

Vendor Information

1. How does this agreement benefit CTI Foods? Why take this action now?

- For over a decade, CTI Foods has worked with the industry's leading restaurant and branded food companies to create custom, proprietary products and provide them with a competitive edge to capitalize on growing trends and captivate customers.
- We are now taking the next step to best position CTI for long-term growth with both existing and new customers.
- We have reached an agreement with the majority of our lenders on a comprehensive financial restructuring that will reduce the Company's debt by more than \$400 million and provide significant financial flexibility to support continued investments by the Company on behalf of its customers.
- By using this legal process and because we have a pre-packaged plan of reorganization, we can execute our agreement quickly while we continue running our business as usual.
- This is not only in the best interest of our company and our employees, but also allows us to better serve customers for many years to come.
- We are confident in the future of CTI, and believe this process will enhance our ability to drive value for all of our stakeholders.

2. What is Chapter 11? Why does CTI have to file Chapter 11 if we reached an agreement with our lenders?

- Chapter 11 is a section of the U.S. Bankruptcy Code that allows companies to reorganize their finances through a court-supervised proceeding while continuing to operate their businesses.
- By using this legal process and because we have a pre-packaged plan of reorganization, we can execute our agreement quickly while we continue running our business as usual.
- Chapter 11 permits, and even encourages, daily business operations to continue as usual.
- The court-supervised process will allow CTI to restructure our finances, reducing our debt by more than \$400 million and providing the financial flexibility to support continued investments on behalf of our customers.

3. Will CTI continue normal operations?

- CTI is continuing to operate its business as usual. We have sufficient liquidity to meet our business obligations and have received court permission to pay our vendors and manufacturing partners as normal and provide customers the custom food solutions and services they expect from CTI.

4. Will the leadership of the Company stay in place?

- Yes. This agreement with our lenders demonstrates their shared confidence in the bright future of our company – and that includes the current leadership of CTI.
- We separately announced that Mike Buccheri, most recently the Company's Chief Commercial Officer, was appointed President and Chief Executive Officer of CTI, effective immediately.
- Buccheri brings 25 years of experience in the foodservice industry, leading business development strategies and sales and operations program implementation.
- We don't anticipate any additional leadership changes.
- We have a deep bench of talent and are confident in the strength of our management team.

5. Will there be any change in the range of products available?

- Customers are expected to have uninterrupted access to our custom food solutions and services.
- We continue to work with the industry's leading restaurant and branded food companies to create custom, proprietary products to provide them with a competitive edge to capitalize on growing trends and captivate customers.
- Many of our largest customers are not only standing by us through this process, but are also increasing their business.
- Ultimately, this financial restructuring process will enable us to strengthen our business by substantially reducing our debt and providing the financial flexibility to support continued investments on behalf of our customers.

6. Do you have sufficient liquidity to meet your business obligations?

- Yes. We have sufficient liquidity to meet our business obligations and are continuing to pay our vendors and manufacturing partners as normal.
- Under the terms of the agreement, vendors and manufacturing partners will not be impaired by the financial restructuring process, and we will pay our vendors and manufacturing partners in full for goods and services provided before and after the filing date.
- In addition, we have received the Court's interim approval to access up to \$142.5 million of the \$155 million in debtor-in-possession ("DIP") financing, which, combined with access to cash generated by CTI's ongoing operations, is available to pay off certain existing indebtedness, meet our operational needs and continue operating our business as usual.
- We intend to continue working closely with our vendors and manufacturing partners to help ensure that products will continue to be delivered to customers on time.

7. Will there be any plant or other facility closures?

- All of our plants are expected to continue operating as usual.

8. Will vendors and manufacturing partners and utilities be paid for goods and services provided to CTI before and after the filing date?

- Yes. Under the terms of our agreement, vendors and manufacturing partners will not be impaired by the financial restructuring process.
- CTI has received Court approval to pay our vendors and manufacturing partners in full for goods and services provided before and after the filing date

9. Will CTI continue to order / use goods and services from its vendors?

- Yes. We intend to continue to work with our vendors and manufacturing partners as normal – we will do business like we always have.
- CTI is continuing to operate business as usual, and we are relying on you to continue providing the products and services we need under the same terms.
- With your support, we are working to achieve a successful outcome for our company, business partners and other stakeholders well into the future.

10. Why should I sell you goods / provide you services now?

- CTI is continuing to operate business as usual, and we are relying on you to continue providing the products and services we need under the same terms.
- We have sufficient liquidity to meet our business obligations and will pay our vendors and manufacturing partners as normal.
- With your support, we are working to achieve a successful outcome for our company, business partners and other stakeholders well into the future.
- We are working through this process on an accelerated basis and vendors and manufacturing partners will not be impacted by this process.

11. Can I renegotiate my contract terms with the Company?

- Under the terms of our agreement and upon Court approval, vendors and manufacturing partners will not be impaired by the financial restructuring process.
- As such, they will be paid in full for existing obligations in the ordinary course for goods and services provided.
- We appreciate your continued cooperation, which will enable our mutual growth and success.

12. Will my contacts remain the same?

- Yes. You can continue to contact your normal CTI business partner.