

Real Good Food PLC

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Real Good Food finalises terms on funding

Real Good Food PLC (LON:RGD) has now finalised the terms of the previously announced funding arrangements with its three major shareholders.

Omicane Limited and Napier Brown have each provided £3.3m in return for secured loan notes while certain funds managed by Downing LLP have agreed to provide at least £1.6m, with a possible additional £500,000 on the table.

READ: Real Good Food agrees terms for at least £8.2m in new financing with its three major shareholders?

The financing arrangements will fund the £4.5m deferred consideration due to the vendors of Brighter Foods, and also provide up to £4.2m (depending on whether the further £500,000 is received from funds managed by Downing LLP) to fund the company's foreseeable working capital needs, including for the build-up of inventory in the run-up to Christmas.

The conversion price of the loan notes issued to Omnicane, Napier Brown and Downing is expected to be 5p; Real Good Foods shares currently trade at 14p.

The coupon on the loan notes is 12% a year, payable when the loan notes are repaid or capitalised, it said in a **statement**.

The company said the terms are reflective of the severe financial challenges the company has faced over the last 12 months; without the funding there was a realistic chance that the company would cease to be a going concern.

Reflecting the fact that the terms were unchanged from the statement issued on May 4, the shares were unchanged.

Price: 6.625

Market Cap: £6.6 m

1 Year Share Price Graph



October 2018 May 2019 October 2019

Share Information

Code: RGD

Listing: LSE

52 week High Low
8 5

Sector: Food & drink

Website: www.realgoodfoodplc.com

Company Synopsis:

Real Good Food plc is a diversified food business serving a number of market sectors including retail, manufacturing, wholesale, foodservice and export. Each of these markets has different characteristics and our strategies will be tailored to the specific market needs but with the common theme of building long term sustainable growth.

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