

NZX Release

Moa Group Rights Issue Oversubscribed

Raises \$5.8 million

12 May 2020

Moa Group Limited (NZX: MOA) ("Moa" or "the Group"), is pleased to announce that its renounceable rights issue was strongly supported by shareholders, closing oversubscribed. The rights issue raised a total of \$5.8 million through the issue of 41,215,594 new ordinary fully paid shares and was not scaled.

Moa received acceptances of approximately \$600,000 in excess of the targeted \$5.2 million, and the Board has resolved to place those acceptances to accommodate the additional demand.

The success of the rights issue to raise \$5.8 million, combined with the \$2.5 million placed to a new shareholder in April 2020, brings the total capital raised by Moa in recent months to \$8.3 million.

Adjusted for the \$2.2 million of shares issued to the Savor Group vendors, the Group has received \$6.1 million in cash, being the net capital raised before issue costs. This new capital should ensure that Moa's balance sheet provides flexibility as the hospitality industry continues to manage the negative impact of COVID-19 over the coming months as the economic conditions are uncertain and depressed.

Demand for Moa's newly launched home delivery and food and beverage pick up service, *Savor Goods*, has been positive as the Government restrictions were downgraded to Alert Level 3. The Group is adapting its hospitality offerings in line with the Government's updated guidance on operations, and expects to resume trading on a per venue basis as Alert Level 2 allows. However, the Group does not expect that its venues will be able to achieve usual margins and profitability whilst trading in an Alert Level 2 environment and therefore, despite a modest increase in revenue, the Group will continue to focus on cost reduction activities.

Moa Group Executive Chair, Geoff Ross, said "The Board and Executive team are very pleased with the level of shareholder support for the rights issue. Raising in excess of \$8 million of new capital in the current environment demonstrates confidence of shareholders in the Group's long term growth potential and strategy to build shareholder value. Despite our strengthened financial position, we recognise significant uncertainty still exists around the length and magnitude of the COVID-19 impact and we are continuing to reduce costs to preserve capital in this very challenging period."

Moa expects that the new shares will be allotted, and statements sent out to shareholders on or about Thursday 14 May.

For more information contact
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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.