



9 July 2019

RESPONSE TO MEDIA SPECULATION

Retail Food Group Limited (ASX:RFG) refers to the articles published in the Fairfax press today and notes as follows:

Further to previous announcements (including on 29 March, 3 April and 8 July 2019) that RFG is exploring a range of debt reduction options, including equity and other debt funding proposals, RFG advises that it has received an indicative non-binding proposal from Soliton Capital Partners, an investment fund associated with SSG Capital Management, to provide approximately \$160 million to recapitalise the Company.

As noted in RFG's announcement yesterday, discussions in relation to this proposal are advanced. However, the indicative proposal remains subject to a number of conditions precedent, including the completion of detailed due diligence, and there is no guarantee that any formal agreement will be reached. RFG has granted Soliton Capital Partners limited exclusivity while discussions continue and further due diligence is being undertaken. Any formal recapitalisation proposal which might be concluded is expected to include debt and equity/equity-linked components, and may be dilutive to existing shareholders.

As indicated in its 1H19 Results, RFG has also been exploring options for potential divestment of its non-core assets. Discussions in relation to the sale of one of those non-core assets are at an advanced stage, but there is no guarantee that any formal agreement will be reached.

A further update will be provided to the market in due course.

ENDS

For further information, please contact:

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About Retail Food Group Limited:

RFG is a global food and beverage company headquartered in Queensland. It is Australia's largest multi-brand retail food franchise owner and a roaster and supplier of high-quality coffee products. The Company also operates in the foodservice, dairy processing and wholesale bakery sectors. For more information about RFG visit: www.rfg.com.au