

Company announcement from SGL International A/S

7 September 2021

Company announcement no. 42

SGL International A/S announces successful placement of subsequent bonds under its outstanding senior secured bond framework

SGL International A/S (the "**Issuer**", and together with TransGroup Global Inc., and their respective subsidiaries from time to time, "**SGL**" or the "**Group**") has, following a bookbuilding process, successfully placed a subsequent bond issue (the "**Subsequent Bond Issue**") in an amount of EUR 75,000,000 under its existing senior secured fixed rate bonds with ISIN SE0015810759 (the "**Fixed Rate Bonds**"). Following the Subsequent Bond Issue, the outstanding amount under the Fixed Rate Bonds will be EUR 225,000,000. The transaction was met with strong demand from primarily institutional investors based in the Nordics and continental Europe and was placed at a price of 103.25% of par.

Proceeds from the Subsequent Bond Issue will be used to finance general corporate purposes, including acquisitions, investments, and repayment of drawn amounts under the Group's working capital facilities.

The Subsequent Bond Issue is contingent upon bondholders' approval of the ongoing Written Procedure as well as satisfaction of the Condition (as defined below) and settlement is consequently expected to take place on or about 28 September following completion of the Written Procedure.

As announced on 1 September 2021, the Issuer has instructed the agent for the Group's Fixed Rate Bonds and up to EUR 315,000,000 senior secured bonds with ISIN SE0013101219 (together, the "**Senior Bonds**") to initiate a written procedure to request that bondholders vote in favour of certain waivers and amendments to the intercreditor agreement and the terms and conditions of the Senior Bonds, permitting *inter alia* the Subsequent Bond Issue and the use of certain cash currently held on escrow for other acquisitions than those communicated in conjunction with the Group's previous bond issue, as well as clarifying the calculation of permitted drawings under the Group's working capital facilities (the "**Written Procedure**"). The waivers and amendments sought are detailed in each notice of written procedure published on 1 September 2021. In exchange for bondholders' approval, certain shareholders of the Group have committed to inject equity in an amount of minimum USD 35,000,000 on or before 30 October 2021 to support SGL in realising its growth ambitions (the "**Condition**").

The Group has engaged in discussions with the largest holders of Senior Bonds who have expressed their support for the Written Procedure.

The Issuer has retained Pareto Securities as sole bookrunner and financial advisor and Roschier Advokatbyrå as legal advisor in connection with the Subsequent Bond Issue and the Written Procedure.

For further information, please contact:

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This information is information that the Issuer is obliged to make public pursuant to the EU Market Abuse Regulation and the and the Swedish securities markets act (2007:528). The information was submitted for publication, through the agency of the contact person set out above on 7 September 2021, at 16.00 CET.