



## **The Extraordinary General Meeting in Bong resolved on amendment of convertible bond terms and new issues of shares and subscription warrants**

At the extraordinary general meeting in Bong AB (publ) ("Bong") on 25 January 2016, in accordance with proposals from the Board, the Meeting resolved to amend the terms and conditions for the convertible bonds issued by the company under series 2013/2018, a reduction of the company's share capital by SEK 59,530,650, a new share issue of no more than 27,272,727 shares with right to payment by set-off, a directed share issue of no more than 19,999,975 shares and a directed issue of no more than 40,000,000 subscription warrants.

Bong has previously announced the agreement in principle made with the company's two main lending banks regarding repurchase of the banks' claims on Bong in order to significantly reduce and change the nature of Bong's indebtedness (the "Transaction"). Certain prerequisites for the Transaction were to implement a bond issue and to convert all convertible bonds under series 2013/2018. The final implementation of the bond issue and the conversion of the convertible bonds were subject to resolutions by the extraordinary general meeting in accordance with the Board's proposals on amendment of the terms and conditions for the convertible bonds, a reduction of the company's share capital, a set-off issue, a directed share issue and a directed issue of subscription warrants. The extraordinary general meeting has now passed the following resolutions in accordance with the proposals from the Board.

### **Amendment of terms and conditions for convertible bonds**

The meeting resolved in accordance with the Board's proposal on the amendment of the terms and conditions for convertible bonds under series 2013/2018 in order to enable Bong, and the convertible bond holders, to convert, at any time, all convertible bonds into shares in Bong at a conversion price of SEK 2.75 per share. Upon registration of the amendment of the terms and conditions with the Swedish Companies Registration Office (*Sw. Bolagsverket*), Bong intends to convert the aggregate outstanding nominal amount of SEK 75,000,000 into 27,272,727 shares in Bong.

### **Reduction of the share capital**

The meeting resolved in accordance with the Board's proposal to reduce Bong's share capital by SEK 59,530,650, without a share reduction, for allocation to non-restricted equity. After the reduction of the share capital the quota value of each share will be SEK 1.12. The Company's share capital and equity will be restored by the implementation of the set-off issue and the conversion of the convertible bonds.

### **Set-off issue**

The meeting resolved in accordance with the Board's proposal to issue not more than 27,272,727 new shares at a subscription price of SEK 1.50 per share by way of a set-off issue directed to Bong's main lending banks. Payment shall be made by setting off part of the banks' claim on Bong, in total SEK 40,909,090.50.

### **Directed share issue**

The meeting resolved in accordance with the Board's proposal to issue not more than 19,999,975 new shares at a subscription price of SEK 1.00 per share. The right to subscribe for 10,000,000 shares shall accrue to Bong's main lending banks in equal parts and the right to subscribe for 9,999,975 shares shall accrue to ABG Sundal Collier AB on behalf of the convertible bond holders. Subscription may take place between 28 January 2016 and 28 April 2016.

### **Issue of subscription warrants**

Further, the meeting resolved in accordance with the Board's proposal to issue not more than 40,000,000 subscription warrants under series 2016/2019. The subscription warrants shall be issued free of charge and will be subscribed for by ABG Sundal Collier AB on behalf of the bond holders. Subscription for shares through exercise of the subscription warrants shall be made not later than 1 February 2019 at a subscription price of SEK 1.15 per share.

Upon implementation and registration with the Swedish Companies Registration Office of the resolutions on (i) amendment of the terms and conditions for convertible bonds under series 2013/2018 and conversion of all outstanding convertible bonds into shares in Bong, (ii) reduction of the share capital, (iii) set-off issue and (iv) directed issue of subscription warrants, Bong can complete all steps of the Transaction in accordance with the agreement in principle with the main lending banks. Bong expects the Transaction to be completed at the end of January or in the beginning February.

### **About Bong**

Bong is a leading provider of specialized 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).

This information is of the kind that Bong AB (publ) is obliged to publish pursuant to the Securities Market Act. The information was given for publication at 6.30 p.m. on 25 January 2016.

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