

RNS Number : 0919E
Reach4Entertainment Enterprises PLC
30 October 2015

reach4entertainment enterprises plc
("r4e", the "Company" or the "Group")

Further update on restructuring agreement with AIB

Further to the announcement by the Company on 10 June 2015, the Board of r4e is today providing an update on the status of its conditional agreement (the "**Agreement**") with AIB Group (UK) plc ("**AIB**") to restructure the Company's existing £14,785,000 loan facility with AIB (the "**Existing Facility**").

On 9 September 2015 the Company announced that it was required to secure the funding to fulfil its repayment obligations under the Agreement by no later than 31 October 2015 (the "**Funding Deadline**"). On 25 September 2015, the Company announced that it had received an offer letter for a new 3 year secured asset based debt facility of up to £9.5m with PNC Business Credit ("**PNC**") being made up of a £1m term loan and a revolving credit facility of up to £8.5m based on qualifying accounts receivable. The facility is to be used to refinance the AIB loan and provide the Company with working capital (the "**Proposed New Facility**"). PNC's provision of the Proposed New Facility is subject to agreement of legal documentation and the satisfaction of certain conditions precedent, including the condition for r4e to raise a minimum of £3.5m of new equity capital.

The Company has been in discussions with a number of potential equity investors, both existing shareholders of the Company and new investors, and these discussions remain on-going. AIB remains supportive of the Company's fundraising efforts and has agreed to an extension of the Funding Deadline to enable the Company to conclude its discussions with equity investors, with a view to securing the required funding to enable r4e to fulfil its repayment obligations under the Agreement. A further announcement will be made in due course.

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