



The bondholders and the majority shareholders of Func Food Group Oyj have agreed on a voluntary restructuring subject to acceptance by the contemplated buyer

9 May 2019

Reference is made to Func Food Group Oyj's (together with its subsidiaries, the "**Company**") press release made on 17 April 2017 in relation to the agreed standstill period and the discussions in relation to a potential restructuring of the Company.

The Company, a group representing beneficial holders of in aggregate approximately 65% of the Company's outstanding EUR 38,000,000 senior secured callable bond loan with ISIN SE0007186150 2015/2019 (the "**Bonds**") and the Company's majority shareholder Sentica Partners have agreed on a term sheet for a voluntary restructuring of the Company and the Bond under which the shares in the Company and the Bond will be purchased by a contemplated buyer (one of the Company's suppliers) (the "**Buyer**") against payment in cash and a reinstated bond (the "**Restructuring**"). The Restructuring is subject to acceptance by the Buyer. The Restructuring would recapitalise the Company's balance sheet to stabilise production and take advantage of its growing market appeal.

The Restructuring was in principle agreed by the management of the Buyer but later rejected by the board of the Buyer. If the Restructuring is not accepted by the Buyer, the Bondholder Committee will likely instruct the agent under the Bonds to take steps to accelerate and enforce the Bond and the relevant security.^[1] In such case the Company will become insolvent and must take necessary steps, including a potential filing for a formal court driven insolvency process (corporate restructuring or bankruptcy).

The original standstill period communicated on 17 April 2017 has expired. Provided that the Buyer sign up to a binding term sheet in relation to the Restructuring, the Company's management, Sentica Partners and the Bondholder Committee are willing to grant the Company a new standstill period over the next days and continue the discussions to find a common ground with the Buyer's board and also certain subordinated lenders.

The details of the Restructuring will be communicated following acceptance by the Buyer and a notice to a written procedure under the Bonds to approve the Restructuring will then also be launched.

For further information in relation to the Restructuring, please contact the agent under the Bond, Nordic Trustee & Agency AB (publ) (sweden@nordictrustee.com), to be referred to the right contact person.

For information regarding the Company, please contact:

For further information, please contact:

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This information is information that Func Food Group Oyj is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 16:30 EEST on 9 May 2019.

^[1] Noting that such instruction is not a formal instruction under the terms and conditions of the Bonds. However, the Bondholder Committee has a sufficient majority to vote for any formal decision to accelerate and enforce under the Bonds.