

IMPORTANT NOTICE

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO, OR TO ANY PERSON LOCATED OR RESIDENT IN, ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT.

You must read the following disclaimer before continuing. The Consent Solicitation Memorandum following this page (the “**Consent Solicitation Memorandum**”) is made available by Folli Follie Commercial Manufacturing and Technical SA (the “**Guarantor**”) to all holders of the Notes (as defined below), on the basis of the confirmations set out in this important notice to the Guarantor and the other entities specified below.

In accessing the attached Consent Solicitation Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any related information from any of FF Group Finance Luxembourg SA (the “**Issuer**”), the Guarantor, or Lucid Issuer Services Limited (the “**Tabulation and Information Agent**”).

Confirmation of Your Representation: You have been sent the attached Consent Solicitation Memorandum at your request and, by accessing the Consent Solicitation Memorandum, you shall be deemed to have represented to the Issuer, the Guarantor and the Tabulation and Information Agent that:

- (a) you are a holder or beneficial owner of the Issuer’s €249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 (ISIN: XS1082775054) guaranteed by the Guarantor (the “**Notes**”);
- (b) you will not pass on the Consent Solicitation Memorandum to third parties or otherwise make the Consent Solicitation Memorandum publicly available;
- (c) you are a person to whom it is lawful to send the attached Consent Solicitation Memorandum or to make the Consent Solicitation available under applicable law;
- (d) you are not a Sanctions Restricted Person (as defined in the Consent Solicitation Memorandum);
- (e) you consent to delivery by electronic transmission; and
- (f) you have understood and agreed to the terms set out in this disclaimer.

The Consent Solicitation Memorandum has been sent or otherwise made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Issuer, the Guarantor, the Tabulation and Information Agent, or any person who controls any of the Issuer, the Guarantor, the Tabulation and Information Agent, or any of their respective directors, officers, employees or agents, nor any affiliate of any such person, nor any other person, accepts any liability or responsibility whatsoever in respect of any difference between the Consent Solicitation Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Tabulation and Information Agent.

You are reminded that the Consent Solicitation Memorandum has been delivered to you on the basis that you are a person into whose possession the attached Consent Solicitation Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located or to which you are otherwise subject, and you may not, nor are you authorised to, deliver the Consent Solicitation Memorandum to any other person.

Nothing in this electronic transmission constitutes an offer of, an offer to purchase or the solicitation of an offer to purchase or sell any securities in the United States or any other jurisdiction.

The distribution of the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law, and persons into whose possession the Consent Solicitation Memorandum comes are requested to inform themselves about, and to observe, any such restrictions.

CONSENT SOLICITATION MEMORANDUM DATED 14 FEBRUARY 2020

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you have any doubt as to the action you should take, you are recommended to seek your own independent legal, regulatory, tax, business and financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent adviser (financial or otherwise). This document should not be forwarded or distributed to another person and should not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. If you have recently sold or otherwise transferred your entire holding(s) of the Notes referred to below, you should immediately forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



Solicitation of consents and invitation by
**Folli Follie Commercial Manufacturing
and Technical SA**

(a company incorporated with limited liability in the Hellenic Republic)
(the “**Guarantor**”)
as the guarantor 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

*(a public limited liability company (société anonyme) incorporated and registered in Grand Duchy of Luxembourg with registered number B 188 157) (the “**Issuer**”)*

to each of the holders of the outstanding Notes
to approve by Extraordinary Resolution at a Meeting the terms of the rehabilitation plan of the Issuer

THE CONSENT SOLICITATION (AS DEFINED BELOW) WILL COMMENCE ON 14 FEBRUARY 2020 AND EXPIRE AT 10:00 A.M. (LONDON TIME) ON 4 MARCH 2020, UNLESS OTHERWISE EXTENDED OR EARLIER TERMINATED (SUCH DATE AND TIME, AS THE SAME MAY BE EXTENDED OR EARLIER TERMINATED, THE “**SOLICITATION DEADLINE**”).

THE GUARANTOR MAY, IN ITS SOLE DISCRETION, TERMINATE OR AMEND THE CONSENT SOLICITATION AT ANY TIME PRIOR TO THE SOLICITATION DEADLINE.

NOTEHOLDERS WHOSE NOTES (OR WHOSE INTERESTS IN NOTES) ARE HELD ON THEIR BEHALF BY ANY BANK, BROKER, DEALER, CLEARING SYSTEM, CUSTODIAN, TRUST COMPANY OR OTHER NOMINEE INSTITUTION MUST CONTACT SUCH CUSTODIAN OR NOMINEE PROMPTLY AND INSTRUCT OR MAKE ARRANGEMENTS WITH SUCH PERSON OR ENTITY TO VOTE IN ACCORDANCE WITH THE CUSTOMARY PROCEDURES OF THE CLEARING SYSTEMS ON BEHALF OF THE NOTEHOLDERS. THE DEADLINES SET BY ANY SUCH CUSTODIANS OR NOMINEES AND EACH CLEARING SYSTEM FOR THE SUBMISSION OF A CONSENT IN CONNECTION WITH AN EXTRAORDINARY RESOLUTION MAY BE EARLIER THAN THE DEADLINES SET OUT ABOVE.

The Guarantor is soliciting consents (the “**Consent Solicitation**”) from holders of the outstanding Notes (the “**Noteholders**”), subject to the terms and conditions set forth in this Consent Solicitation Memorandum (as it may be amended or supplemented in accordance with its terms by the Guarantor), to approve by Extraordinary Resolution (as defined below) at a meeting of Noteholders (the “**Meeting**”): (i) the plan of restructuring as set forth in the term sheet annexed hereto as Annex B (the “**Term Sheet**”) subject to any permitted changes; and (ii) the Guarantor’s continued finalisation of the Key Documents (as defined below) (the “**Proposal**”). In parallel with the Consent Solicitation, the Guarantor is continuing to finalise and discuss the Key Documents with third parties. See the section entitled “*The Consent Solicitation—Description of the Proposal*”.

Noteholders wishing to participate in the Consent Solicitation must submit, or arrange to have submitted on their behalf, Electronic Voting Instructions (as defined below) through Euroclear Bank SA/NV or Clearstream Banking S.A. (together, the “**Clearing Systems**”), in accordance with the procedures of, and within the time limits specified by, the relevant Clearing System. Only Direct Participants in the Clearing Systems may submit Electronic Voting Instructions. Noteholders whose Notes are held on their behalf by an accountholder other than themselves must contact and request such accountholder to effect the relevant Electronic Voting Instructions on their behalf prior to any earlier deadlines imposed by such broker, dealer, commercial bank, custodian, trust company or accountholder from those set out in this Consent Solicitation Memorandum in order for such Electronic Voting Instructions to be delivered to the relevant Clearing System. Noteholders may attend the Meeting and vote as further detailed herein. Noteholders will not be able to submit Electronic Voting Instructions after the Solicitation Deadline, unless the Meeting is adjourned. See “*The Consent Solicitation—Voting*”.

The notice convening the Meeting (the “**Notice**”) will be sent to respective Noteholders on the date hereof and will give notice that the Meeting will be held at the offices of the Guarantor, at 11:00 a.m. (London time) on 6 March 2020. The form of the Notice is attached hereto as Annex A. The Notice will be delivered, via the Clearing Systems, on 14 February 2020. At the Meeting, the Noteholders will be invited to consider and, if thought fit, pass the Extraordinary Resolution in the form set out in the Notice.

Questions or requests for further information and assistance in connection with attending and voting at the Meeting, the submission or delivery of Electronic Voting Instructions and any requests for documentation may be directed to Lucid Issuer Services Limited (the “**Tabulation and Information Agent**”), at Tankerton Works, 12 Argyle Walk, London WC1H 8HA, United Kingdom or by telephone on +44 20 7704 0880 or by email to ff@lucid-is.com.

An Extraordinary Resolution will be approved only if holders of the Notes representing a majority of not less than two-thirds of the votes cast (the “**Requisite Consent**”) approve such Extraordinary Resolution at the Meeting, provided that the Meeting is duly convened and constituted by a quorum of one or more persons present in person holding Notes or being proxies or representatives and holding or representing in the aggregate not less than two-thirds in principal amount of the Notes for the time being outstanding (the “**Requisite Quorum**”).

If the Requisite Consent in respect of the Notes is obtained, each Noteholder will be bound by the Extraordinary Resolution, whether or not a particular Noteholder delivered a related valid Consent in respect of, or was present at the Meeting and voted in favour of, such Extraordinary Resolution. Provided that terms of the Key Documents are finalised, the Guarantor will solicit the consents (the “**Second Consent Solicitation**”) of the Noteholders to (i) the terms of the Key Documents and (ii) the implementation of the Rehabilitation Plan (as defined below).

Noteholders should be aware that, if the Extraordinary Resolution is passed, the final terms of the Restructuring Transaction set out in the Term Sheet and may be materially less or more favourable to the Noteholders and the interests of the Noteholders.

Subject to applicable law and the Meetings Provisions (as defined below), the Guarantor may, in its sole discretion, extend, terminate or amend (subject as provided herein) the Consent Solicitation at any time. The Guarantor shall notify the Noteholders of any extension, termination or amendment of the Consent Solicitation as set out below. See the section entitled “*The Consent Solicitation—Extensions; Amendment; Termination*”.

Electronic Voting Instructions may be validly revoked at or prior to 10:00 a.m. (London time) on 4 March 2020 (the “**Revocation Time**”), subject to the provisions of the Trust Deed.

Valid Electronic Voting Instructions delivered on or prior to the Solicitation Deadline and not revoked at or prior to the Revocation Time shall remain valid until the conclusion of the Meeting or any adjourned Meeting, as the case may be. If the Meeting is adjourned, Electronic Voting Instructions may thereafter be amended or revoked at or prior to the deadline stipulated in any notice convening such adjourned Meeting (the “**Adjourned Revocation Time**”).

Any questions and requests for assistance with regard to the procedures for participating in the Consent Solicitation or for additional copies of this Consent Solicitation Memorandum may be directed to the Tabulation and Information Agent, at the address, telephone number and email address set forth on the front cover and the back cover of this Consent Solicitation Memorandum.

In accordance with normal and accepted practice, the Tabulation and Information Agent does not express any opinion as to the merits of the Consent Solicitation. The Trustee has not been involved in negotiating or formulating the terms of the Consent Solicitation or the Extraordinary Resolution. The Tabulation and Information Agent does not make any representation that all relevant information has been disclosed to the Noteholders in or pursuant to this Consent Solicitation Memorandum, the Notice or any other document(s). Furthermore, the Tabulation and Information Agent does not make any assessment of the impact of the Consent Solicitation on the interests of the Noteholders either as a class or as individuals and makes no recommendations on the Consent Solicitation or whether acceptance of, or Consents to, the Proposal should be made or given. Accordingly, the Tabulation and Information Agent recommends that Noteholders who are unsure of the consequences of the Consent Solicitation, the Proposal or the Extraordinary Resolution should seek their own financial, tax and legal advice as soon as possible.

IMPORTANT INFORMATION

This Consent Solicitation Memorandum contains important information, which should be read before any decision is made with respect to participation in the Consent Solicitation.

The Consent Solicitation is not being made to, and no action is being solicited from, Noteholders in any jurisdiction in which it is unlawful to make such Consent Solicitation or take such action. The Guarantor may, however, in its sole discretion, subject to applicable law, take such actions as it may deem necessary to solicit votes in any jurisdiction and may extend the Consent Solicitation to, and solicit votes from, persons in any such jurisdiction.

This 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 Issuer, the Guarantor or any other entity. The distribution of this Consent Solicitation Memorandum and the making of the Consent Solicitation may be restricted by law in certain jurisdictions. Persons into whose possession this Consent Solicitation Memorandum comes are required by the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar to inform themselves about, and to observe, any such restrictions. This Consent Solicitation Memorandum does not constitute a solicitation in any circumstances in which such solicitation is unlawful. None of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar 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 Consent Solicitation Memorandum has not been filed with or reviewed by any federal or state securities commission or regulatory authority of any jurisdiction, nor has any such commission or authority passed upon the accuracy or adequacy of the Consent Solicitation. Any representation to the contrary is unlawful and may be a criminal offence.

UNDER NO CIRCUMSTANCES SHOULD ANY PERSON TENDER OR DELIVER NOTES IN CONNECTION WITH THE CONSENT SOLICITATION AT ANY TIME.

No person is authorised in connection with the Consent Solicitation to give any information or to make any representation not contained in this Consent Solicitation Memorandum, and any such information or representation must not be relied on as having been authorised by or on behalf of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates. None of the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility nor liability is accepted by the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates as to the accuracy or completeness of the information contained in this Consent Solicitation Memorandum or any other information provided by it in connection with the Consent Solicitation.

None of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates accepts any responsibility for this Consent Solicitation Memorandum or the Consent Solicitation or owes any duty to any Noteholder, including any losses a Noteholder may incur in connection with the Consent Solicitation.

None of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates makes any representation or recommendation, express or implied, to any Noteholder as to: (i) this Consent Solicitation Memorandum; (ii) the condition, financial or otherwise, of the Issuer, the Guarantor or any of their subsidiaries or affiliates; (iii) whether or not to participate in the Consent Solicitation; or (iv) any other matter in connection with the Consent Solicitation. Noteholders must make their own independent decisions and seek their own independent advice as to whether to participate in the Consent Solicitation and deliver Electronic Voting Instructions.

The Tabulation and Information Agent, the Principal Agent and the Registrar owe no duty to any Noteholder.

Notwithstanding the Consent Solicitation, the Notes may continue to be traded, save that Notes, which are the subject of an Electronic Voting Instruction will be blocked by the Clearing Systems in accordance with their procedures and this Consent Solicitation Memorandum. See “—*Important Voting Information*”.

Responsibility

This Consent Solicitation Memorandum has been issued by and is the sole responsibility of the Guarantor, and is only for circulation to (i) Noteholders and (ii) other persons to whom it may lawfully be issued in accordance with the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (any person satisfying these criteria being referred to as a “**relevant person**”). This Consent Solicitation Memorandum may not be acted upon by anyone who is not a relevant person.

Important Voting Information

All Noteholders are entitled to vote and deliver a Consent. A Noteholder may: (i) approve the Extraordinary Resolution by voting at the Meeting (in person or by proxy) by communicating Electronic Voting Instructions through the Clearing Systems in favour of the Extraordinary Resolution; or (ii) disapprove the Extraordinary Resolution by voting at the Meeting (in person or by proxy) by communicating Electronic Voting Instructions through the Clearing Systems against the Extraordinary Resolution.

Any Noteholder wishing to participate in the Consent Solicitation should submit, or arrange to have submitted on its behalf, by no later than the Solicitation Deadline, Electronic Voting Instructions through the relevant Clearing System in accordance with the procedures of, and within the time limits specified by, the relevant Clearing System and any other relevant intermediary regarding the appointment by the Registered Holder of an employee of the Tabulation and Information Agent (nominated by it) as proxy and instructions as to how it wishes the votes in respect of the Notes beneficially owned by it to be cast at the Meeting. Electronic Voting Instructions will remain valid until the conclusion of the Meeting or adjourned Meeting, as the case may be, unless validly amended or revoked by such Noteholder. See “*The Consent Solicitation—Amendment and Revocation of Electronic Voting Instructions*”.

Electronic Voting Instructions in respect of the Notes must be delivered in minimum denominations of €100,000 and integral multiples thereof.

If a Noteholder does not wish to appoint an employee of the Tabulation and Information Agent as its proxy, it must submit an Electronic Voting Instruction and name an alternate, such Noteholder or its proxy or representative may to attend and vote at the Meeting, as further detailed herein, subject to the completion of the relevant steps. See “*The Consent Solicitation—Attending the Meeting*”.

In relation to the submission of Electronic Voting Instructions through the Clearing Systems, Noteholders holding Notes in either Clearing System should note the particular practice and policy of the relevant Clearing System and, in particular, should pay attention to any earlier deadlines for participation in the Consent Solicitation imposed by such Clearing System.

By submitting, or arranging to have submitted on their behalf, Electronic Voting Instructions through the Clearing Systems to the Tabulation and Information Agent as described above, Noteholders are deemed to authorise the relevant Clearing System to disclose the identity, holdings and Clearing System account details of the Direct Participant and the name, telephone number and email address of the Beneficial Owners of the Notes to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar.

Only Direct Participants may submit Electronic Voting Instructions. Noteholders whose Notes are held on their behalf by a broker, dealer, commercial bank, custodian, trust company or other nominee institution must contact and request such nominee to effect their Electronic Voting Instructions on their behalf prior to any earlier deadlines imposed by such nominee from those set out in this Consent Solicitation Memorandum in order for such Electronic Voting Instructions to be delivered to the relevant Clearing System in time for transmission to the Tabulation and Information Agent prior to such deadline.

Beneficial Owners of Notes should contact the broker, dealer, commercial bank, trust company or other nominee institution through which they hold their Notes to see whether such nominee applies earlier deadlines for

participation in the Consent Solicitation than those set out in this Consent Solicitation Memorandum, and, if so, should follow those deadlines.

Notes in respect of which Electronic Voting Instructions have been delivered will be blocked by the relevant Clearing System and may not be traded during the period beginning at the time at which the Noteholder delivers, or instructs the accountholder through which it holds such Notes to deliver, such Electronic Voting Instructions to the relevant Clearing System and ending on the earliest to occur of: (i) the date of the conclusion of the Meeting (or any adjourned Meeting, as the case may be), (ii) the date of a valid revocation of such Electronic Voting Instructions, which must in each case be delivered to the relevant Clearing System on or prior to the Solicitation Deadline (or such other date if the Solicitation Deadline is extended) and (iii) the date on which the Consent Solicitation is terminated or withdrawn. The delivery of Electronic Voting Instructions will not further restrict the transferability of the Notes covered thereby.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements set forth in this Consent Solicitation Memorandum contain “forward-looking statements,” that involve a number of risks and uncertainties. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believes”, “expects”, “may”, “are expected to”, “intends”, “will”, “will continue”, “should”, “would be”, “seeks”, “approximately” or “anticipates” or similar expressions or the negative or other variations thereof or comparable terminology. These forward-looking statements include all matters that are not historical facts. Although forward-looking statements reflect management’s good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. The Guarantor and the Issuer do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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SELECTED DEFINITIONS

In this Consent Solicitation Memorandum, the following words and expressions have, unless the context otherwise requires, the meanings set out opposite them below. Capitalised terms used but not defined herein shall, unless the context otherwise requires, have the meanings set out in the Trust Deed. All dates and times set out in the definitions below are subject to amendment.

Adjourned Revocation Time	The deadline stipulated in any notice convening an adjourned Meeting, such deadline being the last time and date when Electronic Voting Instructions in respect of such adjourned Meeting may be amended or revoked.
AssetsCo	Has the meaning given to it in the Term Sheet.
AssetsCo Shareholders Agreement	The agreement governing the AssetsCo Shares and the rights and obligations of the holders of AssetsCo Shares.
AssetsCo Shares	Has the meaning given to it in the Term Sheet.
Athens Stock Exchange	The Athens Stock Exchange (ATHEX).
Bankruptcy Code	The Greek law 3588/2007 in force as at the date of this Consent Solicitation Memorandum.
Beneficial Owner	A person who holds the economic interest in a particular principal amount of the Notes held in a Clearing System, as shown in the records of the relevant Clearing System or its Direct Participants.
Business Day	A day (other than a Saturday or Sunday) on which banks generally are open for business in London, Frankfurt, Athens and Luxembourg.
Clearing Systems	Euroclear Bank SA/NV and Clearstream Banking S.A., together.
Conditions	The terms and conditions of the Notes.
Consent	An Electronic Voting Instruction in favour of the Extraordinary Resolution.
Consent Solicitation	The consent solicitation to Noteholders set out in this Consent Solicitation Memorandum.
Direct Participant	A person who is shown in the records of any of the Clearing Systems as a holder of an interest in the Notes.
Documents Update Deadline	10:00 a.m. (London time) on 27 February 2020 or, in the case of an adjourned Meeting, the deadline stipulated in any notice convening such adjourned Meeting being not later than eight Business Days prior to the deadline for submitting Electronic Voting Instructions stipulated in any notice convening such adjourned Meeting.
Electronic Voting Instruction	The electronic voting and blocking instruction which must be submitted or delivered through the relevant Clearing System by each Direct Participant instructing the relevant Clearing System that the vote(s) attributable to the Notes the subject of such electronic voting instruction should be cast in a particular way (either in favour, or against or attend) in relation to an Extraordinary Resolution which instructions shall form part of a Form of Proxy to be issued by the Registered Holder appointing an employee of the Tabulation and Information Agent (nominated by it)

as proxy in relation to the Meeting or appointing any other named proxy in relation to the Meeting to attend and vote, in accordance with requirements and procedures established by the Clearing Systems.

Extraordinary Resolution	The extraordinary resolution set forth in the form of the Notice attached hereto as Annex A.
Form of Proxy	An instrument issued by the Registered Holder pursuant to Schedule 3 to the Trust Deed.
Greek Court	The Athens Multi-Member Court of First Instance.
Group	The Guarantor and its subsidiaries, including (without limitation) the Issuer.
Guarantor	Folli Follie Commercial Manufacturing and Technical SA.
Issuer	FF Group Finance Luxembourg SA.
Key Documents	The (a) Term Sheet; (b) the Restructuring Agreement; (c) the AssetsCo Shareholders Agreement; (d) the OpsCo Shareholders Agreement; and (e) the New Notes Trust Deed
Meeting	The meeting convened for the Noteholders to be held at 11:00 a.m. on 6 March 2020 for the purpose of voting on the Extraordinary Resolution. Unless the context otherwise requires, “Meeting” shall include any adjourned meeting of the Noteholders.
Meetings Provisions	The provisions for meetings of Noteholders set out at Schedule 3 to the Trust Deed.
New Notes Trust Deed	Means the trust deed governing the terms of the New Notes.
Noteholder	A holder of the Notes which shall, unless the context otherwise requires, include: (a) each Direct Participant in respect of the Notes; (b) any broker, dealer, commercial bank, trust company, custodian or other nominee or intermediary who holds Notes on behalf of a Beneficial Owner; and (c) each Beneficial Owner of Notes, including holders who hold beneficial interests in Notes through a Clearing System or another intermediary.
Notes	€249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 of the Issuer guaranteed by the Guarantor.
Notice	The notice dated 14 February 2020 convening the Meeting in the form set out in Annex A hereto.
OpsCo	Has the meaning given to it in the Term Sheet.
OpsCo Shareholders Agreement	The agreement governing the OpsCo Shares and the rights and obligations of the holders of OpsCo Shares.
OpsCo Shares	Has the meaning given to it in the Term Sheet.
Principal Agent	Elavon Financial Services Limited, UK Branch.

Proposal	The proposal made by the Guarantor to the Noteholders described in the section entitled “ <i>The Consent Solicitation—Description of the Proposal</i> ” of this Consent Solicitation Memorandum.
Registered Holder	USB Nominees (UK) Limited.
Registrar	Elavon Financial Services Limited.
Rehabilitation Plan	The rehabilitation plan of the Group which will be annexed to the Restructuring Agreement and submitted by the Guarantor for approval to the Greek Court pursuant to articles 106b and 106d of the Greek Bankruptcy Code.
Requisite Consent	The passing of the Extraordinary Resolution by a majority of not less than two-thirds of the votes cast at the Meeting, provided that the Requisite Quorum has been met.
Requisite Quorum	<p>One or more persons present in person holding Notes or being proxies or representatives and holding or representing in the aggregate not less than two-thirds in principal amount of the Notes for the time being outstanding.</p> <p><i>In the event that the Requisite Quorum is not obtained at such first Meeting, an adjourned Meeting will be convened to take place no less than 14 days nor more than 42 days after the first Meeting. At any adjourned Meeting, the quorum required in respect of the Extraordinary Resolution shall be one or more persons present in person holding Notes or being proxies or representatives and holding or representing in the aggregate not less than one-third in principal amount of the Notes for the time being outstanding. The latest date that the Guarantor intends to call any adjourned Meeting will be 30 March 2020.</i></p>
Restructuring	Means the restructuring of the Group’s liabilities and the corporate reorganisation of the Group, pursuant to the Rehabilitation Plan and the Key Documents.
Restructuring Agreement	Has the meaning given to it in the Term Sheet.
Restructuring Effective Date	The date on which the Greek Court approves the Rehabilitation Plan.
Restructuring Transaction	The Rehabilitation Plan, the Key Documents, the Restructuring and all ancillary documentation relating thereto.
Revocation Time	<p>10:00 a.m. (London time) on 4 March 2020 (subject to the right of the Guarantor to extend, re-open and/or terminate the Consent Solicitation, subject to applicable law and the provisions of the Trust Deed).</p> <p>The Revocation Time is the last time and date when Electronic Voting Instructions in respect of the Meeting may be amended or revoked, which in any event shall be not less than 24 hours before the time fixed for the Meeting.</p>
Sanctions Authority	<p>Means:</p> <ul style="list-style-type: none"> (a) the United States government; (b) the United Nations; (c) the European Union (or any of its member states and including, without limitation, the United Kingdom);

- (d) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; or
- (e) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and Her Majesty's Treasury.

Sanctioned Country

Any country or region subject from time to time to any sanctions administered by any Sanctions Authority.

Sanctions Restricted Person

Each person or entity (a "**Person**"):

- (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf> or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>) or (iii) the most current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: https://eeas.europa.eu/headquarters/headquarters-homepage_en/8442/Consolidated%20list%20of%20sanctions); or
- (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (i) the most current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at: https://www.treasury.gov/resource-center/sanctions/sdn-list/pages/ssi_list.aspx) (the "**SSI List**"), (ii) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended from time to time including by Council Regulation No. 960/2014 (the "**EU Annexes**"), or (iii) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes.

Schuldschein

Means the 31m Schuldschein and 20m Schuldschein.

Solicitation Deadline

10:00 a.m. (London time) on 4 March 2020 (subject to the right of the Guarantor to extend, re-open and/or terminate the Consent Solicitation, subject to applicable law and the provisions of the Trust Deed).

The Solicitation Deadline is the last time and date when: (i) Electronic Voting Instructions may be submitted to the Clearing Systems for delivery to the Tabulation and Information Agent; and (ii) appointments of proxies or representatives for the purposes of attending and voting at the Meeting can be made, which in any event shall be not less than 48 hours before the time fixed for the Meeting.

Swissbonds

Means the CHF 150,000,000 3.25 per cent. Notes due 2021 issued by FF Group Finance Luxembourg II SA and guaranteed by the Guarantor.

Tabulation and Information Agent

Lucid Issuer Services Limited.

Term Sheet

The term sheet setting out the proposed terms of the Rehabilitation Plan and the Restructuring attached hereto as Annex B (as may be amended and/or modified at or prior to the Documents Update Deadline, as

Trust Deed	described in the section entitled “ <i>The Consent Solicitation – Approval of the Term Sheet</i> ” of this Consent Solicitation Memorandum). The trust deed dated 3 July 2014 constituting the Notes among, <i>inter alios</i> , the Trustee, the Issuer and the Guarantor, as amended and supplemented from time to time.
Trustee	U.S. Bank Trustees Limited.
Unsecured Creditors 20m Schuldschein	Has the meaning given to it in the Term Sheet. Means the €20,000,000 Schuldschein loan due 2021 issued by FF Group Finance Luxembourg II SA and guaranteed by the Guarantor.
31m Schuldschein	Means the €31,000,000 Schuldschein loan due 2021 issued by FF Group Finance Luxembourg II SA and guaranteed by the Guarantor.

EXPECTED TIMETABLE OF EVENTS

Set out on the following two pages are the timetables applicable to the Consent Solicitation. The “*Principal Timetable*” as set out below applies where the Meeting is quorate for the purposes of approving the Extraordinary Resolution.

In relation to the actions indicated as expected to take place on the dates listed in the timetables appearing below, each Noteholder should take steps to inform itself of and to comply with the particular practices and policies of the relevant Clearing System, which may impose earlier deadlines from those set out below. Noteholders who are not direct accountholders in the Clearing Systems or whose Notes are held on their behalf by a broker, dealer, commercial bank, custodian or trust company should read carefully the provisions set out under “*Voting and Quorum*” in the Notice. All times refer to local time in London.

Principal Timetable

The following expected 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
12 February 2020	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.
27 February 2020 (10:00 a.m.)	Deadline for the Guarantor to notify the Noteholders of any amendments and/or modifications to the terms of the Term Sheet.
4 March 2020 (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.
4 March 2020 (10:00 a.m.)	Deadline for Noteholders to amend or revoke Electronic Voting Instructions previously furnished.
6 March 2020 (beginning 11:00 a.m.)	Meeting held at the offices of Folli Follie Commercial Manufacturing and Technical SA, Agios Stefanos, Municipality Dionysos (23 ° km - E.O. Athens - Lamia).
20 March 2020 (beginning 11:00 a.m.)	To the extent that the Requisite Quorum is not met at the first Meeting, the earliest date on which an adjourned Meeting may be 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.

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.

Investors who wish to vote and whose Notes (or interests in Notes) are held in the name of a broker, dealer, commercial bank, custodian, trust company or other nominee institution must contact such nominee promptly and instruct or make arrangements with such nominee to vote in accordance with the customary procedures of the Clearing Systems on behalf of the Noteholders. The deadlines set by any such nominee and each Clearing

System for the submission of an Electronic Voting Instruction in connection with the Extraordinary Resolution may be earlier than the deadlines set out above.

If either the Issuer or the Guarantor is required to make an announcement relating to matters set out in this Consent Solicitation Memorandum, any such announcement will, unless stated otherwise, be made in accordance with the Trust Deed and all applicable rules and regulations via (i) notices to the Clearing Systems for communication to Noteholders and/or (ii) an announcement released through the Athens Stock Exchange.

Copies of all such announcements, notices and press releases can also be obtained from the Tabulation and Information Agent, the contact details for which appear in the section entitled "*Tabulation and Information Agent*" of this Consent Solicitation Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Tabulation and Information Agent for the relevant announcements during the course of the Consent Solicitation. In addition, Noteholders may contact the Tabulation and Information Agent for information relating to the procedures for voting in respect of the Consent Solicitation on the telephone number and email address in the section entitled "*Tabulation and Information Agent*" of this Consent Solicitation Memorandum.

THE BACKGROUND

Noteholders should carefully review the below description of the background to the Restructuring prior to delivering their Electronic Voting Instructions or attending and voting at the Meeting (in person or by proxy).

Noteholders should be aware that, if the Extraordinary Resolution is passed, the final terms of the Restructuring Transaction may differ significantly from the terms set out in the Term Sheet and may be less or more favourable to the Noteholders and the interests of the Noteholders.

Background to the Restructuring

The Group comprises a multinational fashion business operating in four core segments: (i) jewellery, watches and accessories; (ii) cosmetics; (iii) fashion; and (iv) department stores. The Group has significant operations in Europe, the People's Republic of China, Hong Kong, and Japan. The Guarantor functions as the ultimate holding company of the Group, and is incorporated in Greece and listed on the Athens Stock Exchange. The Issuer is a subsidiary of the Guarantor and is a public limited liability company (*société anonyme*) incorporated and registered in Grand Duchy of Luxembourg.

The financial difficulties currently faced by the Group were caused by the long-term underperformance of several business units within the Group's overall operations. This underperformance was concealed for a prolonged period due to serious accounting issues in a number of its Asian subsidiaries, which led to a material overstatement of sales, earnings and cash balances in the Group's consolidated financial statements. These issues were alleged publicly in a report produced by an investment fund, Quintessential Capital Management, in May 2018 (the "**Quintessential Capital Management Report**"). As a result of the negative publicity caused by the publication of the Quintessential Capital Management Report, the trading in the Guarantor's shares on the Athens Stock Exchange was halted at the Guarantor's request on 25 May 2018. These developments affected the confidence of the Group's financing providers, trading counterparties and suppliers, which has in turn led to a significant increase in working capital requirements and increased the pressure on the Group's liquidity position.

Since May 2018, the Guarantor and the Group have taken various steps to investigate the allegations contained in the Quintessential Capital Management Report, including appointing Alvarez & Marsal in June 2018 to undertake a forensic evaluation of the most recent financial statements of the Group's Asian subsidiaries. A preliminary report by Alvarez & Marsal was presented to the Guarantor's board of directors in September 2018 which showed that the assets and revenue of the Group's Asian subsidiaries had been significantly overstated. The headline conclusions of Alvarez & Marsal's preliminary report were released to the market on 26 September 2018. To produce a restated set of financial statements, the Guarantor engaged PricewaterhouseCoopers for a special purpose audit of the Guarantor's corporate and consolidated financial statements for the financial year ended 31 December 2017. The audit was completed, and the revised financial statements were published on 15 July 2019 and approved by an ordinary general meeting of the Guarantor's shareholders on 10 September 2019. Furthermore, the Group is pursuing legal actions in Greece and Hong Kong against certain directors and officers of the Group's Asian subsidiaries based on the findings of Alvarez & Marsal's report. Additionally, the Guarantor consented to the request filed by the Hellenic Capital Market Commission ("**HCMC**") with the Athens Single-Member Court of First Instance regarding the conduct of a management audit to the Group's financial statements for the fiscal year 2017. Said management audit is already in progress, by virtue of an engagement letter between the Guarantor and PricewaterhouseCoopers, which was appointed by said Court.

In December 2018, the Guarantor launched a consent solicitation (the "**December Consent**") seeking an extraordinary resolution of the Noteholders to approve the terms of a term sheet agreed with a committee of unsecured creditors, including Noteholders and the lenders of the *Schuldschein*, represented by Latham & Watkins LLP (the "**Ad Hoc Group**"), amongst other matters. The requisite majority of Noteholders required to approve the extraordinary resolutions proposed as part of the December Consent was not reached and the December Consent was subsequently withdrawn. A further revised term sheet was agreed in principle with the Ad Hoc Group in February 2019 (the "**February Term Sheet**"), however, after further discussions between the Guarantor and the Ad Hoc Group, it became clear that the February Term Sheet was not capable of implementation for a variety of reasons.

The Guarantor entered into further discussions with the advisors of the Ad Hoc Group, an informal group of holders of the Swissbonds and various creditors and stakeholders of the Group regarding the terms of its proposed Restructuring, aiming to ensure its operational and financial turnaround. As a result of these discussions, in November 2019, the Guarantor reached an in principle agreement reflected in the Term Sheet. At the date that the

in principle agreement documented in the Term Sheet was reached, the Ad Hoc Group held approximately 26.4% of the principal amount of the Notes then outstanding and 100% of the Schuldschein. The informal group of holders of the Swissbonds represented approximately 34.2% of the principal amount of the Swissbonds and approximately 6.7% of the Notes then outstanding.

The Guarantor and the Group have also taken steps to prepare for an operational turnaround and restructuring of the Group, including the following:

- (a) the enhancement of the composition of the Guarantor's board of directors with new members with experience in economics, distribution and retail, and the appointment of independent members to the Group's audit committee;
- (b) the appointment of Mr. George Samios as the Group's chief executive officer;
- (c) in respect of the Group's operations in Asia, the appointment of Mr. Yiannis Grispos as chief financial officer and the appointment of Mr. Steven Yaung as chief operating officer of the Group's Asian subsidiaries;
- (d) the implementation of cash conservation measures to preserve the Group's short-term liquidity position;
- (e) the development of a revised business plan for the operational turnaround and restructuring of the Group in co-operation with Deloitte;
- (f) the signing of the Term Sheet on the proposed financial restructuring plan with a group of Creditors and the delivery to all Noteholders of a consent solicitation memorandum dated 14 February 2020 in order to obtain the consent by the required percentage of creditors for the purpose of the Restructuring Agreement proposed in the Term Sheet;
- (g) the negotiation and finalization of the other Key Documents; and
- (h) the approval of the execution of the updated Term Sheet by the board of directors of the Guarantor; and
- (i) the acquisition of the entire intellectual property portfolio of the Group's subsidiary, Links (London) Limited ("LoL"), by virtue of an agreement with LoL's Administrator, enabling the Group to re-establish the Links of London business free of previous liabilities, as an important part of the Rehabilitation Plan.

Rationale for the Restructuring

The Restructuring is intended to effect a corporate reorganisation of the Group and its assets and a restructuring of the Group's existing liabilities to reduce the Group's overall debt to a sustainable level. The corporate reorganisation is intended to reshape the Group by transferring core business assets and operations to a new operations company ("OpsCo") and transferring non-core and real assets to a new asset holding company ("AssetsCo") that does not form part of the Group. AssetsCo and OpsCo are to be ring-fenced from the liabilities of the Existing Group to create a liability-free asset for the benefit of the creditors in the case of AssetsCo and a "clean" business with which to effect a turnaround in the case of OpsCo. The revisions made to the business plan are intended to enable the Group to develop and implement an effective turnaround plan focusing on the key restructuring initiatives of brand and real estate portfolio rationalisation, back office cost-rationalisation, ceasing margin erosion, store network optimisation, and the transformation in the Group's operating model to reflect the fast-moving changes in consumer behaviour in the retail sector. As part of the Restructuring, the Rehabilitation Agreement will be filed in the Greek Court under the pre-pack rehabilitation procedure pursuant to articles 106b and 106d of the Bankruptcy Code, which allows the rationalisation of the Group's capital and corporate structure to be ratified by the Greek Court. The final element of the Restructuring is a reduction in its debt burden, to be executed by way of a note exchange and conversion of the majority of the Group's outstanding debt into equity

Pre-Pack Rehabilitation Agreement under the Greek Bankruptcy Code

Parts of the Restructuring Transaction will be effected by way of the procedure contained in Articles 106b and 106d of the Greek Bankruptcy Code, which allows a debtor to negotiate a rehabilitation agreement with its creditors that is subsequently filed with the Greek Court and ratified. The rehabilitation agreement may include terms with the object of, among other things, debt capitalisation, the reduction of claims against the debtor, the disposal of the debtor's assets, the transfer of the debtor's enterprise in whole or in part, and the suspension of individual and

collective actions by creditors for some period after the ratification of the agreement. Article 106d of the Greek Bankruptcy Code enables all or any part of a debtor's business and undertaking to be transferred to a newly established company (including a company established by the debtor's existing creditors) in connection with a rehabilitation agreement, subject to the preparation of a financial report that has to be certified by a chartered accountant which is submitted to the Greek Court in support of the application.

The Greek Court may ratify the rehabilitation agreement if:

- (a) it is signed by 40 per cent. in value of the debtor's secured creditors and 60 per cent. in value of all of the debtor's creditors;
- (b) if following the ratification, the debtor's business will become viable;
- (c) if the collective satisfaction of the creditors is not impaired, which means that non-signatory creditors receive at least as much as they would receive through enforcement proceedings or bankruptcy liquidation;
- (d) the rehabilitation agreement treats creditors who are in the same position on the basis of the principle of equal treatment, and divergences from the principle of equal treatment among creditors are allowed only on material business or social grounds which are specifically described in the decision of the insolvency court or if the affected creditor consents to that divergence;¹
- (e) if the rehabilitation agreement is not the result of malicious intention, or other unfair act, or *male fide* conduct of the debtor, creditor or third person, or violates any mandatory legislation, such as competition law; and
- (f) if the rehabilitation agreement lifts the debtor out of cessation of payments.

If ratified by the Greek Court, the rehabilitation agreement binds all creditors whose claims are restructured by it, even if they are not contracting parties or did not vote in favour of the rehabilitation agreement. Creditors whose claims arose after the issuance of the decision ratifying the rehabilitation agreement are not bound.

A hearing in respect of the rehabilitation agreement will be set within approximately two months of the submission of the Rehabilitation Plan to the Greek Court. The Greek Court will issue its decision within approximately six to eight months from the date of the hearing. After a decision is issued by the Greek Court, there is an exclusive deadline of 30 days during which third parties may file submissions in respect of that decision. Following the filing date, the debtor receives an automatic moratorium for a four-month period, which may be extended until a decision of the Greek Court in respect of the rehabilitation agreement is issued.

Description of the Restructuring Transaction

The Restructuring Transaction will be effected through a number of steps outlined in the Term Sheet and broadly encompasses the following:

- (a) The incorporation of OpsCo as a new subsidiary owned 51% by the Guarantor and the transfer of the brand, intellectual property, operations, stock and other assets associated with the "Folli Follie" business along with it to OpsCo or its subsidiaries with the purpose of establishing OpsCo as an ongoing concern.
- (b) The incorporation of, and the transfer of the majority of the Group's real property, a 49% holding in OpsCo and certain holdings in the share capital of certain entities to a newly incorporated company (the "AssetsCo").
- (c) The issuance by OpsCo to the Creditors of new debt instruments in the form of high yield notes or term loan and guaranteed by the Guarantor in the amount of up to €60,000,000 (the "New Notes"). The New Notes will have a term of 5 years, with two potential extensions of 1 year each if the New Notes are not capable of being refinanced on market terms.

¹ Indicatively, favourable treatment may be given to (i) the claims of the debtor's business customers if their non-satisfaction might materially damage the debtor's reputation or its furtherance of the business; (ii) claims which must be satisfied for the maintenance of the creditor; or (iii) labour claims.

The Creditors (including the Noteholders) shall be entitled to receive, directly or indirectly, AssetsCo Shares and New Notes in full and final settlement of certain of the Guarantor's and the Issuer's existing liabilities. The principal amount of the New Notes and the percentage of the AssetsCo Shares that will be available to the Noteholders shall be determined on the Restructuring Effective Date in accordance with the terms of the Restructuring Agreement, which will provide for allocation of consideration *pro rata* using a spot rate of exchange on the Restructuring Effective Date or other reference date. The Term Sheet provides that, should the arbitration relating to the Group's 804,726 shares in Dufry AG be resolved following the Restructuring, the initial €35,000,000 in proceeds from the sale of such shares will be applied to OpsCo's general working capital requirements, with the balance applied 50% as a special distribution to the Creditors (through AssetsCo), and 50% distributed to OpsCo for either (i) general working capital requirements or (ii) repurchasing New Notes.

The OpsCo Shareholders Agreement and AssetsCo Shareholders Agreement will provide for the governance of the restructured group. Per the Term Sheet, OpsCo's board shall be elected by simple majority, with a reserved B director appointed by the Creditors whose approval will be required for certain reserved matters. Certain reserved matters brought for shareholder vote will require the affirmative vote of 75% of OpsCo Shares. AssetsCo will be governed by a CEO and board of directors that will be entirely selected by the shareholders of AssetsCo.

Following passage of the Extraordinary Resolution and approval of the Rehabilitation Plan by the Greek Court, the Issuer will make an exchange offer (the "**Exchange Offer**") to Noteholders whereby each Noteholder will: (i) submit a claim form to the Tabulation and Information Agent certifying their holdings and specifying the securities account or accounts to which the Issuer should deliver such Noteholder's proportion of the AssetsCo Shares and New Notes; (ii) submit or direct their accountholder to submit an Electronic Instruction to (a) identify the Noteholder and its Holdings to the Tabulation and Information Agent; (b) block their Notes until the completion of the exchange offer process; (c) at the conclusion of the exchange offer, to deliver their Notes to the account specified by the Issuer; and (d) to deliver consents to certain amendments to the Trust Deed. The offering memorandum relating to the Exchange Offer will specify that any Noteholder that cannot receive the AssetsCo Shares and/or New Notes will have its proportion held by the Tabulation and Information Agent, in its capacity as holding period trustee, for a period until the Noteholder nominates a nominee to hold its AssetsCo Shares and/or New Notes on its behalf.

As at the date of this Consent Solicitation, the Guarantor and the Issuer are in default of their debt obligations, including in relation to the Notes which became immediately due and payable, and the guarantee under the Notes provided by the Guarantor being called, on 1 November 2018. The Guarantor considers that if it is unable to implement the Restructuring Transaction, it may have to take steps to commence insolvency proceedings that would most likely involve the appointment of a liquidator over the Guarantor in Greece and over the Issuer in Luxembourg, which would likely result in impaired recoveries for creditors (including the Noteholders) when compared to the projected recoveries under the proposed terms of the Restructuring Transaction.

THE CONSENT SOLICITATION

On the terms and subject to the conditions contained in this Consent Solicitation Memorandum, the Issuer and the Guarantor are soliciting the approval of the Proposal by Noteholders by way of an Extraordinary Resolution to be approved in accordance with the Conditions and the Trust Deed.

Rationale for the Proposal

The Issuer and the Guarantor are making this consent solicitation to facilitate the implementation of the Restructuring Transaction as described further in the section entitled “*The Background*” of this Consent Solicitation Memorandum.

The proposed terms of the Restructuring Transaction (including, without limitation, the Rehabilitation Plan) are set out in the Term Sheet attached hereto as Annex B. Prior to and following the Solicitation Deadline, the Guarantor will finalise and agree the Key Documents and negotiate and agree any necessary ancillary documentation to give effect to the terms of the Rehabilitation Plan. The terms of the Key Documents will be determined and finalised based on the results of the ongoing financial, legal and tax due diligence. Such Key Documents will come into full force and effect forthwith upon the approval of the Rehabilitation Plan by the Greek Court.

The Guarantor and the Issuer acknowledge that, although it is proposed that the terms of the Restructuring Transaction as set out in the Term Sheet be approved by the Extraordinary Resolution, the final terms of the Restructuring Transaction may vary following further financial, legal and tax analysis and negotiations between the Group and the Ad Hoc Group (or other Unsecured Creditors of the Group). Accordingly, in order to facilitate the negotiation, agreement and implementation of the terms of the Restructuring Transaction, the Guarantor and the Issuer are soliciting the approval of the Proposal by the Noteholders in accordance with this Consent Solicitation Memorandum, the Conditions and the Trust Deed.

Description of the Proposal

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 Guarantor and the Issuer are 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 Guarantor may, in its sole discretion and acting in good faith, agree with the Ad Hoc Group (or other Unsecured Creditors of the Group).

The Term Sheet outlines the terms of the Rehabilitation Plan between the Guarantor and its stakeholders (including the Noteholders). Under the Term Sheet, the Noteholders will exchange their Notes for their proportion of the New Notes and AssetsCo Shares.

It is intended that the Term Sheet appended to this Consent Solicitation Memorandum is in substantially final form. The final terms of the Restructuring Transaction may differ from the terms of the Term Sheet and may be less or more favourable to the Noteholders. Provided that the Guarantor finalises the Key Documents, the Guarantor will solicit the consents of the Noteholders to the final terms of the Restructuring Transaction and to the Key Documents in the Second Consent Solicitation.

No material changes will be made to the Term Sheet prior to the Documents Update Deadline. The Guarantor will notify the Noteholders in writing of any deviations from the Term Sheet at or 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 the Key Documents and any ancillary documentation 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 Key Documents, including to the New Notes.

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 Guarantor expects to implement the Proposal following the Second Consent Solicitation.

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

The Extraordinary Resolution and the Meeting

In order for the Extraordinary Resolution to be passed at the Meeting, the Requisite Quorum at the Meeting must be one or more persons present in person holding Notes or being proxies or representatives and holding or representing in the aggregate not less than two-thirds in principal amount of the Notes for the time being outstanding.

In the event that the Requisite Quorum is not obtained at such first Meeting, an adjourned Meeting will be convened to take place no less than 14 days nor more than 42 days after the first Meeting, and the Requisite Quorum at the adjourned Meeting will be one or more persons present in person holding Notes or being proxies or representatives and holding or representing in the aggregate not less than one-third in principal amount of the Notes for the time being outstanding. The Guarantor can call further adjourned Meetings, but has decided that the latest date it will call any adjourned Meeting would be 30 March 2020.

The attention of the Noteholders is drawn, in particular, to the quorum required for the Meeting and any adjourned Meeting which is set out under “*Voting and Quorum*” in the Notice. Having regard to such requirements, all Noteholders are strongly urged either to submit Electronic Voting Instructions, to take steps to be represented at the Meeting or to attend the Meeting (in person or by proxy), as referred to in the Notice, as soon as possible.

Voting

All Noteholders are entitled to vote and deliver an Electronic Voting Instruction. Such Noteholders may: (i) approve the Extraordinary Resolution by communicating Electronic Voting Instructions through the Clearing Systems in favour of the Extraordinary Resolution or by attending and voting at the Meeting (in person or by proxy); or (ii) vote against the Extraordinary Resolution by communicating Electronic Voting Instructions through the Clearing Systems against the Extraordinary Resolution or by attending and voting at the Meeting (in person or by proxy).

Any Noteholder wishing to participate in the Consent Solicitation should submit, or arrange to have submitted on its behalf, no later than the Solicitation Deadline, Electronic Voting Instructions through the relevant Clearing System in accordance with the procedures of, and within the time limits specified by, the relevant Clearing System regarding the appointment of the Tabulation and Information Agent as proxy and instructions as to how it wishes the votes in respect of the Notes beneficially owned by it to be cast at the Meeting or regarding the appointment of any other proxies attending in person. Electronic Voting Instructions will remain valid until the conclusion of the Meeting or any adjourned Meeting, as the case may be, unless validly amended or revoked by such Noteholder. See “— *Amendment and Revocation of Electronic Voting Instructions*”.

Electronic Voting Instructions in respect of the Notes must be delivered in minimum denominations of €100,000 and integral multiples thereof.

In relation to the submission of Electronic Voting Instructions through the Clearing Systems, Noteholders holding Notes in either Clearing System should note the particular practice and policy of the relevant Clearing System.

By submitting, or arranging to have submitted, Electronic Voting Instructions through the Clearing Systems to the Tabulation and Information Agent, Noteholders are deemed to authorise the relevant Clearing System to disclose the identity, holdings and Clearing System account details of the Direct Participant and the Beneficial Owners of the Notes to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar.

Only Direct Participants may submit Electronic Voting Instructions. Noteholders who are not Direct Participants should arrange for the Direct Participant through which they hold their Notes to effect their Electronic Voting Instructions on their behalf to the Tabulation and Information Agent. Direct Participants must submit a separate Electronic Voting Instruction per Beneficial Owner.

Beneficial Owners of Notes should contact the broker, dealer, commercial bank, trust company or other nominee

institution through which they hold their Notes to see whether such nominee applies earlier deadlines for participation in the Consent Solicitation than those set out in this Consent Solicitation Memorandum, and, if so, should follow those deadlines.

UNDER NO CIRCUMSTANCES SHOULD ANY PERSON TENDER OR DELIVER NOTES IN CONNECTION WITH THE CONSENT SOLICITATION AT ANY TIME.

Notes in respect of which Electronic Voting Instructions have been delivered will be blocked by the relevant Clearing System and may not be traded during the period beginning at the time at which the Noteholder delivers, or instructs the accountholder through which it holds such Notes to deliver, such Electronic Voting Instructions to the relevant Clearing System and ending on the earliest to occur of: (i) the conclusion of the Meeting (or any adjourned Meeting, as the case may be); (ii) the date on which the Consent Solicitation is terminated or withdrawn; and (iii) the date of a valid revocation of such Electronic Voting Instructions.

Attending the Meeting

Pursuant to paragraphs 2.1, 2.2 and 2.3 of Schedule 3 to the Trust Deed, a holder of a Note may submit, on or prior to the Solicitation Deadline, 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 his or its behalf in connection with the Meeting. A proxy so appointed shall, so long as such appointment remains in force, be deemed, for all purposes in connection with the Meeting or any adjourned Meeting, as the case may be, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder. If a Noteholder does not submit Electronic Voting Instructions or if a Noteholder validly revokes its Electronic Voting Instructions, such Noteholder or its proxy may attend and vote at the Meeting in person.

Voting irregularities

Unless waived by the Guarantor, any irregularities in connection with Electronic Voting Instructions must be cured within such time as the Guarantor shall in its discretion determine. None of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates, directors or employees or any other person will be under any duty to give notification of any defects or irregularities in such Electronic Voting Instructions, nor will any of such entities or persons incur any liability in connection with such irregularities or for any failure to give any such notification.

Delivery of Electronic Voting Instructions or revocations thereof will not be deemed to have been made until such irregularities have been cured or waived. The Guarantor's interpretation of the terms and conditions of the Consent Solicitation shall be final and binding.

None of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates, directors or employees or any other person accepts any responsibility for failure of submission or delivery of any Electronic Voting Instruction or any other notice or communication. Subject as provided in the Trust Deed, the Guarantor's determination in respect of any Electronic Voting Instruction or any other notice or communication shall be final and binding.

All authority conferred or agreed to be conferred on the Tabulation and Information Agent in its appointment as proxy to attend the Meeting and vote in respect of the Notes, which are the subject of Electronic Voting Instructions, shall be binding upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Noteholder and shall not be affected by, and shall survive, the death or incapacity of such Noteholder.

Representations, Warranties, Consents and Agreements

By submitting or delivering Electronic Voting Instructions, a Noteholder and any Direct Participant submitting such Electronic Voting Instructions on such Noteholder's behalf:

- (a) represents, warrants and undertakes to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar that the Notes that are the subject of the Electronic Voting Instructions are, at the time of submission or delivery of the Electronic Voting Instructions, and will continue to be, until the earliest of (i) the conclusion of the Meeting (or any adjourned Meeting, as the case may be),

- (ii) the date on which the Consent Solicitation is terminated or withdrawn, and (iii) the date of a valid revocation of such Electronic Voting Instructions;
- (b) represents, warrants and undertakes to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar that the Notes which are the subject of the Electronic Voting Instruction, may not (and will not) be traded during the period beginning at the time at which the Noteholder delivers, or instructs the account holder through which it holds such Notes to deliver, such Electronic Voting Instructions to the relevant Clearing System and ending on the earliest to occur of (i) the conclusion of the Meeting (or any adjourned Meeting, as the case may be), (ii) the date on which the Consent Solicitation is terminated or withdrawn, and (iii) the date of a valid revocation of such Electronic Voting Instructions;
- (c) acknowledges that it has received and reviewed, agrees to be bound by and accepts the terms and conditions of, this Consent Solicitation Memorandum, all related documents and the Consent Solicitation;
- (d) consents to and authorises the relevant Clearing System to disclose the identity, holdings of Notes and Clearing Systems account details of the Direct Participant and the name telephone number and email address of Beneficial Owners of the Notes to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar at the time such Noteholder submits or delivers the Electronic Voting Instructions or at any time thereafter until such Electronic Voting Instructions are validly revoked or the Consent Solicitation is successfully completed or terminated;
- (e) acknowledges that none of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates, directors or employees or any other person has made any recommendation as to whether, or how, to vote in relation to the Extraordinary Resolution, and represents that it has made its own decision with regard to voting based on all such legal, tax or financial advice that it has deemed necessary to seek;
- (f) acknowledges that all authority conferred or agreed to be conferred pursuant to these acknowledgements, representations, warranties and undertakings shall be binding upon such Noteholder's successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, the death or incapacity of such Noteholder;
- (g) acknowledges that, other than as set out herein, no information has been provided to it by the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates, directors or employees or any other person with regard to the Consent Solicitation or the tax consequences to Noteholders or Beneficial Owners of Notes arising from voting in favour of the Extraordinary Resolution, and hereby acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the Extraordinary Resolution, and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates, directors or employees or any other person in respect of such taxes and payments;
- (h) acknowledges that it is assuming all the risks inherent in participating in the relevant Consent Solicitation and has undertaken all the appropriate analyses of the implications of the Consent Solicitation without reliance on the Issuer, the Guarantor, the Trustee, the Principal Agent, the Registrar or the Tabulation and Information Agent;
- (i) represents, warrants and undertakes to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar that it has full power and authority to vote in the Meeting (or any adjourned Meeting, as the case maybe);
- (j) acknowledges that each Consent is made on the terms and conditions set out in this Consent Solicitation Memorandum;
- (k) acknowledges that it gives instructions for the appointment by the Registered Holder of one or more employees of the Tabulation and Information Agent (nominated by it) as its proxy or an alternate, to attend and vote in respect of the Extraordinary Resolution at the Meeting and any adjourned Meeting, as the case may be, in the manner specified in the Electronic Voting Instruction in respect of all of the Notes in its account in the relevant Clearing System;

- (l) acknowledges that none of the Notes, nor Guarantees thereof, have been nor will be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, and the Notes may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, unless an exemption from the registration requirements of the Securities Act is available (unless otherwise specified, terms used in this paragraph that are defined in Regulation S are used as defined in Regulation S);
- (m) represents, warrants and undertakes that it is not a Sanctions Restricted Person;
- (n) represents, warrants and undertakes that it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Issuer or the Guarantor to be necessary or desirable to effect delivery of the Consent or to evidence such power and authority; and
- (o) acknowledges that the Issuer, the Guarantor, the Trustee, the Principal Agent, the Registrar and the Tabulation and Information Agent will rely on the truth and accuracy of the foregoing acknowledgements, agreements, representations, warranties and undertakings and it shall indemnify the Issuer, the Guarantor, the Trustee, the Principal Agent, the Registrar and the Tabulation and Information Agent against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the acknowledgements, agreements, representations, warranties and/or undertakings given in connection with the Consent Solicitation and/or the implementation of the Proposal.

The representation, warranty and undertaking set out in item (m) above shall only apply to any person if and to the extent that doing so would be permissible pursuant to Council Regulation (EC) No. 2271/96 of 22 November 1996, as amended (the “**EU Blocking Regulation**”) (or any law or regulation implementing the EU Blocking Regulation in any Member State of the European Union or the United Kingdom).

Electronic Voting Instructions should not be delivered to the Issuer, the Guarantor, the Trustee, the Principal Agent or the Registrar. Subject to the restrictions described above, the delivery of Electronic Voting Instructions will not further restrict the transferability of the Notes.

By attending and voting at the Meeting, a Noteholder shall be deemed to have made corresponding representations, warranties, consents and agreements to those set out in items (a) to (o) above.

Amendment and Revocation of Electronic Voting Instructions

Electronic Voting Instructions delivered by any Noteholder may be amended or revoked by such Noteholder as to all or any portion of the Notes to which such Electronic Voting Instructions relate only by submitting, at or prior to the Revocation Time, such amendment or revocation in a format customarily used by the Clearing Systems and in accordance with the procedures of, and within the time limits specified by, the relevant Clearing System and the Trust Deed.

If the first Meeting is adjourned, Electronic Voting Instructions may be amended or revoked at or prior to the Adjourned Revocation Time. Valid Consents delivered and not revoked prior to the first Meeting shall remain valid until the conclusion of the Meeting or any adjourned Meeting, as the case may be.

To be effective, a notice of amendment or revocation must: (i) indicate the relevant Electronic Voting Instructions to be amended or revoked; (ii) contain the aggregate principal amount of Notes to which such amendment or revocation relates; and (iii) be received by the Tabulation and Information Agent at or prior to the Revocation Time or the Adjourned Revocation Time, as the case may be, and follow the customary procedures in place at each relevant Clearing System and under the Trust Deed.

Only the Direct Participant is entitled to amend or revoke an Electronic Voting Instruction previously given. A Beneficial Owner of Notes held through the Clearing Systems must arrange with the Direct Participant to submit on its behalf an amendment or revocation of any Electronic Voting Instruction already given with respect to such Notes. Following a revocation, the Tabulation and Information Agent will advise the relevant Clearing System that the blocking in respect of the relevant Notes should be lifted and that such Notes may be traded or transferred.

A revocation shall be effective only as to the Notes listed on such revocation and only if such revocation complies with the revocation procedures set forth in this Consent Solicitation Memorandum. A purported revocation that is not received by the Tabulation and Information Agent at or prior to the Revocation Time or the Adjourned

Revocation Time, as the case may be, and accepted as a valid revocation will not be effective to revoke previously furnished Electronic Voting Instructions. The Guarantor reserves the right to contest the validity of any revocation.

A person who has delivered a valid revocation may thereafter again deliver Electronic Voting Instructions by following one of the described procedures herein or by attending and casting a vote at the Meeting (in person or by proxy), provided that it has submitted, on or prior to the Solicitation Deadline, 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 its behalf in connection with the Meeting.

Extensions; Amendment; Termination

The Consent Solicitation will expire on the Solicitation Deadline, unless otherwise earlier terminated by the Guarantor in its sole discretion, subject to applicable law and the Meetings Provisions. The Guarantor expressly reserves the right, subject to applicable law and the Meetings Provisions, to extend the Consent Solicitation and the Solicitation Deadline at any time and from time to time, whether or not the Requisite Consent has been received. Any such extension will be followed as promptly as practicable by notice of the extension by press release or other public announcement (or by written notice to the Noteholders). Such announcement or notice may state that the Guarantor is extending the Consent Solicitation or the Solicitation Deadline, as the case may be, for a specified period of time or on a daily basis.

In addition, the Guarantor expressly reserves the right, subject to applicable law and the Meetings Provisions: (i) to terminate the Consent Solicitation at any time, whether or not the Requisite Consent has been received; and (ii) to amend the Consent Solicitation (other than the terms of the Extraordinary Resolution) at any time prior to the Solicitation Deadline, whether or not the Requisite Consent has been received. Any such action by the Guarantor will be followed as promptly as practicable by notice thereof by press release or other public announcement (or by written notice to the Noteholders) and by notice to participants via the Clearing Systems. If any such amendment as is referred to in (ii) above is made which, in the opinion of the Issuer and the Guarantor, is materially prejudicial to the interests of the Noteholders, the Extraordinary Resolution will not be presented to the Meeting and a new Meeting may be convened by the Guarantor to consider a new Extraordinary Resolution which incorporates such amendments.

Further Information

Questions or requests for further information and for assistance in connection with voting at the Meeting or the submission or delivery of Electronic Voting Instructions may be directed to the Tabulation and Information Agent, Lucid Issuer Services Limited, at Tankerton Works, 12 Argyle Walk, London WC1H 8HA, United Kingdom or by telephone on +44 20 7704 0880 or by email to ff@lucid-is.com.

RISK FACTORS AND OTHER CONSIDERATIONS

Before making a decision with respect to the Consent Solicitation, Noteholders should carefully consider, in addition to the other information contained in this Consent Solicitation Memorandum, the following matters.

Shareholder and investor litigation in the Greek courts

At the date of this Consent Solicitation Memorandum, several groups of investors (comprising minority shareholders and holders of derivative instruments) of the Guarantor had brought claims against the Guarantor under articles 914 et seq. of the Greek Civil Code relating to tort liability arising out of the alleged issuance of false financial statements and subsequent announcements of the Guarantor, based on provisions relating to market manipulation and fraud (the “**Investor Claims**”). The Guarantor estimates that, if successful, the value of the Investor Claims will be at least €3,234,90013,310,071.52. Following an injunction issued by the Athens Single-Member Court of First Instance, following an application filed by a group of investors, certain of the Guarantor’s bank accounts held in Greece are currently frozen to the value of €1,800,000 in total, while additional amounts may be frozen as a result of existing or new investor claims. It may be possible that other groups of the Guarantor’s investors will commence additional claims against the Guarantor, and the value of such additional claims, if successful, may be considerably higher than the current estimated value of the Investor Claims.

In addition, on 3 October 2019, Notes and Swissbond investors representing less than 1% of the Guarantor’s total liabilities filed a bankruptcy application with the Greek Court. The hearing has been postponed multiple times, most recently to 8 January 2020, when it was heard before the Court. The Court’s decision is expected to be issued by the end of 2020.

The outcome of the Investor Claims cannot be predicted with certainty and may materially and adversely affect the Group’s business, results of operations, financial condition and prospects. The Guarantor may incur significant legal costs and other expenses in connection with any such Investor Claims, even if the proceedings are ultimately concluded in favour of the Guarantor. The costs of defending proceedings and the outcome of such proceedings could expose the Guarantor to the payment of substantial monetary damages or other penalties which may affect the viability of the Restructuring Transaction.

The Group’s former chief executive officer and certain former directors have been charged with fraud, money-laundering and market-manipulation offences by the Greek authorities

Following a criminal investigation, George Koutsolioutsos, the Group’s former chief executive officer, Dimitris Koutsolioutsos, the Group’s former chairman, and Aikaterini Koutsolioutsos, a former member of the Guarantor’s board of directors, and certain other former directors and officers of the Guarantor were charged with criminal fraud and money-laundering offences arising out of their alleged actions in the management of the Guarantor on 7 December 2018. The criminal charges may materially and adversely affect the Group’s reputation, business, results of operations, financial condition and prospects.

On 5 June, the Hellenic Capital Market Commission (“**HCMC**”) filed a criminal complaint against certain directors and executives relating to oversight of its Asian business, financial reporting and securities law violations, leading to fines assessed against certain Group companies, George Koutsolioutsos and Chiu Chuen Law.

Injunction from the Greek anti-money laundering authority

The Greek anti-money laundering authority (the “**Greek AML Authority**”) has issued two orders prohibiting the sale or disposal of the Guarantor’s real estate assets located in Agios Stefanos of Attica, Neo Psychiko, Koropi, Santorini and Glyfada (the “**AML Orders**”). The First Instance Judicial Council of Athens rejected the Guarantor’s appeals on 5 December 2018 against the AML Orders. The Guarantor shall take further legal action for the lifting of the AML Orders, following the filing of the Rehabilitation Agreement with the Greek Court.

Furthermore, the investigating Judge, Chairman of the 35th Investigating Department of the Athens Court of First Instance has issued two orders prohibiting the disposal of the aforementioned real estate assets (the “**Investigating Orders**”). The Guarantor has filed an appeal against the Investigating Orders, which will be examined by the competent Council of Judges of the Athens Court of First Instance.

It is possible that the Greek AML Authority or other government bodies, including those outside of Greece, will issue additional orders restricting the Guarantor’s and/or other Group companies’ ability to sell or dispose of its or

their assets, or seizing such assets. The AML Orders and any additional anti-money laundering orders may restrict the Guarantor's and/or other Group companies' ability to (i) conduct its or their business; (ii) obtain interim bridge financing as the Guarantor or such other Group companies may not be in a position to offer security over the relevant assets; or (iii) give security which is proposed to be granted in connection with the Term Sheet as part of the Rehabilitation Plan. It is expected that such court orders may affect cash in the Group's accounts held in and outside Greece, putting increased pressure on the Group's liquidity position.

It is a condition to the effectiveness of the Restructuring Agreement that the AML Orders and the Investigating Orders be lifted prior to the Restructuring Effective Date and that no similar orders shall be granted or outstanding. To the extent that the Guarantor is unable to lift the AML Orders, they will not be able to consummate the Restructuring without obtaining a waiver of the condition.

The Group is at risk of actions relating to criminal procedures

As set out above, a preliminary report by Alvarez & Marsal regarding the financial statements of the Group's Asian subsidiaries showed that the assets and revenue of such subsidiaries had been significantly overstated in the relevant financial statements. In addition to the actions taken by the Greek AML Authority and the investigating Judge, Chairman of the 35th Investigating Department of the Athens Court of First Instance, it is possible that government bodies or other authorities in Asia or outside of Asia may take actions relating to criminal procedures against entities within the Group which may materially and adversely affect the Group's business, results of operations, financial condition and prospects.

The Restructuring Transaction may not be completed

The implementation of the Rehabilitation Plan and, consequently, the completion of the Restructuring Transaction are subject to uncertainties and risks. Governmental, judicial, regulatory and other authorities or parties may impose conditions or restrictions on the implementation of the Restructuring Transaction that may make the terms of the Restructuring less favourable to the Noteholders or more difficult or costly to implement. It cannot be assured that the Group will be permitted to implement the Restructuring Transaction without the imposition of such conditions or restrictions nor can it be assured that the Restructuring Transaction can be implemented in a timely fashion or at all.

The approval of the Rehabilitation Plan by the Greek Court may be significantly delayed

A hearing in respect of the Rehabilitation Plan will be set within approximately two months of the submission of the Rehabilitation Plan to the Greek Court. The Greek Court will issue its decision within approximately six to eight months from the date of that hearing. After a decision is issued by the Greek Court, there will be a 30-day period during which third parties may file submissions in respect of that decision. Following the filing date, the Guarantor will receive an automatic moratorium for a four-month period, which may be extended until a decision of the Greek Court in respect of the Rehabilitation Plan is issued. See the section entitled "*The Background—Pre-Pack Rehabilitation Agreement under the Greek Bankruptcy Code*".

The Rehabilitation Plan may not be approved by the Greek Court

Even if the Extraordinary Resolution is passed, the approval of the Rehabilitation Plan by the Greek Court is subject to a number of formalities and other requirements imposed by the applicable Greek legislation. If the Greek Court considers that one or more of such formalities and/or requirements are not met, it may not approve the Rehabilitation Plan.

The implementation of the Rehabilitation Plan and, consequently, the completion of the Restructuring Transaction are subject to definitive documentation being entered into by certain members of the Group and certain creditors of the Group in order to give effect to the terms of the Rehabilitation Plan. Such definitive documentation will only come into full force and effect upon the approval of the Rehabilitation Plan by the Greek Court. If the Greek Court does not approve the Rehabilitation Plan, it may not be possible to implement the Restructuring Transaction in a timely fashion or at all.

Regulatory decisions by the Hellenic Capital Markets Commission

The HCMC may issue a regulatory decision, imposing special terms and conditions for the protection of the market, which may have an impact on the implementation of the Restructuring Transaction.

The Guarantor's shareholders' approval

The Rehabilitation Plan will be subject to the approval of the Guarantor's general meeting of shareholders (the "**General Meeting**"). In the event the Guarantor's shareholders participating in the General Meeting fail to provide their consent, the Greek Court may appoint an ad hoc proxy who will vote in the General Meeting in lieu of the non-consenting shareholders. Such appointment requires proof that the Guarantor's shareholders do not participate in the General Meeting and/or do not vote in favour of the Rehabilitation Plan in an abusive manner. If the Greek Court does not appoint such ad hoc proxy, it may not be possible for the Rehabilitation Plan to be approved in a timely fashion or at all.

The Rehabilitation Plan may not reach the requisite approval thresholds

On filing with the Greek Court, the Rehabilitation Plan needs to have been approved by 40 per cent. of the Guarantor's secured creditors by value, and 60 per cent. of the Guarantor's creditors by value. The Guarantor has no secured creditors and is confident that it can amass the support of the requisite number of its unsecured creditors for the purposes of the Rehabilitation Plan. However, if the requisite approval thresholds are not reached, the Rehabilitation Plan cannot be filed with the Greek Court. In such case, it may not be possible to implement the Restructuring Transaction in a timely fashion or at all.

If the Group is unable to implement the Restructuring Transaction, it may have to enter liquidation

As at the date of this Consent Solicitation, the Guarantor and the Issuer are in default of their debt obligations, including in relation to the Notes which became immediately due and payable, and the guarantee under the Notes provided by the Guarantor being called, on 1 November 2018. The Guarantor considers that, if it is unable to implement the Restructuring Transaction, it may have to take steps to commence insolvency proceedings that would most likely involve the appointment of a liquidator over the Guarantor in Greece and over the Issuer in Luxembourg, which would likely result in impaired recoveries for creditors (including the Noteholders) when compared to the projected recoveries under the proposed terms of the Restructuring Transaction and would delay the ability of the creditors (including the Noteholders) to realise such recoveries.

The final terms of the Restructuring Transaction may differ from the terms set out in the Term Sheet

Whilst, subject to the passing of the Extraordinary Resolution, the terms of the Restructuring Transaction as set out in the Term Sheet will be approved by the Noteholders, the Guarantor may make changes to the terms of the Term Sheet and may negotiate the Key Documents with the Ad Hoc Group or other groups of Unsecured Creditors. As such, the final terms of the Restructuring Transaction may differ from the terms set out in the Key Documents and may be materially less favourable to the Noteholders. The Noteholders shall have the opportunity to review and approve the terms of the final Term Sheet and the Key Documents in the Second Consent Solicitation.

The Group's business plan is subject to turnaround and execution risk

The viability of the Rehabilitation Plan and the future business operations of the Group are dependent on the successful execution of the plan for the operational turnaround and restructuring of the Group's operations which has been developed by the Group's management. If the Group's management is unable to successfully execute the business plan, this will adversely affect the viability of the Rehabilitation Plan and may materially and adversely affect the Group's business, results of operations, financial condition and prospects, and may require the Guarantor to commence insolvency proceedings.

The Restructuring Agreement may be terminated by the Creditors

The Term Sheet provides that the Creditors may terminate the Restructuring Agreement (in each case, as defined in the Term Sheet) and withdraw their support for the Rehabilitation Plan if the Guarantor or any of its subsidiaries fail to comply with or breach any of the terms of the Restructuring Agreement. In the case of any withdrawal of support for the Rehabilitation Plan by the Creditors, it may not be possible to implement the Restructuring Transaction in a timely fashion or at all. If the Restructuring Agreement is terminated, the Group's Creditors may seek redress for damages sustained as a result of any breach, which may lead to increased deterioration of the Group's liquidity and reputation, and may materially and adversely affect the Group's business, results of operations, financial condition and prospects.

The Guarantor and the Issuer are operating without a moratorium

The Guarantor has made two applications for the granting of interim provisional measures under Article 106a of the Greek Bankruptcy Code to the Athens Single Member Court of First Instance (the “**Court of First Instance**”). The Guarantor’s first application for the granting of provisional measures was made on 18 July 2018 and rejected on 22 October 2018 by the Court of First Instance. The Guarantor, together with its employees, has filed a second application for the granting of provisional measures on 15 November 2018; the final hearing of the second application was cancelled. As a result of the foregoing, the Guarantor is currently operating without the benefit of a moratorium and is unprotected from claims from its creditors or litigation claims by third parties such as its shareholders. The Issuer is also operating without a moratorium and is unprotected from claims from its creditors.

Changes in management and board composition of the Guarantor

On 13 December 2019, the HCMC made an application with the Greek Court for interim measures, namely to sanction the removal of George Koutsolioutsos and Periklis Dontas as non-executive directors of the board of the Guarantor. The Greek Court accepted the application on 16 December 2019. On 17 December 2019, Mr. Koutsolioutsos and Mr. Dontas voluntarily resigned from the board, and were replaced by the directors recommended by the HCMC, Mr. Dimitrios Valachis and Mr. George Ioannidis. Furthermore, following a petition by the Guarantor’s major shareholder, Dimitrios Koutsolioutsos, the Guarantor’s board (as obligated) included in the agenda of the Guarantor’s upcoming extra-ordinary general meeting on 20 February 2020, an item relating to the change of the composition of the Guarantor’s board of directors and, specifically, the removal of four current directors, namely Messrs. Avraam Gounaris, George Kyriakos, Nicolaos Canellopoulos and Konstantinos Kefalogiannis, and the election of two other executive directors in the Guarantor’s Board of Directors). In addition, on 5 February 2020, Mr. Nicolaos Canellopoulos resigned as a member of the board of the Guarantor; on 10 February 2020, Mr. Abraham C. Gounaris resigned as chairman of the board of the Guarantor and on 11 February 2020, Mr. George Kyriakos resigned as a member of the board of the Guarantor. While we believe that the current board of directors has both the vision and the capabilities to achieve operational turnaround following the Restructuring, further changes or interventions by the HCMC may adversely affect the Group’s governance and inhibit its operations in the future.

The Group is operating with limited liquidity

The Group is operating in a difficult environment with limited liquidity headroom, which has been put under pressure by increased working capital requirements for trade payments. Despite ongoing cash conservation measures undertaken by the Group, the Group’s limited short-term liquidity may run out if immediate funding cannot be secured. The Group may also need medium-term funding in order to fund its operations and the turnaround plan while the Greek Court is considering the Rehabilitation Plan. If such funding cannot be secured, this may require the Guarantor to commence insolvency proceedings prior to the filing or ratification of the Rehabilitation Plan by the Greek Court.

The Group’s key contracts may be terminated

The Group’s fashion and cosmetics business operating segments are dependent on contracts with key suppliers. The majority of the Group’s contracts with key suppliers relating to the Group’s fashion and cosmetics business have been terminated due to the adverse publicity that the Group has been presently facing.

Bankruptcy and Judicial liquidation of the Issuer

The Issuer has failed to comply with certain regulatory and filing obligations according to laws of the Grand Duchy of Luxembourg, in particular the required filing of annual accounts for the financial period ended on 31 December 2018 and as a consequence may be subject to judicial liquidation. Any creditors of the Issuer may, at any time, file a bankruptcy application with the Luxembourg courts for the bankruptcy of the Issuer or any other Group company. The outcome and extent of any such applications and corresponding impact on the Group’s business, result of operations, financial condition and prospects is unpredictable at this stage and may render the implementation of the Restructuring Transaction impossible, which would likely result in impaired recoveries for creditors (including the Noteholders) when compared to the projected recoveries under the proposed terms of the Restructuring Transaction and would delay the ability of the creditors (including the Noteholders) to realise such recoveries.

All Noteholders are bound by the Extraordinary Resolution in respect of the Notes

If the Extraordinary Resolution is passed and the Proposal is implemented, all Noteholders will be bound by the Proposal, including those Noteholders who voted against or abstained from voting on the Proposal.

Noteholders who are not able to hold new securities issued pursuant to the Restructuring will need to nominate a person within a holding period

Certain Noteholders may not be able to hold certain securities issued by the Group in accordance with the terms set out in the Term Sheet, as well as the final terms of the Restructuring Transaction, or nominate a person who is able to do so on their behalf. To address this, the Guarantor will provide for a holding period to ensure that any Noteholder unable to hold such securities has sufficient time to arrange for a nominee to hold the securities on their behalf.

Notes held through the Clearing Systems

In relation to the delivery or revocation of Electronic Voting Instructions or obtaining forms of proxy or otherwise making arrangements for the giving of voting instructions, in each case through the Clearing Systems, Noteholders should note the particular practice and policy of the relevant Clearing System, including any earlier deadlines set by such Clearing System.

Voting in respect of the Consent Solicitation

A Noteholder should either deliver, or procure delivery on its behalf of, an Electronic Voting Instruction to the Tabulation and Information Agent on or prior to the Solicitation Deadline in accordance with the terms of this Consent Solicitation Memorandum and not validly revoke its Electronic Voting Instruction. Only Direct Participants may validly deliver Electronic Voting Instructions.

Noteholders who are not Direct Participants should arrange for the Direct Participant through which they hold their Notes to deliver an Electronic Voting Instruction on their behalf to the Tabulation and Information Agent, as more particularly described in “*The Consent Solicitation—Voting*”.

Noteholders who have not delivered or arranged for the delivery of an Electronic Voting Instruction as provided above but who wish to attend and vote at the Meeting or otherwise give voting instructions may do so by appointing a proxy or otherwise in accordance with the voting procedures set out in the Notice and the Trust Deed.

Responsibility for complying with the procedures of the Consent Solicitation

Noteholders are responsible for complying with all of the procedures for voting. None of the Issuer, the Guarantor, the Trustee, the Principal Agent, the Registrar or the Tabulation and Information Agent assumes any responsibility for informing Noteholders of any defects, irregularities or delays with respect to Electronic Voting Instructions or the appointment of a proxy.

Blocking of Notes

When considering whether to deliver an Electronic Voting Instruction, Noteholders should take into account that restrictions on the transfer of the Notes by Noteholders will apply from the time of submission of such instructions.

The submission of an Electronic Voting Instruction will constitute an instruction to block the Notes of such Noteholder in the relevant Clearing System account beginning at the time at which the Noteholder delivers, or instructs the accountholder through which it holds such Notes to deliver, such Electronic Voting Instructions to the relevant Clearing System and ending on the earliest to occur of: (i) the conclusion of the Meeting (or any adjourned Meeting, as the case may be); (ii) the date on which the Consent Solicitation is terminated or withdrawn; and (iii) the date of a valid revocation of such Electronic Voting Instructions (in the circumstances in which such revocation is permitted, as further described in “*The Consent Solicitation—Voting—Amendment and Revocation of Electronic Voting Instructions*”).

Irrevocability of Electronic Voting Instructions

Notwithstanding the right of Noteholders to revoke Electronic Voting Instructions or forms of proxy, such revocation will only be accepted if validly submitted at or prior to the Revocation Time or the Adjourned Revocation Time, as the case may be. See “*The Consent Solicitation—Voting—Amendment and Revocation of Electronic Voting Instructions*”.

Subsequent Offers

Whether or not the Proposal is implemented, the Issuer and/or the Guarantor may, at any time, make or procure the making of a new proposal to the Noteholders on such terms as they or it may determine. Any such new proposal may be materially less or more favourable to Noteholders.

Sanctions Restricted Persons

A Noteholder who is a Sanctions Restricted Person may not participate in the Consent Solicitation.

No assurance that the Extraordinary Resolution will be implemented

There can be no assurance given by the Issuer or the Guarantor that the Extraordinary Resolution will be passed or that the Proposal will be implemented. In particular, subject to applicable law and the Meetings Provisions, the Guarantor may extend, amend or terminate the Consent Solicitation at any time, as described in the section entitled “*The Consent Solicitation—Extensions; Amendment; Termination*”.

Responsibility to consult advisers

Each Noteholder is solely responsible for making its own independent appraisal of all matters as such Noteholder deems appropriate (including those relating to the Consent Solicitation and the Extraordinary Resolution) and each Noteholder must make its own decision whether to participate in the Consent Solicitation or otherwise participate at the Meeting.

Noteholders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Consent Solicitation and regarding the impact on them of the implementation of the Extraordinary Resolution.

None of the Issuer, the Guarantor, the Tabulation and Information Agent, the Trustee, the Principal Agent, the Registrar or any director, officer, employee, agent or affiliate of any such person is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Consent Solicitation or the Extraordinary Resolution and, accordingly, none of the Issuer, the Guarantor, the Tabulation and Information Agent, the Trustee, the Principal Agent, the Registrar or any director, officer, employee, agent or affiliate of any such person, makes any recommendation as to whether or not or how Noteholders should participate in the Consent Solicitation or otherwise participate at the Meeting.

CERTAIN TAX CONSIDERATIONS

In view of the number of different jurisdictions whose tax laws may apply to Noteholders, this Consent Solicitation Memorandum does not discuss the tax consequences for Noteholders arising from this Consent Solicitation. Noteholders are urged to consult their own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to them. Noteholders are liable for their own taxes and shall have no recourse to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar with respect to taxes arising in connection with the Consent Solicitation or actions relating thereto.

TABULATION AND INFORMATION AGENT

The Guarantor has retained Lucid Issuer Services Limited to serve as Tabulation and Information Agent with respect to the Consent Solicitation. Questions or requests for further information and assistance in connection with voting at the Meeting or the submission or delivery of Electronic Voting Instructions may be directed to the Tabulation and Information Agent, Lucid Issuer Services Limited, at Tankerton Works, 12 Argyle Walk, London WC1H 8HA, United Kingdom or by telephone on +44 20 7704 0880 or by email to ff@lucid-is.com.

At any time, the Tabulation and Information Agent may trade Notes for its own account or for the accounts of customers and, accordingly, may have a long or short position in the Notes.

The Tabulation and Information Agent and its affiliates may contact Noteholders regarding the Consent Solicitation and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Consent Solicitation Memorandum, the Notice and related materials to Beneficial Owners of the Notes.

None of the Tabulation and Information Agent, the Trustee, the Principal Agent, the Registrar or any of their respective directors, employees and affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Consent Solicitation, the Extraordinary Resolution, the Issuer, the Guarantor or the Notes in this Consent Solicitation Memorandum or any of the documents incorporated herein or for any failure by any of them to disclose events that may have occurred and may affect the significance or accuracy of such information and the terms of any amendment to the Consent Solicitation.

None of the Issuer, the Guarantor, the Tabulation and Information Agent, the Trustee or any director, officer, employee, agent or affiliate of any such persons is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Consent Solicitation or the Extraordinary Resolution and, accordingly, none of the Issuer, the Guarantor, the Tabulation and Information Agent, the Trustee or any director, officer, employee, agent or affiliate of any such persons, makes any recommendation as to whether or not or how Noteholders should participate in the Consent Solicitation or otherwise participate at the Meeting, and neither the Tabulation and Information Agent nor any of its directors, officers, employees, agents or affiliates makes any representation whatsoever regarding the Consent Solicitation.

DOCUMENTS INCORPORATED BY REFERENCE

This Consent Solicitation Memorandum contains important information which Noteholders should read carefully before making any decisions with respect to giving Consents or otherwise participating in the Consent Solicitation.

A copy of the Term Sheet is attached hereto as Annex B and shall form part of this Consent Solicitation Memorandum. As at the date of this Consent Solicitation Memorandum, the terms of the Term Sheet remain subject to further tax and legal analysis and negotiations between the Group and certain creditors of the Group. The Guarantor and the Issuer expects that the terms of the Term Sheet will be finalised no later than 10:00 a.m. (London time) on 27 February 2020 or, in the case of an adjourned Meeting, the deadline stipulated in any notice convening such adjourned Meeting being not later than eight Business Days prior to the deadline for submitting Electronic Voting Instructions stipulated in any notice convening such adjourned Meeting (the “**Documents Update Deadline**”), provided that no material changes shall be made to the terms set out in the Term Sheet attached hereto prior to the Documents Update Deadline. The Term Sheet, and any amendments and modifications thereto (which, in any event, shall be notified to the Noteholders through the Clearing Systems at or prior to the Documents Update Deadline), will be published in an announcement released by the Guarantor through the Athens Stock Exchange and on the Group’s website which is publicly available at <http://www.ffgroup.com/investors/documentation/ir-releases/all/>. Any such amendments and/or modifications to the Term Sheet notified to the Noteholders at or prior to the Documents Update Deadline shall be incorporated in, and form part of, this Consent Solicitation Memorandum, and shall be deemed to supersede the terms set out in the Term Sheet to the extent that such terms are so amended and/or modified.

The Tabulation and Information Agent will provide to each Noteholder upon written or oral request (free of charge) a copy of any of the documents referred to above that are incorporated herein by reference. To request any such information, Noteholders should contact the Tabulation and Information Agent at the telephone number or email address set out on the front cover and the back cover of this Consent Solicitation Memorandum. In addition, copies of the following documents are available from the date of this Consent Solicitation Memorandum to the time at which the Meeting is concluded (i) on request from the Tabulation and Information Agent and (ii) for collection or inspection during normal business hours at the office of the Tabulation and Information Agent:

- this Consent Solicitation Memorandum;
- the Notice;
- the Term Sheet (as may be amended and/or modified at or prior to the Documents Update Deadline); and
- the Trust Deed.

All such documents will be available for inspection by Noteholders (a) on and from the date of this Consent Solicitation Memorandum up to and including the date of the Meeting, at the specified address of the Tabulation and Information Agent during normal business hours and (b) on the date of the Meeting, at the offices of Folli Follie Commercial Manufacturing and Technical SA.

MISCELLANEOUS

Each of the Issuer and the Guarantor may make additional solicitations by facsimile, by telephone or in person by its officers and regular employees and its affiliates. Noteholders who receive such solicitations will not be offered or receive terms different to those outlined in this Consent Solicitation Memorandum. The Guarantor will not make any payment to broker-dealers or others for soliciting votes.

**ANNEX A – FORM OF NOTICE OF NOTEHOLDER MEETING
AND PROPOSED EXTRAORDINARY RESOLUTION IN RESPECT OF THE NOTES**

NOTICE OF NOTEHOLDER MEETING AND PROPOSED EXTRAORDINARY RESOLUTION

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you have any doubt as to the action you should take, you are recommended to seek your own independent legal, regulatory, tax, business and financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent adviser (financial or otherwise). This document should not be forwarded or distributed to another person and should not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of the document in whole or in part is unauthorised.

The Notice is not being sent to, and no votes are being solicited from, Noteholders in any jurisdiction in which it is unlawful to send such Notice or deliver such votes. This Notice 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 Issuer, the Guarantor or any other entity. The distribution of this Notice may be restricted by law in certain jurisdictions. Persons into whose possession this Notice comes are required by the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar to inform themselves about, and to observe, any such restrictions. None of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar will incur any liability for their own failure or the failure of any other person or persons to comply with the provisions of any such restrictions.

This Notice has not been filed with or reviewed by any federal or state securities commission or regulatory authority of any jurisdiction, nor has any such commission or authority passed upon the accuracy or adequacy of this Notice. Any representation to the contrary is unlawful and may be a criminal offence.

**NOTICE OF MEETING
of the holders of the outstanding**

€249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 (the “Notes”)

(ISIN: XS1082775054)

of

FF Group Finance Luxembourg SA (the “Issuer”)
(a public limited liability company (société anonyme) incorporated and registered in Grand Duchy of Luxembourg)
guaranteed by Folli Follie Commercial Manufacturing and Technical SA (the “**Guarantor**”)

NOTICE IS HEREBY GIVEN that, pursuant to Schedule 3 to the trust deed dated 3 July 2014 constituting the Notes among, *inter alios*, U.S. Bank Trustees Limited (the “**Trustee**”), the Issuer and the Guarantor (as amended and supplemented from time to time, the “**Trust Deed**”), a meeting (the “**Meeting**”) of the holders of the Notes (the “**Noteholders**”) has been convened by the Guarantor and will be held at the offices of Folli Follie Commercial Manufacturing and Technical SA on 6 March 2020 beginning at 11:00 a.m. (London time) for the purpose of considering and, if thought fit, passing the resolution set out below (the “**Extraordinary Resolution**”), which will be proposed at the Meeting as an extraordinary resolution in accordance with the provisions of the Trust Deed.

Interpretation

Unless defined herein or the context otherwise requires, capitalised terms used in this Notice bear the meanings given to them in the consent solicitation memorandum dated 14 February 2020 addressed by the Guarantor to the Noteholders (the “**Consent Solicitation Memorandum**”).

Documents available for inspection

Copies of the following documents will be available for inspection by Noteholders (a) on and from the date of this

Notice up to and including the date of the Meeting, at the specified address of the Tabulation and Information Agent during normal business hours and (b) at the Meeting:

- this Notice;
- the Consent Solicitation Memorandum;
- the Term Sheet; and
- the Trust Deed.

Extraordinary Resolution

The Guarantor has convened the Meeting for the purpose of enabling Noteholders to consider the Proposal set out in the Consent Solicitation Memorandum and, if thought fit, to pass the Extraordinary Resolution set out below.

The Extraordinary Resolution

The following Extraordinary Resolution will be considered and, if thought fit, passed at the Meeting:

“RESOLVED, THAT this meeting (the **“Meeting”**) of the holders (the **“Noteholders”**) of the outstanding €249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 of FF Group Finance Luxembourg SA (the **“Issuer”**) (ISIN: XS1082775054) (the **“Notes”**) guaranteed by Folli Follie Commercial Manufacturing and Technical SA (the **“Guarantor”**) constituted by the trust deed dated 3 July 2014 constituting the Notes among, *inter alios*, U.S. Bank Trustees Limited (the **“Trustee”**), the Issuer and the Guarantor (as amended and supplemented from time to time, the **“Trust Deed”**) hereby:

- (A) 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, approves and sanctions the terms of the Restructuring Transaction as set out in the Term Sheet (as defined in the consent solicitation memorandum dated 14 February 2020 (the **“Consent Solicitation Memorandum”**)) and any and all amendments, modifications or waivers of any provisions of the Term Sheet as the Guarantor may agree with a group of Unsecured Creditors (each being a **“Variation”**), provided that the Guarantor shall have notified Noteholders in writing in accordance with the Trust Deed and in an announcement published through the Athens Stock Exchange (as defined in the Consent Solicitation Memorandum) of any material Variation of any provisions of the Term Sheet and that the Noteholders shall have the opportunity to consent to any such Variation in the Second Consent Solicitation (as defined in the Consent Solicitation Memorandum);
- (B) authorises, directs, requests and empowers the Issuer, the Guarantor and the Trustee (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction and to the Trustee’s “know your customer” and other related requirements being satisfied) to finalise the Restructuring Agreement (as defined in the Term Sheet) (a copy of which has been produced to this Meeting and initialled for identification by the chairman of the Meeting) and (ii) negotiate the final terms of the Restructuring Transaction;
- (C) authorises, requests, directs and empowers the Trustee to concur in taking all other steps and to give all other directions or consents under the Trust Deed or the Notes considered by the Trustee in its sole discretion as may be necessary, desirable or expedient to carry out and give effect to this Extraordinary Resolution;
- (D) agrees to hold harmless, discharge and exonerate the Trustee from, and indemnify it against, any liability in respect of any act or omission for which it may have become responsible under the Trust Deed or the Notes in connection with this Extraordinary Resolution, the Consent Solicitation, the implementation thereof and/or of the terms of the Restructuring Transaction, or any acts or omissions of the Issuer and the Guarantor;
- (E) irrevocably waives any claim which the Noteholders may have against the Trustee arising as a

result of any loss or damage which Noteholders may suffer or incur as a result of the Trustee acting on this Extraordinary Resolution, pursuant to the foregoing paragraphs of this Extraordinary Resolution, and further confirms that the Noteholders will not seek to hold the Trustee liable for any such loss or damage; and

- (F) authorises, directs, requests and empowers the Issuer, the Guarantor, the Trustee (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction and to the Trustee's "know your customer" and other related requirements being satisfied), the Principal Agent and the Registrar to execute all such documents (other than the Key Documents, which shall be subject to the approval of the Noteholders pursuant to the Second Consent Solicitation) and to do all such acts and things as may be necessary, desirable or expedient in their sole opinion to carry out and to give effect to this Extraordinary Resolution.

Trustee and Agents

The Trustee has not participated in the formulation of the terms of the Consent Solicitation, the Consent Solicitation Memorandum, the Extraordinary Resolution, the Term Sheet or the Key Documents and, in accordance with normal practice, none of the Trustee, the Principal Agent, the Registrar or the Tabulation and Information Agent expresses any view on their merits. Nothing in this Notice, the Consent Solicitation Memorandum or the Extraordinary Resolution should be construed as a recommendation to Noteholders from the Trustee, the Principal Agent, the Registrar or the Tabulation and Information Agent to vote either in favour or against the Extraordinary Resolution. None of the Trustee, the Principal Agent, the Registrar and the Tabulation and Information Agent makes any representation that all relevant information has been disclosed to the Noteholders in or pursuant to the Consent Solicitation Memorandum and this Notice. Furthermore, none of the Trustee, the Principal Agent, the Registrar or the Tabulation and Information Agent makes any assessment of the impact of the Consent Solicitation or the Extraordinary Resolution presented to Noteholders in the Consent Solicitation Memorandum on the interests of the Noteholders either as a class or as individuals and further makes no recommendations on the Consent Solicitation or whether acceptance of, or Consents to, the Consent Solicitation or votes in relation to the Extraordinary Resolution should be made or given. Accordingly, each of the Trustee, the Principal Agent, the Registrar and the Tabulation and Information Agent recommends that Noteholders who are unsure of the consequences of the Consent Solicitation, the Extraordinary Resolution, the Term Sheet and the Restructuring Transaction should seek their own financial, tax and legal advice.

However, on the basis of the information contained in this Notice and the Consent Solicitation Memorandum, the Trustee has authorised the Guarantor to state that the Trustee has no objection to the Extraordinary Resolution being put to Noteholders for their consideration.

Voting and Quorum

The attention of Noteholders is drawn, in particular, to the quorum required for the Meeting in respect of the Extraordinary Resolution and for any adjourned Meeting, as the case may be, which is set out in paragraph 5 below. Having regard to such requirements, Noteholders are strongly urged either to submit Electronic Voting Instructions, to take steps (as referred to below) to be represented at the Meeting or to attend the Meeting (in person or by proxy) as soon as possible.

Noteholders who have submitted and not validly revoked Electronic Voting Instructions instructing the Registered Holder to appoint one or more employees of the Tabulation and Information Agent (nominated by it) as their proxy to vote in respect of the Extraordinary Resolution to be proposed at the Meeting need take no further action to be represented at the Meeting. ELECTRONIC VOTING INSTRUCTIONS MAY BE REVOKED AT OR PRIOR TO THE REVOCATION TIME OR THE ADJOURNED REVOCATION TIME, AS THE CASE MAY BE.

Noteholders wishing to participate in the Consent Solicitation should submit, or arrange to have submitted, Electronic Voting Instructions through the relevant Clearing System in accordance with the procedures of, and within the time limits specified by, the relevant Clearing System regarding the appointment of the Tabulation and Information Agent as proxy. Noteholders who have submitted and subsequently revoked voting or proxy instructions should take note of the provisions set out below detailing how such Noteholders can attend or take further steps to be represented at the Meeting.

If Electronic Voting Instructions are not received from or on behalf of a Noteholder by the relevant Clearing System (and such Noteholder does not otherwise make arrangements to vote at the Meeting or to attend in person or by proxy), such Noteholder will be deemed to have declined to vote in respect of the Extraordinary Resolution, such action counting neither for nor against the Extraordinary Resolution.

1. **Noteholder attendance and appointment of proxies:** Pursuant to paragraphs 2.1, 2.2 and 2.3 of Schedule 3 to the Trust Deed, a holder of a Note may submit, on or prior to the Solicitation Deadline, 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 its behalf in connection with the Meeting. A proxy so appointed shall, so long as such appointment remains in force, be deemed, for all purposes in connection with the Meeting or any adjourned Meeting, as the case may be, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder. If a Noteholder does not submit Electronic Voting Instructions by the Solicitation Deadline, its proxy will not be entitled to attend and vote at the Meeting in person.
2. **Electronic Voting Instructions:** A Noteholder not wishing to attend and vote at the Meeting (in person or by proxy) may submit, or arrange to have submitted on its behalf, Electronic Voting Instructions through the relevant Clearing System instructing the Registered Holder to appoint one or more employees of the Tabulation and Information Agent (nominated by it) or such other person as shall be specified in his or its Electronic Voting Instructions as its or his proxy and setting out instructions as to how it wishes the votes in respect of the Notes beneficially owned by it to be cast at the Meeting.

Electronic Voting Instructions in respect of the Notes must be delivered in minimum denominations of €100,000 and integral multiples thereof.

Electronic Voting Instructions may be delivered only by or through Direct Participants with the Clearing Systems. In order to give Electronic Voting Instructions to the Tabulation and Information Agent in respect of the Meeting (or any adjourned Meeting, as the case may be), a Direct Participant must procure delivery of Electronic Voting Instructions in accordance with the usual procedures of the relevant Clearing System, to the Tabulation and Information Agent.

Only Direct Participants in the Clearing Systems may submit Electronic Voting Instructions. Noteholders whose Notes are held on their behalf by a broker, dealer, commercial bank, custodian, trust company or accountholder must contact and request such broker, dealer, commercial bank, custodian, trust company or accountholder to effect their Electronic Voting Instructions on their behalf prior to any earlier deadlines imposed by such broker, dealer, commercial bank, custodian, trust company or accountholder from those set out in the Consent Solicitation Memorandum in order for such Electronic Voting Instructions to be delivered to the relevant Clearing System in time for transmission to the Tabulation and Information Agent.

By submitting or arranging to have submitted on their behalf Electronic Voting Instructions through the Clearing Systems to the Tabulation and Information Agent, Noteholders are deemed to authorise the relevant Clearing System to disclose the identity, holdings and Clearing System account details of the Direct Participant and the name, telephone number and email address of the Beneficial Owners of the Notes to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar. The identity of each Direct Participant who delivers Electronic Voting Instructions will be disclosed to the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent and the Registrar.

Notes in respect of which Electronic Voting Instructions are submitted on or prior to the Solicitation Deadline or, in the case of an adjourned Meeting, prior to the deadline stipulated in any notice convening such adjourned Meeting, will be held to the order or under the control of the Registered Holder (to its satisfaction) or blocked in an account with a Clearing System for the purpose of the Registered Holder completing a Form of Proxy in respect of such Notes appointing one or more employees of the Tabulation and Information Agent (nominated by it) as proxy to attend and vote at the Meeting or any adjourned Meeting, as the case may be, in accordance with the Electronic Voting Instructions.

A Noteholder will need to submit Electronic Voting Instructions on or prior to the Solicitation Deadline or, in the case of an adjourned Meeting, prior to the deadline stipulated in any notice convening such adjourned Meeting, in accordance with the usual procedures of the Clearing System, to enable the Registered Holder

to complete the Form of Proxy.

Notes so blocked will not be released until the earliest to occur of:

- (i) the conclusion of the Meeting (or any adjourned Meeting, as the case may be);
- (ii) the date on which the Consent Solicitation is terminated or withdrawn by the Guarantor; and
- (iii) the date of a valid revocation of such Electronic Voting Instructions, which must in each case be delivered to the relevant Clearing System at or prior to the Revocation Time or the Adjourned Revocation Time, as the case may be.

3. **Amendment or Revocation of Instructions:** Any vote given in accordance with the terms of a Form of Proxy shall be valid even if the Form of Proxy or any of the Noteholders' instructions pursuant to which it was executed has been previously revoked or amended, provided that no intimation in writing of such revocation or amendment shall have been received from the Principal Agent by the Issuer or the Trustee at its registered office or by the chairman of the Meeting, in each case, at or prior to the Revocation Time or the Adjourned Revocation Time, as the case may be.

A notice of amendment or revocation, to be effective, must: (i) indicate the relevant Electronic Voting Instructions to be amended or revoked; (ii) contain the aggregate principal amount of Notes to which such amendment or revocation relates; and (iii) be received by the Tabulation and Information Agent at or prior to the Revocation Time or the Adjourned Revocation Time, as the case may be, and follow the customary procedures in place at each relevant Clearing System.

Only the Direct Participant is entitled to amend or revoke an Electronic Voting Instruction previously given. A Beneficial Owner of Notes held through the Clearing Systems must arrange with the Direct Participant to submit on its behalf an amendment or revocation of any Electronic Voting Instruction already given with respect to such Notes. Following a revocation, the Tabulation and Information Agent will advise the relevant Clearing System that the blocking instruction in respect of the relevant Notes should be lifted and that such Notes may be traded or transferred.

Electronic Voting Instructions that have been validly revoked may be given again on or prior to the Solicitation Deadline or, in the case of an adjourned Meeting, prior to the deadline stipulated in any notice convening such adjourned Meeting, by following the procedures described above. Any such Electronic Voting Instructions will be regarded as new Electronic Voting Instructions subject to such procedures.

4. **Interpretation:** Subject to the provisions of the Trust Deed, the Guarantor's interpretation of all terms and conditions of the Consent Solicitation shall be final and binding. No alternative, conditional or contingent giving of Electronic Voting Instructions will be accepted. Unless waived by the Guarantor, any defects or irregularities in connection with giving of Electronic Voting Instructions must be cured in time for the Meeting in accordance with the rules and usual procedures of the relevant Clearing System and in accordance with the terms of the Trust Deed. None of the Issuer, the Guarantor, the Trustee, the Tabulation and Information Agent, the Principal Agent or the Registrar or any of their respective affiliates, directors or employees nor any other person will be under any duty to give notification of any defects or irregularities in such Electronic Voting Instructions nor will such entities incur any liability for any failure to give such notification. Such Electronic Voting Instructions will not be deemed to have been delivered until such defects or irregularities have been cured or waived.

All questions as to the validity, form and eligibility (including timing of receipt) in relation to Electronic Voting Instructions will be determined by the Guarantor in its sole discretion, which determination shall be conclusive and binding. The Guarantor reserves the right to reject any or all Electronic Voting Instructions that are not in proper form or the acceptance of which could, in the opinion of the Guarantor or its counsel, be unlawful. The Guarantor also reserves the right to waive any and all defects or irregularities in connection with deliveries of particular Electronic Voting Instructions, including, without limitation, with respect to the timing of delivery of such Electronic Voting Instructions, whether or not similar defects or irregularities are waived in respect of other Electronic Voting Instructions.

5. **Quorum Requirements:** The quorum required at the Meeting in respect of the Extraordinary Resolution

shall be one or more persons present in person holding Notes or being proxies or representatives and holding or representing in the aggregate not less than two-thirds in principal amount of the Notes for the time being outstanding. At any adjourned Meeting, the quorum required in respect of the Extraordinary Resolution shall be one or more persons present in person holding Notes or being proxies or representatives and holding or representing in the aggregate not less than one-third in principal amount of the Notes for the time being outstanding.

6. **Adjournment:** If within 15 minutes from the time fixed for the Meeting, a quorum is not present in respect of the Extraordinary Resolution to be considered at the Meeting, such Meeting shall stand adjourned (unless the Guarantor and the Trustee agree that the Meeting be dissolved) for such period, not being less than 14 days nor more than 42 days, and to such place, as may be decided by the chairman of the Meeting.
7. **Voting by Show of Hands or Poll:** Every question submitted to the Meeting shall be decided in the first instance by a show of hands. A poll shall then be demanded (before or on the declaration of the result of the show of hands) by the chairman of the Meeting. In case of equality of votes, the chairman of the Meeting shall, both on a show of hands and on a poll, have a casting vote in addition to the vote or votes (if any) which he may have as a Noteholder or as a proxy or representative.
8. **Representation of Vote:** On a show of hands, every person who is present in person or is a proxy shall have one vote. On a poll, every person who is so present shall have one vote in respect of each €1 in principal amount of the Notes so produced or represented or in respect of which he is a proxy or a representative. Any person entitled to more than one vote need not use all his votes or cast all of the votes to which he is entitled in the same way.
9. **Voting Majority Requirements:** To be passed at the Meeting, the Extraordinary Resolution requires a majority consisting of not less than two-thirds of the votes cast (provided that the Requisite Quorum has been met). If passed, the Extraordinary Resolution shall be binding upon all Noteholders, whether or not a particular Noteholder delivered a valid Consent in respect of, or was present or represented at the Meeting and voted in favour of, the Extraordinary Resolution.
10. This Notice is given by Folli Follie Commercial Manufacturing and Technical SA.

ANNEX B – TERM SHEET

FOLLI FOLLIE
RESTRUCTURING TERM SHEET

This restructuring term sheet (the “**Restructuring Term Sheet**”) outlines a proposal for the key commercial terms to be incorporated into the rehabilitation plan (the “**Rehabilitation Plan**”) of Folli Follie Commercial Manufacturing and Technical S.A. (the “**Company**” and, together with its subsidiaries, the “**Existing Group**”) and the legally binding restructuring agreement (the “**Restructuring Agreement**”) which shall be submitted to the Athens Multi-Member Court of First Instance (the “**Greek Court**”) pursuant to Article 106b and/or d of Greek law 3588/2007 (“**Art 106**”), as currently in force (the “**Greek Bankruptcy Code**”).

This Restructuring Term Sheet has been circulated to:

- (a) the holders of the €249,500,000 1.75 per cent. Guaranteed Exchangeable Notes due 2019 issued by FF Group Finance Luxembourg SA (“**LuxCo I**”) and guaranteed by the Company (the “**Eurobonds**”);
- (b) the holders of the CHF 150,000,000 3.25 per cent. Notes due 2021 issued by FF Group Finance Luxembourg II SA (“**LuxCo II**” and together with LuxCo I, the “**LuxCos**”) and guaranteed by the Company (the “**Swissbonds**”);
- (c) the lender of 100% of the €20,000,000 Schuldschein loan due 2021 issued by LuxCo II and guaranteed by the Company (the “**20m Schuldschein**”); and
- (d) the lender of 100% of the €31,000,000 Schuldschein loan due 2021 issued by LuxCo II and guaranteed by the Company (the “**31m Schuldschein**” and together with the 20m Schuldschein, the “**Schuldschein**”),

the Eurobonds, Swissbonds and Schuldschein shall together be referred to as the “**Debt**” and the holders of the Debt shall be referred to as the “**Holders**”. The Holders together with the other creditors listed in Schedule 1 (*Existing Liabilities*) shall be referred to herein as the “**Creditors**”.

This Restructuring Term Sheet was negotiated between the Company, the LuxCos and a group of key financial creditors comprised of (a) the lender of the 20m Schuldschein; (b) the lender of the 31m Schuldschein and (c) an ad hoc committee of holders of the Eurobonds, holding in aggregate approx. 26.4% of the principal amount of the Eurobonds outstanding on the Launch Date (defined below) (the “**Ad Hoc Committee**”). The creditors described at (a), (b) and (c) are, together, referred to herein as the “**Unsecured Creditors’ Committee**”.

The Company also consulted throughout the negotiation of this Restructuring Term Sheet with an informal group of creditors, holding in aggregate approx. 34.2% of the principal amount of the Swissbonds and approx. 6.7% of the Eurobonds outstanding on the Launch Date (defined below).

The date on which this Restructuring Term Sheet is made publicly available to the holders of the Eurobonds and Swissbonds for the purpose of seeking their support for the Rehabilitation Plan shall be the “**Launch Date**”.

The date on which the Restructuring Agreement is filed at the Greek Court shall be the “**Filing Date**”, the date on which the Greek Court is convened to hear the Company’s submissions on the Restructuring Agreement shall be the “**Hearing Date**” and the date on which the Greek Court delivers its decision with respect to the Restructuring Agreement shall be the “**Decision Date**”.

In addition, definitive documentation to give effect to the terms of the Restructuring Agreement and the Rehabilitation Plan will have to be prepared in due course. Such definitive documents shall come into full force and effect in accordance with the relevant provisions of the Restructuring Agreement, provided the Greek Court has ratified the Restructuring Agreement on the Decision Date (the “**Restructuring Effective Date**”).

PART 1: OPSCO

1. **Jurisdiction of Incorporation** The parties shall agree the jurisdiction of incorporation of OpsCo prior to the Filing Date.
2. **Shares** OpsCo shall issue ordinary shares (the “**OpsCo Shares**”) in the following portions:
 - (a) 49% of the issued share capital shall be issued to AssetsCo or a wholly owned subsidiary of AssetsCo; and
 - (b) 51% of the issues share capital shall be issued to the Company or a subsidiary of the Company.
3. **Business** The distribution contracts relating to the jewellery, fashion, cosmetics and factory outlet and department stores businesses of the Existing Group shall be transferred, novated or assigned, as appropriate, to OpsCo (or a subsidiary of OpsCo), by the Existing Group and the relevant consents shall be procured by the Company (at its cost and expense) from the relevant contract counter-parties.
4. **Dufry** The proceeds following the outcome of the arbitration relating to the Company’s 804,726 shares in Dufry AG (settlement and/or sale) shall be transferred to OpsCo (or a subsidiary of OpsCo) and applied by OpsCo as follows:
 - (a) *first*, an amount of EUR 35,000,000 shall be applied towards the general working capital requirements of OpsCo and its subsidiaries; and
 - (b) *second*, the balance shall be applied as follows:
 - i. 50% shall be distributed to Creditors as a special distribution; and
 - ii. 50% shall either be applied towards OpsCo’s and its subsidiaries general working capital requirements or be used to buy-back New Notes, whether on the open market or as part of a private market transaction, at such price as may be agreed.
5. **Listing** None
6. **Dividends and Distributions** Subject to approval by a 75% Supermajority (as defined below).
7. **Voting Rights** Each OpsCo Share will have one vote.

Subject to any other majority required by law, resolutions will be passed by the affirmative vote of holders of a simple majority of the votes cast at a shareholders’ meeting where more than 50% of the OpsCo Shares entitled to vote thereon are present (in person or by proxy) (an “**OpsCo Shareholder Simple Majority**”), except for:

 - (i) certain reserved matters as set out in Schedule 4 (*Shareholder Reserved Matters*) of this Restructuring Term Sheet that shall require approval by affirmative vote of holders of a supermajority of at least 75% of the OpsCo Shares entitled to vote thereon present and voting at the relevant meeting (the “**75% Supermajority**”); and
 - (ii) any other matters that may require a greater majority than the OpsCo Shareholder Simple Majority in accordance with applicable law.

Resolutions may also be passed by written resolutions of the OpsCo Shareholders circulated in accordance with applicable law.
8. **Board Composition** The “**OpsCo Board of Directors**” shall be initially agreed as part of the Restructuring, thereafter, the composition shall be agreed by an OpsCo Shareholder Simple Majority, subject to there being a board seat reserved for a director appointed by the Creditors on and from the Restructuring Effective Date (the “**B Director**”). Certain decisions of the

OpsCo Board of Directors shall require the approval of the B Director (the “**B Director Reserved Matters**”). The B Director Reserved Matters are set out in Schedule 3 (*B Director Reserved Matters*) of this Restructuring Term Sheet.

9. **Shareholder Reserved Matters** The matters set out in Schedule 4 (*Shareholder Reserved Matters*) shall require the approval of a 75% Supermajority.

PART 2: ASSETSCO

10. **Jurisdiction of Incorporation** AssetsCo shall be a private limited liability company (*société à responsabilité limitée*), incorporated in the Grand Duchy of Luxembourg.
11. **Shares** AssetsCo shall issue ordinary shares (the “**AssetsCo Shares**”) representing 100% of the issued share capital in AssetsCo to the Creditors (either directly or through a corporate vehicle and including any other arrangement agreed between the Company and the Creditors grating to all or part of the Creditors the same economic rights that they would have been entitled to via holding of ordinary shares in AssetsCo, including the issuance of warrants).
12. **Business** The assets listed at Schedule 2 (*Transferring Assets*) shall be transferred to AssetsCo or a subsidiary of AssetsCo, subject to certain leaseback arrangements with OpsCo to be agreed as part of the Rehabilitation Plan.
13. **Listing** None
14. **Voting Rights** Each AssetsCo Share will have one vote.
- Subject to any other majority required by law, resolutions will be passed by the affirmative vote of holders of a simple majority of the votes cast at a shareholders’ meeting where more than 50% of the AssetsCo Shares entitled to vote thereon are present (in person or by proxy) (an “**AssetsCo Shareholder Simple Majority**”).
15. **Board Composition** The “**AssetsCo Board of Directors**” shall be composed as follows:
- CEO, appointed by an AssetsCo Shareholder Simple Majority vote;
 - Non-Executive Chairman, appointed by an AssetsCo Shareholder Simple Majority vote; and
 - 3 Independent Non-Executive Directors, appointed on nomination to the general meeting of shareholders of AssetsCo and appointed by AssetsCo Shareholder Simple Majority vote.
16. **Shareholder Matters** Exit Events, Drag-Along Rights, Tag-Along Rights, subject to agreement.

PART 3: NEW NOTES

17. **Issuer** OpsCo (or a subsidiary of OpsCo)
18. **Lenders** Creditors
19. **Facility** Structured as a high yield note or term loan at the option of the Creditors.
20. **Amount** EUR 60,000,000
21. **Interest** Interest to be paid / accrued on a “pay as you can” basis as follows:
- (c) 3% cash interest; and
 - (d) 4% PIK interest, rising by an additional 1% for each year the maturity of the New Note is extended in accordance with Clause 23 (*Term*) below.
22. **Guarantees and** Corporate guarantee provided by the Company

Security

23. **Term** 5 years from the Restructuring Effective Date. To the extent that at maturity the outstanding principal and interest is not capable of being repaid, OpsCo shall use best efforts to refinance the New Note on Market Terms (as defined below). If the New Note is not capable of being re-financed on Market Terms, the term of the New Note shall be extended by 1 year.
- If following the additional 1 year, the outstanding principal and interest is not capable of being repaid, the Company shall use best efforts to refinance the New Note on Market Terms (as defined below). If the New Note is not capable of being re-financed on Market Terms, the term of the New Note shall be extended by a further 1 year.
- “**Market Terms**” shall mean refinancing terms within 200bp of reasonable market terms as determined by an independent financing adviser appointed by OpsCo.
24. **Repayment** Balloon, principal and outstanding interest
25. **Prepayment** At any time 2 years after the Restructuring Effective Date, without penalty
26. **Cash Sweep** 2 years from the Restructuring Effective Date, Excess Cash Flow (as defined below) shall be applied as follows:
- (a) In the period starting 2 years after the Restructuring Effective Date and ending 3 years after the Restructuring Effective Date, on a 6 monthly basis, 75% of any Excess Cash Flow shall be deposited into a retention account and applied in repayment of principal outstanding at par and 25% of any Excess Cash Flow shall be retained by OpsCo and applied towards its general working capital requirements; and
- (b) In the period starting 3 years after the Restructuring Effective Date and ending at maturity of the New Note, on a 6 monthly basis, 50% of any Excess Cash Flow shall be deposited into a retention account and applied in repayment of principal outstanding at par and 50% of any Excess Cash Flow shall be retained by OpsCo and either applied towards its general working capital requirements or used to buy-back New Notes, whether on the open market or as part of a private market transaction, at such price as may be agreed.
- “**Excess Cash Flow**” shall mean any amount of cash held by OpsCo over an amount of EUR 10,000,000.
27. **Covenants** Market standard covenants to be included
28. **Governing Law and Jurisdiction** English law, courts of England and Wales

PART 4: OTHER MATTERS

29. **Compromise** The OpsCo Shares, AssetsCo Shares and New Note shall be issued in full and final settlement of all liabilities arising under and in connection with the Debt.
30. **Allocations** Definitive documentation will include a process to resolve any material intercreditor disputes regarding the allocation of post restructuring securities.
31. **Treatment of Creditors** The Creditors, including the Holders, will be entitled to receive in full and final settlement of the Debt:
- (a) AssetsCo Shares;
- (b) OpsCo Shares (held indirectly through their AssetsCo Shares);
- (c) New Notes to be issued by OpsCo; and
- (d) the benefit of the Corporate Guarantee,
- together, the “**Restructuring Consideration**”.

32. **Asia Business** The Company covenants that between the Launch Date and the date falling 6 months from the Launch Date, Funding (as defined below) to the Asia Business (as defined below) shall not exceed EUR 2,000,000.
- Following the Launch Date, the Company shall appoint the Independent Financial Adviser (as defined below) to review the Asia Business Plan (as defined below) and in the period between the Launch Date and the date falling 6 months after the Launch Date, the Company, the financial advisers to the Ad Hoc Committee and the Independent Financial Adviser shall consult in good faith to agree the Asia Business Plan. Any increase to the Funding shall be conditional on the Asia Business Plan being agreed between the Company and Unsecured Creditors' Committee.
- “**Asia Business**” shall mean Folli Follie Group Sourcing Limited and its subsidiaries.
- “**Asia Business Plan**” shall mean the business plan applicable to the Asia Business.
- “**Funding**” shall mean the money paid by the Company and/or its subsidiaries (excluding the Asia Business) to the Asia Business.
- “**Independent Financial Adviser**” shall mean a financial adviser appointed by the Company from a shortlist of 3 financial advisers approved by the financial advisers to the Ad Hoc Committee.
33. **Asia Tax** The Company and OpsCo shall use reasonable endeavours to secure tax returns relating to over-paid taxes of the Asia Business and the assignment to such tax returns to OpsCo.
34. **Ring-fencing** The parties agree that it shall be a fundamental term of the Rehabilitation Plan that AssetsCo and OpsCo are ring-fenced from the liabilities of the Existing Group and that such terms shall be incorporated into the Restructuring Agreement as necessary to ring-fence AssetsCo and OpsCo from such liabilities.
35. **Court Orders by the Anti-Money Laundering Authority** It shall be a condition of the Restructuring Agreement that the ruling by the Judicial Council (following successful applications by the Company) by virtue of which two orders (no.133/2018 and no. 136/2018) of the President of the Anti-Money Laundering Authority and the investigating Judge of Athens forbidding any disposal of, among others, real estate property of the Company is lifted prior to the Restructuring Effective Date and that no other similar orders shall be granted or outstanding. Any such order lifting the rulings by the Judicial Council shall, to the extent possible as a matter of Greek law, further provide that the assets transferred to AssetsCo under the Restructuring Agreement will not be subject to any similar orders now or in the future.
36. **Director Liabilities** The Rehabilitation Plan shall provide for market standard releases of current directors and advisers of the Company and other related parties, subject to agreed exceptions, including parties currently subject to investigation/sanction by a relevant regulatory authority, providing that such investigation/sanction is determined in the negative against such party.
37. **Holding Period Trust** The Restructuring Consideration of Creditors who fail to participate in the Restructuring, or who are otherwise unable to receive their allocation of the Restructuring Consideration (“**Compromised Creditor Beneficiaries**”), will have their allocation of the Restructuring Consideration held on trust for them for a period of 2 years (the “**Holding Period**”). During the Holding Period, Compromised Creditor Beneficiaries will be entitled to come forward and claim their allocation of the Restructuring Consideration.
38. **Existing LuxCos** The LuxCos will be funded by the Company and solvently liquidated post Restructuring Effective Date.
39. **Legal Matters** The terms of, and the existence of, this term sheet is strictly confidential and shall not be disclosed to any person, other than to any of the parties' professional advisers acting in connection with the transactions contemplated hereby, without the consent of the other parties. This term sheet records the intentions of the parties. It is not intended to, nor is it to be construed as, giving rise to any legally binding obligations on any party.

This term sheet and all matters (including, without limitation, any contractual or non-

contractual matters) arising from, or connected with, it are governed by, and will be construed in accordance with English law and the parties irrevocably submit to the exclusive jurisdiction of the English courts.

SCHEDULE 1

EXISTING LIABILITIES

Principal Debtor	Creditor	Description	Outstanding Amount (€)
FF Group Finance Luxembourg SA	US Bank Trustees Limited, on behalf of the Eurobond holders	Eurobonds	250,997,000
FF Group Finance Luxembourg II SA	UBS AG, on behalf of the holders of the Swiss franc bonds	Swiss franc bonds	134,854,808
FF Group Finance Luxembourg II SA	<i>[intentionally left blank]</i>	Schuldschein	31,485,760
FF Group Finance Luxembourg II SA	<i>[intentionally left blank]</i>	Schuldschein	20,323,840
Folli Follie SA	Employees	Entitlements	nil
Total Unsecured Liabilities			437,661,408

The Eurobonds, Swiss franc bonds and Schuldschein are guaranteed by the Company. Each of these has been accelerated and the guarantees provided by the Company in respect of them have been called.

SCHEDULE 2

TRANSFERRING ASSETS

Part A1: Real Estate Assets held by the Company

Property	Address	Jurisdiction	Transferor
K1 Office Building in Agios Stefanos, Attica	23rd km., Athens-Lamia Highway, Agios Stefanos, Municipality of Dionysos, Regional Unit of East Attica, Region of Attica	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
K2 Office Building in Agios Stefanos, Attica		Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Office Floor on Vouliagmenis Av., Athens	96 Vouliagmenis Avenue, Glyfada	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Office Floor in Thessaloniki	43, 26th Oktovriou Str. and Kefalinias Str, Thessaloniki, Regional Unit of Central Thessaloniki, Region of Central Macedonia	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Retail Store in Fira, Santorini	Spirou Marinatou, Fira, Santorini	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Retail Store in Maroussi, Athens	Andrea Papandreou 29, Agios Thomas - Marousi, Attica	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Retail Store on Acharnon Str, Athens	421 Acharnon and Kourtidou str, Agios Eleutherios, Athens	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Two Retail Units in Kolonaki, Athens	6 Tsakalof str., Kolonaki, Athens	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Logistics Property in Agios Stefanos, Attica	22nd km, Athens-Lamia Highway, Agios Stefanos, Athens	Greece	Folli Follie Commercial Manufacturing and Technical S.A.

Property	Address	Jurisdiction	Transferor
Logistics Property in Koropi, Attica	49, Ifestou str., Koropi, Municipality of Koropi, Regional Unit of East Attica Region of Attica	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Land Plot in Koropi, Attica	Vari – Koropi Ave., “Skala” location, municipality of Kropia, Regional Unit of East Attica, Region of Attica	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
	2 Nirvana str. Psychiko-Filothei, Attica	Greece	Folli Follie Commercial Manufacturing and Technical S.A.
Minion A	Dorou & Satomvriandou, Athens,	Greece	Folli Follie Holdings S.A.
Minion B, C, D, E	28th Octovriou & Satovriandou, Athens	Greece	Folli Follie Holdings S.A.
Aegina Shipyard	Kavouropetra, Aegina	Greece	Planaco

Part A2: Real Estate Assets held outside the Company

Property	Address	Jurisdiction	Transferor
Mixed Use Commercial Building	Str.Ion Campineanu, Nr.2, sector 1, Bucharest	Romania	FF Group SRL
Land Plot with Derelict Building	Str.Ion Campineanu, Nr.4, sector 1, Bucharest	Romania	FF Group SRL
Retail Store in Magheru	Str,Tache Ionescu, Nr.8, Sector 1, Bucharest	Romania	FF Group SRL
Retail Building in Timisoara	Bulevardul Corneliu Coposu, Nr.14, Timisoara, Jud.Timis	Romania	FF Group SRL
Retail Store in Mosilor	Calea Mosilor, Nr.284, Bl.22A, Parter, Sector 2, Bucharest	Romania	FF Group SRL
Land Plot	Otopeni, Calea Bucuresti 247, Ilfov County	Romania	FF Group SRL
Land Plot	Comuna Giroc, Judetul Timisoara	Romania	FF Group SRL
Land Plot	Comuna Gruiu, Judetul Ilfov	Romania	FF Group SRL
Land Plot	Margelelor Street, Bucharest	Romania	FF Group SRL
Apartment in Bucharest	59 Popa Tatu Str,ET.3, Ap.8, Sector 1, Bucharest	Romania	FF Group SRL
Apartment, Bulgaria	3 rd floor apartment, Sofia, Bulgaria	Bulgaria	FF Group Bulgaria EOOD

Part A3: Other Assets

- The Company's 48.99% holding in the share capital of Sales Manager Ltd
- The Company's 50.00% holding in the share capital of Marina Mytilinis

SCHEDULE 3

B DIRECTOR RESERVED MATTERS

1. Whether by a single transaction or by a series of transactions:
 - a. acquiring an interest (whether on its own behalf or as a nominee) in the share, loan capital or instruments convertible into the share capital of, or the business or substantially all of the assets of, any company or other legal entity;
 - b. selling or otherwise disposing of an interest in a subsidiary or a substantial part of a subsidiary's assets and/or business; or
 - c. acquiring, selling, transferring or entering into an agreement for the acquisition, sale, transfer, surrender or other disposition of any assets of a subsidiary having a book or market value in excess of EUR 1,000,000.
2. Adopting any new accounting policy or practice or making any material changes to the OpsCo's accounting policies and practices or its accounting reference date, except as required by law or to comply with a new accounting standard.
3. Making any material variation to, or waiving a condition of, any of the OpsCo's facility agreements, voluntarily pre-paying any sums lent under the OpsCo's facility agreements or refinancing any such indebtedness, including the New Notes.
4. Except pursuant to the New Notes:
 - a. borrowing any money or obtaining any credit (other than trade credit);
 - b. creating or issuing or allow to come into being any encumbrances (other than arising by operation of law) over any part of the Company's property or assets or uncalled capital or creating or issuing any debenture or debenture stock;
 - c. making any other arrangement having a similar effect (including, without limitation, debt factoring, invoice discounting, hire purchase, equipment leasing, conditional or credit sales, or any off balance sheet borrowings); or
 - d. materially varying the terms of any credit arrangement, including the New Notes,in each case if the aggregate amount outstanding from time to time exceeds EUR 1,000,000.
5. Adopting an annual business plan, or varying a business plan, or exceeding the capital expenditure provided for in any business plan by more than 10 *per cent*.
6. Except pursuant to an agreed business plan then current:
 - a. carrying on a new business or making any material change to the nature, scope or geographical area of the OpsCo's business;
 - b. entering into a contract or transaction or making a payment or incurring a commitment in excess of EUR 100,000; or
 - c. in any other way do anything which is materially inconsistent with a relevant business plan.
7. The giving of consent to certain permitted transfers.

SCHEDULE 4

SHAREHOLDER RESERVED MATTERS

1. Alteration of the articles of association or equivalent constitutional documents of the OpsCo.
2. Reducing the amount of the OpsCo's issued share capital, granting any option or other interest (in the form of convertible securities or in any other form) over or in the share capital of the OpsCo, redeeming or purchasing any of the OpsCo's own shares (except on a *pro rata* basis) or effecting any other reorganisation of the OpsCo's share capital.
3. Applying for the listing or trading of any shares or debt securities on any stock exchange or market.
4. Making any changes to board size or composition of OpsCo.
5. The appointment or removal of the OpsCo's auditors.
6. Passing any resolution for the OpsCo's winding up or presenting any petition for its administration (unless it has become insolvent), or any analogous process.
7. Altering the name or registered office of the OpsCo.
8. The formation of any subsidiary or the acquisition of shares in any other company or the participation in any joint venture or partnership.
9. Amalgamating or merging with any other company or business undertaking.
10. Creating or granting any encumbrance over any shares in the OpsCo or agreeing to do so.
11. The entry into any arrangement, contract or transaction outside the normal course of the OpsCo's business or otherwise than on arm's length terms.
12. Declaring or paying any dividend, subject to certain limited exceptions.
13. Establishing or amending any profit-sharing, share option, bonus or other incentive scheme of any nature for directors or employees.
14. Establishing or amending any pension scheme or granting any pension rights to any director, officer, employee, former director, officer or employee, or any member of any such person's family.
15. Dismissing any director, officer or employee in circumstances in which the OpsCo incurs or agrees to bear redundancy or other costs in excess of EUR 100,000 in total.
16. Agreeing to remunerate (by payment of fees, the provision of benefits-in-kind or otherwise) any officer of, or consultant to, the OpsCo at a rate in excess of EUR 100,000 *per annum* or increasing the remuneration of any such person to a rate in excess of EUR 100,000 *per annum*.
17. Entering into or varying any contract of employment providing for the payment of remuneration (including pension and other benefits) in excess of a rate of EUR 100,000 *per annum* or increasing the remuneration of any staff (including pension and other benefits) to a rate in excess of EUR 100,000 *per annum*.
18. Instituting any material legal proceedings, or settling or compromising any material legal proceedings (other than debt recovery proceedings in the ordinary course of business) instituted or threatened against the OpsCo, or submitting to arbitration or alternative dispute resolution any dispute involving the OpsCo.
19. Making any agreement with any revenue or tax authorities or making any claim, disclaimer, election or consent exceeding EUR 100,000 for tax purposes in relation to the OpsCo or its business.
20. For so long as the Holders, whether directly or indirectly via their holding of AssetsCo shares, hold in aggregate not less than 25 per cent. of the shares:
 - a. the issue of any Shares or other classes of share in the OpsCo's share capital from time; and

- b. any transfer of Securities, save for certain limited exceptions.
21. The entry into any arrangement, contract or transaction outside the normal course of OpsCo's business or otherwise than on arm's length terms, which shall be deemed to include any such arrangement, contract or transaction with:
- a. Folli Follie or any of its subsidiaries (other than a member of the Group);
 - b. the directors of Folli Follie or any of its subsidiaries;
 - c. the direct and indirect shareholders of Folli Follie; and
 - d. the members of the Koutsolioutsos family subject to investigation/sanction by a relevant regulatory or judicial authority.

Requests for information in relation to the Consent Solicitation should be directed to:

ISSUER

FF Group Finance Luxembourg SA
54-56, boulevard Napoléon L-2210 Luxembourg

GUARANTOR

Folli Follie Commercial Manufacturing and Technical SA
23rd km of Athens-Lamia National Highway 145 65,
Ag. Stefanos, Attica Greece

Requests for information in relation to the procedures for participating in the Consent Solicitation and the submission of Electronic Voting Instructions should be directed to:

TABULATION AND INFORMATION AGENT

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