

Arandell Restructuring Client FAQ – August 13, 2020

1. Why did Arandell Corporation file for Chapter 11?

- Earlier today, Arandell voluntarily filed for business reorganization under Chapter 11 to address the financial challenges caused by the COVID-19 pandemic. This process will strengthen our business, position the Company for future success and enable us to continue to deliver exceptional products and services to our clients.
- It is important to note that this action will have no impact on the day-to-day operations of the company. We are well positioned – including with significant liquidity – to enable us to meet the same high standards of quality and reliability our customers have come to expect. We are also committed to maintaining productive relationships with our vendors.

2. How as COVID-19 impacted the business?

- The COVID-19 situation has had a material impact on our employees, communities, clients and vendors – and will continue to have an impact in the months ahead. In the first half of the year, many of our clients were hard hit by the crisis, leading to significant reductions in our production schedule. In addition, several clients filed for bankruptcy, and were unable to pay us for completed work.
- Our leadership continues to take the necessary steps to fortify our operations and effectively execute our critical role during this time while making sure the health and safety of our employees, customers and visitors remains our top priority. The reorganization process under Chapter 11 will help us do just that.
- We will continue to provide our clients with the same high standards of quality and reliability they expect. We are also working closely with our vendors to support our mutual success.
- The support we are receiving from our lenders through this process will help us to manage through the unprecedented near-term challenges presented by COVID-19 as well as position Arandell for the future.

3. How will the filing affect day-to-day operations at Arandell? Does Arandell have sufficient liquidity to continue operating throughout this process?

- This process will not impact the day-to-day operations of the company. We will continue to serve our clients with the same high standards of quality and reliability they expect.
- We are working closely with our lenders in this process and have received commitments for \$31.5 million in debtor-in-possession (“DIP”) financing from our revolving lenders along with an accounts receivable factor subject to the satisfaction of certain closing conditions. Following court approval, this financing, combined with cash on hand and generated through our ongoing operations, is expected to be sufficient to support our operational and restructuring needs throughout the court-supervised process.



Arandell

Going beyond

4. When will Arandell complete the court-supervised process? Is the process going to take longer because of COVID-19?

- We are committed to moving through this process as efficiently as possible by working closely with a team of experienced advisors. Although there is not a definitive timeline to share today, we will keep you informed of important milestones as the process moves forward.

5. What changes should I expect in my service and schedules?

- We do not anticipate any changes to service or schedules. We remain focused on serving our clients with the same capabilities, high-quality service and scheduling responsiveness.

6. Will you be raising prices?

- We do not anticipate any changes to our pricing process. Existing contracts remain in effect and future pricing decisions will continue to be made on the basis of client demand and the competitive environment, as they have always been.

7. Why should clients continue to do business with Arandell?

- At Arandell, we have built our success on providing the highest quality products and services to our clients. The reorganization process will strengthen our company, positioning us to continue providing high quality service long into the future.
- We value our relationship and look forward to continuing to work together to achieve our mutual success.

8. Will clients have the same point of contact?

- Yes. Our day-to-day operations have not changed, nor do we anticipate any change as a result of the court-supervised process.

9. How can clients get updates and additional information?

- We are committed to keeping you informed as there are updates to share. In the meantime, please reach out to your usual Arandell contact with any questions.
- Additional information regarding Arandell's restructuring is also available at www.Arandellrestructuring.com.