

28 November 2019

# Moa Group announces half year results.

## Beverage and Hospitality report strong revenues; Focus on preparing for summer trading.

Moa Group Limited (NZX: MOA) ("Moa", "the Group"), New Zealand's own brewing and hospitality company, today reports its results for the half year period ended 30 September 2019.

The Group reported total revenue of \$18 million for the period compared to \$6 million in the prior year, the significant increase reflecting the addition of the Hospitality business during the period. The combined Group underlying EBITDA totalled \$333,000 compared to a loss of \$1.2 million in the prior period. With the one-off acquisition and restructuring costs incurred during the period, net earnings after tax were a loss of \$1.6 million compared to a loss of \$1.4 million in the prior period.

The Group embarked on a vertical integration strategy of April this year with the addition of the Hospitality business to pour the Group's own beverages to create stronger margins.

Moa Beverages continued to build strong momentum heading into the key summer trading period. The sales venture agreement with Constellation Brands provides a wide reach to a range of customers that has seen revenue build. Moa continues to focus on introducing new products to the market to appeal to a range of consumers, culminating in an iconic New Zealand partnership with the launch of Vogel's beer in 440ml cans in October 2019. In addition, Moa Genuine Lager launched in November 2019, a lower calorie lager with 100% New Zealand ingredients. More products are now in cans, which provide greater versatility while retaining a great Moa experience. This has proven popular with many Moa Hunters and will lead to an expansion of canned product moving forward. Moa's market share continued to climb to 10.2% (AC Nielsen Total Supermarkets MAT 29/09/19), despite price increases put in place. This increase of 1.2% added over \$2 million of retail sales over the same period.

Moa Hospitality (trading as Savor Group) comprises ten venues with the acquisition of Non Solo Pizza (NSP) in Auckland's Parnell settling after the close of trading on balance date. The more recent venues (such as Tommy's Champagne Bar and the Auckland Fish Market) continue to go from strength to strength as they become established in the Auckland market. The Hospitality business remains firmly focused on innovating and bringing new ventures to market. Progress continues on the new Lobster & Tap venue at the Auckland Fish Market with opening expected in early December.

Executive Chair Geoff Ross said "the half year result supports the new strategic direction of the Group and the Board are very pleased to see the success of the Hospitality acquisitions in such a short space of time. We have been through significant change both operationally and strategically across the business during the period, and it is great to see results from that starting to come to fruition."

The Beverages and Hospitality businesses are both seasonal in nature, with the second half of the year traditionally the stronger period. The Group is well positioned to maximise this through the Christmas period and summer trading months.

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## About Moa Group Limited

Moa Group Limited (NZX: MOA) is a brewing and hospitality company owned by and based in New Zealand. The Group is made of two segments: Moa Beverages, which brews and distributes Moa branded craft beers and ciders, and Moa Hospitality, which owns and operates restaurants and bars across New Zealand following the acquisition of the Savor Group and Non Solo Pizza businesses in April and September 2019 respectively.

