



Financing facility - Intesa Sanpaolo

March 2022





Borrowers

- Sphera Franchise Group SA, US Food Network SA;

Guarantors

- Sphera Franchise Group SA, US Food Network SA, California Fresh Flavors SRL, US Food Network SRL (Italy and Moldova);

Credit amount

- **EUR 2,000,000**

Purpose

- Working capital financing;

Maturity Date

- 2 years from the date of signing the contract documents;

Availability period

- 2 years from the date of fulfillment of the previous conditions for making available;

Reimbursement

- Integral at maturity date;

Financial covenants to be fulfilled during the financing period (excluding the impact of IFRS 16)

- Net leverage (max. 2.5x), Debt service credit ratio (DSCR) (min. 1.2x), Debt to equity ratio: (max. 3x); annual testing of indicators, with validation of the calculation by an external auditor;



Borrowers	<ul style="list-style-type: none">• Sphera Franchise Group SA, US Food Network SA
Guarantors	<ul style="list-style-type: none">• Sphera Franchise Group SA, US Food Network SA, California Fresh Flavors SRL, US Food Network SRL (Italy and Moldova)
Credit amount	<ul style="list-style-type: none">• EUR 13,000,000
Purpose	<ul style="list-style-type: none">• Financing/refinancing of the Group`s investment plan, intra-group financing for investments;
Maturity date	<ul style="list-style-type: none">• 6 years from the date of signing the contract documents;
Availability period	<ul style="list-style-type: none">• Until December 2022;
Grace period	<ul style="list-style-type: none">• 1 year from the date of signing the contract documents, except for requests for refinancing of the investment plan for which the repayment will start together with the first interest payment;
Reimbursement of principal	<ul style="list-style-type: none">• For 5 years, in equal quarterly installments, after the end of the grace period;
Financial covenants to be fulfilled during the financing period (excluding the impact of IFRS 16)	<ul style="list-style-type: none">• Net leverage (max. 2.5x), Debt service credit ratio (DSCR) (min. 1.2x), Debt to equity ratio: (max. 3x);



Dividend distribution

- Up to the level of RON 35,000,000/year, with the fulfillment of the general financial covenants (excluding the impact of IFRS 16) as well as of the specific financial covenants: Debt service credit ratio, without initial cash position (min. 1x), Equity ratio (min. 20%) both before and after distribution;

Obligations

- Restriction of mergers with companies outside Sphera Group, subsidiary disposal by Sphera Franchise Group SA, disposal of assets threshold of EUR 1,000,000 (net asset value), “pari passu” ranking, meaning that Borrowers are committed to ensuring an equal level of collateral for all creditors, permitted capex investment according to the approved investment plan, permission for additional financial indebtedness, with the prior approval of the bank;

Turnover clause

- Borrowers and Guarantees (less entities in Italy and Moldova) will route through the accounts opened with Intesa Sanpaolo Romania in a proportion equal to the level of Intesa exposure in total bank financing. Testing is semi annual;

Change of control

- Borrowers shall notify the Lender when they become aware of any expected change of control (together with any details, including details of the entity/legal entities acquiring control and the date set for acquiring control), in all cases with at least 90 working days before the date of such a change of control, after which:
 - ✓ The Bank will respond within a maximum 45 working days from the notification mentioning its approval regarding the Change of Control or the request for advance payment;
 - ✓ If advance payment is requested, new utilizations will not be permitted, and the Borrowers will be required to repay all outstanding amounts no later than the date of the change of control.



Financial covenants	Dec 2021	Dec 2022*	Financial condition	Covenant status
Net leverage	0.89	1.72	Maximum 2.5	Met
Debt service credit ratio (DSCR)	27.80	2.86	Minimum 1.2	Met
Debt to equity ratio	1.38	1.67	Maximum 3	Met
Debt service credit ratio, without initial cash position**	6.27	(0.04)	Minimum 1	Note***
Equity ratio**	0.30	0.30	Minimum 0.2	Met

* Estimated calculation considering the utilization of the Intesa financing facility

** Financial covenants specific to the distribution of dividends

*** Depending on the annual final results and the date of contracting the financing, the covenant may be subject to waiver by the Bank