



## FINANCIAL NOTIFICATION

### *Regulated Information – Inside information*

#### **OPTION RESTRUCTURES BALANCE – APPOINTMENT DIRECTORS – NEW FUNDING**

LEUVEN – Belgium – March 8, 2017 – The Company announces that an agreement has been reached among Option and its major financial creditors. This should enable the Company to execute its business plan in 2017.

#### **1. Restructuring**

Within the context of a new business plan for 2017, Option developed a restructuring plan focusing on three areas:

- Significant restructuring of the debt on Option's balance sheet through conversion into the capital, with regard to the existing bonds for an amount of EUR 11,721,000 of out of a total nominal amount of EUR 22,500,000 and with regard to the existing bridge loans for an amount of EUR 432,600.
- Changes in the Board of Directors and the management of the company; including the appointment of Mr. Eric Van Zele as chairman of the Board and the start of the search for a new CEO.
- New financing for the Company through a bridge loan of 2,6 m€.

#### **2. Bond loans**

Option issued a total of EUR 27,000,000 of convertible bonds, as follows:

- On 28 March 2013, Option issued 90 convertible bonds, each one at EUR 100,000, totalling EUR 9,000,000 (the 2013 Convertible Bonds) of which EUR 5,000,000 is still outstanding .

- On 11 April 2014, Option issued 120 convertible bonds, each one at EUR 100,000, totalling EUR 12,000,000 (the 2014 Convertible Bonds) of which EUR 11,500,000 is still outstanding .

- On 6 November 2015, Option issued 60 convertible bonds, each one at EUR 100,000, totalling EUR 6,000,000 (the 2015 Convertible Bonds) of which EUR 6,000,000 is still outstanding .

Most bondholders, covering over 95% of the outstanding nominal value of the bond loans of the Company prior to transaction, have agreed to restructure the bond loans subject to approval on the Shareholders' Meeting. All bond loans will be extended to 5 November 2020 with lower interest rates and a reduced exercise price.

As part of the agreement a total of EUR 11,721,000 of receivables under the convertible bond loans have been converted into shares by means of a capital increase in kind within the authorized capital by a Board decision of 6 March 2017.

The bondholders will be offered the possibility to contribute the remaining part of their bonds into the capital of the Company on a next Extraordinary Shareholders' Meeting.

### **3. Bridge loans**

Option issued a total of EUR 4,650,000 in bridge loans during the period 2015-2016.

Most lenders of bridge loans, covering over 95% of the value of bridge loans, have agreed to extend their bridge loans to expire on 28 February 2019 and to reduce the interest rates.

As part of the agreement a total of EUR 432,600 of receivables under the bridge loans have been converted into shares by means of a capital increase in kind within the authorized capital by a Board decision of 6 March 2017.

The lenders will be offered the possibility to contribute their remaining receivables in share capital of the Company on a next Extraordinary Shareholders' Meeting.

### **4. Shares and equity**

The contribution of a total of EUR 12,153,600 receivables under bridge and bond loans was executed at EUR 0.147 per share, which equals the 30 days average closing stock price before the

day of the transaction. For each new share, EUR 0.05 was accounted as new capital and EUR 0.097 was booked as issue premium.

As a result of the capital increase, 82,677,545 new shares were created, bringing the total number of shares, subject to approval for listing on Euronext, from 98,442,546 today to 181,120,091 shares after listing.

The capital of the Company has been increased with EUR 4,133,877.25 bringing the share capital of EUR 4,922,127.30 before capital increase to EUR 9,056,004.55 after capital increase. A total of EUR 8,019,722.75 is booked as premium issue.

## **5. New funding**

As part of the agreement, most bondholders, covering over 95% of the outstanding nominal value of the bond loans before transaction, have agreed to participate in 2.6 mio EUR of new funding for the Company.

These funds are structured as a new 2 years loan at 1% interest during the first year and 2% in the second year.

## **6. Going concern**

With the current sales outlook for 2017 and the renewed efforts of Option's stakeholders, Option will be able to execute its business plan for 2017 in going concern.

## **7. Changes to the Board and management**

Finally Option announces changes to the Board and management team as follows:

Qunova BVBA, represented by Jan Vorstermans, has been replaced by Crescemus BVBA, represented by Mr. Pieter Bourgeois. Option thanks Jan Vorstermans for the years of commitment he showed to Option, its Board and management.

Mr Eric Van Zele joins the Board as new Chairman as from 7 March 2017.

As from 7 March 2017 the Board of directors of Option consists of following the 6 directors:

- Mr Eric Van Zele, non-executive Chairman of the Board
- FVDH Beheer BVBA, represented by Mr Francis Vanderhoydonck, non-executive director
- Mr Jan Callewaert, executive director
- Mr Raju Dandu, non-executive director
- Vermec NV, represented by Mr Peter Cauwels, non-executive director
- Crescemus BVBA, represented by Mr Pieter Bourgeois, non-executive director

Eric Van Zele currently serves as Chairman of Reynaers Aluminium and Crescent NV. He was recently appointed chairman of the E17 network of hospitals and of the Hermes decision committee of The Flemish agency for Innovation and entrepreneurship. He continues to serve as a director of Barco NV .

Prior to his current mandates Eric served as president and Ceo of Barco NV in Kortrijk from 2009 thru 2016.

He served as CEO of Pauwels International (from 2004 thru 2008) and of Telindus nv (2000 thru 2003). Prior to that, he served as Vice President of Raychem Corporation in Menlo park, CA, USA and as Managing Director of Raychem nv in Leuven, Belgium. (1972 thru 1999).

He was nominated “Manager of the Year in 2012” and “ICT Personality of 2013”.

Eric holds a masters degree in electrical and mechanical engineering from the KUL in Leuven (1972) and postgraduate degrees in management from Stanford University (1992 CA, USA).

Pieter Bourgeois, 39, is an Investment Manager at Alychlo NV, the investment firm of Belgian entrepreneur Marc Coucke. Mr. Bourgeois holds a Masters Degree in Industrial Engineering and is an MBA from the Solvay Brussels School of Economics & Management.

Option is honoured and welcomes Mr Bourgeois as new director and Mr Van Zele as new Chairman of the Board.

Mr Jan Callewaert remains managing director ad interim until a new CEO has been appointed. Mr Callewaert replaced Frank Deschuytere as daily manager when Mr Deschuytere left the Company on 9 March 2015.

Within Option executive management team, Option regrets the departure of Jan Luyckx as CFO. Edwin Bex, former CFO at Telindus NV, has been appointed as new CFO.

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**ABOUT OPTION**

Option connects Things to the Cloud. With more than 20 years of experience and many industry's firsts in the wireless industry, the Company is ideally positioned to bring the most efficient, reliable and secure wireless solutions to business markets (B2B) and industrial markets (M2M). The Company partners with system integrators, value added resellers, application platform providers, value add distributors and network operators to bring tailor made solutions to end-customers. Option is headquartered in Belgium and maintains offices in Europe, the US, Greater China and Australia. More information: [www.option.com](http://www.option.com)  
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