



**LONDON  
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An LSEG Business

## **NOTICE TO NOTEHOLDERS**

Released 12:19:29 19 June 2024

RNS Number : 0870T  
BodySmart Finance Ltd  
19 June 2024

**THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE THE RE-TRANSMITTAL TO BENEFICIAL OWNERS OF THE SECURITIES IN A TIMELY MANNER. IF NOTEHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, IF ANY, THEY SHOULD IMMEDIATELY CONSULT THEIR OWN INDEPENDENT PROFESSIONAL ADVISERS AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (IF THEY ARE IN THE UNITED KINGDOM) OR ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER AND TAKE SUCH OTHER ADVICE FROM THEIR OWN PROFESSIONAL, TAX AND LEGAL ADVISERS AS THEY DEEM NECESSARY.**

**19 June 2024**

### **NOTICE TO NOTEHOLDERS**

#### **BODYSMART FINANCE LIMITED**

(Incorporated in Bailiwick of Jersey with registered number 131386)

to the holders of those of the Series 2020-B1 notes issued by the Issuer on 3 June 2020 with  
ISIN: GB00BMQ56V55  
(the "**Noteholders**" and the "**Notes**", respectively)

Unless otherwise defined in this Notice, capitalised terms used in this Notice shall have the meanings ascribed to them in the Trust Deed dated 3 June 2020 (as supplemented, restated or amended from time to time) between the Issuer and Note Trustee (the "**Trust Deed**").

#### **Notice of additional Event of Default under the Notes**

Following the continued failure by Bodysmart Investment Group LLC (the "**Borrower**") to pay interest due up to and including 3 June 2024 to the Issuer (as lender) in an amount of US\$278,200.15 pursuant to the terms of the Loan Agreement (as previously notified to Noteholders), the Issuer hereby confirms to Noteholders that it was unable to pay its coupon due on the Interest Payment Date falling on 3 June 2024 in an amount of US\$278,200.15 and that as of 18 June 2024 this constitutes an Event of Default under Condition 13(a) of the Notes.

#### **Notice of pre-existing and continuing Event of Default under the Loan Agreement**

The Issuer re-confirms to Noteholders that the Borrower continues to have failed to pay:

- (a) interest due up to and including 3 June 2024 to the Issuer (as lender) in an amount of US\$278,200.15;
- (b) interest due up to and including 3 December 2023 to the Issuer (as lender) in an amount of US\$278,200.15;
- (c) the fees set out in the Fee Letter (as defined in the Loan Agreement) dated 5 February 2024 ("**Fee Letter 1**") and due to be paid by the Borrower on 5 April 2024 in an amount of GB£13,225.24 (being US\$16,795.68 as at 5 April 2024); and
- (d) the fees set out in the Fee Letter (as defined in the Loan Agreement) dated 31 May 2024 ("**Fee Letter 2**", and together with Fee Letter 1, the "**Fee Letters**") and due to be paid by the Borrower on 7 June 2024 in an amount US\$211,197.31,

in each case pursuant to the terms of the Loan Agreement and that these failures by the Borrower to pay interest and fees constitute Events of Default under the terms of the Loan Agreement and consequently constitute Events of Default under Condition 13(h) of the Notes. The Issuer hereby re-confirms to Noteholders that all of the above Events of Default have been previously communicated to Noteholders and are continuing at the date hereof.

### **Notice of pre-existing and continuing Event of Default under the Notes**

The Issuer re-confirms to Noteholders that without payment of interest from the Borrower to the Issuer pursuant to the terms of the Loan Agreement, the Issuer remains unable to pay its coupon due on the Interest Payment Date falling on 3 December 2023 in an amount of US\$278,200.15 and that this constitutes an Event of Default under Condition 13(a) of the Notes. The Issuer hereby re-confirms to Noteholders that the above Event of Default has been previously communicated to Noteholders and is continuing at the date hereof.

### **Right of the Noteholders to direct the Note Trustee to accelerate**

As previously communicated to Noteholders, pursuant to Condition 13 (*Events of Default*), if an Event of Default has occurred and is continuing, the Note Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter of the aggregate principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject to the Note Trustee having been indemnified and/or secured and/or prefunded to its satisfaction), give written notice to the Issuer (an "**Acceleration Notice**") declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Redemption Amount together with accrued interest without further action or formality.

The Security shall become enforceable upon the service of an Acceleration Notice by the Note Trustee on the Issuer.

Pursuant to Condition 18 (*Enforcement*), the Note Trustee may at any time at its discretion and without notice, take such action under or in connection with any of the Transaction Documents or the Notes or the Coupons as it may think fit (including, without limitation, directing the Security Trustee to take any action under or in connection with any of the Transaction Documents or, at any time after the security has become enforceable, to take steps to enforce the Security). The Note Trustee shall not be bound to take any such action unless (i) it shall have been directed by an Extraordinary Resolution of Noteholders or so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. The Security Trustee shall not, and shall not be bound to, take any such action unless (i) instructed by the Note Trustee and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

### **No further action by the Note Trustee without the request or direction of the Noteholders**

As previously communicated to Noteholders, for the avoidance of doubt (but without prejudice to the exercise of any discretion, power or authority which the Note Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders under the Trust Deed), the Note Trustee will not take any further action without the request or direction (including indemnification) of the Noteholders as described above.

### **Borrower proposal to amend terms**

The Issuer reminds the Noteholders that on 8 March 2024 the Issuer and Note Trustee received from the Borrower a proposal to amend the terms of the Loan Agreement and the Notes (the "**Proposal**"), as set out in the Issuer's announcement of 8 March 2024 which can be found [here](#).

As previously communicated to Noteholders, neither the Issuer nor the Note Trustee make any recommendations and give no legal or investment advice in respect of the Proposal or as to the Notes generally.

Noteholders should take and rely on their own independent legal and financial advice and may not rely on advice or information provided to the Note Trustee, statements as to the legal position included in notices issued by the Issuer or the Note Trustee relating to the Notes or otherwise or the views of the Issuer or the Note Trustee expressed herein or otherwise.

Noteholders should note that the Proposal relates to the Notes only.

### **Information regarding the Events of Default and Proposal**

Queries regarding the circumstances surrounding the Events of Default or regarding the Proposal may be addressed to the Calculation Agent:

ZigZag Management Experts LLC  
Unit No:423 DMCC Business Centre  
Level No 5 Jewellery & Gemplex 2  
Dubai  
United Arab Emirates  
[info@zigzag-me.com](mailto:info@zigzag-me.com)

Ref: 2020-B1

### **Outstanding Fees, Indemnification and Pre-Funding of the Note Trustee**

In dealing with the Events of Default outlined in this announcement (and various matters related thereto) the Issuer and the Note Trustee have incurred significant fees and expenses the vast majority of which have not been paid or repaid by the Borrower as required pursuant to the terms of the Loan Agreement and the Fee Letters.

Unless and until the fees set out in the Fee Letters have been paid, the Issuer and the Note Trustee are not in a position to carry out further work in relation to the Proposal (and its approval and implementation).

Further, pursuant to its rights under the Trust Deed, the Note Trustee has requested that the Borrower provide it with an indemnity and pre-funding in respect of the fees expected to be incurred by the Note Trustee in relation to the Proposal (and its approval and implementation), but the Borrower has to date failed to provide the Note Trustee with any indemnification or pre-funding.

THE ISSUER AND THE NOTE TRUSTEE HEREBY NOTIFY NOTEHOLDERS THAT UNLESS AND UNTIL:

- (A) THE BORROWER INDEMNIFIES AND PRE-FUNDS THE NOTE TRUSTEE TO ITS SATISFACTION; AND
- (B) THE BORROWER PAYS ALL OUTSTANDING FEES AND EXPENSES DUE TO THE ISSUER AS DETAILED IN THE FEE LETTERS,

NEITHER THE NOTE TRUSTEE NOR THE ISSUER WILL CARRY OUT FURTHER WORK IN RELATION TO THE PROPOSAL (OR ITS APPROVAL AND IMPLEMENTATION).

NOTWITHSTANDING THE FOREGOING, THE NOTE TRUSTEE WILL, SUBJECT TO THE TERMS OF THE TRUST DEED, TAKE ANY ACTION THAT IT IS INSTRUCTED TO TAKE BY THE NOTEHOLDERS VIA A DULY PASSED RESOLUTION OR EXTRAORDINARY RESOLUTION PROVIDED THAT THE NOTEHOLDERS SO INSTRUCTING THE NOTE TRUSTEE PROVIDE IT WITH AN INDEMNITY AND PRE-FUNDING TO ITS SATISFACTION IN RESPECT OF ALL SUCH ACTIONS.

### **Noteholder Contact**

In order to facilitate communications with Noteholders, Noteholders should make themselves known to the Note Trustee by contacting it by e-mail using the contact details below. Any such communication should make reference to the Issuer and disclose the identity of the Noteholder, the aggregate nominal amount of Notes held by the Noteholder and the details of the person(s) who shall represent the Noteholder.

All Noteholders must verify their holdings when contacting the Note Trustee by providing proof of holding (with a supporting custodian letter (if applicable)), in each case disclosing the information set out above.

Persons who hold the Notes beneficially through CREST may also disclose their identity to the Note Trustee in accordance with the above paragraph. The Note Trustee will require the Notes of any Noteholder that gives any direction to the Note Trustee to be blocked in CREST. Further instructions will be provided in connection with this process on request.

The Note Trustee will require the Notes of any Noteholder that gives any direction to the Note Trustee to be blocked in CREST. Further instructions will be provided in connection with the enforcement process on request.

Correspondence to the Note Trustee regarding enforcement should be addressed to [security@woodsidesecretaries.co.uk](mailto:security@woodsidesecretaries.co.uk) with the ISIN of the Notes and "*Bodysmart Finance Limited*" in the subject line of the email.

This notice is given by the Issuer.