

NZX Release

27 April 2016

Veritas provides third quarter market update

The Board of Veritas Investments Limited (NZX:VIL) provides its quarterly market update for the 3rd quarter of FY2016 ended 31 March 2016.

Group Outlook

As at 31 March 2016, the Veritas Investments group remains on track to achieve the previously stated Underlying NPAT¹ in the range of \$3.0 m - \$3.5 m for the year ending 30 June 2016.

Updates on individual business units are provided as follows:

Mad Butcher

While trading remains competitive, the implementation of a number of marketing and cost control initiatives have seen an improvement in underlying profitability.

The review of unprofitable stores has been completed resulting in the closure of the Kapiti and Glenfield stores, with a final decision on the third store yet to be made depending on the outcome of the commercial discussions that are currently under way.

Nosh

The Directors are pleased with the continuing improvement and operating efficiencies within Nosh. Subsequent to the quarter just ended, the Board announced the implementation of a programme to franchise the Nosh stores. The levels of response have been encouraging with interest shown in both current stores and greenfield sites. A rigorous selection process is now under way.

Better Bar Company

During the period under review, The Better Bar Company outlets performed well and have traded to expectations.

Kiwi Pacific Foods

Subsequent to our market announcement on 29 March 2016, we have commenced an orderly wind-down programme for Kiwi Pacific Foods with our joint venture partner, Antares Restaurant Group. The programme has a final completion date of 30 September 2016.

¹ Underlying NPAT is NPAT from continued operations excluding significant and/or non-recurring items.

For further information, contact:

Tim Cook

Chairman, Veritas Investments Limited

021 764 401

timc@corporateadvisory.co.nz

About Veritas Investments Limited

Veritas Investments is an NZX Main Board-listed investment company focusing in the Food and Beverage, Franchise and Hospitality sectors. The shell company was formed in December 2011 and made its first acquisition of the Mad Butcher franchisor business in May 2013 through a reverse acquisition transaction. A further investment was made in December 2013 for 50% of Kiwi Pacific Foods Limited. In September 2014 Veritas acquired the Nosh Food Market business. In November 2014 Veritas acquired The Better Bar Company group business.

www.veritasinvestments.co.nz