**

Details of the transactions or other events requiring disclosure: Ordinary shares in MFB listed on the NZX Main Board on 5 March 2021.

**Additional information**

Address(es) of substantial product holder(s): Level 34/48 Shortland Street, Auckland Central, Auckland, 1010

Contact details: Chris Marshall, +64 9 551 8171, Chris.Marshall@waterman.co.nz

Nature of connection between substantial product holders: Waterman has the power to control the acquisition and disposition of, and the exercise of the right to vote attached to, the Shares held by Waterman LP as manager of that fund under an investment management contract

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: My Food Bag Group Limited

**Certification**

I, Chris Marshall, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

# Restricted Security Agreement

My Food Bag Group Limited (the Issuer)

Waterman Fund 3 LP (the Shareholder)



## RESTRICTED SECURITY AGREEMENT

Date: 10 February 2021

### PARTIES

**My Food Bag Group Limited** a duly incorporated company (*the Issuer*)

**Waterman Fund 3 LP** (*the Shareholder*)

### BACKGROUND

- A The Shareholder is the registered holder of the Shares.
- B The Issuer has applied to NZX to list and to have its ordinary shares quoted on the NZX Main Board.

**THE PARTIES AGREE** as follows:

#### 1 DEFINITIONS AND CONSTRUCTION

##### 1.1 Defined terms

In this agreement, unless the context requires otherwise:

*Affiliate* means in relation to any person, a person that directly or indirectly, through one or more intermediaries, owns and controls or is owned and controlled by or is under common ownership and control with the person and, in relation to a family trust means any beneficiary (ascertained or discretionary) of that trust;

*Business Day* means a day on which the NZX Main Board is open for trading;

*Date of Quotation* means the first day on which the ordinary shares in the Issuer are quoted on the NZX Main Board;

*Non-Interested Directors* means, in relation to any decision, directors of the Issuer who are not "interested" for the purposes of the Companies Act 1993;

*NZX* means NZX Limited and includes its successors and assigns and as the context permits includes any duly authorised delegate of NZX;

*NZX Main Board* means the main board financial product market operated by NZX Limited;

*Restricted Period* means the period from the Date of Quotation and ending on the first Business Day after release to NZX of the Issuer's "Results Announcement" (as defined in the NZX Listing Rules) for the financial year ended 31 March 2022;

*Shares* means all ordinary shares in the Issuer registered in the name of the Shareholder, as at the Date of Quotation.



## 2 ESCROW

2.1 The Shareholder unconditionally and irrevocably undertakes to the Non-Interested Directors, the Issuer and NZX that (subject to clause 3) it will not:

- (a) sell, transfer, assign or otherwise dispose of, or offer or agree to sell, transfer assign or otherwise dispose of, their right and title to, and beneficial interest in, the Shares in the Restricted Period, otherwise than by way of granting a security interest in favour of any bona fide lender to the Shareholder; or
- (b) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Shares in the Restricted Period otherwise than pursuant to enforcement of any loan and/or security interest granted to a bona fide lender to the Shareholder,

without the prior written approval of each of the Non-Interested Directors, the Issuer and NZX (at their respective discretions but subject to clause 3), and after giving written notice of no less than 5 Business Days.

2.2 The right of the Shareholder to deal with the Shares is also subject to any other restrictions which may be applicable, including under the NZX Listing Rules and the Financial Markets Conduct Act 2013.

## 3 EXCEPTIONS

3.1 Notwithstanding the restrictions set out in clause 2.1 of this agreement:

- (a) the Shareholder may transfer all or part of the Shares to an Affiliate, provided that the Affiliate enters into a Restricted Security Agreement with the Issuer in relation to the Shares transferred on the same terms as this agreement for the remainder of the Restricted Period;
- (b) the Shareholder may transfer legal title to any of the Shares directly to the beneficial owner of those Shares, provided that such beneficial owner must enter into (or is already a party to) a Restricted Security Agreement with the Issuer in relation to the Shares transferred on the same terms as this agreement for the remainder of the Restricted Period; and
- (c) if the Shareholder has entered into this agreement in its capacity as a trustee of a trust it may transfer all of its Shares to any new or replacement trustee of the relevant trust, provided that the new or replacement trustee enters into a Restricted Security Agreement with the Issuer in relation to the Shares transferred on the same terms as this agreement for the remainder of the Restricted Period.

3.2 Clause 2.1 of this agreement will not apply in relation to any full or partial takeover offer made under the Takeovers Code or similar scheme of arrangement, provided that any such takeover offer or similar scheme of arrangement is not made, whether directly or indirectly, by the Shareholder or any Affiliate of it. For clarity, if a full or partial takeover offer is made or proposed to be made during the Restricted Period, directly or indirectly by a person who is not the Shareholder or an Affiliate of it then the Shareholder may sell, or agree, or offer to sell all or any part of the Shares to the offeror under that offer.



#### 4 **SPECIFIC PERFORMANCE**

The Shareholder acknowledges that damages alone would be an inadequate remedy for breach of its obligations under this agreement and the appropriate remedies for such a breach will include orders for specific performance, injunctive relief, any other equitable relief and/or damages.

#### 5 **CONTRACT AND COMMERCIAL LAW ACT 2017**

The provisions of this agreement are for the benefit of, and are intended to be enforceable by, any of the Non-Interested Directors, the other shareholders of the Issuer and NZX under the Contract and Commercial Law Act 2017.

#### 6 **SEVERABILITY**

If a Court or administrative body decides that part of this agreement is illegal, void or cannot be enforced, that decision will not make the rest of this agreement invalid.

#### 7 **DE-LISTING**

This agreement will be void and of no effect if the Issuer is not listed, and its ordinary shares are not quoted, on the NZX Main Board before 30 April 2021 or if the Issuer is de-listed by NZX.

#### 8 **AMENDMENT**

- 8.1 Any variation to this agreement requires the written agreement of all parties to this agreement and the Issuer shall not agree to any amendment without prior written approval of NZX.
- 8.2 The Issuer will provide NZX with notice immediately in the event that it becomes aware of a breach or a likely breach of the agreement.

#### 9 **GOVERNING LAW**

This agreement is governed by, and construed in accordance with, New Zealand law and the parties agree to submit to the jurisdiction of the New Zealand courts.

#### 10 **NOTICES**

- 10.1 Each notice or other communication under this agreement is to be in writing, is to be made by email (except to the extent that the notice is required by law to be given by another means, in which case it must also be provided by email) to the addressee at the address, and is to be marked for the attention of the person or office holder (if any), from time to time designated for the purpose by the addressee to the other party. The initial email address and relevant person or office holder of each party is set out below:

**The Issuer:**

Email: [tony@lil.co.nz](mailto:tony@lil.co.nz)

Attention: Chair of the board of the Issuer



**The Shareholder:**

Email: Chris.Marshall@waterman.co.nz  
Attention: Chris Marshall

10.2 No communication is to be effective until received. A notice or other communication will be deemed to have been received:

- (a) in the case of hand delivery, at the time of actual delivery to the recipient's address;
- (b) in the case of delivery by pre-paid post, on the 2nd Business Day after posting; or
- (c) in the case of delivery by email, on the date and time at which it enters the addressee's email information system (as shown in the delivery report from the sender's information system).

10.3 However, if a notice or other communication is received or deemed to have been received after 5pm on a Business Day in the place to which it is sent, or on a day which is not a Business Day in that place, it will be deemed not to have been received until the next Business Day in that place.

**11 COUNTERPART EXECUTION**

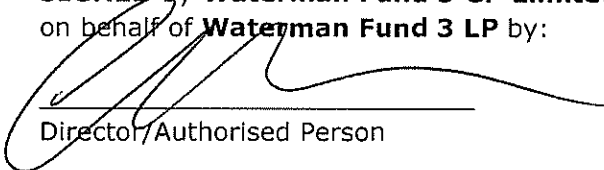
The parties may execute a counterpart copy of this agreement by executing a PDF email copy of this agreement. The transmission by PDF email by each party of a signed counterpart copy of this agreement to the other parties shall be deemed proof of signature of the original and the signed PDF email copy so transmitted shall be deemed an original for the purposes of this agreement.

**SIGNED** for and on behalf of **My Food Bag Group Limited** by:

Director/Authorised Person



**SIGNED** by **Waterman Fund 3 GP Limited**  
on behalf of **Waterman Fund 3 LP** by:

  
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Director/Authorised Person