

Proposed recapitalisation - progress update

Released : 12 August 2019 7:00

RNS Number : 64111
Thomas Cook Group PLC
12 August 2019

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014

Proposed recapitalisation - progress update

12 August 2019: On 12 July 2019, Thomas Cook ("the Company" or "the Group") announced that it was in advanced discussions with its largest shareholder, Fosun Tourism Group and its affiliates ("Fosun"), and its core lending banks on the key commercial principles on which they would make a substantial new capital investment as part of a proposed recapitalisation of the Group.

Since this announcement, Thomas Cook has made significant progress towards finalising the key transaction terms of the recapitalisation with Fosun, the Group's core lending banks and subsequently with noteholders representing approximately 50 per cent of the Company's 2022 and 2023 senior notes.

The discussions with noteholders include the injection of additional capital on top of the previously announced £750 million. This additional capital, of approximately £150 million, will provide further liquidity headroom through the coming 2019/20 winter cash low period and ensure the business can continue to invest in its strategy.

As stated in the Company's announcement on 12 July 2019, the proposed recapitalisation will require a reorganisation of the ownership of the Tour Operator and Airline businesses which would result in a significant amount of the Group's external bank debt (£650 million) and bond debt (€1.15bn) being converted into equity, resulting in a substantial deleveraging of the Group. Existing shareholders are therefore expected to be significantly diluted as part of the recapitalisation, although they may be given the opportunity to participate in the recapitalisation on terms to be agreed between among others, the Company, Fosun, and the converting financial creditors. The Group expects to implement the recapitalisation in early October 2019.

The recapitalisation proposal remains subject to certain conditions including performance conditions, due diligence, further discussions and reaching agreement with a range of company stakeholders (including the pension trustees, noteholders, other financial creditors and Fosun's shareholder approval), and receipt of any regulatory and anti-trust clearances or approvals.

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About Thomas Cook Group Plc.

Thomas Cook Group plc. is one of the world's leading leisure travel groups, with sales of £9.6 billion in the year ended 30 September 2018. It is supported by 21,000 employees and has 200 own-brand hotels. It operates from 16 source markets and serves over 22 million customers annually. Thomas Cook Group plc's shares are listed on the London Stock Exchange (TCG).

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