



## Update on business plan, funding, capital structure and legal claim

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*Oslo, 18 November 2021 – Ice Group ASA (OSE: ICEGR) ("ICE Group" or the "Company")*

ICE Group has for a period of time been reviewing its business plan options and its financing in conjunction with a broader review of its debt and equity capital structure. Following this review, the Company now presents a new business plan involving accelerated subscriber growth with two distinct market concepts and an accelerated 5G roll out plan. The new business plan includes new medium-to-long-term targets on revenues of NOK 4-5 billion, adjusted EBITDA margin of above 30% and smartphone market share in Norway of above 20%. The implementation of the business plan is contingent on successful funding as described below.

Furthermore, ICE Group has reached an agreement with GoldenTree Asset Management LP ("GoldenTree") regarding the previously announced dispute between GoldenTree and ICE Group's subsidiary AINMT Holdings AB ("AINMT") relating to the loan agreement between GoldenTree, certain other lenders and AINMT (the "GT Loan Agreement"). AINMT has entered into a contingent settlement agreement with GoldenTree and the other lenders under the GT Loan Agreement, whereby the parties agree that upon payment by AINMT of approximately NOK 1,500 million, (exact amount depending on settlement date and prevailing exchange rate), the GT loan will be settled in full and the parties will release each other from any and all claims and counterclaims relating to the dispute and the GT Loan Agreement, provided that the lenders under the GT Loan Agreement receive payment within the agreed due date 31 December 2021, which is contingent upon the Company raising the sufficient funds for the payment.

As a result of the new business plan and the GT loan settlement agreement, ICE Group is considering various alternatives to fund the new business plan and the GT loan settlement amount, with an aim to reduce the complexity in the capital structure and lower its cost of capital. One alternative that is currently being explored is to seek additional funding through a potential equity raise with gross proceeds in the amount of up to NOK 2,500 million, of which approximately NOK 1,500 million will be used to settle the GT loan and the remaining up to NOK 1,000 million will be used for identified investment opportunities under the new business plan, including investments in 5G roll-out, network capacity, deferred payments and other CAPEX to facilitate growth going forward.

In parallel, ICE Group is in discussions regarding potential conversion into equity of its debt to Rasmussengruppen AS ("RG") in the principal amount currently outstanding of SEK 546 million and the convertible bonds in the principal amount currently outstanding of NOK 760 million. The Company's three majority shareholders support the ongoing process and are in discussions with the intent to support the Company by converting debt to equity as described above. The Company's largest shareholder has indicated that it does not foresee to participate in the potential equity raise described above and has expressed interest in participating in the recapitalization by converting its share of the convertible bonds.

Note that each and all of the GT settlement, the potential conversion of debt to equity and the potential equity raise are dependent on each other. Accordingly, if the Company does not succeed with the equity raise as described above the other measures will lapse.

If successful, the above-mentioned potential transactions could fundamentally improve the Company's capital structure, reduce net interest bearing debt with approx. 50% and reduce the Company's overall interest costs by almost NOK 300 million per year.

The remaining funding requirement under the new business plan over the medium to long term is expected to be funded by increased secured and unsecured debt of approx. NOK 1 billion in Ice Group Scandinavia Holdings AS, with a medium to long term leverage target of 3-4x NIBD/EBITDA, in line with peers.

The Company has prepared an updated Company presentation which is available on its website:

<https://icegroup.com/investor/reports-and-presentations>.

The Company has retained DNB Markets, a part of DNB Bank ASA and Pareto Securities AS (the "Managers") as financial advisors. The Managers have already initiated discussions with potential strategic and financial investors. The timing, structure and size of any capital transaction are not clear at this time and the Company will, together with its advisors, continue its work on assessing potential alternatives to refinance the ICE Group in a holistic perspective. It is emphasized that, other than the agreement with GoldenTree, no agreement has been entered into regarding the contemplated equity raise and refinancing and that the contemplated new business plan is contingent on ICE Group having completed such

refinancing as set out in this announcement. At this stage, no assurance can be given that ICE Group will be able to secure the required refinancing or successfully implement other options to satisfy its financing requirements.

Alternative performance measures used in this announcement are defined and explained in the Company's Q3 2021 report.

Advokatfirmaet BÅHR AS has been engaged as legal advisor to the Company, and Advokatfirmaet Thommessen AS has been engaged as legal advisor to the Managers.

## CONTACTS

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## Attachments

- [Download announcement as PDF.pdf](#)