

20 April 2020

## **MOA GROUP MARKET UPDATE AHEAD OF RIGHTS ISSUE**

Moa Group Limited (NZX: MOA) today gives a market update ahead of its upcoming rights issue.

### **COVID-19**

As announced on 7 April 2020, Moa closed all restaurants in its Hospitality business as mandated by the Alert Level 4 response to COVID-19. Following the Government's announcement that restaurants and bars will not be permitted to open for 'customer facing' business at Alert Level 3, Moa reiterates that it is unknown at this stage when trading will resume for the Hospitality business. However, the Group is exploring an online offering for takeaway food and beverages from a small number of its existing venues. This will help bridge the gap to full business resuming, but is unlikely to drive strong revenues.

The Brewing business is an essential service under Alert Level 4 and continues to trade well as grocery sales have continued during the lockdown period, with the breweries operating under strict MPI guidelines.

### **FINANCIAL POSITION AND OUTLOOK**

Recently the Group secured bank support, received funds from a new investor, announced a corresponding rights issue (see below) and also negotiated a variation to the terms of the additional consideration owed to the Savor Group vendors. These steps ensure the Group is in sound financial position for the foreseeable future, assuming that regular trading is able to recommence this calendar year.

Due to the continued uncertainty in the market, the Group is unable to give an outlook for the 2021 financial year.

### **RIGHTS ISSUE**

Moa intends to launch a 1 for 3 rights issue on 22 April to raise up to \$5.2 million of new equity. Up to \$3m of the raise will be settled in net cash, and \$2.2m of equity will be raised to settle the scrip component of the additional consideration owed to the Savor Group vendors.

### **CFO RESIGNATION**

Moa Group CFO, Deborah Grace, has resigned to take up a position in a large New Zealand wine company. Deb will remain with the Group through to the end of May to assist with financial year end preparations. Moa Group Financial Controller, Tim Peat, will take the role of running the financial operations for the Group and will report to the Board. This will be reviewed later in the year once more certainty can be seen around normal trading resuming. The Board thanks Deb for her contribution and wishes her all the best, and also thanks Tim for taking on an expanded role during these times.

Geoff Ross  
Executive Chair

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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, trading as Savor Group Limited, 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.