

# Frigorífico Concepción S.A. Announces Amendment of Consent Solicitation

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**Frigorífico Concepción S.A. →**

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## **Frigorífico Concepción S.A.**

### **Solicitation of Consents relating to Outstanding 7.700% Senior Secured Notes due 2028 (the "2028 Notes")**

ASUNCIÓN, Paraguay, Feb. 8, 2024 /PRNewswire/ -- Frigorífico Concepción S.A. (the "**Company**") announces that it is amending its previously announced consent solicitation (the "**Consent  
Solicitation**") with respect to certain proposed amendments to the Indenture governing the 2028 Notes. Holders of the 2028 Notes should refer to the Consent Solicitation Statement dated February 2, 2024 (the "**Consent  
Solicitation Statement**"), which includes the text of the proposed amendments attached thereto, all of which remain unchanged except as detailed below, and to the related press release dated on that same date. Capitalized terms used but not defined herein have the meanings given to them in the Consent Solicitation Statement.

In addition to the announcement made through the Consent Solicitation Statement, the Company intends to include among the Additional Amendments not Requiring Consent, the following:

- A new Section 2.14 entitled "Interest Rate Adjustments" shall be added to the Indenture, which shall read as follows:



a) Without prejudice to the provisions of Section 2.13 of the Indenture, to the extent that a Step-Up Triggering Event has occurred, the annual interest rate applicable to each of the 2028 Notes and the New Notes shall be increased by 100 basis points with respect to the entire interest period applicable to the Interest Payment Date occurring immediately after the Step-Up Triggering Event has occurred (and only with respect to such interest period). Each change in the applicable interest rate of the applicable Notes as described in the preceding sentence shall only be effective during the applicable semi-annual interest period under the applicable Notes.

b) For the avoidance of doubt, (i) only one Minimum Cash Requirement and Leverage Ratio Certificate may be delivered in respect of any fiscal quarter of the Company and any adjustment to the applicable interest rate of the 2028 Notes or the New Notes in any given interest period shall not be cumulative with respect to the same interest period or over multiple interest periods, (ii) once a Minimum Cash Requirement and Leverage Ratio Certificate is delivered certifying that a Step-Up Triggering Event has occurred, the Company shall not be required to deliver another Minimum Cash Requirement and Leverage Ratio Certificate until the Company is in compliance with the Minimum Cash Requirement or is at or below the required Leverage Ratio. Each applicable adjustment to the interest rate shall only apply until the date on which the next adjustment is to occur. It is further understood and agreed that the annual interest rate with respect to the 2028 Notes will never be less than 7.700% nor greater than 8.700% (or 8.950% if the interest rate is also increased as set forth in Section 2.13 of the Indenture), at any time, and the annual interest rate with respect to the New Notes will never be less than the interest rate to be determined upon pricing of the New Notes (the "New Notes Applicable Interest Rate") nor greater than the New Notes Applicable Interest Rate *plus* 100 basis points (or the New Notes Applicable Interest Rate *plus* 100 basis points *plus* 25 basis points if the interest rate is also increased as set forth in Section 2.13 of the Indenture), at any time.

(c) If at any time the Trustee is notified by any Holder that the Minimum Cash Requirement and Leverage Ratio Certificate upon which the applicable interest rate was determined pursuant to Section 2.14(a) was incorrect, and as a result of such error the applicable interest rate paid by the Company for any interest period was lower than the applicable interest rate that the Company would have been required to pay pursuant to the terms of the applicable Note but for such error, then the Trustee shall forward such notice to the Company and the Company shall be required to pay on the following Interest Payment Date (unless such notice is received within 10 days prior to such Interest Payment Date, in which case the Company may pay on the second



following Interest Payment Date) to holders of record with respect to such following Interest Payment Date any additional amount that the Company would have been required to pay if such Minimum Cash Requirement and Leverage Ratio Certificate had been accurate at the time of delivery to the Trustee.

(d) As soon as available and in any event within five (5) Business Days following the end of each fiscal quarter of the Company (commencing with the fiscal quarter ending on March 31, 2024) (each date, a "Certificate Deadline"), the Borrower shall deliver to the Trustee a Minimum Cash Requirement and Leverage Ratio Certificate; provided, that, if the Borrower fails to deliver a Minimum Cash Requirement and Leverage Ratio Certificate, such failure shall not constitute a Default or Event of Default (but such failure shall be without prejudice to the occurrence of a Step-Up Triggering Event); provided further that if at any time the Company delivers a Minimum Cash Requirement and Leverage Ratio Certificate as provided above that indicates a Step-Up Trigger Event occurred, then the Company shall not be required to deliver any further Minimum Cash Requirement and Leverage Ratio Certificates until the Company is in compliance with the Minimum Cash Requirement or is at or below the required Leverage Ratio.

(e) The Trustee (x) shall have no duty to ascertain, inquire into or otherwise independently verify any information relating to the Minimum Cash Requirement and Leverage Ratio Certificate, and (y) shall have no responsibility for (or liability in respect of) the completeness or accuracy of any such information. The Trustee shall have no responsibility for (or liability in respect of) reviewing, auditing or otherwise evaluating any information set forth in any Minimum Cash Requirement and Leverage Ratio Certificate (and the Trustee may rely conclusively on any such certificate, without further inquiry).

(f) If an increase in the annual interest rate is payable by the Company as a result of a Step-Up Triggering Event, the Company shall deliver to the Trustee (no later than 10 days prior to any Interest Payment Date or such shorter period as agreed by the Trustee) an Officers' Certificate to that effect stating (i) the amount of such additional interest that is payable and (ii) the date on which such additional interest is payable. The Trustee shall have no responsibility to determine, calculate or verify the amount of interest due pursuant to this Section 2.14 and shall be entitled to rely conclusively on such Officer's Certificate.

- The following defined terms shall be added in alphabetical order under Section 1.01 of the Indenture:

"Interest Rate Adjustment Calculation Date" means the last day of each fiscal quarter of the Company.

"Minimum Cash Requirement" means an amount of Cash and Cash Equivalents (as defined in accordance with IFRS), when taken together, equal to at least US\$50,000,000 (or its equivalent in other currencies); provided that for purposes of this definition, "Cash" shall not include cash arising from intercompany loans).

"Minimum Cash Requirement and Leverage Ratio Certificate" means a certificate of the Chief Financial Officer or treasurer of the Company, certifying (i) (A) if the Minimum Cash Requirement has been met in respect of the most recently ended fiscal quarter of the Company, and (B) the Leverage Ratio as of the end of the most recently ended fiscal quarter of the Company for which internal financial statements prepared on a consolidated basis in accordance with IFRS are available, and, consequently, (ii) whether or not a Step-Up Triggering Event has occurred as of the applicable dates set forth in item (i) of this definition.

"Step-Up Triggering Event" means that (a) (i) the Company was in breach of the Minimum Cash Requirement on the last day of either of the two consecutive fiscal quarters of the Company immediately prior to an Interest Payment Date and (ii) the Leverage Ratio was greater than 3.5 to 1.0 as of the end of the most recently ended fiscal quarter of the Company prior to the fiscal quarter on which a breach of the Minimum Cash Requirement under item (i) of this definition occurred, and for which internal financial statements prepared on a consolidated basis in accordance with IFRS are available, in each case as evidenced in at least one of the two Minimum Cash Requirement and Leverage Ratio Certificates delivered immediately prior to an Interest Payment Date, or (b) the Company fails to deliver a Minimum Cash Requirement and Leverage Ratio Certificate by the specified dates. For the avoidance of doubt, there shall only be a Step-Up Triggering Event if both the events described in items (a)(i) and (ii) of this definition have been evidenced in the same Minimum Cash Requirement and Leverage Ratio Certificate or as a result of clause (b). Failure to meet the Minimum Cash Requirement or the Leverage Ratio shall not be a Default or Event of Default under the Indenture or the Notes (including any failure to deliver a Minimum Cash Requirement and Leverage Ratio Certificate).



Holders of 2028 Notes who have previously delivered consents are not required to redeliver such consents or take any other action in response to this announcement in order to consent.

The Expiration Time for the Consent Solicitation remains unchanged at 5:00 p.m., New York City time, on February 9, 2024 (as such time may be extended by Frigorífico Concepción S.A. in its sole discretion, the "**Expiration Time**").

Except as otherwise set forth in this press release, the terms and conditions previously set forth in the Consent Solicitation Statement remain applicable in all respects to the Consent Solicitation, and this press release should be read in conjunction therewith. The Consent Solicitation is subject to certain conditions and present certain significant considerations for holders of 2028 Notes who consent, as set forth more fully in the Consent Solicitation Statement. Frigorífico Concepción S.A. reserves the right in its sole discretion to (a) terminate the Consent Solicitation at any time, including but not limited to if it believes that the Concurrent New Notes Offering will not be completed; and (b) reject any and all consents. The Company also reserves the right to waive or modify any term of, or terminate, the Consent Solicitation at any time and in its sole discretion, including but not limited to where it believes that the Concurrent New Notes Offering will not be completed after the consummation of the Consent Solicitation.

The Company will make (or cause to be made) all announcements regarding the Consent Solicitation by press release in accordance with applicable law.

BofA Securities, Inc. and J.P. Morgan Securities LLC are the Solicitation Agents in connection with the Consent Solicitation. Global Bondholder Services Corporation is the Information and Tabulation Agent in connection with the Consent Solicitation.

The Consent Solicitation Statement will be available from the Information and Tabulation Agent. The Information and Tabulation Agent for the Consent Solicitation is:

**Global Bondholder Services Corporation**

65 Broadway – Suite 404

New York, New York 10006

Attn: Corporate Actions

Banks and Brokers call: +1 212 430-3774



Toll free: +1 855-654-2014

By facsimile:

(For Eligible Institutions only):

+1 212 430-3775/3779

Confirmation:

+1 212 430-3774

Email: [contact@gbsc-usa.com](mailto:contact@gbsc-usa.com)

Any questions regarding the terms of the Consent Solicitation should be directed to the Solicitation Agents or the Information and Tabulation Agent at their respective addresses and telephone numbers set forth on this communication. If you have any questions about how to deliver a consent in the Consent Solicitation, you should contact the Information and Tabulation Agent. Requests for additional copies of the Consent Solicitation Statement or any other related documents may also be directed to the Information and Tabulation Agent.

The Solicitation Agents for the Consent Solicitation are:

**BofA Securities, Inc.**

One Bryant Park  
New York, New York, 10036  
Attention: Liability Management  
Collect: +1 (646) 855-8988  
Toll Free: +1 (888) 292-0070

**J.P. Morgan Securities LLC**

383 Madison Avenue  
New York, New York 10179  
United States  
Attention: Latin America Debt Capital Markets  
Collect: +1 (212) 834-7279  
Toll Free: +1 (866) 846-2874

**Important Notice**

**NONE OF THE SOLICITATION AGENTS, THE TRUSTEE, THE COLLATERAL AGENT OR THE INFORMATION AND TABULATION AGENT, OR ANY OF THEIR RESPECTIVE DIRECTORS, EMPLOYEES, AFFILIATES, AGENTS OR REPRESENTATIVES MAKES ANY RECOMMENDATION AS TO WHETHER HOLDERS SHOULD DELIVER CONSENTS TO THE PROPOSED AMENDMENTS PURSUANT TO THE CONSENT SOLICITATION, AND NO ONE HAS BEEN AUTHORIZED BY ANY OF THEM TO MAKE SUCH A RECOMMENDATION. EACH HOLDER MUST MAKE ITS OWN DECISION AS TO WHETHER TO GIVE A CONSENT.**



This press release does not constitute an offer to sell or a solicitation of an offer to buy securities, and there shall be no sale of securities in any jurisdiction in which any offer, solicitation or sale would be unlawful prior to registration or qualification of such securities under the securities laws of any such jurisdiction. This press release is not an offer for sale of any securities in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Frigorífico Concepción S.A. has not registered and does not intend to register any portion of any offering in the United States or to conduct a public offering of any securities in the United States. Any offers of the New Notes will be made only by means of a private offering memorandum.

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