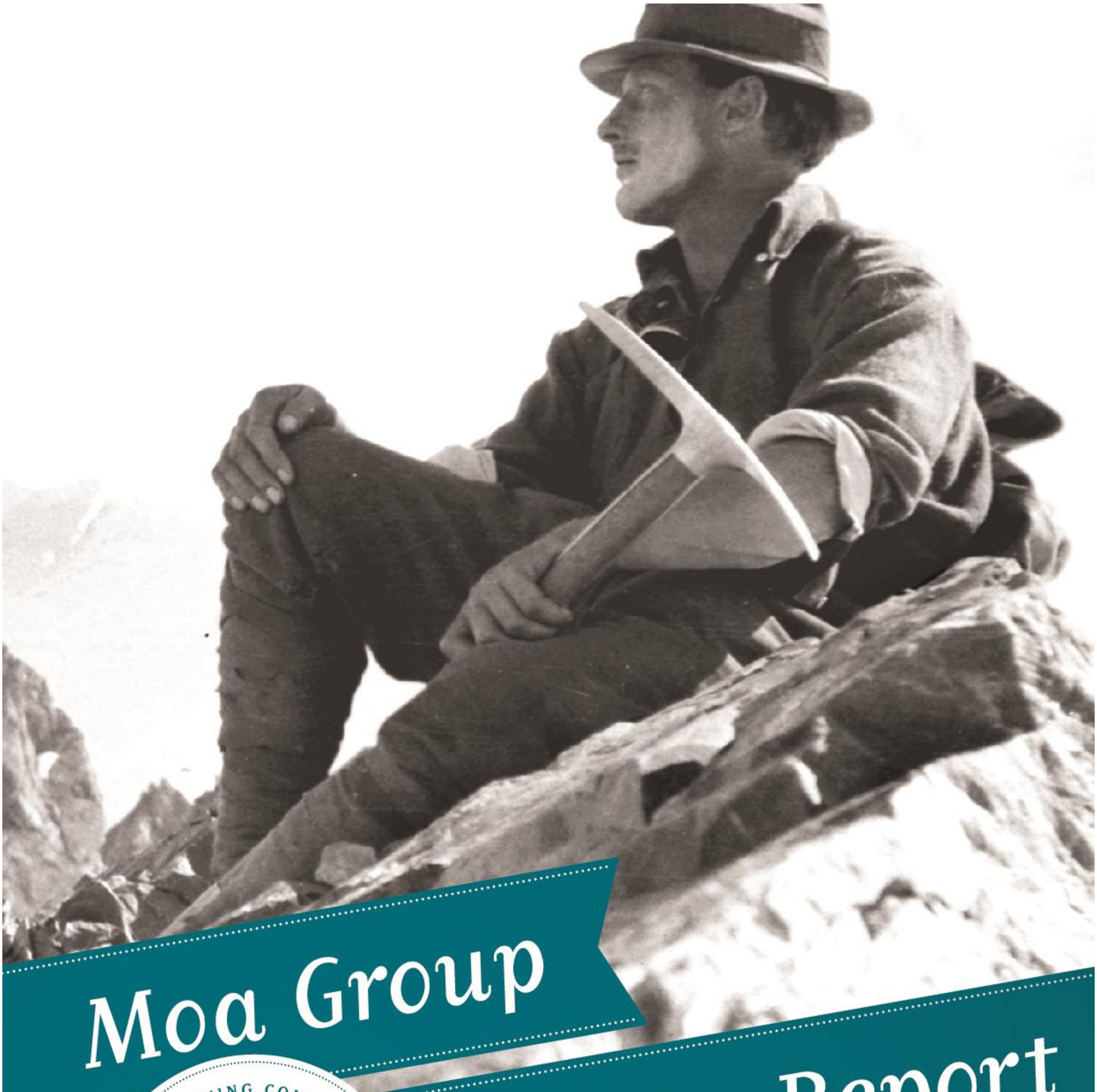


Moa Group Interim Report

MOA BREWING COMPANY
WWW.MOABEER.COM
MOA
super premium
MARLBOROUGH, NEW ZEALAND

For the 6 months ended September 2014

Dear Shareholder and Moa Hunter

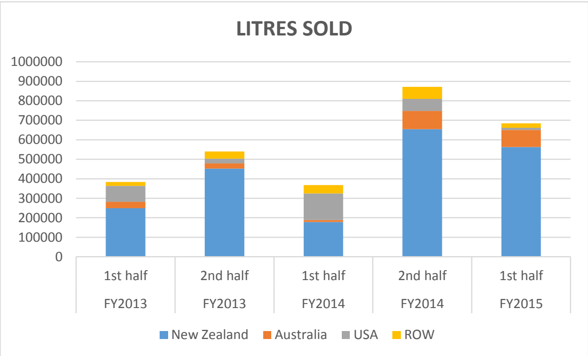
Welcome to this half-year report for the six month period to 30 September 2014.

We are proud to have you on this journey with us and pleased to outline performance for the period.

First, to restate the fundamentals of Moa and what we believe are the key objectives we should be measuring against. We are an early stage company, operating within an exciting high growth category and we are determined to be a leader in this part of the world. Therefore our performance should be referenced to sales volume, market share and top line revenue growth. These key measures will indicate the momentum achieved in generating a business that is on route to becoming New Zealand's leading craft beer brand. With this of course are also the financial imperatives of ensuring the right capital structure, the building of a strong gross profit margin and a strategy that will build not only towards being a market leader, but also towards sustainable profitability. In the following summary we will cover each of these key areas.

Sales

At this stage, we believe the most critical measure is sales performance. In the six month period just completed, we achieved sales of 684,000 litres (the equivalent of 2,072,000 bottles). This compares to 360,000 litres in the same period last year; an increase of 90%. This took place in what is the slower winter period in the key markets of New Zealand and Australia, so we expect sales to be much greater again in the coming six month period.



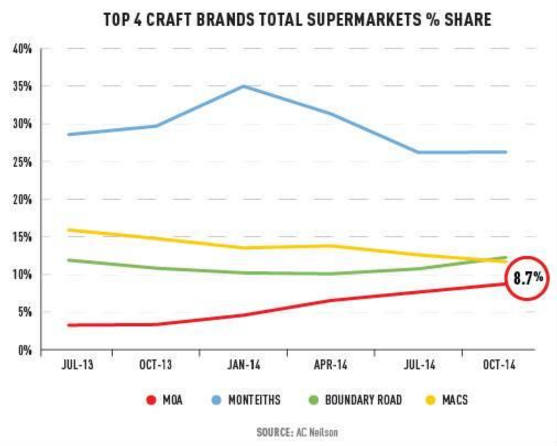
Within total sales, we have put a real focus on the New Zealand market. New Zealand itself moved from 178,000 litres to 562,000 litres, more than triple the volume of last year. We are focusing on our own back yard first, building a solid base, then moving on to building larger export markets. Our current market priority in order is New Zealand, Australia and then the US; which we will pick up on later in this report.

Market share

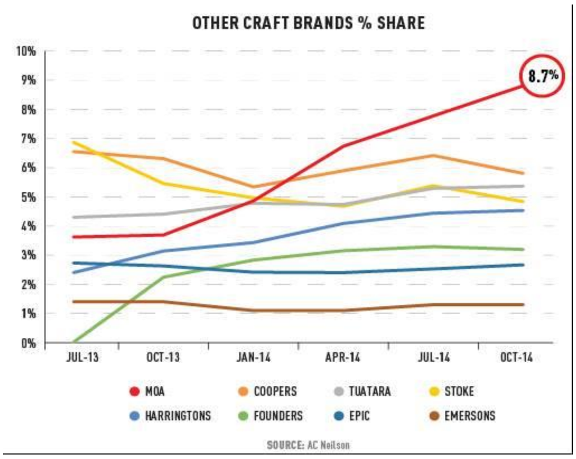
Whilst still comparatively small the craft beer category is in high growth. As is typically the case in the development of new categories, a small number of players go on to become key participants and market leaders. The opportunity is there to make sure Moa is resourced well enough both in capital and people to be in that lead bunch. We believe our current structure in both financial and people capital has us well positioned to do so. Depending on definition (and there are many), craft beer in New Zealand is only 4-5% of total beer consumption. What is known as premium beer is approximately 20% of the total and mainstream brands are 75%. Yet it is craft beer that is in high growth whilst the other categories are either static or in decline. Within the widest definition of what constitutes craft beer, which includes foreign owned brewers, Lion, DB and Independent Liquor, we are reporting the highest growth and as the graphs on the next page show we are making strong gains.

Market shares have been taken from grocery market scan data only, so although not including on-premise sales and some liquor store sales, it does give a reliable picture. Moa's market share has increased from 7.2% in July to 8.7% in the October quarter. If we look at this on an annual basis, then market share has more than doubled since we took back distribution responsibility in October last year. So an excellent result reflective of the efforts of the team.

The graph on the following page shows Moa alongside Monteiths, owned by Heineken (DB), Macs, owned by Kirin (Lion) and Boundary Road owned by Asahi (Independent Liquor). Moa is the largest New Zealand owned beer brand and consistently fastest growing.

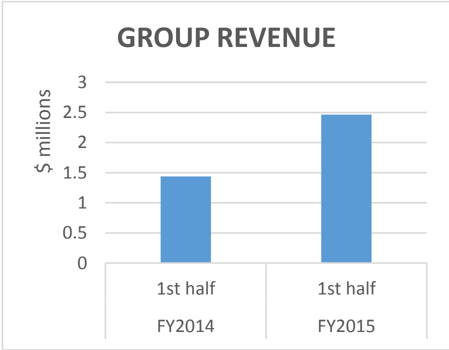


Moa is not the only local brewer in this category. There are some other fine local brands from great brewers such as Tuatara, Epic, Stoke and Harringtons which we view as key players and running mates in building the category, as opposed to competitors. The graph below, rounding out the Top 10, shows our performance against these and other brands such as Emerson's (owned by Kirin), Founders (owned by Asahi) and Coopers (Australian owned).



Revenue

Translating volume to dollars, Moa for this period grew from $1.44 million to $2.46 million, a 71% increase. This illustrates the impact of the focus on New Zealand sales which sell at a lower per case price than export sales. As mentioned above, this is a deliberate strategy to get the home market up and running profitably, before spreading ourselves too much further afield. Remember, due to seasonality this is for the lower of the two half year periods i.e. the split between winter and summer is significant.



These key measures, we believe give confidence that within these early stages we have the right strategy. We cannot gloss over the transitions in distribution model, required last year, which certainly had a negative impact on us all. However from the above results, we hope that you can see we are well beyond those moves now, and we have our teeth sunk into a growth strategy we are confident with.

With this and in looking forward, we would also like to report on capital structure, gross margin and performance and the strategy to profitability.

Capital structure

At the Annual Shareholders Meeting in July we announced our intention to undertake a capital raising. A placement was completed for $500,000 to new shareholders, followed by a 1 for 2 renounceable rights issue raising a further $5,250,000. This issue was oversubscribed, indicating shareholder confidence in our actions and strategies, and gives us the necessary funding to continue to grow the company.

Gross margin and performance

At Moa, more volume will bring us substantial cost efficiencies in many areas of the business and with this comes improved margin performance and profitability. After significant upheaval in the previous financial year, dominated by changes to the New Zealand and Australian distribution models, a number of exciting initiatives have been successfully undertaken which provide the company with the platform for continued growth. Although the bottom line loss of $3.2 million mirrors the comparable period last year, the company is in quite different shape to what it was then. This result includes $438,000 of one-off costs incurred in order to clear the decks in addition to a lot of personnel time involved in projects that will improve the performance of the business.

For the next period we expect to see significant improvements in gross profit margin as we bank the gains from changes in our operational processes. These will continue to flow through as we roll into the next financial year, particularly as a result of the recent changes in packaging formats and bottle supply that will achieve reduced COGs (Cost of Goods) and the scale effects in new logistics and freight rates.

Strategy to profitability

Continued increases in sales volumes, improving gross profit margins and containing costs, will not only build Moa market share, but also give us confidence that we are en-route to a point where the business will be profitable. We expect to see considerable improvements over the coming months and believe the business has adequate capital for its future growth requirements. With the benefit of the capital raising we had $6.78 million in the bank at the end of the period (and of course no external bank debt).

Market mix

As mentioned above the priority markets for us right now are New Zealand and Australia. This is where we have to focus our resources, whilst cultivating beach heads in the US and other offshore markets for expansion in the future. As the above data shows, we are barely scratching the surface in the New Zealand beer market and therefore believe there is substantial opportunity in our home market yet to be capitalised on. We now have the right sales and distribution model and are building the relationships and brand following to allow our New Zealand growth to continue at a similar pace. Australia is at a similar stage in craft beer development to New Zealand. We have chosen the same sales and distribution model we have in New Zealand, for Australia, putting a small number of our own people in place. Whilst achieving modest volumes to date, we have seen promising growth of late. We are also now in two major national retailers - Dan Murphy's and BWS. These are two of the best liquor retailers in Australia and give us a national presence.

The US, as flagged in prior announcements, has plenty of promise for Moa. The product is liked but the challenge up until now has been achieving an acceptable margin and volume to justify the level of expense incurred. For this reason we aim to keep a presence there, albeit without our own direct team, but building more organically, without a great deal of resource. Once we have a solid position built in New Zealand and Australia we can then deploy more effort into the US. We expect small volumes from the US this year, as we follow this strategy. We also export to such countries as Singapore, China, Ireland and Brazil. We service these countries from New Zealand and in these markets the sales and distribution is undertaken by the importers themselves.

Production and brewing

Around this time last year, we started brewing our Original lager at McCashin's brewery in nearby Nelson. We are now brewing our Session pale ale there and also the new Moa cider. The contract brewing arrangement is a long term contract and gives us both certainty and the benefits derived from greater volumes. At the Moa brewery in Blenheim we continue to brew our reserve and special reserve beers. In a sense the Moa brewery has become our 'Innovation lab' creating and trialling new exciting brews for those true beer aficionados. During this time we have also been in mediation with the neighbours and local winery Cloudy Bay who objected to our proposed increase in brewery size (despite it being considerably smaller than just one of their wine rooms!). Anyway we are getting closer to a point where we hope to have agreement. In the interim our business has not been compromised.

Directors

We wish to acknowledge the significant contribution made by Kim Ellis who has been with us since the IPO. As Kim moves on to new opportunities we welcome Ashley Waugh to the Board. Ashley's experience in FMCG and the Australian market in particular is an excellent complement to the Board's skill set.

Awards

Beer quality is a hugely important part of our business. A way of gauging beer quality is by entering competitions alongside our peers. Moa this year at the New Zealand Beer awards received 12 medals across the range; a great haul. Make sure you do sample all the beers available, including our recent addition, Southern Alps White IPA and of course Moa cider.

We are pleased to be able to present a business that now has solid momentum and the right business models in place. We have the right capital, the right product, the right people and are in a category which is in growth. It is now up to us to keep this growth going. We look forward to presenting our next report. Have an enjoyable summer period.

Best wishes from all the team at Moa.

Geoff Ross - CEO
Grant Baker - Chairman

Moa Group Limited
Interim Report
for the six months ended
30 September 2014

The Board of Directors have pleasure in presenting the unaudited financial statements for Moa Group Limited ("the Group") for the six months ended 30 September 2014.

The Board of Directors of the Group authorised these statements presented on pages 4 to 14 for issue on 19 November 2014.

For and on behalf of the Board

Grant Baker
Director and Chairman

Alistair Ryan

Alistair Ryan
Director and Chair of the Audit and Risk Committee

	Notes	Unaudited 6 months ended 30 September 2014 $000	Unaudited 6 months ended 30 September 2013 $000	Audited 12 months ended 31 March 2014 $000
Revenue	4	2,462	1,439	4,597
Cost of sales		(1,976)	(1,244)	(3,805)
Gross profit		**486**	**195**	**792**
Other gains/(losses)	5	48	(73)	(146)
Distribution expenses		(684)	(361)	(1,244)
Administration expenses		(985)	(931)	(1,842)
Sales and marketing expenses		(1,700)	(1,556)	(3,112)
Payment under bank guarantee	6	-	(165)	(184)
Other expenses	7	(438)	(353)	(340)
Finance income and expenses		59	206	332
Total expenses		**(3,748)**	**(3,160)**	**(6,463)**
Profit/(Loss) before income tax		**(3,214)**	**(3,038)**	**(5,817)**
Income tax expense		-	-	-
Profit/(Loss) for the period		**(3,214)**	**(3,038)**	**(5,817)**
Other comprehensive income		-	-	-
Total comprehensive loss for the period		**(3,214)**	**(3,038)**	**(5,817)**
Earnings per share				
Basic losses (cents per share)	9	(9.5)	(10.1)	(19.2)
Diluted losses (cents per share)	9	(9.5)	(10.1)	(19.2)

Note: All profit/(loss) and total comprehensive profit/(loss) is attributable to the Parent Company shareholders and is from continuing operations.

The above interim statements of comprehensive income should be read in conjunction with the accompanying notes.

	Notes	Unaudited As at 30 September 2014 $000	Unaudited As at 30 September 2013 $000	Audited As at 31 March 2014 $000
Current assets				
Cash and cash equivalents		6,782	8,006	4,073
Trade and other receivables		1,766	556	1,789
Inventories		1,335	1,629	1,933
Tax receivable		-	3	3
Total current assets		**9,883**	**10,194**	**7,798**
Non-current assets				
Plant and equipment	8	3,400	2,994	3,069
Deferred tax asset		-	-	-
Total non-current assets		**3,400**	**2,994**	**3,069**
Total assets		**13,283**	**13,188**	**10,867**
Liabilities				
Trade and other payables		2,048	1,390	2,039
Provision for bank guarantee	6	-	165	-
Derivative financial instrument		-	11	-
Total liabilities		**2,048**	**1,566**	**2,039**
Net assets		**11,235**	**11,622**	**8,828**
Equity				
Contributed equity	9	22,049	16,379	16,440
Reserves		23	205	129
Accumulated losses		(10,837)	(4,962)	(7,741)
Total equity		**11,235**	**11,622**	**8,828**

The above interim statements of financial position should be read in conjunction with the accompanying notes.

	Notes	Share capital $000	Accumulated losses $000	Reserves $000	Total equity $000
Opening balance as at 1 April 2013		**16,360**	**(1,924)**	**99**	**14,535**
Total comprehensive loss for the period		-	(3,038)	-	(3,038)
Share based payments	10	-	-	106	106
Redeemable shares vested		-	-	-	-
Issue of shares in lieu of directors' fees		19	-	-	19
Closing balance as at 30 September 2013		**16,379**	**(4,962)**	**205**	**11,622**
Opening balance as at 1 April 2013		**16,360**	**(1,924)**	**99**	**14,535**
Total comprehensive loss for the period		-	(5,817)	-	(5,817)
Share based payments	10	-	-	91	91
Redeemable shares vested	9	61	-	(61)	-
Issue of shares in lieu of directors' fees	9	19	-	-	19
Closing balance as at 31 March 2014		**16,440**	**(7,741)**	**129**	**8,828**
Opening balance as at 1 April 2014		**16,440**	**(7,741)**	**129**	**8,828**
Total comprehensive loss for the period		-	(3,214)	-	(3,214)
Share based payments	10	-	-	35	35
Redeemable shares redeemed	9	-	118	(118)	-
Redeemable shares vested	9	23	-	(23)	-
Net proceeds from placement and rights issue	9	5,563	-	-	5,563
Issue of shares in lieu of directors' fees	9	23	-	-	23
Closing balance as at 30 September 2014		**22,049**	**(10,837)**	**23**	**11,235**

The above interim statements of movements in equity should be read in conjunction with the accompanying notes.

	Notes	Unaudited 6 months ended 30 September 2014 $000	Unaudited 6 months ended 30 September 2013 $000	Audited 12 months ended 31 March 2014 $000
Operating activities				
Receipts from customers		3,679	2,442	5,252
Payments to suppliers and employees		(6,188)	(5,216)	(12,082)
Interest received		29	179	335
Interest paid		-	-	(3)
Indirect taxation (paid)/received		33	(103)	(65)
Net operating cash flows	11	**(2,447)**	**(2,698)**	**(6,563)**
Investing activities				
Purchase of plant and equipment		(553)	(782)	(850)
Sale of plant and equipment		146	1	1
Net investing cash flows		**(407)**	**(781)**	**(849)**
Financing activities				
Proceeds from borrowing		-	-	-
Repayment of bank borrowing		-	-	-
Net proceeds from issue of shares	9	5,563	-	-
Net financing cash flows		**5,563**	**-**	**-**
Net increase/(decrease) in cash and cash equivalents		**2,709**	**(3,479)**	**(7,412)**
Cash and cash equivalents at beginning of period		4,073	11,485	11,485
Cash and cash equivalents at end of period		**6,782**	**8,006**	**4,073**

The above interim statements of cash flows should be read in conjunction with the accompanying notes.

1 General information

Moa Group Limited ('the Parent' or 'Company') and its subsidiary (together 'the Group') operate in the beverage sector, brewing and distributing super premium craft beer and cider. The Company has operations in New Zealand and sells predominantly to the New Zealand market, with a focus on growing exports to Australia and sales to other international markets.

The Group is subject to the impacts of seasonality with the six month period October to March representing the high period of the year.

The address of its registered office is Level 1, Union Fish Co. Building, 116-118 Quay Street, Auckland 1010.

These consolidated interim financial statements have been approved for issue by the Board of Directors on 19 November 2014.

2 Basis of preparation of half year report

The Group consists of profit-oriented companies and this condensed consolidated interim financial information for the six months ended 30 September 2014 has been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). These financial statements comply with NZ IAS 34 'Interim Financial Reporting' and with International Accounting Standard 34 (IAS 34). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the period ended 31 March 2014, which have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards (IFRS).

Expenses in the Statements of Comprehensive Income have been realigned to provide greater transparency. Personnel costs, previously classified as Administration expenses, have been reclassified to Sales and marketing expenses where applicable. Cellar door expenses are now included as part of Sales and marketing expenses.

3 Summary of significant accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2014.

There are no new accounting standards, or amendments to existing standards that are effective for the year ending 31 March 2015, which are expected to have a material impact on the Group.

4 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

Although certain geographies do not currently meet the NZ IFRS 8 quantitative thresholds, management has concluded that these segments should be reported as they are closely monitored by the chief operating decision maker as potential growth segments and are expected to materially contribute to Group revenue in the future.

The chief operating decision maker assesses the performance of the operating segments based on a measure of EBITDA (Earnings before interest, taxation, depreciation and amortisation). This measurement basis excludes the effects of non-recurring expenditure from operating segments. Interest income and costs are not allocated to segments as this type of activity is driven by the Group's head office function which manages the cash position of the Group. Head office costs are allocated to New Zealand as this segment represents the largest proportion of the Group's sales.

The segment information provided to the chief operating decision maker for the reportable segments is as follows:

	New Zealand $000	Australia $000	USA $000	Rest of World $000	Total $000
6 months ended 30 September 2013					
Segment revenue	652	79	484	224	1,439
EBITDA*	(1,909)	(224)	(546)	52	(2,627)
Depreciation and amortisation	94	-	-	-	94
Income tax expense	-	-	-	-	-
Capital expenditure	725	-	-	-	725
12 months ended 31 March 2014					
Segment revenue	2,689	562	771	575	4,597
EBITDA*	(4,192)	(497)	(861)	131	(5,419)
Depreciation and amortisation	197	-	-	-	197
Income tax expense	-	-	-	-	-
Capital expenditure	907	-	-	-	907
6 months ended 30 September 2014					
Segment revenue	1,857	453	56	96	2,462
EBITDA*	(2,092)	(381)	(260)	8	(2,725)
Depreciation and amortisation	108	-	-	-	108
Income tax expense	-	-	-	-	-
Capital expenditure	587	-	-	-	587

**EBITDA – Earnings before interest, tax, depreciation, amortisation and non-recurring items*

A reconciliation of EBITDA to the Group's loss before tax for the year is as follows:

	Unaudited 6 months ended 30 September 2014 $000	Unaudited 6 months ended 30 September 2013 $000	Audited 12 months ended 31 March 2014 $000
EBITDA for reportable segments	(2,725)	(2,627)	(5,419)
Depreciation and amortisation	(108)	(94)	(197)
Loss on disposal of assets	(2)	(5)	(9)
Finance income and expenses	59	206	332
Non-recurring items:			
Payments under bank guarantee	-	(165)	(184)
Other expenses	(438)	(353)	(340)
Profit/(Loss) before income tax	**(3,214)**	**(3,038)**	**(5,817)**

Revenues from external customers are derived from sale of goods in the beverage sector.

The total of non-current assets is $3,400,000 (31 March 2014: $3,069,000; 30 September 2013: $2,994,000), all of which are located in New Zealand.

Segment assets and liabilities are not included within the reporting to the chief operating decision maker and hence have not been included within the segment information tables above.

5 Other gains/(losses)

	Unaudited 6 months ended 30 September 2014 $000	Unaudited 6 months ended 30 September 2013 $000	Audited 12 months ended 31 March 2014 $000
Foreign exchange gains/(losses)	45	(68)	(142)
Disposal of fixed assets gains/(losses)	(2)	(5)	(9)
Sundry Income	5	-	5
Total	**48**	**(73)**	**(146)**

6 Payment under bank guarantee

Clooney (San Francisco) Limited is a New Zealand entity which had interests in a venture operating a restaurant and bar in San Francisco during the America's Cup competition. Moa Brewing Company Limited had provided a guarantee to the Bank of New Zealand in respect of a Committed Cash Advance Facility of $675,000 in favour of Clooney (San Francisco) Limited to support the financing of the venture. Following completion of the project the guarantee was called for the remaining balance of the loan of $183,000.

Under the terms of the agreement between the Group and Clooney (San Francisco) Limited, the Group agreed to share 50% of profits and underwrite 50% of any losses. The Group's share of the losses was estimated at $110,000 and so it is now seeking recovery of the net amount of $73,000. A provision was recognised in the prior periods for this amount as the prospect for recovery is assessed as unlikely.

7 Other expenses

The Group had significant one-off expenses totalling $438,000 (31 March 2014: $340,000; 30 September 2013: $353,000). These expenses were incurred as a consequence of repositioning the business for future growth and included provisioning for packaging and aged stock write-offs of discontinued lines, loss on sale of surplus plant and glass mould amortisation as a consequence of changing supplier. Prior period costs related to the termination expenses in respect of the New Zealand and Australian distribution agency agreements.

8 Plant and equipment

	Unaudited As at 30 September 2014 $000	Unaudited As at 30 September 2013 $000	Audited As at 31 March 2014 $000
Opening net book value	3,069	2,369	2,369
Additions	587	725	907
Disposals	(148)	(6)	(10)
Depreciation	(108)	(94)	(197)
Closing net book value	**3,400**	**2,994**	**3,069**

9 Contributed equity

	Shares	$000
Authorised and issued ordinary shares (no par value)	30,096,549	16,360
Redeemable shares (vested)	-	-
Non-listed non-voting shares issued to directors	16,499	19
Contributed equity as at September 2013	**30,113,048**	**16,379**
Authorised and issued ordinary shares (no par value)	30,096,549	16,360
Redeemable shares (vested)	227,590	61
Non-listed non-voting shares issued to directors	16,499	19
Contributed equity as at 31 March 2014	**30,340,638**	**16,440**
Authorised and issued ordinary shares (no par value)	47,700,883	22,049
Redeemable shares (vested)	-	-
Non-listed non-voting shares issued to directors	-	-
Contributed equity as at 30 September 2014	**47,700,883**	**22,049**

The total number of authorised ordinary shares is 47,700,883. All issued shares are fully paid.

The vested redeemable shares and the non-listed non-voting shares issued to directors were also entitled to distributions and therefore have been included within contributed equity in the appropriate periods.

During the period the company undertook a capital raising. This was completed in two parts. Initially a placement, which raised $500,000, issuing 1,315,790 shares at 38 cents per share on 29 July 2014, followed by a 1:2 rights issue raising a further $5,252,000, issuing 15,916,145 shares at 33 cents per share on 21 August 2014.

(a) Ordinary shares

	Number	$000
Balance as at 30 September 2013	**30,113,048**	**16,379**
Vested pre-IPO redeemable shares	227,590	61
Balance as at 31 March 2014	**30,340,638**	**16,440**
Vested pre-IPO redeemable shares	75,862	23
Placement shares	1,315,790	500
Rights issue shares	15,916,145	5,252
Shares issued to directors in lieu of directors’ fees	52,448	23
Placement and rights issue costs	-	(189)
Balance as at 30 September 2014	**47,700,883**	**22,049**

(b) Redeemable shares

	Number	$000
Balance as at 30 September 2013	**1,975,452**	**-**
Pre-IPO shares vested	(227,590)	-
Shares redeemed	(340,000)	-
Balance as at 31 March 2014	**1,407,862**	**-**
Pre-IPO shares vested	(75,862)	-
Shares redeemed	(1,232,000)	-
Balance as at 30 September 2014	**100,000**	**-**

Redeemable shares (Pre-IPO)

The unlisted redeemable shares of 151,726 each held by Gareth Hughes and Kelvin Ovington, were reclassified as ordinary shares during the period on the basis of the conditions having been met. The option value expensed in the current period was $23,000.

Redeemable shares (Post-IPO)

On 11 March 2013, the Company issued 1,752,000 unlisted redeemable shares, with an issue price of $1.25, which were allotted to independent directors, key senior executives and agents/distributors. Of the unlisted redeemable shares 420,000 had been redeemed by 31 March 2014. During the current period a further 1,232,000 shares, with an option value of $118,000, were redeemed held by:

The Business Bakery LP	912,000
Kim Ellis	160,000
Alistair Ryan	160,000

The remaining 100,000 unlisted redeemable shares are held by David Nichols.

The redeemable shares have the same rights and terms, and rank uniformly in all respects with ordinary shares.

In satisfaction of the issue price of the redeemable shares, the Parent’s subsidiary, Moa Brewing Company Limited, provided a loan to the shareholder. The loan provided is interest free, has recourse only against the redeemable shares and is repayable in full on 12 November 2015, or earlier under certain conditions. As at 30 September 2014, no cash has been exchanged in relation to this transaction and the aggregate value of the issue price, loans and receivable from subsidiary is not recognised in the financial statements.

The redeemable shares are subject to vesting conditions based on specific performance criteria and the holder remaining in service to the company. The shares can be redeemed at the option of the company if the vesting conditions are not satisfied or there is a default in repaying the loan. The redemption price will be an amount equal to the issue price per share, and the company must pay the redemption price directly to Moa Brewing Company Limited in repayment of the loan.

Upon satisfaction of the vesting conditions and repayment of the loan, the redeemable shares automatically reclassify into ordinary shares in the Company.

As part of the capital raising programme undertaken by the company, an additional 50,000 shares were purchased on behalf of David Nichols, in order to protect his interests from the effect of the 1:2 dilution. These shares have the same vesting period. Both the ordinary shares and the redeemable shares are available for purchase on a blended basis at a vesting price of $0.943. The loan has increased by $16,500 to cover the acquisition cost.

(c) Non-listed non-voting shares

Under the terms of the Parent’s constitution directors can elect to take directors’ fees in shares at market prices instead of cash. All directors agreed to apply 20% of their after-tax directors’ fees to the purchase on-market, or by subscription of shares in lieu of a cash payment.

Alistair Ryan, Kim Ellis (resigned), Ashley Waugh (appointed) and Allan Scott are paid the full value of their directors’ fees in cash by the Group and have agreed to purchase shares on-market at six-monthly intervals.

To comply with the Takeovers Code, The Business Bakery LP and Pioneer Capital on behalf of Grant Baker and Craig Styris have elected to take non-listed non-voting shares in lieu of directors’ fees where necessary. The non-listed non-voting ordinary shares have the same rights and terms and rank equally with ordinary shares except they do not carry voting rights. They can be reclassified as listed voting shares by notice from the holder to the Company.

Due to activities in completing the strategic review, release of the FY2014 financial result and the capital raising, it was considered inappropriate for directors to purchase or subscribe for shares until the market was fully informed. The arrears have been caught up during the current period. The capital raising has also allowed the existing 16,499 non-listed non-voting shares to be reclassified as ordinary listed shares. Shares issued during the current period were:

The Business Bakery LP	34,205
Pioneer Capital	18,243
Total	**52,448**

10 Related party transactions

(a) Directors

The Directors during the period were:

		Date of appointment	Date of resignation
Grant Baker	Non-Executive Chairman	27 August 2012	
Geoff Ross	Chief Executive Officer	27 August 2012	
Craig Styris	Non-Executive Director	27 August 2012	
Allan Scott	Non-Executive Director	27 August 2012	
Alistair Ryan	Independent Director	27 August 2012	
Kim Ellis	Independent Director	27 August 2012	30 September 2014
Ashley Waugh	Independent Director	30 September 2014	

(b) Key management and personnel compensation

Chairman Grant Baker and Chief Executive Officer Geoff Ross provide consulting services to the Group through an associated company, The Business Bakery LP. Director services of Craig Styris were provided through Pioneer Capital Management Ltd and director fees for the period were payable to Alistair Ryan, Kim Ellis, and Allan Scott. Under the agreement between Moa Group Limited and The Business Bakery LP dated 10 October 2012, The Business Bakery LP provided executive services to the Group during the period, including access to the CEO for a fee of $120,000 (31 March 2014: $240,000; 30 September 2013: $120,000).

	Unaudited 6 months ended 30 September 2014 $000	Unaudited 6 months ended 30 September 2013 $000	Audited 12 months ended 31 March 2014 $000
Directors' fees	117	117	235
Management services	120	120	240
Senior employees' short term benefits	305	327	631
Share based payments	35	106	91
Total	**577**	**670**	**1,197**

(c) Other transactions

(i) *With its major shareholders*

The Business Bakery LP charged for serviced office accommodation and parking to the Group at its premises in Quay Street, Auckland totalling $86,000 for the period (31 March 2014: $152,000; 30 September 2013: $63,000). The Business Bakery LP was reimbursed for purchases made on behalf of the Group during the year of $7,000 (31 March 2014: $51,000; 30 September 2013: $26,000).

Pioneer Capital Management Limited provided advisory services relating to the Group's strategic initiatives, capital structure, funding alternatives, liquidity options and financial modelling totalling $12,500 (31 March 2014: $25,000; 30 September 2013: $12,500), per a services agreement between Moa Brewing Company and Pioneer Capital Management dated 17 September 2010. This has been terminated effective from 1 October 2014.

Moa Brewing Company leases its Jackson Road, Marlborough premises from Allan Scott Wine Estates Ltd (ASWEL) under a Deed of Lease agreement between ASWEL and the company dated 17 September 2010. ASWEL also provides various warehousing, maintenance, and production services to the company pursuant to a services agreement dated 17 September 2010. These totalled $5,000 for the period (31 March 2014: $8,000; 30 September 2013: $18,000). The company also purchased packaging materials totalling $1,000 (31 March 2014: $9,000; 30 September 2013: $9,000).

(ii) *With its employees*

A senior executive was provided with an unsecured loan of $59,000 at market interest rates in order that he could participate in the recent rights issue to the full extent of shares held. The loan is repayable over three years.

	Unaudited As at 30 September 2014 $000	Unaudited As at 30 September 2013 $000	Audited As at 31 March 2014 $000
Receivables from related parties:			
ASWEL	1	14	1
Closing balance	**1**	**14**	**1**
Payables to related parties:			
Non-executive directors	27	40	36
The Business Bakery LP	50	97	62
Independent directors	8	20	20
Closing balance	**85**	**157**	**118**

11 Reconciliation of loss after income tax to net cash flows from operating activities

	Unaudited 6 months ended 30 September 2014 $000	Unaudited 6 months ended 30 September 2013 $000	Audited 12 months ended 31 March 2014 $000
Loss for the period	(3,214)	(3,038)	(5,817)
Depreciation and amortisation	108	94	197
Loss on disposal of fixed assets	2	5	9
Foreign exchange (gains)/losses	(45)	57	142
Fair value loss on derivative financial instruments	-	11	-
Shares in lieu of directors' fees	23	19	19
Share based payments	35	106	91
Movements in working capital:			
(Increase)/Decrease in inventories	498	(852)	(1,156)
(Increase)/Decrease in trade and other receivables	123	950	(329)
(Increase)/Decrease in tax provisions	3	1	1
Increase/(Decrease) in trade and other payables	20	(51)	280
Net cash outflow from operating activities	**(2,447)**	**(2,698)**	**(6,563)**

12 Capital commitments

The objection to the resource application to expand the Marlborough brewery led the Group to enter into a long term contract brewing agreement with McCashin's Brewery in Nelson. The agreement requires the Group to contribute $1,250,000 of plant and equipment to increase production capacity. As at 30 September 2014 the Group has purchased $893,000 of this commitment.

13 Events occurring after balance date

There have been no subsequent events since 30 September 2014.