

Company announcement from SGL International A/S

1 September 2021

Company announcement no. 40

SGL International A/S announces successful placement of new subordinated unsecured bonds, initiates a written procedure under its outstanding senior secured bonds, and announces fixed income investor meetings

SGL International A/S (the "**Issuer**", and together with TransGroup Global Inc., and their respective subsidiaries from time to time, "**SGL**" or the "**Group**") yesterday successfully placed new subordinated unsecured bonds in an amount of EUR 40,000,000 (the "**Subordinated Bond Issue**"). The Subordinated Bond Issue was privately placed with a group of institutional investors, has a tenor of 4 years, and will carry payment-in-kind interest. Proceeds from the Subordinated 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.

Following completion of the Subordinated Bond Issue, the Issuer has instructed the agent for the Group's up to EUR 350,000,000 senior secured bonds with ISIN SE0015810759 and up to EUR 315,000,000 senior secured bonds with ISIN SE0013101219 (the "**Senior Bonds**") to initiate a written procedure to request that bondholders vote in favour of certain amendments to the intercreditor agreement and the terms and conditions of the Senior Bonds, permitting *inter alia* a 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 amendments sought are detailed in the notice of written procedure published today. In exchange for bondholders' approval, certain shareholders of the Group have committed to injecting equity in an amount of minimum USD 35,000,000 to support SGL in realising its growth ambitions.

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

SGL continues to see significant and near-term organic and inorganic growth opportunities in its markets. In order to act upon these, the Group is concurrently investigating the possibility of carrying out a subsequent bond issue in an amount of up to EUR 75,000,000 under the framework of its outstanding senior secured fixed rate bonds with ISIN SE0015810759, subject to *inter alia* market conditions (the "**Subsequent Bond Issue**"). Proceeds from the Subsequent Bond Issue, should it materialise, will be used to finance general corporate purposes, including acquisitions, investments, and repayment of drawn amounts under the Group's working capital facilities.

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

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 1 September 2021, at 07.45 CET.