



Garnero Group Updates Terms of Merger with Grupo Colombo

NEW YORK, Dec. 21, 2015 /PRNewswire/ -- Garnero Group Acquisition Company (NASDAQ: [GGAC](#)), a public investment vehicle formed for the purpose of effecting a merger, acquisition or similar business combination, and Grupo Colombo ("Grupo Colombo" or "GC"), a leading apparel retailer in Brazil, announced today that they have entered into an amended and restated definitive investment agreement related to their previously announced proposed merger.

Pursuant to the revised terms of the merger transaction, GGAC will become the owner of 100% of the equity of GC by issuing 4,000,000 GGAC shares to GC's existing security holders. The change in the number of shares was due principally to foreign exchange rate changes that have occurred since the initial signing of the agreement for the transaction. The previously disclosed cash capital contribution from GGAC to GC, along with the obligation to raise up to \$100 million in a private placement of new GGAC shares, have also been eliminated from the terms of the transaction.

In support for the transaction, existing shareholders of GC have committed to purchase \$30 million of GGAC shares in the public market. After the closing of the transaction, the current shareholders and management of GC will own approximately 29%¹ of the combined company.

The boards of directors of both GGAC and Grupo Colombo have unanimously approved the revised terms of the transaction, which is expected to be completed in the first quarter of 2016. The transaction is subject to GGAC shareholder approval, applicable regulatory approvals and other customary closing conditions.

UBS Investment Bank is acting as M&A advisor to Grupo Colombo, and EarlyBirdCapital, Inc. and Credit Agricole Securities (USA) Inc. are acting as M&A advisors to GGAC. McDermott Will & Emery and Souza, Cescon, Barrieu & Flesch are acting as legal advisors to Grupo Colombo and [Graubard Miller](#) and Maples & Calder are acting as legal advisors to GGAC.

The description of the transaction contained herein is only a summary and is qualified in its entirety by reference to the amended and restated definitive agreement relating to the transaction, a copy of which will be filed by GGAC with the SEC as an exhibit to a Current Report on Form 8-K. Interested parties should visit the SEC website at www.sec.gov.

