Bong requests amendments to its Convertible Bonds in order for Bong to carry out a conversion of all Convertible Bonds into Bong shares

Bong AB (publ) ("Bong") requests amendments to its SEK 75 million Convertible Bonds 2013/2018 with ISIN SE0005281821 (the “Convertible Bonds”) in order to allow for Bong to convert all Convertible Bonds into Bong shares at a conversion price of SEK 2.75 per share. In addition, Bondholders registered per 12 January 2016 (the “Voting Record Date”) for voting at the Bondholders’ Meeting shall during a three month period be entitled to subscribe for 133,333 Bong shares per Convertible Bond held at the Voting Record Date at a subscription price of SEK 1.00 per share in order for a conversion to be allowed. The Board of Directors of Bong has today issued a separate press release with the convening notice for an extraordinary general meeting in Bong to be held on 25 January 2016 (the “EGM”), in order to resolve on the matters necessary for an amendment of the Convertible Bonds and a subsequent conversion.

On 11 December 2015, Bong announced certain proposed transactions to significantly reduce and change the nature of Bong’s indebtedness. As communicated, this includes converting all Convertible Bonds into Bong shares. On 15 December 2015, Bong announced that it had raised SEK 200m trough a senior secured bond issue and that one of several conditions for the release of the bond proceeds and the repurchase of the current Bank’s claims on Bong is that all Convertible Bonds are converted into Bong shares.

Bong therefore requests amendments to the terms and conditions of the Convertible Bonds in order to allow for Bong to convert all Convertible Bonds into Bong shares at any time and at a conversion price of SEK 2.75 per share. In addition and subject to approval by the EGM, Bondholders registered as such per the Voting Record Date shall during a three month period after the EGM, be entitled to subscribe for 133,333 Bong shares per Convertible Bond held at the Voting Record Date at a subscription price of SEK 1.00 per share in order for a conversion to be allowed.

The Board of Directors of Bong has today by way of separate press release published a notice for the EGM since also the Bong shareholders shall resolve on the matters necessary for the amendment of the Convertible Bonds and the subsequent conversion. Bong intends to convert all Convertible Bonds into Bong shares in accordance with the above shortly after the requisite approvals from the Bondholders’ Meeting and the extraordinary general meeting in Bong.

A valid resolution in respect of the request from Bong will require support from at least 75% of the votes cast at the Bondholders’ Meeting provided that at least 50% of the principal amount outstanding under the Convertible Bonds are represented at the Bondholder’s Meeting.

The Bondholders’ Meeting to resolve on the request from Bong will be held on 19 January 2016 at 17.30 CET at the offices of the Agent Intertrust CN (Sweden) AB (formerly CorpNordic Sweden AB), 10th Floor, Sveavägen 9 in Stockholm. Registration will start at 17.00 CET. Bondholders also have the ability to vote by issuing a voting proxy instead of attending the meeting.

A full notice for the Bondholders’ Meeting containing further important information has been sent by post to the Bondholders and is also available at the websites http://www.bong.com/en/investors/bondholders-meeting-convertible-bonds and http://www.intertrustgroup.com/en/about/news.

About Bong

Bong is a leading provider of specialised packaging and envelope products in Europe, offering solutions for distribution and packaging of information, advertising materials and lightweight goods. Important growth areas in the Group are packaging within retail and e-commerce and the envelope market within Eastern Europe. The Group has annual sales of approximately SEK 2.3 billion and about 1,685 employees in 16 countries. Bong has strong market positions in the majority of key markets in Europe, and the Group sees interesting possibilities for continued expansion and development. Bong is a public limited company whose stock is quoted on the Nasdaq Stockholm (Small Cap).

Bong AB (publ) discloses the information in this press release pursuant to the Securities Markets Act. The information was provided for public release on 21 December, 2015 at 08.00 CET.

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