



## **Gogo Marks Key Milestone in Comprehensive Refinancing with Pricing and Allocation of New Term Loan B and Revolver**

April 21, 2021

**Transaction Will Facilitate Reduced Leverage, Enhance Liquidity and Financial Flexibility and Deliver Approximately \$70 Million in Annual Interest Expense Savings**

CHICAGO, April 21, 2021 /PRNewswire/ -- Gogo Inc. (NASDAQ: GOGO) ("Gogo") today announced the pricing and allocation of a 7-year \$725 million term loan B (the "Term Loan B") and a 5-year \$100 million revolving credit facility (the "Revolver" and together with the Term Loan B, the "Facilities"), marking an important milestone in its comprehensive refinancing efforts. Gogo expects that the Term Loan B will bear interest at LIBOR (with a LIBOR floor of 0.75%) plus 3.75% and be offered at 99.5% of par (or with an original issue discount of 0.5%).

Gogo intends to use the proceeds of the Term Loan B and cash on hand to redeem in full the \$975 million aggregate principal outstanding of its Senior Secured Notes due 2024 (the "Senior Secured Notes"). The new 5-year \$100 million Revolver, which will replace Gogo's existing asset based revolving credit facility, will provide additional liquidity. In addition to reducing overall leverage, Gogo expects to realize approximately \$70 million in annual interest expense savings as a result of the Facilities. The closing of the Facilities, which is expected to occur in late April, is subject to execution of definitive documentation.

"In early 2020, Gogo outlined our value-creation roadmap focused on three key priorities: managing our business through the severe impact of the COVID-19 pandemic on the travel industry, completing the sale of the Commercial Aviation business, and executing a comprehensive refinancing to enhance our financial flexibility and position Gogo for growth," said Oakleigh Thorne, Gogo's Chairman and CEO. "With today's announcement, we have delivered on that plan, and are well-positioned to build on our enhanced financial profile and strong market position to drive long-term shareholder value."

"We are pleased by the strong receptivity to Gogo as reflected by the significant excess demand for the transaction, and we deeply appreciate the partnership of the many high-quality lenders that have expressed interest in participating," added Barry Rowan, Gogo's Chief Financial Officer. "This comprehensive refinancing will further the transformation of our financial profile, strengthening our capital structure, improving our cash flow and creating tremendous opportunity for Gogo to deliver on the full value-creation potential of our unmatched platform in the attractive Business Aviation market."

Gogo received corporate ratings of B3 and B- from Moody's Investors Service and S&P Global Ratings, respectively, with a stable outlook from both agencies. As of April 20, 2021, Gogo had \$464 million cash on hand. Following the closing of the Facilities, and subsequent payment of the outstanding principal amount of the Senior Secured Notes, redemption premium and accrued interest, and transaction fees and expenses, Gogo expects to have approximately \$70 million of cash on its balance sheet. Gogo does not expect to draw on the Revolver at closing.

Morgan Stanley, Credit Suisse, Deutsche Bank, Benefit Street Partners and CBAM Partners acted as Joint Lead arrangers. Morgan Stanley is also administrative agent on the term loan.

### **About Gogo**

Gogo is the world's largest provider of broadband connectivity services for the business aviation market. We offer a customizable suite of smart cabin systems for highly integrated connectivity, inflight entertainment and voice solutions. Gogo's products and services are installed on thousands of business aircraft of all sizes and mission types from turboprops to the largest global jets, and are utilized by the largest fractional ownership operators, charter operators, corporate flight departments and individuals.

There are more than 1,700 business aircraft flying with Gogo's AVANCE L5 or L3 system installed. As of December 31, 2020, Gogo reported 5,778 aircraft flying with its ATG systems onboard, and 4,702 aircraft with satellite connectivity installed. Connect with us at [business.gogoair.com](https://business.gogoair.com).

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

Certain disclosures in this press release include "forward-looking statements" that are based on management's beliefs and assumptions and on information currently available to management. Most forward-looking statements contain words that identify them as forward-looking, such as "anticipates," "believes," "continues," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions and the negatives of those terms that relate to future events. Forward-looking statements involve known and unknown risks, trends and uncertainties, many of which may be beyond our control, that may cause Gogo's actual results, performance or achievements to be materially different from

any projected results, performance or achievements expressed or implied by the forward-looking statements. Such risks, trends and uncertainties include the size, terms, timing, completion and use of proceeds of the Facilities as well as those described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, as filed with the Securities and Exchange Commission ("SEC") on March 11, 2021.

Any one of these factors or a combination of these factors could materially affect our financial condition or future results of operations and could influence whether any forward-looking statements contained in this report ultimately prove to be accurate. Our forward-looking statements are not guarantees of future performance, and you should not place undue reliance on them. All forward-looking statements speak only as of the date made and we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

**Investor Relations Contact:**

Will Davis  
+1 917-519-6994  
[wdavis@gogoair.com](mailto:wdavis@gogoair.com)

**Media Relations Contact:**

Dave Mellin  
+1 720-840-4788  
[dmellin@gogoair.com](mailto:dmellin@gogoair.com)

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