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**Folli Follie Commercial Manufacturing and Technical SA announces Consent Solicitation in respect of the €249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 (ISIN: XS1082775054) issued by FF Group Finance Luxembourg SA and guaranteed by Folli Follie Commercial Manufacturing and Technical SA.**

**18 November 2020**

Folli Follie Commercial Manufacturing and Technical SA (the "**Company**" or the "**Guarantor**") has announced today the launch of a consent solicitation (the "**Consent Solicitation**") in respect of the €249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 (ISIN: XS1082775054) (the "**Notes**") issued by FF Group Finance Luxembourg SA (the "**Issuer**") and guaranteed by the Company.

The Consent Solicitation is being made on the terms, and subject to the conditions, contained in the consent solicitation memorandum dated 18 November 2020 prepared by the Company in connection with the Consent Solicitation and Offer to Participate (as defined below) (as amended or supplemented from time to time, the "**Consent Solicitation Memorandum**").

Capitalised terms used in this announcement have the same meanings ascribed to them in the Consent Solicitation Memorandum unless otherwise defined herein.

### **The Proposal**

The Company is soliciting consents from holders of the outstanding Notes (the "**Noteholders**"), subject to the terms and conditions set forth in the Consent Solicitation Memorandum to approve at separate meetings of Noteholders (the "**Meetings**"):

- (i) the appointment of Lucid Trustee Services Limited to replace and succeed U.S. Bank Trustees Limited as Trustee under the Trust Deed (the "**First Extraordinary Resolution**"); and
- (ii) (a) the Term Sheet; (b) the Rehabilitation Agreement; (c) the Issuer Substitution; (d) the Key Documents subject to any permitted changes; (e) the appointment of Lucid Trustee Services Limited and Lucid Issuer Services Limited (together, the "**Appointees**" and each an "**Appointee**") to finalise and sign the Key Documents and to negotiate and sign any ancillary documents relating to the Restructuring; and (f) the appointment of the Ad Hoc Group as an Appointed Representative to (1) instruct, up to the sanction date of the Rehabilitation Agreement, the Appointees in finalising and sign the Key Documents and negotiating and signing any ancillary documents relating to the Restructuring and (2) negotiate and agree a method for allocating the Restructuring Consideration to the Creditors on behalf of the Noteholders as a whole (collectively, the "**Second Extraordinary Resolution**" and, together with the First Extraordinary Resolution, the "**Extraordinary Resolutions**").

Noteholders should carefully review the Consent Solicitation Memorandum in its entirety, in particular the information contained in the sections entitled "*The Background*", "*Consent Solicitation*" and "*Offer to Participate*" of the Consent Solicitation Memorandum and the Term Sheet, a copy of which is attached to the Consent Solicitation Memorandum as Annex B.

The Company, as the Guarantor of the Notes, acting on behalf of itself and on behalf of the Issuer and in accordance with the Consent Solicitation Memorandum, the Conditions and the Trust Deed, has convened the Meetings, on 9 December 2020 beginning at 11:00 a.m. (London time), for the purpose of enabling Noteholders to consider the Proposal set out in the Consent Solicitation Memorandum (and described in summary form below) and, if thought fit, to pass the Extraordinary Resolutions on the terms set out in the Term Sheet, a copy of which is attached to the Consent Solicitation Memorandum as Annex B.

### **Replacement of Trustee**

Pursuant to Clauses 17.1 and 17.2 of and paragraph 19.6 of Schedule 3 to the Trust Deed, the Guarantor is proposing that Noteholders remove U.S. Bank Trustees Limited, and appoint Lucid Trustee Services Limited, as successor Trustee under the Trust Deed, with effect from the date and time on which the First Extraordinary Resolution is passed.

### ***Rehabilitation Agreement and Key Documents***

Pursuant to paragraphs 19.1 and 19.2, and the proviso to paragraph 19, of Schedule 3 to the Trust Deed, and subject to the satisfaction of any conditions precedent to the effectiveness of the Term Sheet as set out in the Consent Solicitation Memorandum, the Guarantor is proposing that the terms of the Restructuring Transaction as set out in the Term Sheet be approved.

The Term Sheet outlines the terms of the Rehabilitation Agreement to be entered into between the Guarantor and its largest stakeholders (including the Noteholders (acting by an Appointee)). Under the Rehabilitation Agreement, the Noteholders will exchange their Notes for their proportion of the New Notes and AssetsCo Shares, as set out the Term Sheet.

The relevant Appointee will execute these documents on behalf of the Noteholders pursuant to the powers granted to such Appointee under the Consent Solicitation and the Noteholders shall be bound by the terms of the Key Documents to which they are a party as if they had executed the relevant Key Documents themselves and regardless of whether or not a particular Noteholder voted in favour of the Extraordinary Resolutions.

### ***Issuer Substitution***

In order to include the Notes in the Restructuring, the issuer of the Notes must have its seat or center of main interest in Greece. The most efficient option to achieve this result, considering all involved jurisdictions, was found to be the substitution of the Issuer by the Guarantor.

The Issuer and the Guarantor are therefore proposing that the Issuer shall be substituted by the Guarantor as issuer of the Notes (the "**Issuer Substitution**"), as further set forth in the Consent Solicitation Memorandum.

To effect the Issuer Substitution, the Issuer and the Guarantor will enter into the Issuer Substitution Deed with the Trustee, which is in substantially agreed form as at the date of the Consent Solicitation Memorandum. The Issuer and the Guarantor may, however, negotiate and agree with the relevant Appointee certain non-material changes, provided that any such non-material changes will be made and notified to the Noteholders by the Issuer or the Guarantor at or prior to the Documents Update Deadline.

### ***Implementation of the Proposal***

If the Requisite Consents are obtained and the Extraordinary Resolutions are passed, each Noteholder will be bound by the Extraordinary Resolutions, whether or not a particular Noteholder delivered a valid Consent in respect of, or was present at the Meetings and voted in favour of, the Extraordinary Resolutions.

The Guarantor expects to implement the Proposal relating to the Second Extraordinary Resolution following successful passing of the Second Extraordinary Resolution and approval of the Rehabilitation Agreement by the Greek Bankruptcy Court. In order to be able to file the Rehabilitation Agreement with the Greek Bankruptcy Court, the Company requires the consent of 60% of its unsecured creditors. If the Second Extraordinary Resolution is passed and the corresponding resolutions are passed by the holders of the Swissbonds, this will be sufficient to meet the requisite consent threshold.

Any determination by the Greek Bankruptcy Court following and concerning the events, developments or circumstances described above will be final and binding on all Noteholders.

If the Requisite Consents are not obtained and the Second Extraordinary Resolution is not passed at the applicable Meeting, the Bridge Notes (as defined below) will no longer be committed (unless Arena (as defined below) otherwise agrees) and, given the Group's liquidity constraints, the Company will likely have to file for bankruptcy before any adjourned Meetings can be held.

### ***Restructuring Consideration***

Following the ratification of the Rehabilitation Agreement by the Greek Bankruptcy Court (subject to the Second Extraordinary Resolution being passed at the applicable Meeting), Noteholders and other Creditors will receive, directly or indirectly, AssetsCo Shares and New Notes in full and final settlement of certain of the Guarantor's and the Issuer's existing liabilities. The principal amount of the New Notes and the percentage of the AssetsCo Shares that will be available to the Noteholders shall be determined in accordance with a procedure to be agreed between the Creditors, with such procedure taking into account the impact of the Double-Dip on the allocation of Restructuring Consideration, all as further described in the Consent Solicitation Memorandum.

The New Notes will benefit from the same guarantees and security as the Bridge Notes on a second-ranking

basis, save that they will also be guaranteed by the Guarantor and, to the extent that the Bridge Notes remain outstanding on the Restructuring Effective Date, the liabilities under the New Notes will rank second in right and priority of payment to the liabilities arising under the Bridge Notes.

**Offer to Participate**

The liquidity issues faced by the Group have been further compounded by the outbreak of coronavirus disease (also known as 'COVID-19' and assessed to be a pandemic by the World Health Organisation on 11 March 2020) and the reactions of government authorities to this outbreak, which included a total closure of all retail shops in Greece during March, April and May 2020. Despite taking various cost saving measures (as outlined in the Guarantor's announcement on 28 April 2020), the Group was unable to significantly offset the loss of revenue.

As a result of the above, the Guarantor instructed WhiteTip Investments AEPEY to identify possible sources of bridge funding to provide the Group with sufficient liquidity to launch the Restructuring and ensure its viability through to completion of the Restructuring. See the Consent Solicitation Memorandum for details relating to the proposals received and the Company's subsequent discussions with a committee of unsecured creditors, including Noteholders and the lenders of the Schuldschein in relation to the bridge financing.

On 16 November 2020, the Company agreed binding terms with AIEF FF SPV, L.P ("**Arena**"). The binding terms agreed are set out in the Bridge Notes Term Sheet (a copy of which is appended to the Consent Solicitation Memorandum as Annex K), and consist of an issuance of €13,007,018.00 5%/10% Secured Split Coupon Notes by Folli Follie Holdings SA and the Company.

The Group has been conscious of the need to include eligible Creditors in any process regarding the provision of additional financing for the Group. As such, eligible Creditors (including the Noteholders) are being offered, pursuant to the Consent Solicitation Memorandum, the right to participate in up to 15% of the principal amount of the Bridge Notes on equal terms to Arena (the "**Offer to Participate**"). In any event, at least 85% of the principal amount of the Bridge Notes will be allocated to Arena. Arena is not acting as an arranger or placement agent for the Bridge Notes and accepts no responsibility in connection with the Bridge Notes Offer.

Should you wish to participate in the Bridge Notes, please read the section entitled "*Offer to Participate*" in the Consent Solicitation Memorandum and contact the Tabulation and Information Agent using the contact details set out below.

**Noteholders' Call**

The Company appreciates that there have been various amendments to the Term Sheet since the previous iteration of it was approved in the Company's last consent solicitation in March 2020. Therefore, representatives of the Board of Directors will host a Creditors' call by webinar at midday (London time) on 25 November 2020. Details and registration information for the call will be available on the transaction website managed by the Tabulation and Information Agent: <http://www.lucid-is.com/follifollie>.

**Indicative timetable of events**

The following expected timetable assumes that the Meetings are quorate within 15 minutes from the time fixed for the Meetings on the date on which they are first convened and, accordingly, no adjourned Meetings are required.

Noteholders should inform themselves of any earlier deadlines that may be imposed by the Clearing Systems or any intermediaries that may affect the timing of the submission of their Custodian Instructions.

<b>Date and Time</b>	<b>Action</b>
<b>18 November 2020</b>	Announcement of the Consent Solicitation and publication of this Consent Solicitation Memorandum. Notice of the Meetings sent to Direct Participants via the Clearing Systems and published in an announcement made through the Athens Stock Exchange. This Consent Solicitation Memorandum and documents referred to in the Notice are made available in electronic form from the Tabulation and Information Agent.
<b>24 November 2020 (10:00 a.m. London time)</b>	Deadline for the Guarantor to notify the Noteholders of any amendments and/or modifications to the terms of the Key Documents.
<b>7 December 2020 (10.00 a.m. London time)</b>	Deadline for Noteholders that wish to participate in the Bridge Notes Offer to deliver completed Custodian Instructions to the

Clearing Systems and to submit a duly completed Account Holder Letter to the Tabulation and Information Agent.

**7 December 2020 (10:00 a.m. London time)**

Deadline for Noteholders to deliver completed Custodian Instructions to the Clearing Systems and to submit their Account Holder Letter to the Tabulation and Information Agent in order for their votes in respect of the Extraordinary Resolutions to be included in the relevant Form of Proxy.

Deadline for Noteholders wishing to attend (via webinar) and vote at the Meetings via webinar in person or through a proxy to submit an instruction in their Account Holder Letters to appoint any person specified in such instruction as a proxy to act on their behalf in connection with the Meetings.

**7 December 2020 (11:00 a.m. London time)**

Deadline for Noteholders to amend or revoke Custodian Instructions and Account Holder Letters previously furnished.

**9 December 2020 (beginning 11:00 a.m. London time)**

Meetings held by webinar to be hosted by the Tabulation and Information Agent, details of which will be notified to Noteholders who intend to attend in advance of the Meetings.

**As soon as reasonably practicable after the conclusion of the Meetings**

Announcement of the results of the Meetings (or adjourned Meetings, as the case may be) and whether the Extraordinary Resolutions have passed.

If the Meetings are adjourned (and the Group does not file for bankruptcy in the intervening period), the relevant times and dates set out above will be modified accordingly and will be set out in the notice convening such adjourned Meeting, which shall be published using the same means of publication as used for the Notice of the original Meeting.

**For further information:**

A complete description of the procedures in relation to the Meetings, the terms of the Consent Solicitation and the text of the Extraordinary Resolutions, and the Offer to Participate, is set out in the Notice of Meetings and the Consent Solicitation Memorandum. The Consent Solicitation Memorandum is available to all holders of the Notes, subject to each holder providing the confirmations set out in the "Important Notice" section of the Consent Solicitation. The Consent Solicitation Memorandum will be available on the Tabulation and Information Agent's website, which is publicly available at <http://www.lucid-is.com/follifollie>.

The Consent Solicitation Memorandum can also be obtained from the Tabulation and Information Agent whose contact details are as follows:

**Lucid Issuer Services Limited**  
**Tankerton Works, 12 Argyle Walk**  
**London WC1H 8HA, United Kingdom**  
**Telephone: +44 20 7704 0880**  
**Email: [ff@lucid-is.com](mailto:ff@lucid-is.com)**

**Disclaimer and Restrictions**

This announcement must be read in conjunction with the Consent Solicitation Memorandum. The Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with respect to the Consent Solicitation or the Bridge Notes Offer. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant and authorised independent financial adviser.

This announcement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Company or the Issuer or any other entity.

The Bridge Notes will be issued and delivered in reliance upon exemptions from the registration requirements of the U.S. Securities Act of 1933, as amended (the "Securities Act"). The Bridge Notes will be offered and sold solely to persons within the United States or to U.S. persons, in each case where each such person is an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, that is an institution, or (y) a QIB. Outside the United States, the Bridge Notes will be offered and sold solely to non-U.S. persons in

offshore transactions in reliance on Regulation S under the Securities Act, who are not retail investors in the European Economic Area or in the United Kingdom (defined as persons who are one (or more) of: (x) retail clients as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (y) customers within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client (as defined in point (10) of Article 4(1) of MiFID II); or (z) not qualified investors as defined in Regulation (EU) 2017/1129.

The distribution of this announcement and the Consent Solicitation Memorandum may nonetheless be restricted by law in certain jurisdictions. Persons into whose possession the Consent Solicitation Memorandum comes are required by the Company, Issuer, the Trustee, the Principal Agent, the Registrar, the Appointees and the Tabulation and Information Agent to inform themselves about, and to observe, any such restrictions. This announcement and the Consent Solicitation Memorandum do not constitute a solicitation in any circumstances in which such solicitation is unlawful. None of the Company, the Issuer, the Trustee, the Principal Agent, the Registrar, the Appointees and/or the Tabulation and Information Agent, will incur any liability for its own failure or the failure of any other person or persons to comply with the provisions of any such restrictions.

**This announcement is released by the Company in compliance with the Market Abuse Regulation (EU) 596/2014 (MAR) and the Rule Book of the Athens Stock Exchange. The Consent Solicitation Memorandum contains information that qualifies as inside information for the purposes of Article 7 of MAR. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, the person responsible for arranging the release of this announcement on behalf of the Company is Mantalena Kasidiaropoulou, Head Investor Relations.**