

25 January 2024 15:00:00 CET

Go North initiates a written procedure for its outstanding bonds, capitalizes the next interest payment, and issues new senior secured bonds

Go North Group AB (publ) ("Go North") has instructed the agent for its senior secured bonds with ISINs NO0012829847 (SEK Tranche) and NO0012829854 (USD Tranche) (the "Existing Bonds") to initiate a written procedure (the "Written Procedure") to request the bondholders to vote in favor of Go Norths proposal regarding the future capital structure of Go North and its subsidiaries (the "Proposal").

As set out in the press release issued by Go North on 23 December 2023, the Proposal includes the following key commercial items:

- a. amendments to the terms and conditions of the Existing Bonds whereby (i) the maturity is extended to 9 February 2027, (ii) the interest rate will be fixed, payable semi-annual at 10% *per annum* if paid in cash (the "**Cash Interest**") and 15% *per annum* if paid in kind (the "**PIK Interest**"), (iii) the deadline for listing the Existing Bonds on a regulated market is extended to 9 May 2024, (iv) the maintenance covenant under the Existing Bonds is removed, (v) the obligation to complete the equity raise is removed and (vi) the Existing Bonds is subject to a split whereby the nominal amount of each Existing Bond will be SEK 1;
- b. payment of Cash Interest under the Existing Bonds can only be made if (i) the New Senior Secured Bonds (as defined below) have been repaid by at least 50% and only with cash and cash equivalents of the Issuer in excess of SEK 50,000,000, or (ii) the Super Senior RCF and the New Senior Secured Bonds have been repaid in full;
- c. amendments to the Super Senior RCF (as defined in the terms and conditions of the Existing Bonds) whereby the existing loans are converted into a term loan with no clean-down obligation, an aligned maturity with the New Senior Secured Bonds to 9 February 2026, and a covenant reset;
- d. a new issue of USD 26,180,000 new senior secured bonds (the "**New Senior Secured Bonds**") with maturity on 9 February 2026 and a floating rate of 5,50% *per annum* plus the applicable sum of the base rate applicable with respect to the relevant interest period plus the credit adjustment spread, which will rank senior to the Existing Bonds, whereof USD 10,000,000 is a cash issue offered to all Bondholders and USD 16,180,000 is a set-off issue in which Bondholders participating in the cash issue mandatorily convert Existing Bonds at a price of 85 per cent. to New Senior Secured Bonds;
- e. the USD 10,000,000 cash tranche of the New Senior Secured Bonds will be guaranteed of full subscription, for which certain guarantors will receive a SEK 15,000,000 backstop fee note, with a fixed rate of 15% *per annum*, which will be subordinated to the Existing Bonds;
- f. holders of Existing Bonds not participating in the New Senior Secured Bonds will receive convertible bonds representing a 20% equity stake in Go North;
- g. amendments to the existing intercreditor agreement with respect to the waterfall provision reflecting the above new instruments and their ranking; and
- h. in order to ensure the implementation of the Proposal as set out in the Written Procedure, trading of the Existing Bonds will be blocked in the CSD system from the close of the Written Procedure until the date the new convertible bonds have been issued.

The full details of the Proposal are included in the notice of the Written Procedure.

The agent will deliver the notice of the Written Procedure to all bondholders on 25 January 2024. The Written Procedure will commence on 25 January 2024 and end on 16 February 2024. To be eligible to participate in the Written Procedure a person must fulfill the formal criteria for being a bondholder on 25 January 2024 (the "**Record Date**"). This means that the person must be registered on a securities account with Verdipapirscentralen ASA as a direct registered owner (Sw. *direktregistrerad ägare*) or authorized nominee (Sw. *förvaltare*) with respect to one or several Bonds.

The notice of the Written Procedure is available on the Company's website (<https://gonorth.co/>) and on Stamdata (www.stamdata.com).

For more information, please contact:

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This information is information that Go North Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-01-25 15:00 CET.

About Go North:

Go North Group AB has in under two years built a portfolio of 34 Amazon FBA brands, covering a broad range of categories including children, pets, sports, and kitchen supplies. With a strong focus on technology and data, Go North remains committed to its processes and making informed, data-driven decisions to drive sustainable and scalable profit growth across its business, with the vision of becoming the world's leading Amazon FBA operator.

Attachments

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