



## Bong initiates a written procedure to obtain approval from noteholders of certain amendments to the terms and conditions of its outstanding senior notes and provides an update regarding COVID19

Bong AB (publ) (the “**Company**”) has today instructed Nordic Trustee & Agency AB (publ), acting in its capacity as agent (the “**Agent**”) for the holders of the Company’s outstanding SEK 200 million senior secured floating rate notes 2018/2021 with ISIN SE0011281419 (the “**Notes**”), to initiate a written procedure in accordance with the terms and conditions of the Notes. The purpose of the written procedure is to obtain the noteholders’ approval of certain amendments to the terms and conditions of the Notes.

Since the issue of the Notes in October 2018 the Company and its subsidiaries (the “**Group**”) has taken operational and organisational measures to increase its operating profits as well as improve the cost efficiency and cash flow of the Group. In light of the successful outcome of these measures, the Company made a repurchase of Notes to the nominal amount of SEK 10 million. Regardless of these improvements, the Group has not been unaffected by the impact of the current COVID19 pandemic. The Group has experienced a significant decrease in sales during April and May 2020, in particular in France and the UK. Further, the Group has experienced, and expects to continue to experience, delay of, or default, in payments from customers.

The Group has taken numerous actions in order to reduce costs and adapt the business to the change in demand to mitigate these effects in the short term, but further actions are required to meet both the short and the longer term challenges. The Group has in May 2020 been granted and will incur a relief facility in France, such financial indebtedness being within the limitations of permitted debt under the terms and conditions of the Notes.

The overall objective of the amendments is to allow the Group to raise additional funding through state backed relief loans, which will mature only after the final maturity date of the Notes, and to grant the Company a covenant holiday in relation to the maintenance covenant to enable the Group to take such actions necessary to meet the challenges faced by its business due to the COVID19 pandemic, both in the short and long term.

The Company now sees that the countries in Europe are opening up and ending the economic lockdown. Therefore the Company is confident that volumes and sales will start to go up again, even if there is a significant road back to the pre-COVID19 levels, and that the Group can in time be able to return to a normal situation and continue to develop the business, if the proposed amendments of the terms and conditions is approved.

For the request to be approved through the written procedure, a quorum of at least twenty (20) per cent of the adjusted nominal amount must be reached and at least fifty (50) per cent of the adjusted nominal amount for which noteholders reply in the written procedure must vote in favour of the request.

The notice of the written procedure, the proposed amendments and detailed information regarding the voting procedure, are available on the websites of the Company ([www.bong.com/en/investors](http://www.bong.com/en/investors)) and the Agent ([www.nordictrustee.com](http://www.nordictrustee.com)).

To be eligible to participate in the written procedure, a noteholder must on 29 May 2020 be registered on a securities account with Euroclear as a direct registered owner (Sw. *direktregistrerad ägare*) or as an authorised nominee (Sw. *förvaltare*) with respect to one or several Notes. The Agent must receive a duly completed voting form no later than 15.00 CEST on 16 June 2020 as set out in the notice of the written procedure. The written procedure may be completed in advance if a sufficient quorum and majority of consents have been received before 16 June 2020.

The Company will hold a digital Q&A session on 4 June 2020, 15.00 CEST. For more details on how to register for the Q&A session and how to lodge questions, please see the notice of the written procedure.

### For further information, please contact:

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*This is information that Bong AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 12.40 CEST on 22 May 2020.*