

Company AS BALTIKA
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Title The reorganization plan of Baltika was accepted by the creditors

On 27 March 2020, Aktsiaselts BALTIKA (hereinafter "Baltika") announced to the public that it submitted a reorganization application to Harju County Court and on 26 March 2020, the court decided by a ruling to commence reorganization proceedings.

On 30 April 2020, Baltika announced that it had submitted a reorganization plan prepared in Baltika's reorganization proceedings for acceptance to the creditors. Baltika also published a brief summary of the reorganization plan. The creditors were asked to cast their vote on the reorganization plan no later than on 20 May 2020.

In connection with the above, Baltika announces that as a result of the voting, the reorganization plan is accepted by the creditors. On the basis of the reorganization plan of Baltika, the creditors were in two groups and also the voting therefore took place in two groups. Of the Group I creditors, 66.67% of the creditors voted in favor, and the votes determined on the basis of the volume of claims accounted for 99.61% of all Group I votes. Of the Group II creditors, 82.76% of the creditors voted in favor, and the votes determined on the basis of the volume of claims accounted for 68.86% of all Group II votes. According to the Reorganization Act, a reorganization plan shall be accepted if at least half of all the creditors who hold at least two-thirds of all the votes (i.e volume of claims) vote in favor. If creditors are divided into groups, this requirement must be met in all groups.

Baltika will submit the reorganization plan accepted by the creditors to the court for approval no later than on 25 May 2020. A creditor who voted against the plan has the right to submit an application for refusal to approve the reorganization plan. The court shall decide on the approval of the reorganization plan within 30 days after the receipt thereof, by assessing the fulfilment of different procedural requirements and other aspects deriving from the law. The ruling to approve the plan can be disputed by a creditor, the ruling by which the approval of the plan is refused, can be appealed by the company under reorganization.



If the court decides to approve the plan, Baltika will start to enforce the measures described in the plan, including paying the debts that have been included in the plan according to the reorganization plan. The approval of the reorganization plan would give Baltika a chance to overcome the temporary economic difficulties and continue the operations of an important historic clothing textile company, also preserve the jobs of more than 500 people.

Baltika's management is thankful to the creditors for their support.

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(https://www.globenewswire.com/Tracker?data=GDF4io6NaWPhtHKMkjH5pIkvUAH4tC90-xsSqlvNp9KbwGS9x3qZ5aKoiEYVEX_Xb6ibssKfeQnF5Jwp8FxJzK5em1oC8KWZwvGWTxNPKdIfqYPY9noiEGgCJjnYlGXy)

