

GATEGROUP RESTRUCTURING PLAN APPROVED BY ENGLISH COURT: THE ADVISOR

Posted on 29 March 2021



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On 26 March 2021, the English Court approved the Restructuring Plan of gategroup. gategroup, which suffers from a strong decline of its business due to the Covid situation, initiated the Restructuring Plan in December 2000 to secure a holistic rearrangement of its financing by amending the terms of the Group's financial indebtedness (primarily to extend maturity by 5 years) and thereby to secure additional funding from its shareholders, RRJ Capital and Temasek by way of a CHF 475 million convertible term facility. All of the group's bank lenders had agreed to the key terms and conditions of such recapitalisation of gategroup. Also approx. 99% by value of the bondholders of the Swiss law governed CHF 350,000,000 3% bonds issued by gategroup Finance (Luxembourg) S.A. and guaranteed by gategroup Holding AG present and voting at the bondholder meeting voted in favour of the Restructuring Plan. It is the first time that an English court had to decide whether an English restructuring plan under Part 26A of the United Kingdom's Companies Act 2006 qualifies as a civil and commercial matter (falling within the scope of the Lugano Convention) or as an insolvency matter. The English court decided in February 2021 that gategroup's restructuring plan qualifies as an insolvency matter and hence the English court accepted jurisdiction to allow the involved stakeholders to amend the terms of the Swiss law governed bonds.

The advisor

NKF acted as Swiss legal counsel to gategroup in connection with the restructuring, the interim liquidity financing, and the refinancing covering corporate, finance and insolvency law aspects. The NKF team was led by partners Philippe Weber (Corporate & Capital Markets/Restructuring - pictured) and Marco Häusermann (Finance/Restructuring) and further comprised partner Lukas Beeler (Dispute Resolution), senior associates Roman Sturzenegger (Corporate/Restructuring) and Anja Vogt (Dispute Resolution) and junior associate Manuela Staudenmann (Finance/Restructuring).

Clifford Chance acted as English restructuring counsel to gategroup and Allen & Overy as English finance counsel to gategroup.