



## **Lumileds Announces Agreement with Requisite Lenders on the Terms of a Comprehensive Financial Restructuring to Accelerate Long-Term Growth**

*Transaction Will Result in Strong Liquidity Position and Significant De-leveraging Through Debt Reduction of \$1.3 Billion*

*To Implement Restructuring Plan, Lumileds Commences Voluntary Prepackaged Chapter 11 Proceedings, Limited to United States and Netherlands Operations*

*None of Lumileds' Operations Outside of the United States and the Netherlands Are Included in the Chapter 11 Process*

*Receives Commitments for \$275 Million in Debtor-in-Possession Financing Which Will Roll into 5-Year Exit Facility*

*Global Operations Continue in Normal Course Without Any Interruption or Impact Expected to Customers, Vendors, Suppliers, and Employees*

**San Jose, CA – August 29, 2022**– Lumileds Holding B.V. (“Lumileds” or the “Company”), a global leader in innovative lighting solutions, announced today that it has entered into a restructuring support agreement (the “RSA” or the “Agreement”) with its lenders holding a significant majority of the loans outstanding under its prepetition first lien debt facility on the terms of a comprehensive financial restructuring that would significantly de-leverage and strengthen its balance sheet by over \$1.3 billion, accelerate Lumileds’ growth, and enable further investment in innovation to pursue additional strategic opportunities through the injection of up to \$275 million of liquidity.

To efficiently implement the de-leveraging, a narrowly focused prepackaged Chapter 11 plan (the “Plan”) involving only Lumileds’ U.S. and Dutch entities has commenced in the U.S. Bankruptcy Court for the Southern District of New York (the “Court”). Lumileds’ European, Asian, and other foreign subsidiaries and affiliates are not included in the filing and are unaffected by the Chapter 11 process. The Company has obtained the necessary support from its lenders to confirm the Plan prior to commencing its proceedings and expects to meet the requirements to confirm the Plan and emerge from Chapter 11 within approximately sixty days.

“Over the past few years, we have been hard at work transforming our cost structure and innovation pipeline, which has allowed us to capitalize more effectively on future market trends as a leader in the lighting industry,” said Matt Roney, CEO of Lumileds. “We have proactively taken steps to de-leverage our balance sheet given the ongoing challenges presented by global supply constraints, COVID-related issues, and the crisis in Ukraine. This recapitalization will enable us to further accelerate our efforts as a market-leading innovator within the specialty lighting industry. We believe that the most effective and efficient way to accomplish this is through a prepackaged Chapter 11 process that will be accompanied by a significant increase in our liquidity position. We appreciate the support of our lenders, who recognize the long-term value and enhanced potential Lumileds will create with a strengthened balance sheet.”

**BUSINESS AS USUAL**



None of the Company's business operations outside of the United States and the Netherlands are part of the Chapter 11 proceeding. The Company has filed "first day" motions to obtain the requisite court authority for the Company to continue operating its businesses and facilities in the ordinary course without disruption to its customers, vendors, suppliers, or employees. As part of these first day motions, the Company has sought court approval to continue to pay all valid amounts owed to vendors and suppliers as they come due. In addition, the Company expects that employees will continue to receive their usual wages and benefits without interruption.

"Our number one priority is to deliver never before possible solutions for lighting, safety, and well-being," added Mr. Roney. "This comprehensive liquidity and de-leveraging solution will enable us to be an even more attractive and stronger partner as we continue to drive innovation in LED technology and offer new products and solutions to our customers. I would like to thank all of our valued employees, customers, vendors, suppliers, and sponsors for their ongoing support."

### **TERMS OF THE RESTRUCTURING SUPPORT AGREEMENT**

Under the terms of the RSA, the existing secured lenders are expected to commit to support, and vote in favor of, a transaction that, when executed, will reduce the Company's funded debt by approximately \$1.3 billion, from approximately \$1.7 billion to \$400 million comprised of takeback debt and post-petition loans, which will be combined into a 5-year exit facility.

The RSA also contemplates a commitment from certain of its lenders of up to \$275 million in debtor-in-possession ("DIP") financing, available as part of the Chapter 11 process. Subject to the Court's approval, the DIP financing, together with the Company's available cash reserves and cash provided by operations, is expected to provide sufficient liquidity for Lumileds to continue meeting its ongoing obligations, including all obligations to customers, vendors, and suppliers, as well as employee wages, salaries, and benefits programs.

More information about Lumileds' restructuring, including access to Court documents, will be available at <https://dm.epiq11.com/Lumileds> or by contacting Epiq Corporate Restructuring, LLC, the Company's noticing and claims agent at +1 800-497-9116 (for toll-free domestic calls) and +1 503-520-4495 (for tolled international calls) or emailing [Lumiledsinfo@epiqglobal.com](mailto:Lumiledsinfo@epiqglobal.com).

Evercore is acting as investment banker for the Company; Paul, Weiss, Rifkind, Wharton & Garrison, LLP, and Latham & Watkins LLP are acting as corporate and restructuring counsel to Lumileds, and AlixPartners, LLP, as financial advisor. PJT Partners is acting as financial advisor for an ad hoc group of Lumileds' lenders, and Gibson, Dunn & Crutcher LLP is acting as the group's legal counsel.

### **About Lumileds**

Lumileds is a global leader in OEM and aftermarket automotive lighting and accessories, camera flash for mobile devices, MicroLED, and light sources for general illumination, horticulture, and human-centric lighting. Our approximately 7,000 employees operate in over 30 countries and partner with our customers to deliver never before possible solutions for lighting, safety, and well-being. To learn more about our company and solution portfolios, please visit <https://lumileds.com>.



Certain statements in this press release are forward-looking statements within the meaning of and made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In addition, our management may, from time to time, make forward-looking oral statements. All statements, other than statements of historical facts, are forward-looking statements. Forward-looking statements may be identified by the words “believe,” “expect,” “anticipate,” “project,” “plan,” “estimate,” “may,” “will,” “could,” “should,” “seek” or “intend” and similar expressions. Forward-looking statements reflect our current expectations and assumptions regarding our business, the economy, and other future events and conditions and are based on currently available financial, economic, and competitive data and our current business plans. Actual results could vary materially depending on risks and uncertainties that may affect our operations, markets, services, prices, and other factors. While we believe our assumptions are reasonable, we caution you against relying on any forward-looking statements as it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, our ability to obtain the approval of the Bankruptcy Court with respect to motions filed in the Chapter 11 cases and the outcomes of Bankruptcy Court rulings and the Chapter 11 cases in general, the effectiveness of the overall restructuring activities pursuant to the Chapter 11 filings and any additional strategies that we may employ to address our liquidity and capital resources, the actions and decisions of creditors, regulators and other third parties that have an interest in the Chapter 11 cases, restrictions on us due to the terms of any debtor-in-possession credit facility that we may enter into in connection with the Chapter 11 cases and restrictions imposed by the Bankruptcy Court, the timing for resolving and any impact of the network security incident, a weakening of global economic and financial conditions, interruptions in the supply of or increased cost of raw materials, the loss of, or difficulties with the further realization of, cost savings in connection with our strategic initiatives, the impact of our substantial indebtedness, our failure to comply with financial covenants under our credit facilities or other debt, pricing actions by our competitors that could affect our operating margins, changes in governmental regulations and related compliance and litigation costs, and the other factors. All forward-looking statements are expressly qualified in their entirety by this cautionary notice. The forward-looking statements made by us speak only as of the date on which they are made. Factors or events that could cause our actual results to differ may emerge from time to time. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

**For further information, please contact:**

FGS Global for Lumileds  
Kal Goldberg/Frances Jeter  
646-805-2005/832-680-5120  
[lumileds@fgsglobal.com](mailto:lumileds@fgsglobal.com)