

17 November 2021

ASX Market Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Capital management plans

Freedom Foods Group Limited (**ASX: FNP**) (**the Company**) provides the following update regarding its capital management plans.

In addition to the Company's existing secured debt facilities, the Company proposes to enter into a separate bank guarantee facility of up to US\$18 million. The Board has resolved to conduct a process to divest all of its shares in Australia Fresh Milk Holdings Pty Ltd (**AFMH**), and to apply the proceeds of that sale as security for the additional guarantee facility. The Company has received an offer for the Company's entire shareholding in AFMH from an entity related to the Company's majority shareholder, Arrovest Pty Ltd (**Arrovest**), for at least A\$25 million. The divestment process will be undertaken pursuant to the pre-emptive rights requirements contained in the AFMH Shareholders Deed, and if the sale ends up being to a related party of the Company, the sale will be subject to shareholder approval pursuant to the ASX Listing Rules.

The Company intends to issue a second tranche of convertible notes to provide it with additional liquidity, including the ability to pay amounts in connection with the Blue Diamond settlement (see separate announcement). The Company has received support from certain of its convertible noteholders to subscribe for a second tranche of convertible notes for an amount of up to A\$26 million, which may be cash-settled until relevant shareholder approvals are obtained. Arrovest does not intend to participate in that second tranche. The conversion price for those convertible notes will be the lower of A\$0.46 and the 30-day volume weighted average price (**VWAP**) of the Company's shares immediately prior to the date of issue of the convertible notes. Otherwise, the new note terms (which are subject to finalisation with the relevant noteholders) will be similar to the existing convertible note terms. The Company intends to issue the second tranche in December 2021 and will provide further updates in due course.

Investor inquiries:

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This announcement was authorised for release by the Board

About Freedom Foods Group Ltd (soon to be noumi Limited pending shareholder approval)

Freedom Foods Group (**ASX: FNP**) is a leading Australian FMCG company with a mission to create quality, on-trend, responsibly produced dairy and plant-based beverages, nutritional products and ingredients used across the health and fitness industries. The Group operates state-of-the-art manufacturing facilities in Victoria and NSW and produces key brands include the MILKLAB range of shelf-stable dairy and plant-based milks, Australia's Own, So Natural, Crankt, Vital Strength and PUREnFERRIN lactoferrin. Shareholders at the Annual General Meeting on 18 November 2021 will be asked to vote on a corporate name change to noumi Limited (**ASX: NOU**). <https://ffgl.com.au/>



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