

Digicel Group Limited Announces Exchange Offers and Consent Solicitations

 Digicel Logo (PRNewfoto/Digicel Group Limited)

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Digicel Group Limited →
07:11 ET

KINGSTON, Jamaica, August 31, 2018 /PRNewswire/ --

Digicel Group Limited ("Digicel") today announced that two of its subsidiaries have commenced, subject to the terms and conditions set forth in a confidential offering memorandum dated the date hereof (the "Offering Memorandum"), offers to exchange (the "Exchange Offers") (i) any and all of Digicel Group Limited's outstanding \$2.0 billion aggregate principal amount of its 8.250% Notes due 2020 (the "Existing 2020 Notes") held by Eligible Holders (as defined below) for up to an aggregate principal amount of \$2.0 billion of newly issued 8.250% Senior Notes due 2022 (the "New 2022 Notes") to be issued by Digicel Group One Limited, an indirect subsidiary of Digicel Group Limited, and (ii) any and all of the outstanding \$1.0 billion aggregate principal amount of Digicel Group Limited's 7.125% Notes due 2022 (the "Existing 2022 Notes" and together with the Existing 2020 Notes, the "Existing DGL Notes") held by Eligible Holders for up to an aggregate principal amount of \$1.0 billion of newly issued 8.250% Senior Cash Pay/PIK Notes due 2024 (the "New 2024 Notes" and, together with the New 2022 Notes, the "New Notes") to be issued by Digicel Group Two Limited, a direct subsidiary of Digicel Group Limited and the parent of Digicel Group One Limited. Cash interest on the New 2024 Notes will accrue at a rate of 7.125% and PIK interest on the New 2024 Notes will accrue at a rate of 1.125%. For each \$1,000 principal amount of Existing DGL Notes tendered into the Exchange Offers prior to 5:00 p.m., New York City time, on the Early Tender Date (as defined below), Eligible Holders will be eligible to receive \$1,000 principal amount of New Notes, as described below. The purpose of the Exchange Offers is to extend the maturity date of certain of our near-term maturities.

(Logo: https://mma.prnewswire.com/media/737804/Digicel_Logo.jpg)

Digicel is also soliciting consents (the "Consent Solicitations"), upon the terms and conditions set forth in the Offering Memorandum, (i) from holders of the Existing 2020 Notes to adopt certain proposed amendments to the indenture (the "Existing 2020 Indenture") under which the Existing 2020 Notes were issued and (ii) from holders of the Existing 2022 Notes to adopt certain proposed amendments to the indenture (the "Existing 2022 Indenture" and, together with the Existing 2020 Indenture, the "Existing DGL Indentures") under which the Existing 2022 Notes were issued. The proposed amendments would eliminate substantially all of the restrictive covenants and events of default contained in each

Existing DGL Indenture (the "Proposed Amendments"). Adoption of the Proposed Amendments with respect to a series of Existing DGL Notes requires the receipt of consents from holders of a majority of the outstanding aggregate principal amount of the applicable series of Existing DGL Notes.

Digicel's obligation to accept for exchange any series of Existing DGL Notes validly tendered (and not validly withdrawn) in the Exchange Offers is subject to certain conditions (which may be waived) set forth in the Offering Memorandum, including at least 90% of the principal amount of such series being tendered, receipt of requisite consents from holders for the Proposed Amendments with respect to such series and the consummation of the other Exchange Offer.

Holders who validly tender (and do not validly withdraw) their Existing DGL Notes at or prior to 5:00 p.m., New York City time, on September 14, 2018, unless extended with respect to an Exchange Offer (the "Early Tender Date") will be eligible to receive the "Total Exchange Consideration" (as set forth in the table below), which includes the "Early Tender Premium".

Eligible holders who validly tender their Existing DGL Notes after the Early Tender Date but at or prior to 11:59 p.m., New York City time, on September 28, 2018, unless extended with respect to an Exchange Offer (the "Expiration Date"), will not be eligible to receive the applicable Early Tender Premium and, instead, will be eligible to receive only the "Exchange Consideration" set out in the table below.

The following table sets forth the Exchange Consideration, Early Tender Premium and Total Exchange Consideration for each series of Existing DGL Notes validly tendered (and not validly withdrawn) and accepted for exchange in the Exchange Offer:

Existing DGL Notes to be Exchanged	CUSIP / ISIN Numbers	Aggregate Principal Amount Outstanding	Exchange Consideration [1]	Early Tender Premium [1]	Total Exchange Consideration [1][2][3]
8.250% Notes due 2022	25380WAE6 / US25380WAE66; G27631AD5 / USG27631AD56	\$2,000,000,000	\$950 principal amount of Digicel Group One Limited Notes due 2022 (the "New 2022 Notes")	\$50 principal amount of the New 2022 Notes	\$1,000 principal amount of the New 2022 Notes
7.125% Notes due 2022	25380WAF3 / US25380WAF32; G27631AF0 / USG27631AF05	\$1,000,000,000	\$950 principal amount of Digicel Group Two Limited Notes due 2024 (the "New 2024 Notes")	\$50 principal amount of the New 2024 Notes	\$1,000 principal amount of the New 2024 Notes

[1] For each \$1,000 principal amount of Existing DGL Notes.

^[2] No payment will be made in respect of accrued interest on Existing DGL Notes accepted in the Exchange Offers, but cash interest will accrue on each series of New Notes from the most recent date to which interest was paid on the applicable series of Existing DGL Notes. PIK interest on the New 2024 Notes will only accrue from the initial settlement date.

^[3] Includes Early Tender Premium.

Eligible Holders may not deliver a consent in a Consent Solicitation without tendering Existing DGL Notes of the applicable series in the related Exchange Offer. If an Eligible Holder tenders Existing DGL Notes in an Exchange Offer, such Eligible Holder will be deemed to deliver its consent, with respect to the principal amount of such tendered Existing DGL Notes, to the Proposed Amendments with respect to the applicable series. After the withdrawal deadline of 5:00 p.m., New York City time, on September 14, 2018 (unless extended with respect to an Exchange Offer) and before the Expiration Date, upon receipt of valid consents sufficient to effect the Proposed Amendments, Digicel and the trustee under the Existing DGL Indentures will execute and deliver supplemental indentures relating to the Proposed Amendments. The Proposed Amendments will become operative upon consummation of the Exchange Offers.

Upon the terms and subject to the conditions of an Exchange Offer, the settlement date for any Exchange Offer will occur promptly after the applicable Expiration Date (the "Final Settlement Date"). Digicel may elect, in their sole discretion, to settle such Exchange Offer for the Existing DGL Notes of the applicable series validly tendered (and not validly withdrawn) prior to the Early Tender Date for such Exchange Offer at any time after the applicable Early Tender Date and prior to the applicable Expiration Date (the "Early Settlement Date"). Such Early Settlement Date will be determined at Digicel's option and, if they elect to have an Early Settlement Date, subject to all conditions of the applicable Exchange Offer having been satisfied or waived by them.

Documents relating to the Exchange Offers and Consent Solicitations will only be distributed to holders of Existing DGL Notes who certify that they are (i) "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), or (ii) persons outside the United States that are not "U.S. persons" within the meaning of Regulation S under the Securities Act (such holders, "Eligible Holders"). The complete terms and conditions of the Exchange Offers and the Consent Solicitations are described in the Offering Memorandum and related letter of transmittal, copies of which may be obtained by contacting Global Bondholder Services Corporation, the exchange agent and information agent in connection with the Exchange Offers and Consent Solicitations, at (866) 470-3800 (U.S. toll-free), (212) 430-3774 (banks and brokers) or by emailing contact@gbsc-usa.com. Holders of the Existing DGL Notes may also complete and submit a letter of eligibility online at <http://gbsc-usa.com/eligibility/digicel>.

Holders of the Existing Notes that are U.S. persons and not qualified institutional buyers will not be able to receive such documents, but Digicel Group Limited will make alternative arrangements available to ensure that they can participate in the Consent Solicitations on a comparable basis. Such holders should contact Digicel and, after furnishing proof of their status as non-qualified institutional buyers that are US persons, will receive information about arrangements available to them.

The New Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

No Offer or Solicitation

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote of approval, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

This press release shall not constitute an offer to purchase any securities or a solicitation of an offer to sell, or the solicitation of tenders or consents with respect to, any securities, and is issued pursuant to Rule 135c under the Securities Act. The Exchange Offers and Consent Solicitations are being made only pursuant to the Offering Memorandum and related transmittal documents and only to such persons and in such jurisdictions as is permitted under applicable law.

Forward Looking Statements

This press release contains forward-looking statements. Actual results may differ materially from those reflected in the forward-looking statements. We undertake no obligation to release publicly the result of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date hereof, including, without limitation, changes in our business or acquisition strategy or planned capital expenditures, or to reflect the occurrence of unanticipated events.

About Digicel

Digicel Group Limited is a limited liability exempted company incorporated under the laws of Bermuda and owned by Mr. Denis O'Brien.

Digicel Group is a total communications and entertainment provider with operations in 31 markets in the Caribbean, Central America and Asia Pacific. After 17 years of operation, total investment to date stands at over US\$5 billion worldwide.

Digicel also runs a host of community-based initiatives across its markets and has set up Digicel Foundations in Haiti, Jamaica, Papua New Guinea and Trinidad and Tobago which focus on educational, cultural and social development programmes.

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SOURCE Digicel Group Limited

