Exela Technologies Sets Up $105 Million Special Purpose Vehicle to Purchase Subsidiary Debt

Nov 18, 2021

Liquidity[1] of approximately $348 million provides financial flexibility

IRVING, Texas, Nov. 18, 2021 (GLOBE NEWSWIRE) -– Exela Technologies, Inc. (“Exela”, “Company”) (NASDAQ: XELA), a global business process automation leader, announced today that it has established GP 2XCV, LLC, an indirect wholly owned subsidiary, to deploy up to $105 million to repurchase debt. B. Riley Commercial Capital LLC (“B. Riley”) has agreed to provide up to $75 million of debt financing to GP 2XCV, LLC alongside equity contributions by Exela of up to $30 million, to purchase First-Priority Senior Secured Notes Due 2023, and/or term loans under the First Lien Credit Agreement, dated as of July 12, 2017, issued by Exela Intermediate LLC and Exela Finance Inc.

As of November 17, 2021, the Company’s total liquidity[1] was approximately $348 million, including $75 million under the new facility.

Following the establishment of this facility, the Company intends to use the ATM only opportunistically in achieving its strategic goals, including growth, for the benefit of all stakeholders.

The Company filed an 8-K with the Securities and Exchange Commission which includes additional transaction details.

This press release is neither an offer to purchase nor a solicitation of an offer to sell the Company’s existing senior secured notes or term loans.

[1] Liquidity as defined per the third amendment of the credit agreement effective May 15, 2020 and includes $24 million in addbacks contemplated by the credit agreement. We have also included in this amount expected net proceeds from the ATM equity offering for transactions made through November 17, 2021.

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The information posted on the Company's website and/or via its social media accounts may be deemed material to investors. Accordingly, investors, media and others interested in the Company should monitor the Company's website and its social media accounts in addition to the Company's press releases, SEC filings and public conference calls and webcasts.

About Exela Technologies

Exela Technologies is a business process automation (BPA) leader, leveraging a global footprint and proprietary technology to provide digital transformation solutions enhancing quality, productivity, and end-user experience. With decades of experience operating mission-critical processes, Exela serves a growing roster of more than 4,000 customers throughout 50 countries, including over 60% of the Fortune® 100. Utilizing foundational technologies spanning information management, workflow automation, and integrated communications, Exela’s software and services include multi-industry, departmental solution suites addressing finance and accounting, human capital management, and legal management, as well as industry-specific solutions for banking, healthcare, insurance, and the public sector. Through cloud-enabled platforms, built on a configurable stack of automation modules, with over 17,500 employees operating in 23 countries, Exela rapidly deploys integrated technology and operations as an end-to-end digital journey partner.

Forward-Looking Statements: Certain statements included in this press release are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as "may", "should", "would", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential", "seem", "seek", "continue", "future", "will", "expect", "outlook" or other similar words, phrases or expressions. These forward-looking statements include statements regarding our industry, future events, estimated or anticipated future results and benefits, future opportunities for Exela, and other statements that are not historical facts. These statements are based on the current expectations of Exela management and are not predictions of actual performance. These statements are subject to a number of risks and uncertainties, including without limitation those discussed under the heading "Risk Factors" in Exela's Annual Report and other securities filings. In addition, forward-looking statements provide Exela's expectations, plans or forecasts of future events and views as of the date of this communication. Exela anticipates that subsequent events and developments will cause Exela's assessments to change. These forward-looking statements should not be relied upon as representing Exela's assessments as of any date subsequent to the date of this press release.

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