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Folli Follie Commercial Manufacturing and Technical SA announces Consent Solicitation in respect of the €249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 (ISIN: XS1082775054) issued by FF Group Finance Luxembourg SA and guaranteed by Folli Follie Commercial Manufacturing and Technical SA.

18 December 2018

Folli Follie Commercial Manufacturing and Technical SA (the "**Company**") has today announced a consent solicitation (the "**Consent Solicitation**") in respect of the €249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 (ISIN: XS1082775054) (the "**Notes**") issued by FF Group Finance Luxembourg SA (the "**Issuer**") guaranteed by the Company.

The Consent Solicitation is being made on the terms, and subject to conditions, contained in the consent solicitation memorandum dated 18 December 2018 (the "**Consent Solicitation Memorandum**").

Capitalised terms used in this announcement have the same meaning ascribed to them in the Consent Solicitation Memorandum.

The Proposal

Noteholders should carefully review the sections entitled "*The Background*" and "*Consent Solicitation*" of the Consent Solicitation Memorandum.

The Company is the Guarantor for the purposes of the Consent Solicitation Memorandum and, acting on behalf of itself and on behalf of the Issuer, the Company has convened the Meeting for the purpose of enabling Noteholders to consider the proposal set out in the Consent Solicitation Memorandum (and described in summary form below) and, if thought fit, to pass the Extraordinary Resolution.

Appointment of the Committee

Pursuant to paragraph 19.5 of Schedule 3 to the Trust Deed, and on and subject to the Terms of Appointment, the Company is proposing that the Committee be appointed as a committee to represent the interests of the Noteholders in connection with the Restructuring Transaction and that all requisite powers and discretions be conferred upon the Committee in order to enable it to negotiate and agree the terms of the Restructuring Transaction on behalf of the Noteholders as a whole.

The Terms of Appointment scheduled to the Notice are in substantially agreed form as at the date of this Consent Solicitation Memorandum, and therefore no material changes will be made to the form of the Terms of Appointment scheduled to the Notice. The Company may, however, negotiate and agree with the Group's creditors (including certain Noteholders) certain non-material changes to the form of the Terms of Appointment scheduled to the Notice, provided that any such non-material changes will be made and notified to the Noteholders by the Company at or prior to the Documents Update Deadline.

The Committee will have the sole and absolute discretion in negotiating and agreeing the terms of the Restructuring Transaction, and will be duly authorised and have the requisite power to instruct the Issuer, the Company and the Trustee (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) to enter into any binding documentation on behalf of the Noteholders as a whole for the purposes of implementing the Restructuring Transaction on such terms as the Committee may agree in its sole discretion, and all such other documents on behalf of the Noteholders as a whole and to do all such acts and things determined by the Committee in its sole discretion to be necessary or expedient to implement the Restructuring Transaction without obtaining further approvals or consents from the Noteholders.

In addition, the Committee, by virtue of its appointment pursuant to the terms of the Extraordinary Resolution, will be duly authorised and have the requisite power to vote, or to cause to be voted, the entire principal amount of the Notes outstanding from time to time in relation to the restructuring Transaction and/or any creditors' process supervised by the Greek Court as determined by the Committee in its sole discretion to be necessary or expedient to implement the Restructuring Transaction without obtaining further approvals or consents from the Noteholders. Any such vote would be binding on all Noteholders, whether or not a particular Noteholder delivered a valid Consent in respect of, or was present at the Meeting and voted in favour of, the Extraordinary Resolution.

Approval of the Term Sheet

Pursuant to paragraphs 19.1 and 19.2, and the proviso to paragraph 19, of Schedule 3 to the Trust Deed, and subject to the satisfaction of any conditions precedent to the effectiveness of the Term Sheet as set out therein, the Company is proposing that the terms of the Restructuring Transaction as set out in the Term Sheet be approved, subject to any amendments, modifications or waivers of any provisions thereof as the Committee may, in its sole discretion and acting in good faith, agree to on behalf of the Noteholders as a whole.

The Term Sheet outlines the material terms to be incorporated into the Rehabilitation Plan and the Restructuring Agreement between the Company and its stakeholders (including the Noteholders). Under the Term Sheet, the Noteholders will have a certain portion of their Notes amended and reinstated by the Company (the "**Remaining Liabilities**"), including a new maturity date and a PIK coupon. In addition, Unsecured Creditors (including the Noteholders) will receive two contingent value rights which will be issued by the Company and which will rank behind the Remaining Liabilities but ahead of claims of the Guarantor's shareholders. The remaining debt due under the Notes will be assumed by the NewCo Group and then extinguished and exchanged for new debt instruments and New TopCo Shares, as well as continued recourse against the Company through the Remaining Liabilities. The terms of the various debt instruments at the Company and New TopCo will be determined and finalised based on the results of the ongoing financial, legal and tax due diligence.

The final terms of the Restructuring Transaction agreed by the Committee on behalf of the Noteholders as a whole and entered into by the Issuer, the Company and the Trustee on behalf of the Noteholders as a whole may differ significantly from the terms set out in the Term Sheet and may be materially less or more favourable to the Noteholders. The Noteholders will not be entitled to vote on, and will be bound by, any such final terms agreed by the Committee on behalf of the Noteholders as a whole, whether or not a particular Noteholder voted in favour of the Extraordinary Resolution.

No material changes will be made to the Term Sheet prior to the Documents Update Deadline. Following the conclusion of the Meeting (or any adjourned Meeting, as the case may be), the Guarantor may negotiate and agree with the Group's creditors (including the Committee) definitive documentation based on the Term Sheet including changes as may be determined by the results of the ongoing financial, legal and tax due diligence. In addition, further tax analysis may result in structural changes to the terms of the Term Sheet, including to any of the debt instruments and/or to the indicative structure charts set out in schedule 3 thereto. The Company will notify the Noteholders in writing of any material deviations from the Term Sheet.

Prior to the Documents Update Deadline, the Company may negotiate and agree with the Group's creditors (including certain Noteholders) non-material changes based on the results of the ongoing financial, legal and tax due diligence to the following sections of the Term Sheet including, without limitation, the following items:

- a) "Eligible Existing Shareholders" in Part C (*Treatment of Shareholders*);
- b) "Term" in Part G (*Liabilities remaining in the Existing Group*);
- c) "Tranche 1 – New Notes", "Tranche 2 – New Loan Note" and "Term" in Part J (*New Debt Instruments*);
- d) "Initial Shareholders" and "Additional Capital Raise" in Part K (*The New TopCo Shares*);

- e) “Principal Amount”, “Backstop Fee”, “Term”, “Interest”, “Original Issue Discount” and “New TopCo Shares” in Part L (*Bridging Facility for the Existing Group*);
- f) “Principal Amount”, “Term”, “Interest” and “Guarantee” in Part M (*Turnaround Facility for the NewCo Group*); and
- g) “Principal Amount”, “Term” and “Interest” in Part N (*Standby Facility for the Existing Group*),

provided that any such non-material changes will be made and notified to the Noteholders by the Guarantor at or prior to the Documents Update Deadline. The Company will notify the Noteholders of any such changes to the Term Sheet at or prior to the Documents Update Deadline.

Implementation of the Proposal

If the Requisite Consent is obtained and the Extraordinary Resolution is passed, each Noteholder will be bound by the Extraordinary Resolution, whether or not a particular Noteholder delivered a valid Consent in respect of, or was present at the Meeting and voted in favour of, the Extraordinary Resolution.

The Company expects to implement the Proposal no later than the Committee Appointment Date.

Any determination by the Company concerning the events, developments or circumstances described above will be final and binding on all Noteholders.

Indicative timetable of events

The following indicative timetable assumes that the Meeting is quorate within 15 minutes from the time fixed for the Meeting on the date on which it is first convened and, accordingly, no adjourned Meeting is required.

Noteholders should inform themselves of any earlier deadlines that may be imposed by the Clearing Systems or any intermediaries that may affect the timing of the submission of their Electronic Voting Instructions.

Date and Time

Action

18 December 2018

Announcement of the Consent Solicitation and publication of this Consent Solicitation Memorandum. Notice of the Meeting sent to Direct Participants via the Clearing Systems and published in an announcement made through the Athens Stock Exchange. This Consent Solicitation Memorandum and documents referred to in the Notice are made available in electronic form from the Tabulation and Information Agent.

21 December 2018 (10:00 a.m.)

Deadline for the Company to notify the Noteholders of any amendments and/or modifications to the terms of the Term Sheet and/or the Terms of Appointment.

7 January 2019 (10:00 a.m.)

Solicitation Deadline for Noteholders to deliver completed Electronic Voting Instructions to the Clearing Systems in order for such Electronic Voting Instructions to be included in the relevant Form of Proxy.

Deadline for Noteholders wishing to attend and vote at the Meeting in person or through a proxy to submit an instruction through the relevant Clearing System blocking its Notes and instructing the Registered Holder to appoint any person specified in such instruction as a proxy to act

on their behalf in connection with the Meeting.

Deadline for Noteholders to amend or revoke Electronic Voting Instructions previously furnished.

9 January 2019 (beginning 10:00 a.m.) Meeting held at the offices of Latham & Watkins (London) LLP, 99 Bishopsgate, London EC2M 3XF.

23 January 2019 (beginning 10:00 a.m.) To the extent that the Requisite Quorum is not met at the first Meeting, an adjourned Meeting held at such place as may be decided by the chairman of the Meeting.

As soon as reasonably practicable after the conclusion of the Meeting (or an adjourned Meeting, as the case may be) Announcement of the results of the Meeting (or an adjourned Meeting, as the case may be) and whether the Extraordinary Resolution has passed.

As soon as reasonably practicable upon the satisfaction of the Requisite Consent Announcement of the Committee Appointment Date.

** All times refer to London time.*

If the Meeting is adjourned, the relevant times and dates set out above will be modified accordingly and will be set out in the notice convening such adjourned Meeting, which shall be published using the same means of publication as used for the Notice of the first Meeting.

For further information:

A complete description of the procedures in relation to the Meeting, the terms of the Consent Solicitation and the text of the Resolution, is set out in the Notice of Meeting and the Consent Solicitation Memorandum.

The Consent Solicitation Memorandum is available to all holders of the Notes, subject to each holder providing the confirmations set out in the "Important Notice" section of the Consent Solicitation. The Consent Solicitation Memorandum will be available on the Group's website which is publicly available at <http://www.ffgroup.com/investors/documentation/ir-releases/all/>.

The Consent Solicitation Memorandum can also be obtained from the Tabulation and Information Agent whose contact details are as follows:

Lucid Issuer Services Limited

Tankerton Works, 12 Argyle Walk

London WC1H 8HA, United Kingdom

Telephone: +44 20 7704 0880

Email: ff@lucid-is.com

Disclaimer and Restrictions

This announcement must be read in conjunction with the Consent Solicitation Memorandum. The Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with respect to the Consent Solicitation. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including as to any

tax consequences, from its stockbroker, bank manager, solicitor, accountant and authorised independent financial adviser.

The Consent Solicitation Memorandum does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Company or the Issuer or any other entity.

The distribution of this announcement and the Consent Solicitation Memorandum may nonetheless be restricted by law in certain jurisdictions. Persons into whose possession the Consent Solicitation Memorandum comes are required by the Company, Issuer, the Trustee, the Principal Agent, the Registrar and the Tabulation and Information Agent to inform themselves about, and to observe, any such restrictions. This announcement and the Consent Solicitation Memorandum do not constitute a solicitation in any circumstances in which such solicitation is unlawful. None of the Company, the Issuer, the Trustee, the Principal Agent, the Registrar and the Tabulation and Information Agent, will incur any liability for its own failure or the failure of any other person or persons to comply with the provisions of any such restrictions.

This announcement is released by the Company in compliance with the Market Abuse Regulation (EU) 596/2014 (MAR) and the Rule Book of the Athens Stock Exchange. The Consent Solicitation Memorandum contains information that qualifies as inside information for the purposes of Article 7 of MAR. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, the person responsible for arranging the release of this announcement on behalf of the Company is Mantalena Kasidiaropoulou, Head Investor Relations.