



My Food Bag delivers record FY22 revenue and strong earnings growth

My Food Bag (NZX/ASX Code: MFB), Aotearoa New Zealand's subscription-based meal kit and food solutions business, is pleased to share its audited FY22 results.

- Revenue of \$194 million, up \$7.6 million on Prospective Financial Information (PFI) and up \$3.3 million on FY21
- Pro-forma EBITDA¹ of \$34.2 million, up 18.1% on FY21
- NPAT of \$20.0 million, up from \$2.4 million² in FY21
- Declared a final fully imputed dividend of 4.0 cents per share to be paid on 16 June, bringing total dividends in respect of FY22 to 7.0 cents per share

The company delivered in excess of 18 million meals across FY22, and achieved an average order value of \$126.60, which was up \$2.23 on FY21.

The results show the company delivered in line with its PFI forecasts, provided prior to listing in 2021.

FY22 business highlights include:

- Launched My Food Bag's first significant step beyond weeknight meals and expanded into new categories with the My Food Bag Kitchen
- Introduced recipe choice across its portfolio of brands to drive order frequency and added enhanced functionality for customers to flex nights and upgrade recipes
- Built and successfully transitioned a new South Island factory to support future growth needs
- Established the Soft-Plastics Recycling Programme to divert waste from landfill
- As an essential service, operated safely through the pandemic and protected its people.

Tony Carter, Chairman of My Food Bag, says this year's strong performance reflects the team's operational agility and ability to deliver the company's innovation pipeline.

"In FY22 the business mitigated a number of macro-environment challenges, such as inflation, labour availability and supply chain pressures. These were alleviated via selective price increases and tight cost management, as well as working closely with suppliers to adjust customer offers as required and micro-management to navigate labour uncertainty, particularly in Q4.

"Against the backdrop of all of this, My Food Bag's innovation programme continued to deliver strong outcomes in FY22.

"In July, the team introduced My Food Bag Kitchen, a curated collection of food solutions for different meal occasions. By the end of FY22, we have been achieving attachment rates of 14% and average order value of \$21, which puts us in a good place as we scale the initial pilot offering in FY23," says Carter.

During the year recipe choices were also added to Bargain Box and Fresh Start brands, and recipe choices were expanded across the My Food Bag branded range.

Across the year contribution margin was up 1.6 percentage points year-on-year. This was largely driven by improved procurement outcomes.

¹ Pro forma EBITDA is a non-GAAP measure. It has been calculated on a consistent basis to the EBITDA measure presented in the FY22 PFI. Pro forma EBITDA has not been adjusted for the change in accounting policy relating to software as a service arrangement.

² This is inclusive of a \$14.1 million deduction of one-off transaction costs.



Conversion of active customers into high value customers also remains strong, with this group growing 7% year-on-year.

Active customer numbers were particularly strong in Q2 and Q3, up 3.8% and 1.5% year-on-year respectively. However, numbers softened in Q4, as the business worked through the supply-side challenges during the Omicron outbreak. Current active customers are approximately 66,700 in May.³

Outlook

Looking ahead, My Food Bag CEO, Kevin Bowler, says the business anticipates continued uncertainty across macro-environment pressures, but has clear opportunities to grow.

“We have a strategy to continue taking a greater share of Aotearoa’s \$37 billion retail food sector, via a pipeline of growth initiatives.

“Underpinned by our strong brand and distribution reach, we continue to look for opportunities by offering exceptional recipes and ingredients, enhanced customer flexibility and choice.

“Supporting this we will also be expanding our product offering through the Kitchen, while investing in the resilience of our operating environment. This will see us benefiting from more Kiwis choosing to dine well at home and buying more of their everyday household needs online,” says Bowler.

Further guidance is expected to be provided at the ASM in August 2022.

Authorised by:

Board of Directors of My Food Bag Group Limited

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³ Measured at 18 May 2022