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**Folli Follie Commercial Manufacturing and Technical SA announces Consent Solicitation in respect of the CHF 150,000,000 3.25% Notes 2017 – 2021 due 2 November 2021, Ticker symbol: FFG17, ISIN CH0385518052 issued by FF Group Finance Luxembourg II S.A. and guaranteed by Folli Follie Commercial Manufacturing and Technical SA.**

**18 November 2020**

Notice to the holders of Notes of

FF Group Finance Luxembourg II S.A., société anonyme, with registered office at 54-56 boulevard Napoléon, L-2210 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register under number B211122 (the “**Issuer**”)

regarding

CHF 150,000,000 3.25% Notes 2017 – 2021 due 2 November 2021 guaranteed by Folli-Follie Commercial Manufacturing and Technical Société Anonyme (the “**Guarantor**”), Ticker symbol: FFG17, ISIN CH0385518052 (the “**Notes**”)

In accordance with Annex 2 no. 2.09 of the SIX Directive Regular Reporting Obligations, in the name of the Issuer and in accordance with Section 15 of the terms of the Notes (the “**Terms**”), notice is hereby given to the holders of the Notes (the “**Noteholders**”) of a meeting of the Noteholders (the “**Noteholder Meeting**”) to be held on:

9 December 2020 on 11.00 a.m. (Zurich time), as a virtual meeting,

with the following provisional

#### AGENDA

1. Constitution of the Noteholder Meeting
2. Update on the proposed restructuring of the Folli Follie Group
3. Approval of the Proposed Issuer Substitution Resolutions (as further described in the Consent Solicitation Memorandum)
4. Approval of the Proposed Restructuring Resolutions (as further described in the Consent Solicitation Memorandum)
5. Miscellaneous / Q&A

Capitalised terms used but not defined in this notice shall have the meaning given thereto in the Consent Solicitation Memorandum.

## PARTICIPATION AT THE NOTEHOLDER MEETING

In accordance with the applicable Swiss Ordinance 3 on Measures to combat the Coronavirus (COVID-19) (the “**Ordinance 3**”), the Noteholder Meeting will be held as a virtual meeting. Each person who produces a certificate by a bank in respect of its holding of Notes as further specified below is entitled to attend and to vote on the resolutions proposed at the Noteholder Meeting. Bank certificates must be dated at the latest by 7 December 2020 (or as otherwise instructed by the custodian bank) and confirm that the respective Notes are deposited in a securities account (*Effektenkonto*) with that bank and will remain so deposited with such bank until and including the date of the Noteholder Meeting and that the bank has not issued any other such certificate with respect to such Notes (the “**Blocking Certificate**”). Trading in the Notes might be suspended by SIX Swiss Exchange in connection with the Noteholder Meeting. Whether or not trading will be suspended is in the entire discretion of SIX Swiss Exchange.

Blocking Certificates or Proxy Forms shall either be delivered to Lucid Issuer Services Limited, by email to ff@lucid-is.com no later than by 7 December 2020 at 11:00 a.m. (Zurich time) (or as otherwise instructed by the custodian bank) or presented at the Noteholder Meeting. Each participating Noteholder or its representative must show a valid legal identification document (passport or identification card) for identification purposes. Voting materials will be distributed at the Noteholder Meeting upon proper identification.

Noteholders who are not willing or able to participate at the Noteholder Meeting can be represented by a duly authorised third person evidenced by a written proxy or by using the Proxy Form (as attached to the Consent Solicitation Memorandum).

## VOTING RIGHTS

The voting rights of the Holders shall be determined according to the principal amount of the outstanding Notes held. Each Note in denomination of CHF 5,000 shall be entitled to one (1) vote.

Notes held by or on behalf of the Issuer or any other natural person or legal entity:

- (i) which directly or indirectly owns or controls more than fifty (50) per cent. of the equity share capital of the Issuer; or
- (ii) of which, in the case of a legal entity, more than fifty (50) per cent. of the equity share capital is controlled by the Issuer directly or indirectly; or
- (iii) where the Issuer is in a position to exercise, directly or indirectly, a control over the decisions or actions of such natural person or legal entity or representative thereof, irrespective of whether or not the latter is affiliated to the Issuer, shall not be entitled to vote at a Noteholder Meeting.

## BACKGROUND

The Guarantor and its subsidiaries (including the Issuer) are envisaging a restructuring. They are proposing that the Issuer as issuer of the Notes shall be substituted by the Guarantor (the “**Issuer Substitution**”). In order to include the Notes into the restructuring, the issuer of the Notes must have its seat or centre 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 as issuer of the Notes. Therefore, the Notes Terms have to be amended in order to allow for such substitution.

The Guarantor and its subsidiaries (including the Issuer) seek consent from the Noteholders on (i) the proposal for the amendment of clause 10 of the Terms with respect to the Issuer Substitution, an agreement between the Issuer, the Guarantor and Lucid Issuer Services Limited acting as direct representative (*direkter Stellvertreter*) in the name and on behalf of the Noteholders regarding the substitution of the Issuer by the Guarantor and a proposal for the amendment of the Terms to reflect this substitution to be effective upon the date of the agreement, (ii) a term sheet outlining the proposal for the key commercial terms of the restructuring of the Guarantor and its subsidiaries and the Key Documents (as defined in the Consent Solicitation Memorandum) which have been made available in electronic form only and can be accessed on <https://www.lucid-is.com/follifollie-cs/>, and (iii) the appointment of the Appointee and the Appointed Representative to represent the interests of the Noteholders.

Requests for information in relation to the Consent Solicitation Memorandum or any other document referred to above should be directed to:

Lucid Issuer Services Limited, by email to [ff@lucid-is.com](mailto:ff@lucid-is.com) or via <https://www.lucid-is.com/follifollie-cs/>.

#### IMPLEMENTATION OF THE PROPOSAL

If the proposed resolutions are passed at the Noteholder Meeting with the required thresholds, each Noteholder will be bound by such resolutions, whether or not such Noteholder was present at the Noteholder Meeting and voted in favour of such resolutions.

The Guarantor expects to implement the restructuring following successful passing of the resolutions at the Noteholder Meeting 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 Guarantor requires the consent of 60% of its unsecured creditors. If the proposed resolutions are passed at the Noteholder Meeting and the corresponding resolutions are passed by the holders of the Eurobonds, this will be sufficient to meet the requisite consent threshold.

If the proposed resolutions are not passed at the Noteholder Meeting, the Company will likely have to file for bankruptcy before a reconvened meeting can be held.

#### 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 (the "**Bridge Notes**") 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 M), and consist of an issuance of EUR 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 Issuer and the Guarantor appreciate 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)/01:00 p.m. (Zurich 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: <https://www.lucid-is.com/follifollie-cs/>.

UBS AG in its capacity as former bondholders’ representative of the Notes has not been involved in the proposed restructuring and is not in a position to advise on the merits of the proposed restructuring.

#### FOR FURTHER INFORMATION:

A complete description of the procedures in relation to the Meeting and the terms of the Consent Solicitation, is set out in 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 <https://www.lucid-is.com/follifollie-cs/>.

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**

#### 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 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 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.**