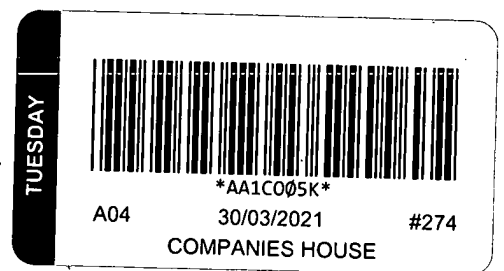


Registered number: 04824736

N BROWN FOODS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020



N Brown Foods Limited

COMPANY INFORMATION

DIRECTORS M Keeling (appointed 15 July 2019)
 M Holt (appointed 3 March 2021)

COMPANY NUMBER 04824736

REGISTERED OFFICE 61 Stephenson Way
 Wavertree
 Liverpool
 L13 1HN
 ENGLAND

AUDITOR BDO LLP
 3 Hardman Street
 Spinningfields
 Manchester
 M3 3AT

N Brown Foods Limited

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N Brown Foods Limited

Strategic Report Year ended 31 March 2020

BUSINESS REVIEW

N Brown Foods Limited is the holding company of JF Renshaw Limited, Brighter Foods Limited and Whitworth Sugars Limited, and did not trade in the year.

RESULTS

The loss for the year, after taxation, amounted to £3,121k (2019: (loss of £23,123k)).

FUTURE DEVELOPMENTS

The future developments for this company are to remain as a holding company for investments in businesses for Real Good Food plc Group. Future developments for the investments held by the company can be found in the financial statements of that Group, which are available from Companies House or from the Company Secretary at the registered office of the company.

KEY PERFORMANCE INDICATORS AND RISKS AND UNCERTAINTIES

Due to the nature of the company, key performance indicators are not used by the directors and the directors do not consider that there are any significant risks or uncertainties facing the company. The key performance indicators of JF Renshaw Limited and Brighter Foods Limited and the risks and uncertainties facing those companies are shown within the financial statements of those companies.

GOING CONCERN

The Group's Directors have considered the Group's business activities together with the factors likely to affect its planned future performance including covid-19 and Brexit and are taking appropriate action. The group has a robust crisis management plan that is being implemented, including taking action to mitigate risks and conserve cash. The forecast for this business has been adjusted for the covid-19 impact.

On the basis of the assessment of the group's financial position and of the enquiries made of the directors of Real Good Food plc, the company's director has a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Therefore, the company continues to adopt the going concern basis of accounting in preparing the annual financial statements.

This report was approved by the board on 26 March 2021 and signed on its behalf.



M Keeling
Director

N Brown Foods Limited

Directors' Report Year ended 31 March 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of a holding company.

DIRECTORS

The directors who served during the year were:

C O Thomas (resigned 31 July 2019)
P G Ridgwell (resigned 30 May 2019)
H C L Cawley (resigned 2 September 2019)
M Keeling (appointed 15 July 2019)
M Holt (appointed 3 March 2021)

The directors did not hold any interest in the share capital of the company at the period end.

GOING CONCERN

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The director confirms that they consider that the going concern basis remains appropriate, although the company is not expected to generate positive cash flows on its own account for the foreseeable future.

On the basis of the assessment of the group's financial position and of the enquiries made of the directors of Real Good Food plc, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Therefore, the company continues to adopt the going concern basis of accounting in preparing the annual financial statements.

PROVISION OF INFORMATION TO AUDITOR

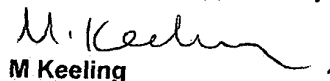
The director at the time when this Directors' report is approved has confirmed that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 March 2021 and signed on its behalf.


M Keeling
Director

N Brown Foods Limited

Directors' Responsibilities Statement
Year ended 31 March 2020

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Auditor's Report
To the members of N Brown Foods Limited**

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF N BROWN FOODS LIMITED

Opinion

We have audited the financial statements of N Brown Foods Limited ("the Company") for the year ended 31 March 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Independent Auditor's Report
To the members of N Brown Foods Limited**

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Independent Auditor's Report
To the members of N Brown Foods Limited**

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Gary Harding (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Manchester
United Kingdom

26 March 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

N Brown Foods Limited

Statement of Comprehensive Income
Year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Movement in provisions relating to the non-controlling interest put option		<u>531</u>	<u>(112)</u>
Operating profit/(loss) before impairment		531	(112)
Impairment charge	6	<u>(3,698)</u>	<u>(22,922)</u>
Loss after impairment charge		(3,167)	(23,034)
Finance element of movement in provisions relating to the non-controlling interest put option	5	<u>46</u>	<u>(89)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(3,121)</u>	<u>(23,123)</u>
Tax on ordinary activities		<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(3,121)</u>	<u>(23,123)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(3,121)</u>	<u>(23,123)</u>

All amounts relate to continuing operations.

There was no other comprehensive income for 2020 or 2019.

The impairment charge in 2019 arose from a review of the carrying values of investments held by the company.

The notes on pages 10 to 15 form part of these financial statements.

N Brown Foods Limited

**Statement of Financial Position
Year ended 31 March 2020
Company Registration No 04824736**

	Note	2020 £'000	2019 £'000
FIXED ASSETS			
Investments	6	56,998	60,696
CURRENT ASSETS			
Debtors	7	11,318	11,318
CURRENT LIABILITIES			
Amounts owed to group undertakings	8	7,338	7,338
Non-controlling interest put option		2,900	-
		<u>10,238</u>	<u>7,338</u>
NET CURRENT ASSETS		<u>1,080</u>	<u>3,980</u>
NON-CURRENT LIABILITIES			
Amounts owed to group undertakings	8	50,320	50,320
Long-term liabilities - Non-controlling interest put option		1,520	4,997
		<u>51,840</u>	<u>55,317</u>
NET ASSETS		<u>6,238</u>	<u>9,359</u>
CAPITAL AND RESERVES			
Called up share capital	9	14,124	14,124
Share premium account	10	5,849	5,849
Other reserves	10	6,588	6,588
Profit and loss account	10	<u>(20,323)</u>	<u>(17,202)</u>
SHAREHOLDERS' FUNDS		<u>6,238</u>	<u>9,359</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 March 2021.



M Keeling
Director

The notes on pages 10 to 15 form part of these financial statements.

N Brown Foods Limited

**Statement of Changes in Equity
Year ended 31 March 2020**

	Share Capital	Share Premium	Other Reserves	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2019	14,124	5,849	6,588	(17,202)	9,359
Total comprehensive income for the year					
Loss for the year	-	-	-	(3,121)	(3,121)
Other comprehensive loss for the year	-	-	-	-	-
Total contributions by and distributions to owners of the company	-	-	-	(3,121)	(3,121)
Balance at 31 March 2020	14,124	5,849	6,588	(20,323)	6,238

**Statement of Changes in Equity
Year ended 31 March 2019**

	Share Capital	Share Premium	Other Reserves	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2018	14,124	5,849	6,588	5,921	32,482
Total comprehensive income for the year					
Loss for the year	-	-	-	(23,123)	(23,123)
Other comprehensive loss for the year	-	-	-	-	-
Total contributions by and distributions to owners of the company	-	-	-	(23,123)	(23,123)
Balance at 31 March 2019	14,124	5,849	6,588	(17,202)	9,359

The notes on pages 10 to 15 form part of these financial statements.

N Brown Foods Limited

Notes to the Financial Statements Year ended 31 March 2020

1. GENERAL INFORMATION

N Brown Foods Limited is the holding company of JF Renshaw Limited and Brighter Foods Limited and did not trade during the year.

The company is a private limited company (registered number 04824736) registered in England and Wales.

The registered office is:
61 Stephenson Way
Wavertree
Liverpool
L13 1HN
ENGLAND

The company is exempt from the requirement to prepare group accounts by virtue of section 299 of Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The company and all of its subsidiary undertakings are included in the consolidated financial statements of Real Good Food plc, a public limited company incorporated England and Wales.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2.8).

2.2 GOING CONCERN

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The directors confirm that they consider that the going concern basis remains appropriate, although the company is not expected to generate positive cash flows on its own account for the foreseeable future.

The Group's Directors have considered the Group's business activities together with the factors likely to affect its planned future performance including covid-19 and Brexit and are taking appropriate action. The group has a robust crisis management plan that is being implemented, including taking action to mitigate risks and conserve cash. The forecast for this business has been adjusted for the covid-19 impact.

On the basis of the assessment of the group's financial position and of the enquiries made of the directors of Real Good Food plc, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Therefore the going concern basis of accounting in preparing the annual financial statements is being adopted.

N Brown Foods Limited

Notes to the Financial Statements Year ended 31 March 2020

2. ACCOUNTING POLICIES (continued)

2.3 FINANCIAL REPORTING STANDARD 102 – REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44, 11.45, 11.47, 11.48a(iii), 11.48a(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

2.4 INVESTMENTS

Fixed asset investments relate to investments in subsidiary companies which are stated at cost less any provision for any impairment in value. Impairments are derived using the greater of value in use and fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate reflective of market assessments and asset based risks.

2.5 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the cost effective method.

Notes to the Financial Statements
Year ended 31 March 2020

2. ACCOUNTING POLICIES (continued)

2.7 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

2.8 KEY JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The company makes judgements, estimates and assumptions that affect the application of policies and the carrying values of assets and liabilities, income and expenses. The resulting accounting estimates calculated using these judgements will, by definition, seldom equal the related actual results but are based on the experience of the directors and the expectations of future events. The estimates are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The director is of the opinion that there are no key judgements or sources of estimation uncertainty other than in respect of the valuation of the put option on the Non-controlling interest as set out in note 2.9 and the impairment of investments in note 6.

2.9 NON-CONTROLLING INTEREST (NCI) PUT OPTION

The financial Liability for the NCI put option is recognised at the present value of the estimated amount payable upon exercise of the NCI option with a corresponding asset recognised in other reserves. Subsequent changes in the carrying amount resulting from remeasurement of the amount payable on exercising the options would be recognised in equity.

N Brown Foods Limited

**Notes to the Financial Statements
Year ended 31 March 2020**

3. OPERATING LOSS

During the year, no director received any emoluments (2019: nil).

4. STAFF COSTS

There were no direct employees in the company during the year ended 31 March 2020 (2019: none). The salaries and emoluments of the directors are disclosed in the parent company Real Good Food Plc. Key management is considered to be the company director.

5. INTEREST PAID

There was no interest paid in the year (2019: Nil). The credit in the year £46k (2019: charge of £89k) relates to the interest element of the change in the net present value of the NCI put option.

6. FIXED ASSET INVESTMENTS

SUBSIDIARY COMPANIES

The company had a 100% interest in the ordinary share capital of J F Renshaw Ltd. Whitworth Sugars Limited is a dormant 100% subsidiary of J F Renshaw Ltd.

Name	Principal activities	Holding
J F Renshaw Ltd - Ordinary Shares	Cake decoration supplier	100%
Whitworth Sugars Limited - Ordinary Shares	Dormant	100%
Brighter Foods Limited	Food ingredients supplier	84.33%

All subsidiaries are registered in England and Wales. JF Renshaw Ltd and Whitworth Sugars Limited have their registered office at 61 Stephenson Way, Wavertree, Liverpool L13 1HN. Brighter Foods Limited has its registered office at 17-18 2nd Floor, Agincourt Square, Monmouth, Wales, NP25 3DY.

The company, through Brighter Foods Limited, holds a 15% investment in Boka Foods Limited. Boka Foods Limited is not a subsidiary of the company.

A review of the investments held by the Company was undertaken in the year ending 31 March 2020. This resulted in an impairment charge of £3,698k (2019: £22,922k).

Subsidiary companies	J F Renshaw Limited	Brighter Foods Limited	Total investments
	£000	£000	£000
Cost			
At 1 April 2019	71,760	11,858	83,618
At 31 March 2020	<u>71,760</u>	<u>11,858</u>	<u>83,618</u>
Impairment			
At 1 April 2019	(22,922)	-	(22,922)
Impairment	(3,698)	-	(3,698)
At 31 March 2020	<u>(26,620)</u>	<u>-</u>	<u>(26,620)</u>
Net Book Value			
At 31 March 2020	<u>45,140</u>	<u>11,858</u>	<u>56,998</u>
At 31 March 2019	<u>48,838</u>	<u>11,858</u>	<u>60,696</u>

N Brown Foods Limited

**Notes to the Financial Statements
Year ended 31 March 2020**

7. DEBTORS

	2020	<i>2019</i>
	£000	<i>£000</i>
Amounts owed by group undertakings	<u>11,318</u>	<u>11,318</u>

8. CREDITORS: AMOUNTS OWED TO GROUP UNDERTAKINGS

	2020	<i>2019</i>
	£'000	<i>£'000</i>
Amounts falling due within one year	<u>7,338</u>	<u>7,338</u>
Amounts falling due after more than one year	<u>50,320</u>	<u>50,320</u>

Amounts owed to group undertakings are interest free.

9. SHARE CAPITAL

	2020	<i>2019</i>
	£'000	<i>£'000</i>
ALLOTTED, CALLED UP AND FULLY PAID		
28,248,096 (2019: 28,248,096) ordinary shares of £0.50 each	<u>14,124</u>	<u>14,124</u>

10. RESERVES

Share Premium

Represents the excess paid over nominal value for shares at the time of issuing shares.

Other Reserves

Comprises a capital redemption reserve of £11,384k (2019: £11,384k) which represents the shares repurchased by the company and a liability in respect of the put option on the Non-controlling interest in Brighter Foods at acquisition of £4,796k (2019: £4,796k).

Retained Earnings

Represents accumulated profit/loss since date of incorporation less distributions to shareholders.

N Brown Foods Limited

Notes to the Financial Statements Year ended 31 March 2020

11. Post Balance Sheet Events

Amendment to shareholders Agreement: on the 19 October 2020 RGF announced that it has entered into a Deed of Amendment that amends the terms of the shareholders' agreement dated 4 April 2017 (the "SHA") between, amongst others the Company and the "Minority Shareholders" that regulates their relationship in relation to Brighter Foods Limited - the Company holds 84.34% and the Minority Shareholders hold 15.66% of the issued share capital of Brighter. The Board of RGF believe that the Deed is in the best interest of all stakeholders as it reduces the immediate cash outflow of the Group and aligns the interests of the Minority Shareholders (who form part of the core management team of Brighter Foods) with RGF in improving earnings and ultimately maximising the value of the business to RGF. Under the terms of the SHA, a put option pursuant to which the Minority Shareholders can compel the Company to acquire 50% of the Minority Interest has become exercisable (the "2020 Option"). The price to be paid by the Company based on EBIT and cash flows of Brighter for the year ended 31 March 2020 is approximately £2.8m. Pursuant to the Deed the Minority Shareholders have agreed, to forego their right to exercise the 2020 Option, with the SHA being amended such that the Minority Shareholders will now have a put option over the whole of the Minority Interest exercisable following the agreement of the audited accounts of Brighter for the year ending 31 March 2021. The Company retains its call option over the whole of the Minority Interest, exercisable should the 2021 Option not be exercised. In consideration for the changes to the SHA being made by the Deed, the Company has agreed to pay the Minority Shareholders £1.0m on the date the Deed is entered into and a further £500,000 on 20 November 2020. The outstanding balance of the 2020 Payment, approximately £1.3m, has been deferred until the exercise of the 2021 Option. Interest becomes payable on the £1.3m at the rate of 10% from March 2021.

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 102 paragraph 33.1A not to disclose details of transactions with other entities that are part of the same group, where group accounts are publicly available and are wholly owned within the group.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate and ultimate parent and controlling company is Real Good Food plc, a company incorporated in Great Britain. The largest and smallest group which includes the company and for which group financial statements are prepared is Real Good Food plc, a company incorporated in Great Britain.

Copies of the group financial statements of Real Good Food plc are available from:

The Company Secretary
Real Good Food plc
61 Stephenson Way
Wavertree
Liverpool
L13 1HN
ENGLAND

By virtue of the spread of shareholdings in Real Good Food plc there is no controlling party of that company.