

# Keurig Green Mountain Announces Closing of Offering of Senior Notes

BURLINGTON, Mass.--([BUSINESS WIRE](#))--Keurig Green Mountain, Inc. ("Keurig" or the "Company") announced today that its indirect parent company, Maple Parent Holdings Corp. ("Maple"), through its wholly-owned subsidiary, Maple Escrow Subsidiary, Inc. (the "Escrow Issuer"), has closed its previously announced offering to sell \$8 billion aggregate principal amount of senior notes (the "Notes"), in a transaction that was significantly oversubscribed. The offering of the Notes was consummated on substantially similar terms as had been anticipated by the Company and, as such, the Company's outlook for interest expense for Keurig Dr Pepper Inc. ("KDP"), the post-closing combined company, remains essentially unchanged.

The offering consisted of \$1,750 million aggregate principal amount of 3.551% senior notes due 2021, \$2,000 million aggregate principal amount of 4.057% senior notes due 2023, \$1,000 million aggregate principal amount of 4.417% senior notes due 2025, \$2,000 million aggregate principal amount of 4.597% senior notes due 2028, \$500 million aggregate principal amount of 4.985% senior notes due 2038 and \$750 million aggregate principal amount of 5.085% senior notes due 2048. The Notes were issued pursuant to an indenture (as amended or supplemented, the "Indenture"), dated as of May 25, 2018, among the Escrow Issuer, Maple, as parent guarantor, and Wells Fargo Bank, N.A., as trustee.

Maple intends to use the net proceeds of the offering, together with borrowings under new credit facilities and cash on hand, to (i) finance a special cash dividend payable to Dr Pepper Snapple Group, Inc. ("DPSG") stockholders following the previously announced transaction, (ii) to refinance DPSG's existing revolving credit facility and Maple's existing credit facility and (iii) to pay related fees and expenses. The net proceeds of the offering have been deposited in a separate escrow account. The transaction is currently expected to be completed in July 2018. Upon consummation of the transaction, Maple will become a wholly owned subsidiary of DPSG. DPSG is expected to change its corporate name to "Keurig Dr Pepper Inc.", with KDP continuing as the surviving corporation, and KDP will assume all of the Escrow Issuer's obligations under the Notes, the Indenture and the other applicable documents by operation of law. The closing of this offering is not conditioned on the consummation of the transaction. If the transaction is not consummated, the Escrow Issuer will be required to redeem the Notes at a redemption price equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest to, but excluding, the redemption date.

The Notes are the senior secured obligations of the Escrow Issuer, secured only by the amounts deposited in the escrow account. Upon the consummation of the transaction, the Notes will be fully and unconditionally guaranteed by all of KDP's existing and future subsidiaries that guarantee any of KDP's other indebtedness. The Notes will be KDP's unsecured and unsubordinated obligations and will rank equal in right of payment with all of KDP's current and future unsubordinated indebtedness and each of the subsidiary guarantees will be an unsecured and unsubordinated obligation of the subsidiary guarantor providing such subsidiary guarantee and will rank equal in right of payment with such subsidiary guarantor's current and future unsubordinated indebtedness.

Upon consummation of the transaction, KDP may redeem any series of the Notes, in whole or in part, from time to time, at the applicable redemption price set forth in the Indenture. If KDP experiences a change of control triggering event, it may be required to offer to repurchase each series of the Notes from holders as described in the Indenture.

The Indenture includes customary events of default. Maple and, upon the consummation of the transaction, KDP are subject to certain negative covenants under the Indenture, including limits on each party's and their subsidiaries' ability to incur indebtedness secured by principal properties, enter into certain sale and leaseback transactions with respect to principal properties and enter into certain mergers, consolidations and transfers of substantially all of its assets.

In connection with the issuance and sale of the Notes, the Escrow Issuer also entered into a registration rights agreement under which, upon consummation of the transaction, KDP will also become a party by joinder or otherwise, and pursuant to which KDP will agree to use its commercially reasonable efforts to file a registration statement with respect to registered exchange offers for the Notes under certain circumstances.

The Notes were offered in the United States to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and outside the United States to non-United States persons in compliance with Regulation S under the Securities Act. The Notes have not been registered under the Securities Act and may not be offered or sold in the United States without registration or an applicable exemption from the registration requirements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

*The information provided in this press release contains forward-looking statements that relate to future events,*

*including without limitation, statements regarding the intended use of proceeds from the offering, the timing of the proposed transaction and expected interest expense. The Company, Maple and DPSG disclaim any obligation to update this forward-looking information in the future. Readers are cautioned that matters subject to forward-looking statements involve known and unknown risks and uncertainties, including prevailing market conditions, as well as other factors. These risks and uncertainties are more fully discussed in the offering memorandum with respect to the offering and the proxy statement filed by DPSG with the Securities and Exchange Commission in connection with the proposed transaction.*

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[https://stage.mediaroom.com/keurig\\_drpepper/2018-05-25-Keurig-Green-Mountain-Announces-Closing-of-Offering-of-Senior-Notes](https://stage.mediaroom.com/keurig_drpepper/2018-05-25-Keurig-Green-Mountain-Announces-Closing-of-Offering-of-Senior-Notes)