

December 20, 2019 - 6:30 pm (GMT+1)

Press release

Continuation under conditions of the financing of the German sub-group

1. Update on discussions with the financial partners of the German sub-group¹

Recylex S.A. (Euronext Paris: FR0000120388 - RX) reports today that its German subgroup has obtained from its financial partners (German banking consortium, Glencore International AG, Land of Lower-Saxony) the continuation, under conditions, of its financing until April 30, 2020.

After discussions, the financial partners have agreed to maintain their financing until April 30, 2020, subject to major adjustments in the German subgroup. Therefore, the Group is working on the disposals of PPM Pure Metals GmbH, for which it has already received expressions of interest, Norzinco GmbH and Weser-Metall GmbH. The German sub-group will have to provide in particular a progress report as at January 31, 2020 of the examination of the assets disposals aimed at restructuring its debt. In February 2020, on this basis, the financial partners will determine whether and under which conditions their financing could be maintained until April 30, 2020. In this context, the Group is also studying the impact of these divestment projects on its business model and the related strategic developments with a view to continuing the remaining Group's activities.

Subject to the position of all the financial partners after the above-mentioned update, the German sub-group has been granted:

- From Glencore International AG the extension to April 30, 2020 of the maturity date of the bridge financing (€40.7 million) as well as of the additional financing (€16.0 million);
- From its financial partners the postponement to April 30, 2020 of their rights of early termination under the financing obtained in December 2016, as well as the postponement to the same date of repayments due on December 31, 2018, March 31, 2019, June 30, 2019, September 30, 2019, December 31, 2019 and March 31, 2020 for a total amount of €12.0 million as well as interests due on December 31, 2019 and March 31, 2020 for a total amount of approximately €5.5 million.

In this context, in order to allow the ongoing discussions to continue and subject to the position of all financial partners in February 2020, the German sub-group also obtained from Glencore International AG an extension of the bridge financing up to €20.7 million, to be drawn in monthly tranches, in order to cover its identified cash requirements until April 30, 2020.

Recylex will keep investors informed of developments and of the position of the German subgroup's financial partners.

2. Update on the financial situation²

As of December 20, 2019:

- The German subgroup's net debt amounted to €151.6 million, compared with €143.9 million at November 27, 2019. This increase is mainly due to the drawdown on the bridge financing extended in December 2019.
- The parent company Recylex S.A.'s net debt amounted to €48.5 million, compared with €45.7 million at November 27, 2019. This change is mainly due to the deterioration in the net cash position (€4.5 million compared to €7.3 million as at November 27, 2019)³.

The Group's consolidated net debt amounted to €181.1 million compared with €170.4 million at November 27, 2019.

¹ See in particular the press releases of December 5, 2018, March 26, 2019, June 17, 2019, July 15, 2019, July 31, 2019, October 28, 2019, November 7, 2019 and November 27, 2019.

² See the press release dated November 27, 2019.

³ See Note 2.7 of the notes to the parent company financial statements at December 31, 2017.

Disclaimer: This press release is a non-official translation into English of the press release of the same date issued in French language and is provided solely for the convenience of English-speaking users. This press release should be read in conjunction with and construed in accordance with French law.

Raw materials from urban mines

The Recylex Group, based in France and Germany, is a European specialist in the recycling of lead, zinc, polypropylene and in the production of high-purity special metals. As a key player in the circular economy and thanks to its long-standing know-how, Recylex achieved consolidated sales of €365 million in 2018 and employs more than 730 employees.

For more information about the Recylex Group: www.recylex.eu