

ASX Announcement

Maggie Beer Holdings Limited
(ASX:MBH)



12 October 2023

HGA Update

Maggie Beer Holdings Ltd (the **Company**) wishes to provide an update to the market concerning its acquisition of the Hampers & Gifts Australia (**HGA**) business. As previously advised, that transaction involved the potential payment of contingent consideration to the HGA vendors, and a provision was initially raised by MBH for this earnout with a fair value of \$14 million. The earnout provision was subsequently reversed as a result of the earnout hurdle not being met, as stated in MBH's FY23 Results announcement on 28 August 2023.

In accordance with the process set out in the share purchase deed between MBH and the HGA vendors, MBH has received notice that the vendors do not agree with MBH's determination of the earnout. MBH will comply with the requirements in the share purchase deed to engage in good faith negotiations with the vendors and use all reasonable endeavours to agree the matters being contested. If the parties are unable to reach agreement, the unresolved contested matters must be referred to an expert for binding resolution in accordance with the share purchase deed.

The Board currently maintains its previously stated position that there is no obligation to pay an earnout to the HGA vendors due to the earnout hurdle not having been met.

-Ends

Authorised for release by the Board. For enquiries please contact:

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