



## **Arandell Takes Action to Strengthen Its Liquidity and Improve Its Capital Structure**

*Voluntarily Files for Business Reorganization under Chapter 11*

*Raises \$31.5 Million in DIP Financing to Continue Operating Its Business and Serving Clients*

**MENOMONEE FALLS, WI – (August 13, 2020)** – Arandell Holdings, Inc. (“Arandell” or the “Company”) today announced that the Company, along with all its subsidiaries, has voluntarily filed for business reorganization under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware.

The Company’s decision is being driven in large part by industry changes resulting from the COVID-19 pandemic and follows a comprehensive evaluation of opportunities to reduce its debt and better position Arandell to compete and deliver exceptional products and services to its clients. Arandell has sufficient liquidity to continue operating its business and remains committed to serving its clients with the same high standards of quality and reliability they expect from Arandell.

“Given fundamental changes in the industry resulting from COVID-19 and other factors, Company management is taking proactive and aggressive steps to improve the organization’s overall business framework, while continuing to pursue new business opportunities,” said Brad Hoffman, Arandell’s Chairman, President and Chief Executive Officer.

Specifically, Arandell has been impacted by store closings and supply chain disruptions resulting from the COVID-19 pandemic in addition to the growing e-commerce marketplace and its impact on retailers. As a result, the company is consolidating its operations by closing its Walton, KY plant, and continues to identify new business opportunities, recently winning several new contracts.

“We’re continuing business operations as usual. Customers will receive the same level of high-quality products and services they are accustomed to,” Hoffman said. “Our leadership team is continuing to evaluate the best path to creating a more sustainable capital structure for Arandell.”

Arandell is engaged in constructive discussions regarding strategic alternatives and the terms of a potential financial restructuring plan. Arandell has received commitments for \$31.5 million in debtor-in-possession (“DIP”) financing from certain of its 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 its ongoing operations, is expected to be sufficient to support the Company’s operational and restructuring needs.

“As one of the country’s largest and most experienced printers with an efficient mailing distribution network, we have a strong foundation and world-class team that will continue to work closely with our clients and vendors to achieve our mutual success,” Hoffman said.

Arandell, like all businesses, continues to make adjustments related to COVID-19, taking necessary steps to fortify operations and effectively execute the company’s critical role during this time while ensuring the health and safety of employees and visitors remains a top priority.

“The support we are receiving from our lenders through this process will help us to manage through these unprecedented near-term challenges as well as position Arandell for the future,” Hoffman said. “On behalf of the entire Arandell organization, I would like to thank all of our employees for their unwavering dedication to our mission and to operating safely.”

### **Additional Information**

Additional information regarding Arandell's restructuring is available at [www.arandellrestructuring.com](http://www.arandellrestructuring.com). Court filings and information about the claims process are available at <http://www.bmcgroup.com/arandell>, by calling the Company's claims agent, BMC Group, Inc., at 888-909-0100 (toll-free in the U.S.) or +1 310 321-5555 (for parties outside the U.S.) or sending an email to [callcenter@bmcgroup.com](mailto:callcenter@bmcgroup.com). Steinhilber Swanson LLP is serving as legal advisor, Promontory Point Capital, LLC is serving as financial advisor and Harney Partners, LLP is serving as restructuring advisor to the Company.

### **About Arandell**

With a rich history of industry experience, innovative solutions and service reliability, Arandell is a U.S. leader in catalog print and digital media solutions. Our traditional and digital print-related services serve the needs of retailers and on-line merchandisers primarily mailing in the United States. With advanced technology and a consultative approach, our supply chain solutions meet the needs of each customer by getting their content into the right hands, at the right time, as efficiently as possible. For more information about Arandell, visit [www.arandell.com](http://www.arandell.com).

### **Cautionary Note Regarding Forward-Looking Statements**

This communication contains certain forward-looking statements. These statements may be identified by the use of forward looking terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "our vision," "plan," "potential," "preliminary," "predict," "should," "will," or "would" or the negative thereof or other variations thereof or other comparable terminology and include, but are not limited to, statements regarding the Company's expected motions to be filed in the Chapter 11 proceeding and the dispositions of such motions, continued operations and customer and supplier programs while in a Chapter 11 proceeding, cash needed to support our operations while in a Chapter 11 proceeding, ability to lower debt and interest payments, ability to operate while in a Chapter 11 proceeding and ability to pay our creditors and credit rating. We have based these forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control, including, but not limited to: the actions and decisions of our creditors and other third parties with interests in the Chapter 11 Cases; our ability to address the going concern considerations and maintain liquidity to fund our operations during the Chapter 11 Cases; our ability to obtain Bankruptcy Court approvals in connection with the Chapter 11 Cases; our ability to consummate any transactions once approved by the Bankruptcy Court and the time to consummation of such transactions; adjustments in the calculation of financial results for the quarter or year end, or the application of accounting principles; discovery of new information that alters expectations about financial results or impacts valuation methodologies underlying financial results; accounting changes required by United States generally accepted accounting principles; the competitive market for our products and industry fragmentation affecting our prices; the inability to improve operating efficiency to meet changing market conditions; impact of the coronavirus pandemic on our business and operations, including demand for our products and services, and our ability to effectively manage the impacts of the coronavirus on our business operations; the effects of global market and economic conditions on our customers and suppliers; and other factors affecting the Company detailed from time to time in the Company's filings with this filing portal. These and other important factors may cause our actual results, performance, or achievements to differ materially from any future results, performance, or achievements expressed or implied by these forward-looking statements. For a list and description of such risks and uncertainties, please refer to. We caution you that the list of important factors included in our public filings may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this communication may not in fact occur. The Company disclaims any intention or obligation to update or revise any forward-looking statements as a result of new information, future events or otherwise, except as otherwise required by law.

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