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Horizon Global Announces Definitive Agreement to Sell Asia-Pacific Business Segment

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Proceeds to be Used to Significantly Reduce Debt

TROY, Mich.--(BUSINESS WIRE ^[1])--Horizon Global Corporation (NYSE: HZN), one of the world's leading manufacturers of branded towing and triling equipment, announced today that the Company has entered into a definitive agreement to sell its Asia-Pacific (APAC) business segment to Pacific Equity Partners (PEP) for AUD \$340 million in cash, subject to customary closing adjustments. The Company intends to use the proceeds from the sale to significantly reduce its debt and bolster its liquidity, allowing for additional financial flexibility.

Upon completion of the sale and subsequent retirement of debt, Horizon Global intends to pursue a full or partial refinancing of its remaining secured debt. If successful, it is expected that this refinancing would close in the fourth quarter of 2019.

Carl Bizon, President and Chief Executive Officer of Horizon Global, commented, "We are pleased with the outcome of the sale process. While the proceeds from this sale will allow us to satisfy the \$100 million prepayment obligation under our First Lien Term Loan, we expect to make additional debt repayments substantially in excess of this amount. This transaction also simplifies our operating structure, allowing us to deepen our focus on our remaining operating segments, which we believe can be restored to historical profitability levels.

Bizon continued, "We would like to thank our dedicated APAC team as it worked tirelessly throughout the process to continue to service our customers and perform to the standards to which they are accustomed. Our APAC business segment is an exceptional business with strong leadership positions in the markets it serves. We believe the business will continue to thrive and serve its customers as they have come to expect, making the business a valued part of PEP's portfolio."

Andrew Charlier, a Managing Director of PEP, added, "APAC is led by an outstanding management team and has a track record of developing innovative products and solutions for its customers. We are excited to support management by investing in product development, geographical expansion, and the potential acquisition of additional brands in order to continue to deliver quality products and service to our customers."

The transaction is subject to the satisfaction of customary closing conditions and is expected to close before the end of the third quarter of 2019.

Jefferies LLC is serving as financial advisor to Horizon Global in the transaction.

About Horizon Global

Horizon Global is the #1 designer, manufacturer and distributor of a wide variety of high-quality, custom-engineered towing, triling, cargo management and other related accessory products in North America, Australia and Europe. The Company serves OEMs, retailers, dealer networks and the end consumer as the category leader in the automotive, leisure and agricultural market segments. Horizon provides its customers with outstanding products and services that reflect the Company's commitment to quality, innovation and operational excellence. The Company's mission is to utilize technology to develop and deliver best-in-class products with superior on-time performance for our customers, engage our employees and create value for our shareholders.

Horizon Global is home to some of the world's most recognized brands in the towing and triling industry, including: BULLDOG, Draw-Tite, Fulton, Hayman Reese, Reese, ROLA, Tekonsha, and Westfalia. Horizon Global has approximately 4,200 employees in 37 facilities across 18 countries.

For more information, please visit www.horizonglobal.com ^[2].

About PEP

Founded in 1998, Pacific Equity Partners (PEP) is a leading Australian private equity firm with over A\$4.5 billion in funds currently under management. The team provides strategic management experience and capital resources to generate sustainable value within the PEP Funds' operating companies through a focus on supporting management to drive operational improvement and realise additional growth opportunities. Funds advised by PEP have completed over 30 platform acquisitions and over 100 bolt-on acquisitions across a broad range of industries. PEP has been the recipient of a number of awards in recent years, including Firm of the Year, Best LBO Deal of the Year and Private Equity Firm of the Year.

Further information on PEP and its operating companies can be found at www.pep.com.au ^[3].

Forward-Looking Statements

This release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. This

release contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements contained herein speak only as of the date they are made and give our current expectations or forecasts of future events. These forward-looking statements can be identified by the use of forward-looking words, such as “may,” “could,” “should,” “estimate,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “target,” “plan” or other comparable words, or by discussions of strategy that may involve risks and uncertainties. These forward-looking statements are subject to numerous assumptions, risks and uncertainties which could materially affect our business, financial condition or future results including, but not limited to, risks and uncertainties with respect to: the Company’s ability to successfully complete the sale of its Asia-Pacific business segment; the Company’s ability to meet its covenants in the agreements governing its debt, including the requirement to reduce its First Lien Term Loan, or obtain any amendments or waivers thereto; the Company’s ability to successfully refinance all or a portion of its secured debt; the Company’s ability to regain compliance with the NYSE’s continued listing standards and maintain such compliance; the Company’s leverage; liabilities imposed by the Company’s debt instruments; market demand; competitive factors; supply constraints; material and energy costs; technology factors; litigation; government and regulatory actions, including the impact of any tariffs, quotas or surcharges; the Company’s accounting policies; future trends; general economic and currency conditions; various conditions specific to the Company’s business and industry; the success of our Action Plan, including the actual amount of savings and timing thereof; the success of our business improvement initiatives in Europe-Africa, including the amount of savings and timing thereof; the Company’s exposure to product liability claims from customers and end users, and the costs associated therewith; and other risks that are discussed in the Company’s most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. The risks described herein are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deemed to be immaterial also may materially adversely affect our business, financial position and results of operations or cash flows. We caution readers not to place undue reliance on such statements, which speak only as of the date hereof. We do not undertake any obligation to review or confirm analysts’ expectations or estimates or to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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