

Paper Industries Intermediate Financing

(a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg with registered office at 48, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg, duly registered with the Registre de Commerce et des Sociétés, Luxembourg with number B240830) (the “**Issuer**”)

EUR 200,000,000 Floating Rate Senior Secured Notes due 2025

and

EUR 55,555,555 Floating Rate Senior Secured Notes due 2025

The Issuer is incorporated as a private limited liability company (société à responsabilité limitée) under the laws of Luxembourg. These Listing Particulars give information on the Issuer and on the EUR 200,000,000 Floating Rate Senior Secured Notes due 2025 (the “**SSN I Notes**”) and EUR 55,555,555 Floating Rate Senior Secured Notes due 2025 (the “**SSN II Notes**” and, together with the SSN I Notes, the “**Notes**”) issued by the Issuer.

On 6 June 2019, within the context of a financial restructuring of the group of companies to which the Issuer belongs (the “**Group**”), including Lecta S.A. (the “**Former Parent**”) and certain of its subsidiaries completed on 4 February 2020 (the “**First Restructuring**”), the Issuer issued an aggregate principal amount of EUR 200,000,000 of SSN I Notes pursuant to a New York law governed indenture dated as of 4 February 2020 entered into by and between, amongst others, the Issuer as issuer and GLAS Trustees Limited as trustee, to authorize the issuance of the SSN I Notes (the “**Original SSN I Indenture**”). The SSN I Notes mature on 1 March 2025, with interest on the SSN I Notes payable quarterly in arrears on 1 March, 1 June, 1 September, and 1 December of each year, beginning on 1 March 2020.

The First Restructuring was implemented in part by a scheme of arrangement pursuant to Part 26 of the UK Companies Act 2006 relating to Lecta Paper UK Limited (the “**Scheme**”) pursuant to which (i) the EUR 225,000,000 floating rate senior secured notes due 2022 and the EUR 375,000,000 6.5% fixed rate senior secured notes due 2023 issued by the Former Parent (with Lecta Paper UK Limited as a co-issuer) pursuant to New York law governed indentures each dated 27 July 2016 (the “**2016 Notes**”) were cancelled, and (ii) in consideration for the cancellation of the 2016 Notes, amongst others, the SSN I Notes were issued by the Issuer and subscribed by the holders of the 2016 Notes pursuant to the Scheme and the related documentation.

Further to the First Restructuring, the Original SSN I Indenture has been supplemented by (i) the first supplemental indenture, dated as of 4 February 2020, to authorize certain amendments to the Original SSN I Indenture (the “**First Supplemental Indenture**”), (b) the second supplemental indenture, dated as of 25 February 2020, to authorize certain amendment and waiver pursuant to a consent solicitation dated 17 February 2020 (the “**Second Supplemental Indenture**”), (c) the third supplemental indenture, dated as of 27 April 2020, to authorize, among others, amending Clause (xiv) of Section 6.01 of the Original SSN I Indenture in its entirety (the “**Third Supplemental Indenture**”) and (d) the fourth supplemental indenture, dated as of 16 July 2020, to authorize, among others, the amendment of certain definitions in Article 1 of the Original SSN I Indenture (the “**Fourth Supplemental Indenture**”) (the Original SSN I Indenture as amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture and the Fourth Supplemental Indenture, the “**SSN I Indenture**”).

The SSN I Notes are senior secured obligations of the Issuer pursuant to the SSN I Indenture and fully and unconditionally guaranteed by certain of its parents and subsidiaries, Lecta Paper UK Limited, Condat S.A.S., Cartiere del Garda S.p.A., Polyedra S.p.A., Holdco 1, Sub Lecta S.A., Torraspapel, S.A., Torraspapel Distribución, S.A., Cogeneración Motril, S.A. and Cogeneración Sant Joan, S.L., and the Issuer’s sole shareholder, Holdco 3 (together the “**SSN I Guarantors**”) and secured by Lecta Paper UK Limited, Condat S.A.S., Cartiere del Garda S.p.A., Holdco 3, the Issuer, Holdco 1, Sub Lecta S.A., Torraspapel, S.A. and Torraspapel Distribución, S.A., Polyedra S.p.A., Cogeneración Motril, S.A. and Cogeneración Sant Joan, S.L. (the “**SSN I Security Providers**”).

While the First Restructuring resulted in a significant deleveraging and the simultaneous provision of new liquidity, the Issuer was impacted by the COVID-19 lockdown and tighter working capital terms. In this context, the Issuer applied extensive operational actions to mitigate the impact of COVID-19 and further deleverage its balance sheet (the “**Second Restructuring**” and, together with the First Restructuring, the “**Restructurings**”) by injecting EUR 50,000,000 through a share capital increase by the Parent, the issuance of the SSN II Notes and additional debt provided by Spanish banks under COVID-19 related government aid schemes.

In the context of and pursuant to the Second Restructuring, the Issuer has, among others, issued the SSN II Notes on 16 July 2020 pursuant to a New York law governed indenture dated as of 16 July 2020 entered into by and between, amongst others, the Issuer as issuer and GLAS Trustees Limited as trustee, to authorize the issuance of the SSN II Notes (the “**SSN II Indenture**”). The SSN II Notes mature on 1 March 2025, with interest on the SSN II Notes payable quarterly in arrears on 1 March, 1 June, 1 September, and 1 December of each year, beginning on 1 September 2020.

The SSN II Notes are senior secured obligations of the Issuer pursuant to the SSN II Indenture and fully and unconditionally guaranteed by certain of its subsidiaries, Holdco 1, Sub Lecta S.A., Torraspapel S.A., Torraspapel Distribucion S.A., Lecta Paper UK Limited, Condat S.A.S., Cogeneracion Motril, S.A., Cogeneracion Sant Joan, S.L., Polyedra S.p.A., and Cartiere del Garda S.p.A. and the Issuer’s sole shareholder, Holdco 3 (together the “**SSN II Guarantors**” and, together with the SSN I Guarantors, the “**Guarantors**”) and secured by Holdco 3, the Issuer, Holdco 1, Torraspapel, S.A., Lecta Paper UK Limited, Condat S.A.S., Cartiere del Garda S.p.A., Polyedra S.p.A., Sub Lecta S.A., Torraspapel Distribución, S.A., Cogeneración Motril and SA, Cogeneración Sant Joan (the “**SSN II Security Providers**” and, together with the SSN I Security Providers, the “**Security Providers**”).

An application has been made to the Luxembourg Stock Exchange (the “**LuxSE**”) in its capacity as competent authority under Part IV of the Luxembourg law dated 16 July 2019 on prospectus for securities and the rules and regulations of the LuxSE (the “**LuxSE Rules**”) to approve these “**Listing Particulars**” as a prospectus. An application has also been made for the Notes to be admitted to trading on the Euro MTF market,

which is a market operated by the LuxSE, and listed on the Official List of the LuxSE (the "**Official List**"). The Euro MTF market is not a regulated market pursuant to the provisions of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"). These Listing Particulars contain information about the Issuer and the Notes for the purposes of Part 2 of the LuxSE Rules.

The LuxSE assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in these Listing Particulars. Admission to trading on the Euro MTF market and listing on the Official List of the LuxSE is not to be taken as an indication of the merits of the Issuer or the Notes.

This document does not constitute a prospectus for the purposes of article 3 of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"). These Listing Particulars may only be used for the purposes for which it has been published. The Notes may not be offered to the public or indirectly to the public unless the requirements of the Prospectus Law and the Prospectus Regulation have been satisfied. These Listing Particulars will be published on the website of the LuxSE (www.bourse.lu). For the avoidance of doubt, the content of the website(s) included in these Listing Particulars are for information purposes only and does not form part of these Listing Particulars.

The Notes are in denominations of EUR 1,000.- and integral multiples of EUR 1.- above EUR 1,000.-. The Notes sold pursuant to Regulation S under the U.S. Securities Act of 1933 (the "**Securities Act**") are initially represented by a Global Certificate, without interest coupons, which is registered in the name of, and was deposited with Deutsche Bank AG, London Branch, a common depositary, on behalf of the Clearstream, Luxembourg and Euroclear systems on 4 February 2020 with respect to the SSN I Notes (the "**SSN I Notes Issue Date**") and on 16 July 2020 with respect to the SSN II Notes (the "**SSN II Notes Issue Date**" and, together with the SSN I Notes Issue Date, the "**Issue Dates**"), and held by BT Globenet Nominees Limited as nominee thereof. The Notes resold pursuant to Rule 144A under the Securities Act are initially represented by a Global Certificate for each of the SSN I Notes and the SSN II Notes, without interest coupons, which are registered in the name of, and were deposited with BT Globenet Nominees Limited, a nominee, on behalf of Deutsche Bank AG, London Branch on the relevant Issue Date. The Global Certificates will be exchangeable for definitive Certificates in the limited circumstances set out in them.

The Issuer is not offering the Notes in any jurisdiction in circumstances which would require a prospectus pursuant to the Prospectus Regulation. Nor is any person authorised to make such an offer of the Notes on behalf of the Issuer in any jurisdiction.

Prospective investors should have regard to the factors described under the section of these Listing Particulars headed "Risk Factors". These Listing Particulars do not describe all of the risks of an investment in the Notes.

Dated: 30 November 2020

IMPORTANT NOTICE

Listing Particulars and responsibility

The Issuer has prepared these Listing Particulars solely for use in connection with the admission to trading on the Euro MTF market of the Notes and their listing on the Official List and take responsibility for its contents.

To the best of the knowledge of the Issuer and the Parent, as at the date of these Listing Particulars, the information sourced from a third-party has been accurately reproduced and no facts have been omitted which would render the reproduced information inaccurate or misleading. For the purposes of the rating of the Notes, we have obtained the relevant information from the website www.bloomberg.com.

To the best of the knowledge of the Issuer and the Parent as at the date of these Listing Particulars, having made all reasonable inquiries, the information contained or incorporated in these Listing Particulars is in accordance with the facts and there are no other facts the omission of which would make these Listing Particulars or any of such information misleading. The Issuer and the Parent accept responsibility accordingly.

Prohibition of sales to EEA and UK retail investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation.

Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPS Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

Information limited to that contained in these Listing Particulars

No person has been authorised to give any information or to make any representation other than those contained in these Listing Particulars in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. The language of these Listing Particulars is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under the applicable law.

The Issuer is not providing prospective purchasers with any legal, business, tax or other advice in these Listing Particulars. Prospective purchasers should consult with their own advisors as needed to assist in making an investment decision and advice as to whether such prospective purchaser is legally permitted to purchase the Notes.

Overview of selling restrictions

These Listing Particulars do not constitute an offer of, or an invitation by or on behalf of the Issuer to subscribe for, or purchase, the Notes. The distribution of these Listing Particulars and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession these Listing Particulars come are required by the Issuer to inform themselves about and to observe any such restriction. Prospective purchasers of the Notes must also obtain any consents or approvals needed for them in order to purchase any Notes.

The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")). The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and within the United States to "qualified institutional buyers" in reliance on Rule 144A under the Securities Act ("Rule 144A"). Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the Notes and distribution of these Listing Particulars, see "Subscription and Sale" and "Transfer Restrictions".

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or adequacy of these Listing Particulars. Any representation to the contrary is a criminal offence in the United States.

The Issuer has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"). It is expected that the Issuer will be relying on an exemption from the definition of "investment company" under the Investment Company Act pursuant to Rule 3a-7 adopted thereunder.

Available Information

The Issuer has agreed that, for so long as any of the Rule 144A Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will furnish, upon request of a holder or of any beneficial owner of such a Rule 144A Note or of any prospective purchaser designated by such holder or beneficial owner, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Issuer is not a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), or is not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

The Notes have not been, and will not be, registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes were sold only to qualified institutional buyers in reliance on Rule 144A under the Securities Act and to non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. As used in this section, the terms "United States," "U.S. person" and "offshore transaction" have the meanings given to them in Regulation S.

Each Note bears the following legend (the "Private Placement Legend"):

"THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) OR AN INSTITUTIONAL "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE U.S. SECURITIES ACT, (2) AGREES THAT IT WILL NOT, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, PRIOR TO (X) THE DATE THAT IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF OR THE LAST DAY ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WERE THE OWNERS OF THIS NOTE (OR ANY PREDECESSOR OF THIS NOTE) AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW (THE "RESALE RESTRICTION TERMINATION DATE"), OFFER, SELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (A) TO THE ISSUER, THE GUARANTORS OR ANY SUBSIDIARY THEREOF (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE FLOATING RATE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE U.S. SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE U.S. SECURITIES ACT, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND; SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSES (D) AND (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE."

By its acceptance of any Note bearing the Private Placement Legend, each Holder of such a Floating Rate Note acknowledges the restrictions on transfer of such Floating Rate Note set forth in this Indenture and in the Private Placement Legend and agrees that it will transfer such Note only as provided in the Indenture.

Independent analysis and risk assessment

Prospective investors should have regard to the factors described in "Risk Factors". These Listing Particulars do not describe all of the risks of an investment in the Notes. Neither these Listing Particulars nor any financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer that any recipient of these Listing Particulars or any other financial statements should purchase the Notes.

Prospective purchasers are responsible for making their own examination of and their own assessment of the merits and risks of investing in the Notes. Prospective purchasers of the Notes should conduct such independent investigation and analysis regarding the Issuer, the security arrangements and the Notes as they deem appropriate to evaluate the merits and risks of an investment in the Notes. Prospective purchasers of the Notes should have sufficient knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in these Listing Particulars and the merits and risks of investing in the Notes in the context of their financial position and circumstances.

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PRESENTATION OF INFORMATION

Unless otherwise specified or the context requires, references to “euros,” “€” and “EUR” are to euros.

Certain figures included or referred to in these Listing Particulars may have been rounded for ease of presentation. Percentage figures included in these Listing Particulars have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding.

FORWARD-LOOKING STATEMENTS

Certain statements included herein may constitute “forward-looking statements”. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Whenever used in these Listing Particulars, the words “intend,” “estimate,” “expect,” “believe,” “anticipate,” or similar expressions are intended to identify such forward-looking statements. In the past actual results have varied materially and unpredictably from expectations. The Issuer cautions readers not to place undue reliance on these forward-looking statements, which speak only as to the date of these Listing Particulars. The Issuer undertakes no obligation to republish revised forward-looking statements to reflect new information, future events or otherwise. New factors emerge from time to time and it is not possible to predict all such factors, nor can the Issuer assess the impact of any such factor on its business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. The Issuer urges prospective investors to carefully review and consider the factors in the succeeding paragraph.

DOCUMENTS INCORPORATED BY REFERENCE

These Listing Particulars should be read and construed in conjunction with the following documents, which shall be deemed to be incorporated in, and to form part of these Listing Particulars:

2019 consolidated accounts of the Former Parent; and

Q1, Q2 and Q3 2020 consolidated accounts of Lecta Limited.

Copies of the documents incorporated by reference in these Listing Particulars are available on the LuxSE's website at www.bourse.lu.

Any statements contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of these Listing Particulars to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of these Listing Particulars.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. The Issuer is not in a position to express a view on the likelihood of any contingency highlighted by a risk factor occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the transaction documents and reach their own views prior to making any investment decision

For the purpose of the Listing Particulars, including but without limitation, this section “Risk Factors” and section “Description of the Group”, the following defined terms have the following meanings, unless the context requires otherwise. Terms used but not otherwise defined in this section “Risk Factors” and section “Description of the Group” will have the meanings given to them under the Listing Particulars.

“ACM”	means asbestos containing materials.
“Business Day”	means a day on which banks are open for business in London, New York, Madrid, Paris and Luxembourg (excluding, for the avoidance of doubt, Saturdays, Sundays and public holidays).
“Calculation Agent”	means Lucid Issuer Services Limited in its capacity as calculation agent.
“Clearing Systems”	means either or both of Euroclear and Clearstream and each of their respective nominees and successors and any other system designed for similar or analogous purposes, as appropriate.
“Clearstream”	means Clearstream Banking S.A., as currently in effect or any successor securities clearing agency.
“Common Depository”	means Deutsche Bank AG, London Branch.
“Companies Act 2006”	means the Companies Act 2006 (as amended).
“Condat”	means Condat SAS.
“Condat Line 8”	means the production line at Condat’s facility which the Group aims to convert from CWF production to specialty paper production at a projected cost of approximately EUR 68,000,000.

“Consent Solicitations”	means the process by which consents were obtained from the requisite majority of the Redeemed SSN Holders by signing up to the Lock-Up Agreement to amend the terms of the Redeemed SSNs pursuant to the Redeemed SSN Indentures.
“Court”	means the High Court of Justice of England and Wales.
“Court Order”	means the order made by the Court sanctioning the Scheme under section 899 of the Companies Act 2006.
“CWF”	means coated wood free, historically the primary type of paper product produced by the Group.
“EBITDA”	means earnings before interest, taxes, depreciation, and amortisation.
“Euroclear”	means Euroclear Bank SA/NV, or any successor securities clearing agency.
“Explanatory Statement”	means the explanatory statement in relation to the Scheme required to be provided to the Scheme Creditors pursuant to section 897 of the Companies Act 2006.
“Former Parent”	means Lecta S.A. (in voluntary liquidation), a company incorporated under the laws of Luxembourg, having its registered address at 20, rue de la Poste, L2346 Luxembourg, Grand Duchy of Luxembourg and with registered number B72198.
“Group”	means Lecta Limited and its Subsidiaries and includes the Restructured Group.
“Group Companies”	means Lecta Limited and its Subsidiaries and includes the Restructured Group, and “ Group Company ” means any one of them.
“HoldCo 1”	means Paper Industries Holding, a private limited liability company (<i>société à responsabilité limitée</i>) incorporated and registered in the Grand Duchy of Luxembourg as a holding and finance entity on 9 December 2019, with its registered office at 48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 240830.
“HoldCo 3”	means Paper Industries Financing, a private limited liability company (<i>société à responsabilité limitée</i>) incorporated and registered in the Grand Duchy of Luxembourg as a holding and finance entity on 9 December 2019 with its registered office at 48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 240342.

“Hydrocarbon Tax”	means the Spanish tax “ <i>Impuesto sobre Hidrocarburos</i> ”.
“IT Code”	means the particular standard installation code allocated to every power generation project under the Regulatory Framework.
“IVPEE”	means the Spanish tax on the value of electric power (<i>Impuesto sobre el Valor de la Producción de la Energía Eléctrica</i>).
“Liability”	has the meaning given to such term in the Previous Intercreditor Agreement, and “Liabilities” shall be construed accordingly.
“Lock-Up Agreement”	means the lock-up agreement dated 1 November 2019 entered into between, among others, the Former Parent as parent, the Calculation Agent as calculation agent, certain members of the Group as Obligors and certain of the Group’s financial creditors in relation to the First Restructuring, as amended, supplemented and/or from time to time (and by an amendment agreement dated 5 December 2019 pursuant to which Lecta Paper UK Limited acceded as an obligor on 5 December 2019).
“New Guarantees”	means the guarantees given by certain members of the Restructured Group in respect of the obligations of the Issuer under the SSN I Notes pursuant to the SSN I Indenture and the obligations of HoldCo 1 and Torraspapel pursuant to the Super Senior Facilities Agreement.
“New Intercreditor Agreement”	means the intercreditor agreement substantially in the form attached at Error! Reference source not found. (<i>New Intercreditor Agreement</i>) to the Explanatory Statement.
“New Security Trustee”	means GLAS Trust Corporation Limited, in its capacity as security trustee under the SSN I Indenture.
“Obligors”	has the meaning given to the term “Original Obligors” in the Previous Intercreditor Agreement.
“Operating Subsidiaries Debt”	means the various facilities entered into by Torraspapel S.A., Torraspapel Malmenayde SAS, Cartiere del Garda SpA, Alto Garda Power SrL and Polyedra SpA in an amount totalling c. EUR 38,511,198.40 as of 31 October 2019.
“Parent”	means Lecta Limited.

"Previous Intercreditor Agreement"	means the intercreditor agreement originally dated 27 July 2016 between, among others, each Previous SSN Trustee, the Previous Security Trustee, the RCF Agent and the Former Parent, as amended, supplemented and/or restated from time to time.
"Previous Security Documents"	means the "Transaction Security Documents" as defined in the Previous Intercreditor Agreement.
"Previous Security Trustee"	means Deutsche Bank AG, London Branch as security agent under the Previous Intercreditor Agreement.
"Previous SSN Paying Agent"	means Deutsche Bank AG, London Branch in its capacity as Paying Agent under the Redeemed SSN Indentures.
"Previous SSN Trustee"	means Deutsche Bank AG, London Branch in its capacity as "Trustee" under the Redeemed SSN Indentures.
"Previous SSN Trustee Undertaking Deed"	means a deed of undertaking from each Previous SSN Trustee in the form agreed by the parties thereto before the date of the Scheme Sanction Hearing pursuant to which each Previous SSN Trustee has agreed to be bound by and comply with the obligations expressed to apply to it under this Scheme and the Restructuring Documents (as defined in the Scheme) to which it is a party.
"Previous Transaction Security"	means the security granted in favour of, amongst others, the Previous Security Trustee under the Previous Security Documents.
"Proceedings"	means any process, action or other legal proceedings (including, without limitation, any demand arbitration, alternative dispute resolution, judicial review, adjudication, execution, seizure, distress, forfeiture re-entry, lien, enforcement of judgment or enforcement of any security), whether arising in connection with the Scheme or otherwise.
"RCF"	means the revolving credit facility made available under the RCF Agreement.
"RCF Agent"	means Deutsche Bank AG, London Branch, or any other facility agent selected by Lecta Paper UK Limited (acting reasonably) to be appointed as facility agent under the RCF.
"RCF Agreement"	means the EUR 65,000,000 multicurrency revolving facilities agreement dated 27 July 2016 (as amended and/or restated from time to time), between, among others, the Former Parent as borrower and guarantor, the Original Borrowers, the Original Guarantors, the Original Lenders and the Agents (as such terms are defined therein).

“RCF Lenders”	means any “Lender” with “Revolving Facility Commitments” (each as defined in the RCF Agreement).
“RCF Liabilities”	means any Liabilities in connection with the RCF Agreement.
“Redeemed Fixed Rate SSNs”	means the EUR 375,000,000 6.5% fixed-rate senior secured notes issued by the Former Parent on 27 July 2016 due 2023 (ISIN: XS1458413728 (Regulation S) and XS145841364 (Rule 144A); Common Code: 145841372 (Regulation S) and 145841364 (Rule 144A)).
“Redeemed Fixed Rate SSN Indenture”	means the indenture dated 27 July 2016 made between, among others, the Former Parent, each Previous SSN Trustee and the Previous Security Trustee pursuant to which the Redeemed Fixed Rate SSNs were issued, as amended, supplemented and/or restated from time to time (including, but not limited to, by a supplemental indenture dated 4 December 2019 pursuant to which Lecta Paper UK Limited acceded as co-issuer for the purpose of facilitating the Scheme).
“Redeemed Fixed Rate SSN Supplemental Indenture”	means the supplemental indenture dated 4 December 2019, pursuant to which, among other matters, Lecta Paper UK Limited acceded as co-issuer of the Redeemed Fixed Rate SSNs.
“Redeemed Floating Rate SSNs”	means the EUR 225,000,000 floating rate senior secured notes due 2022 issued by the Former Parent on 27 July 2016 and due 1 August 2022 (ISIN: XS1458414023 (Regulation S) and XS1458414379 (Rule 144A); Common Code: 145841402 (Regulation S) and 145841437 (Rule 144A)).
“Redeemed Floating Rate SSN Indenture”	means the indenture dated 27 July 2016 made between, among others, the Former Parent, each Previous SSN Trustee and the Previous Security Trustee pursuant to which the Redeemed Floating Rate SSNs were issued, as amended, supplemented and/or restated from time to time (including, but not limited to, by a supplemental indenture dated 4 December 2019 pursuant to which Lecta Paper UK Limited acceded as co-issuer for the purpose of facilitating the Scheme).
“Redeemed Floating Rate SSN Supplemental Indenture”	means the supplemental indenture dated 4 December 2019, pursuant to which, among other matters, Lecta Paper UK Limited acceded as co-issuer of the Redeemed Floating Rate SSNs.
“Redeemed SSNs”	means the Redeemed Fixed Rate SSNs and the Redeemed Floating Rate SSNs.
“Redeemed SSN Holder”	means a beneficial holder of the Redeemed SSNs.

“Redeemed SSN Indentures”	means, together, the Redeemed Floating Rate SSN Indenture and the Redeemed Fixed Rate SSN Indenture, as amended and supplemented by the Redeemed Floating Rate SSN Supplemental Indenture and the Redeemed Fixed Rate SSN Supplemental Indenture.
“Redeemed SSN Liabilities”	means any Liabilities in connection with the Redeemed SSN Indentures.
“Redeemed SSN Supplemental Indentures”	means, together, the Redeemed Fixed Rate SSN Supplemental Indenture and the Redeemed Floating Rate SSN Supplemental Indenture.
“Registrar of Companies”	means the registrar of companies within the meaning of the Companies Act 2006.
“Regulatory Framework”	means the regulatory framework for electricity generating activities from renewable energy resources, co-generation and waste approved by the Spanish government in June 2014.
“Restructured Group”	means the Parent and each of its subsidiaries.
“Restructuring”	means the financial, debt and corporate restructuring of the Group contemplated by the Scheme, the Restructuring Steps (as defined in the Scheme) and the Explanatory Statement and any and all connected compromises, arrangements and/or agreements with persons that are not parties to the Scheme.
“Restructuring Effective Date”	means the “Restructuring Effective Date” under and as defined in the Scheme.
“Scheme”	means the scheme of arrangement, made under Part 26 of the Companies Act 2006 between Lecta Paper UK Limited and the Scheme Creditors in the form set out in Error! Reference source not found. (<i>The Scheme</i>) to the Explanatory Statement, with or subject to any modification, addition or condition approved or imposed in accordance with clause 8.13 (<i>Modification</i>) of the Scheme.
“Scheme Creditors”	means the Redeemed SSN Holders.
“Scheme Effective Date”	the date on which an office copy of the Court Order has been delivered to the Registrar of Companies for registration in respect of the Scheme, which delivery shall be made by Lecta Paper UK Limited following receipt of an office copy of the Court Order as soon as possible after 9.00am on the third Business Day after the date of the Court Order.

“Scheme Sanction Hearing”	means the hearing of the Court for the purpose of obtaining the Court Order.
“Sub Lecta”	means Sub Lecta S.A., a company incorporated under the laws of Luxembourg having its registered address at 20, rue de la Poste, L2346 Luxembourg, Grand Duchy of Luxembourg with registered number B72206.
“Subsidiary”	has the same meaning given such term in section 1159 of the Companies Act 2006.
“Super Senior Facilities”	means the super senior credit facility in the amount of EUR 115,000,000 made available to the Group by the Super Senior Facilities Arranger under the Super Senior Facilities Agreement.
“Super Senior Facilities Agent”	means Global Loans Agency Services Limited in its capacity as “facilities agent” under the Super Senior Facilities Agreement.
“Super Senior Facilities Agreement”	means the super senior facilities agreement pursuant to which the Super Senior Facilities have been constituted.
“Super Senior Facilities Arranger”	has the meaning given to such term in the Super Senior Facilities Agreement.
“Super Senior Facilities Lenders”	means any “Lender” with “Super Senior Facilities Commitments” (in each case, as defined in the Super Senior Facilities Agreement).
“Super Senior Liabilities”	has the meaning given to that term in the New Intercreditor Agreement.
“Super Senior RCF”	means the EUR 40,000,000 committed super senior revolving credit facility provided to the Restructured Group by the Super Senior Facilities Arranger under the Super Senior Facilities Agreement.
“Super Senior Term Loan”	means the EUR 75,000,000 committed Super Senior Term Loan Facility provided to the Restructured Group by the Super Senior Facilities Arranger under the Super Senior Facilities Agreement.
Transaction Security	means the security constituted by the Transaction Security Documents.
Transaction Security Documents	means the security documents listed in the security documents of these Listing Particulars on page 91 et seq.
“Torraspapel”	means Torraspapel S.A.
“Torraspapel Malmenayde”	means Torraspapel Malmenayde SAS.
“U.S.”	means the United States of America.

1 Risk Factors relating to the Notes

The following are some of the material risks in respect of the Notes.

1.1 The Restructured Group may not have enough cash available to service its debt

The Restructured Group's ability to make scheduled payments on the Notes and its other indebtedness, or to refinance its debt, depends on its future operating and financial performance, which will be affected by its ability to implement successfully, following the Restructuring, the Restructured Group's business strategy as well as general economic, financial, competitive, regulatory, technical and other factors beyond its control.

If, in the future, the Restructured Group cannot generate sufficient cash to meet its debt service requirements, the Restructured Group may, among other things, need to refinance all or a portion of its debt including the Notes, obtain additional financing, delay planned capital expenditures or sell material assets. If the Restructured Group is not able to refinance its debt as necessary, obtain additional financing or sell assets on commercially reasonable terms or at all, the Restructured Group may not be able to satisfy its obligations with respect to its debt, including the Notes. In that event, borrowings under other debt agreements or instruments that contain cross default or cross acceleration provisions may become payable on demand, and the Restructured Group may not have sufficient funds to repay all of the Restructured Group's debts, including the Notes. In addition, any of the Group Companies may, subject to the restrictions in the New Intercreditor Agreement, distribute a significant amount of cash and cash equivalents to its shareholders, use the cash to make acquisitions or enter into transactions that may be adverse to the interests of holders of the Notes or otherwise decrease the amount of cash on their balance sheets, which would adversely affect the ability of the Issuer (as issuer) to repay the interest or principal of the Notes.

1.2 Despite the Restructured Group's current leverage, the Restructured Group may be able to incur more debt in the future, which could further exacerbate the risks of its leverage

The Restructured Group may need to incur additional debt in the future to complete acquisitions or capital projects or for working capital purposes. Although the agreements governing the Notes impose limits on the Restructured Group's ability to incur debt, these agreements permit the incurrence of additional debt if the Restructured Group satisfies certain conditions. The Restructured Group may also incur substantial additional debt that could mature prior to the Notes, and which may be secured by liens on its assets, including the collateral that secures the Notes. The incremental debt which the Restructured Group may be able to incur under the Notes may rank *pari passu* or, in certain circumstances, senior to and share security with the Notes. In particular, the Note Indenture will permit the Parent to secure debt other than the Notes with certain assets that will not secure the Notes. If the Restructured Group and its Subsidiaries incur additional debt, the risks related to being in a highly leveraged group that the Restructured Group now faces, as described elsewhere in these "Risk Factors", could intensify.

1.3 Creditors under the Super Senior Facilities may be designated as super senior indebtedness and are entitled to be repaid with the proceeds of the collateral sold in any enforcement sale in priority to the Notes and the Note Holders will not control decisions regarding the collateral in certain circumstances

Pursuant to the terms of the New Intercreditor Agreement, the Notes will be secured on a senior basis by the same collateral securing the Super Senior Facilities and there may also be hedging facilities established. Upon enforcement of any of the Transaction Security, the Notes will rank behind the Super Senior Facilities on the proceeds of enforcement. As such, in the event of an enforcement of the collateral, holders of Notes may not be able to recover on the collateral if the aggregate of the then outstanding Super Senior Liabilities is greater than the proceeds realised. Any proceeds from an enforcement sale of the collateral by any creditor will, after all Super Senior Liabilities have been discharged from such recoveries, be applied pro rata in repayment of the Notes and any other obligations secured by the collateral which are permitted to rank *pari passu* with the Notes.

In addition, not all assets of the Restructured Group form a part of the Transaction Security and, under the terms of the Note Indenture, the Restructured Group will be permitted to incur significant additional indebtedness and other obligations that may be secured by the same collateral either *pari passu* with the Notes or on a super priority basis, including other credit facilities and certain hedging Liabilities. In particular, the Note Indenture in respect of the Restructuring will permit the Issuer and its Subsidiaries to incur up to EUR 115,000,000 additional indebtedness under credit facilities that are permitted to be Super Senior Liabilities under the New Intercreditor Agreement (such cap exclusive of any hedging Liabilities incurred).

The New Intercreditor Agreement provides that the New Security Trustee, who will serve as the common security agent for the Notes and the Super Senior Liabilities, will act only as provided for in the New Intercreditor Agreement. The New Intercreditor Agreement regulates the ability of the Note Trustee or the holders of the Notes to instruct the New Security Trustee to take enforcement action. The New Security Trustee is not required to take enforcement action unless instructed to do so by an Instructing Group (as defined in the New Intercreditor Agreement). Consequently, the rights of the holders of the Notes to commence and control any enforcement action is restricted, as provided in the New Intercreditor Agreement.

1.4 The Restructured Group is subject to restrictive debt covenants that may limit its ability to finance its future operations and capital needs and to pursue business opportunities and activities

The Note Indenture and Super Senior Facilities Agreement contain covenants that limit the ability of the Restructured Group and its Subsidiaries to take certain actions. These restrictions may limit the Restructured Group's ability to operate its businesses and may prohibit or limit its ability to enhance its operations or take advantage of potential business opportunities as they arise. The Note Indenture will restrict the Restructured Group's ability to:

- 1.4.1 incur or guarantee additional indebtedness and issue certain preferred stock;
- 1.4.2 create or incur certain liens;
- 1.4.3 make certain payments, including dividends or other distributions, with respect to the Restructured Group's shares or those of its Subsidiaries;
- 1.4.4 make certain investments;
- 1.4.5 prepay, repurchase or redeem subordinated debt or equity;

- 1.4.6 create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Restructured Group or any of its Subsidiaries;
- 1.4.7 sell, lease or transfer certain assets, including stock of Subsidiaries;
- 1.4.8 engage in certain transactions with affiliates;
- 1.4.9 consolidate or merge with other entities;
- 1.4.10 materially change the nature of the Restructured Group's business, enter into unrelated business or engage in prohibited activities; and
- 1.4.11 impair the security interests for the benefit of the holders of the Notes.

All of these limitations are subject to exceptions and qualifications. These covenants could limit the Restructured Group's ability to finance its future operations and capital needs and its ability to pursue business opportunities and activities that may be in the Restructured Group's interest.

If the Restructured Group breaches any of these covenants, it may be in default under the Note Indenture. A significant portion or all of the Restructured Group's indebtedness may then become immediately due and payable. The Restructured Group may not have, or be able to obtain, sufficient funds to make these accelerated payments. In addition, any default under the Note Indenture could lead to an acceleration of debt under other debt instruments that contain cross acceleration or cross default provisions under any of the Restructured Group's other agreements governing the Restructured Group's debt. If the debt under the Notes or other debt instruments is accelerated, the Restructured Group may not have sufficient cash to repay amounts due thereunder.

1.5 The Notes, the New Guarantees, and the Transaction Security granted to the New Security Trustee and any other transactions entered into by the Issuer, Lecta Paper UK Limited, HoldCo 3 and HoldCo 1, the obligations and transactions in connection with the New Intercreditor Agreement and any other obligations or transactions entered into at any time by the Issuer, Lecta Paper UK Limited, HoldCo 3 and HoldCo 1 may be voidable, subordinated or limited in scope under laws governing fraudulent transfers and insolvency

The Issuer's obligations under the Notes are guaranteed by certain Subsidiaries, and each of the New Guarantees may be subject to review under the fraudulent transfer and conveyance laws of the relevant jurisdiction where such guarantors operate.

Under U.S. federal bankruptcy laws and comparable provisions of state fraudulent transfer laws, the issuance of the New Guarantees by HoldCo 1 and certain subsidiaries could be voided, or claims in respect of such obligations could be subordinated to all of their other debts and other Liabilities, if, among other things, at the time of entering into the New Guarantees, HoldCo 1 or such Subsidiaries had an actual intent to hinder, delay or defraud any present or future creditors, or received less than the reasonably equivalent value for the incurrence of such indebtedness and either:

- 1.5.1 was insolvent or rendered insolvent by reason of such incurrence;
- 1.5.2 was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital;

- 1.5.3 intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature; or
- 1.5.4 made such transfer to or for the benefit of an insider, or incurred such obligation to or for the benefit of an insider, and not in the ordinary course of business.

In addition, any payment by a guarantor pursuant to the New Guarantees could be voided and required to be returned to the guarantor, or to a fund for the benefit of the creditors of the guarantor.

Under the insolvency laws of Luxembourg (being the jurisdiction in which the Issuer and HoldCo 1 are incorporated), a guarantor is generally considered insolvent if the following two criteria are met:

- 1.5.5 the guarantor is unable to meet its payment obligations as they fall due (*cessation des paiements*); and
- 1.5.6 has lost its creditworthiness (*ébranlement de crédit*).

The Issuer, and each of its Restricted Subsidiaries Group (as defined in the Note Indenture), cannot assure Scheme Creditors which a standard court would apply in determining whether a guarantor was “insolvent” as of the date the New Guarantees were issued, that, regardless of the method of valuation, a court would not determine that a guarantor was insolvent on that date, or that a court would not determine, regardless of whether or not a guarantor was insolvent on the date its guarantee was issued, that payments to holders of the Notes constituted fraudulent transfers on other grounds.

1.6 Guarantees or security interests granted by Spanish subsidiaries in favour of another group company are subject to clawback under Spanish insolvency law for a period of two years.

If guarantees or security interests granted by Spanish subsidiaries are perfected at the same time as the issuance of the Notes, there is a rebuttable presumption under Spanish law that such guarantees or security lack “reasonably equivalent value” relative to the amount of debt issued. If a Spanish subsidiary which has granted a guarantee or security enters Spanish insolvency proceedings and the Spanish insolvency administrator files a clawback action in respect of such guarantee or security, the creditor generally bears the burden of proving the existence of “reasonably equivalent value”. Though the Spanish Supreme Court has held that vague references to “group interest” are not sufficient to rebut this presumption, it has also held that the corporate benefit from granting such guarantee or security interests may be direct or indirect.

Homologation proceedings at the Spanish guarantor level would ring-fence the security package against the risk of Spanish insolvency clawback action (the presumptions above would not apply and nor would the insolvency administrator have any other arguments to seek clawback).

In that scenario (*homologation*), the only remedy available for the Spanish insolvency administrator would be fraudulent conveyance (four-year hardening period), which requires proof of actual or constructive fraud. The latter, pursuant to recent Spanish case law, requires proof of a creditor’s knowledge of: (i) the guarantor/security provider’s insolvency; (ii) unfeasibility of the restructuring to overcome financial distress; and (iii) such creditor’s preferential treatment.

If such actions are confirmed, a Spanish court may be able to:

- 1.6.1 avoid or invalidate all or a portion of a Spanish guarantor’s obligations under its guarantee; and

- 1.6.2 direct that the issuer and/or the holders of the Notes return any amounts paid under a guarantee to the relevant Spanish guarantor or to a fund for the benefit of such guarantor's creditors.
- 1.7 Enforcement of security interest across multiple jurisdictions may be difficult and the New Guarantees will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defences that may limit their validity and enforceability**
- The rights of holders under the Notes, the New Guarantees and the collateral may be subject to the insolvency and administrative laws of several jurisdictions, and you may not be able to effectively enforce your rights in such complex, multiple bankruptcy or insolvency Proceedings. The New Guarantees provide the holders of the Notes with a direct claim against the relevant guarantor. However, the Note Indenture will provide that the New Guarantees will be limited to the maximum amount that can be guaranteed by the relevant guarantors without rendering the guarantee voidable or otherwise ineffective under local law, and enforcement of the guarantee would be subject to certain generally available defences. These laws and defences include those that relate to corporate benefit, fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defences affecting the rights of creditors generally.
- 1.8 The value of the assets securing the Notes may not be sufficient to satisfy the obligations under the Notes, and the assets securing the Notes may be reduced or diluted under certain circumstances**

The Notes will be secured by first-priority security interests on all of the assets pledged pursuant to the Transaction Security (the "**Pledged Assets**"). The Pledged Assets also secure the Super Senior Facilities but any Liabilities in respect of obligations under the Notes will rank behind the Super Senior Facilities with respect to any proceeds received upon any enforcement action over any Pledged Assets. The Pledged Assets may also secure additional debt to the extent permitted by the terms of the Note Indenture. Note Holders' rights to the Pledged Assets would be diluted by any increase in the debt secured by the Pledged Assets or a reduction of the Pledged Assets securing them.

The value of the Pledged Assets and the amount to be received upon a sale of such Pledged Assets will depend upon many factors, including, among others, the ability to sell the Pledged Assets in an orderly sale, macroeconomic conditions at the time of sale, the availability of buyers and other factors. The book value of the Pledged Assets should not be relied on as a measure of realisable value for such assets. Portions of the Pledged Assets may be illiquid and may have no readily ascertainable market value. To the extent that holders of other secured debt or third parties enjoy liens (including statutory liens), whether or not permitted by the Note Indenture, such holders or third parties may have rights and remedies with respect to the Pledged Assets securing the SSNs that, if exercised, could reduce the proceeds available to satisfy the obligations under the Notes. In the event of a foreclosure, liquidation, bankruptcy, the enforcement of the security or similar Proceeding, there can be no assurance as to whether the proceeds from any sale or liquidation or enforcement of the security will be sufficient to discharge the obligations due under the Note Indenture.

1.9 The security interests in the collateral will be granted to the New Security Trustee rather than directly to the holders of the Redeemed SSNs. The ability of the New Security Trustee to enforce certain of the collateral may be restricted by local law

The security interests in the collateral that will secure the obligations under the Note Indenture will not be granted directly to the holders of the Notes but will be granted only in favour of the New Security Trustee. The Note Indenture will provide (along with the New Intercreditor Agreement) that only the New Security Trustee has the right to enforce the security under the Transaction Security. As a consequence, holders of the Notes will not have direct security interests and will not be entitled to take enforcement action in respect of the collateral securing the Notes, except through the Note Trustee, who will (subject to the applicable provisions of the Note Indenture) provide instructions in respect of the collateral to the New Security Trustee, who may take enforcement action subject to the terms of the New Intercreditor Agreement (including where the holders of the Notes (acting through the Note Trustee) constitute an Instructing Group (as such term is defined in the New Intercreditor Agreement)).

1.10 The Group will have control over the collateral securing the Notes, and the sale of particular assets could reduce the pool of assets securing the Notes

The Transaction Security will allow the Group to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from certain collateral securing the Notes. So long as no default or event of default under the Note Indenture would result therefrom, the Group may, among other things, without any release or consent from the New Security Trustee, conduct ordinary course activities with respect to the collateral, such as selling, factoring, abandoning or otherwise disposing of the collateral and making ordinary course cash payments, including repayments of indebtedness.

1.11 Rights of the holders of the Notes in the collateral may be adversely affected by the failure to perfect security interests in the collateral

Applicable law may require that a security interest in certain assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party. The liens on the collateral securing the Notes and the New Guarantees may not be perfected with respect to the claims of the Notes and the New Guarantees if the Issuer, any other relevant Obligor, or the New Security Trustee, fail or are unable to take the actions required to perfect any of these liens. Such failure may result in the invalidity of the relevant security interest in the collateral securing the Notes or adversely affect the priority of such security interest in favour of the Notes against third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same collateral. In addition, applicable law may require that certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified. There can be no assurance that the New Security Trustee will monitor, or that the Group will inform the New Security Trustee of, the future acquisition of property and rights that constitute collateral, and that the necessary action will be taken to properly perfect the security interest in such after-acquired collateral. Neither the Note Trustee nor the New Security Trustee has any obligation to monitor the acquisition of additional property or rights that constitute collateral or the perfection of any security interest therein. Such failure may result in the loss of the security interest in the collateral or the priority of the security interest in favour of the Notes and the New Guarantees against third parties.

Additionally, the Note Indenture and the security documents entered into in connection with the Notes will not require us to take a number of actions that might improve the perfection or priority of the security interests of the New Security Trustee in the collateral. To the extent that the security interests created by the security documents with respect to any collateral are not perfected, the New Security Trustee's rights will be equal to the rights of general unsecured creditors in the event of a liquidation, foreclosure, bankruptcy, reorganisation or similar Proceeding.

1.12 The granting of the security interests in the collateral may create or restart hardening periods

The granting of security interests to secure the Notes may create hardening periods for such security interests. The granting of security interests to secure future indebtedness that is permitted to be secured by the collateral may restart or reopen such hardening periods, in particular as the Note Indenture will permit the release and retaking of security granted in favour of the Notes in certain circumstances, including in connection with the incurrence of other future indebtedness. The applicable hardening period for these new security interests can run from the moment each new security interest has been granted, perfected or recreated. At each time, if the security interest granted, perfected or recreated were to be enforced before the end of the respective hardening period, it may be declared void or ineffective and it may not be possible to enforce it in an insolvency scenario of the relevant security provider. If the grantor of such security interest were to become subject to a bankruptcy, insolvency or winding-up Proceeding after the Scheme Effective Date, any security interest in the collateral delivered after the Scheme Effective Date would face a greater risk than security interests in place on the Scheme Effective Date of being avoided by the grantor or by its trustee, receiver, liquidator, administrator or similar authority, or otherwise set aside by a court, as a preference under insolvency law, in each case depending on the relevant length of the applicable hardening period. To the extent that the grant of any security interest is voided, holders of the Notes would lose the benefit of the security interest.

Homologation proceedings at the Spanish guarantor level would ring-fence the security package against the risk of Spanish insolvency clawback action. In that scenario (*homologation*), the only remedy available for a Spanish insolvency administrator would be fraudulent conveyance (four-year hardening period), which requires proof of actual or constructive fraud. The latter, pursuant to recent Spanish case law, requires proof of a creditor's knowledge of: (i) the guarantor/security provider's insolvency; (ii) unfeasibility of the restructuring to overcome financial distress; and (iii) such creditor's preferential treatment.

1.13 There are circumstances other than repayment or discharge of the Notes under which the collateral securing the Notes may be released automatically

Under the Note Indenture, the collateral securing the Notes may be released automatically under certain circumstances as discussed under Section 11.02 ("Release of Collateral") of the Note Indenture.

Under applicable law, security may automatically be released upon a transfer or other dealing with the relevant collateral. In addition, under various circumstances, any guarantees of the Notes by a future restricted Subsidiary may be released.

1.14 The Notes will be structurally subordinated to the Liabilities of non-guarantor Subsidiaries

Some, but not all, of the members of the Restructured Group will guarantee the Notes. Generally, holders of indebtedness of, and trade creditors of, non-guarantor Subsidiaries, including lenders under bank financing agreements, are entitled to payments of their claims from the assets of such Subsidiaries before these assets are made available for distribution to any guarantor, as direct or indirect shareholders.

Accordingly, in the event that any of the non-guarantor Subsidiaries becomes insolvent, liquidates or otherwise reorganises:

- 1.14.1 the creditors of New Guarantees (including the holders of the Notes) will have no right to proceed against such Subsidiary's assets; and
- 1.14.2 creditors of such non-guarantor Subsidiary, including trade creditors, will generally be entitled to payment in full from the sale or other disposal of the assets of such Subsidiary before any guarantor, as direct or indirect shareholder, will be entitled to receive any distributions from such Subsidiary.

As such, the Notes and each Notes Guarantee will be structurally subordinated to trade creditors, creditors under certain ancillary facilities and any preferred stockholders of the non-guarantor Subsidiaries. As of 31 October 2019, non-guarantor Subsidiaries had EUR 4,500,000 of indebtedness outstanding, which represented approximately 0.6% of total financial indebtedness of the Group.

1.15 The Issuer will have no revenue-generating operations of its own and will depend on cash from other members of the Restructured Group to be able to make payments on the Notes

The Issuer is a finance Subsidiary of the Restructured Group and was formed in order to offer and issue debt securities. The Issuer does not conduct on its own, and has not engaged in, and will not be permitted to engage in, any activities other than those relating to its finance activities. The Issuer has no material assets other than the equity interests it holds in its Subsidiaries and any proceeds loans pursuant to which it will on-lend the portion of the proceeds of the Notes to other members of the Restructured Group. The Issuer will be dependent upon the cash flow from other members of the Restructured Group in the form of dividends or other distributions or payments to meet its obligations, including under the Notes. The amounts available to the Issuer will depend on the profitability and cash flows of the Restructured Group and the ability of its members to pay dividends or make upstream loans under applicable law, who may not be able to, or may not be permitted under applicable law to, make distributions or advance upstream loans to the Issuer to make payments in respect of its indebtedness, including the Notes. Applicable tax laws may also subject such payments to further taxation. In addition, the members of the Restructured Group that do not guarantee the Notes have no obligation to make payments with respect to the Notes.

1.16 The Issuer may not be able to obtain the funds required to repurchase the Notes upon a change of control

The Note Indenture will contain provisions relating to certain events constituting a "Change of Control". Upon the occurrence of certain "Change of Control" events (as detailed in the Note Indenture), the Issuer may be required to offer to repurchase all outstanding Notes at a price equal to 101% of their aggregate principal amount, plus accrued and unpaid interest and additional amounts, if any, to the date of repurchase. If a change of control were to occur under the Note Indenture, no assurance can be given that the Issuer would have sufficient funds available at such

time to pay the purchase price of the Notes, or that the restrictions in the Note Indenture, Super Senior Facilities Agreement, the New Intercreditor Agreement or the then-existing contractual obligations would allow the Issuer to make such required repurchases. A change of control may result in an event of default, or acceleration of, or an obligation to mandatorily prepay the Super Senior Facilities Agreement and other indebtedness. The repurchase of the Notes pursuant to such an offer could cause a default under such indebtedness, even if the change of control itself does not. The ability of the Issuer to receive cash from its Subsidiaries to allow it to pay cash to the holders of the Notes, following the occurrence of a change of control, may be limited by the Group's then existing financial resources.

1.17 The change of control provision contained in the Note Indenture may not necessarily afford you protection in certain circumstances

The change of control provision contained in the Note Indenture may not necessarily afford you protection in the event of certain important corporate events, including a reorganisation, restructuring, merger or other similar transaction involving us that may adversely affect you, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a "Change of Control" as defined in the Note Indenture.

In the event the Issuer is sold to a new investor, whether or not such sale does constitute a change of control under the Note Indenture, no assurance can be given that any such investor will continue to implement the Group's current business and financial strategy.

The definition of "Change of Control" in the Note Indenture will include a disposition of all or substantially all of the assets of the Issuer and its restricted subsidiaries, taken as a whole, to any person. Although there is a limited body of case law interpreting the phrase "all or substantially all", there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances, there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the Issuer assets and its restricted subsidiaries taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

1.18 Persons in the United States may have difficulty enforcing rights against the Issuer and the Notes Guarantors and their respective directors and executive officers

The United States and Luxembourg currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments (as opposed to arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon U.S. federal securities laws, would not automatically be recognised or enforceable in Luxembourg. In order to enforce any such U.S. judgment in Luxembourg, the final and conclusive civil or commercial judgment obtained against the Issuer in the competent courts of the United States would have to be recognised and enforced by Luxembourg courts pursuant to a request to be made to the President of the District Court for an *exequatur* order on the basis of the applicable enforcement procedure (*exequatur*) as set out in the relevant provisions of the Luxembourg New Civil Procedure Code and Luxembourg case law. Pursuant to Luxembourg case law, the granting of *exequatur* is subject to the following requirements:

1.18.1 the foreign court order must be enforceable in the country of origin;

- 1.18.2 the court of origin must have had jurisdiction both according to its own laws and to the Luxembourg conflict of jurisdictions rules;
- 1.18.3 the foreign procedure must have been regular according to the laws of the country of origin;
- 1.18.4 the foreign decision must not violate the rights of defence;
- 1.18.5 the foreign court must have applied the law which is designated by Luxembourg conflict of law rules, or, at least, the order must not contravene the principles underlying these rules (based on case law and legal doctrine, it is not certain that this condition would still be required for an *exequatur* to be granted by a Luxembourg court);
- 1.18.6 the considerations of the foreign order as well as the judgment as such must not contravene Luxembourg international public policy and must not have been given in proceedings of a tax or criminal nature; and
- 1.18.7 the foreign order must not have been rendered subsequent to an evasion of Luxembourg law (*fraude à la loi*).

1.19 Holders of the Notes may face foreign exchange risks

The Notes will be denominated and payable in euro. If holders of the Notes measure their investment returns by reference to a currency other than the euro, an investment in the Notes will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the euro relative to the currency by reference to which the holder of the Notes measures the return on his or her investments because of economic, political and other factors over which the Group has no control. Depreciation of the euro against the currency by reference to which a holder of the Notes measures the return on his or her investments could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to holders of the Notes when the return on the Notes is translated into the currency by reference to which the holder of the Notes measures the return on his or her investments. Investments in the Notes by U.S. dollars holders may also have important tax consequences as a result of foreign exchange gains or losses, if any.

1.20 Holders of the Notes may be unable to sell their Notes if a trading market for the Notes does not develop

There can be no assurance as to whether a liquid market for the Notes will develop. The liquidity of the trading market in the Notes, and the market price quoted for the Notes, may be adversely affected by changes in the overall market for similar yield securities, interest rates and the Restructured Group's financial performance or prospects or in the prospects for companies in the UK retail industry generally. As a result, an active trading market for the Notes may not develop or be maintained.

1.21 Transfer of the Notes will be restricted, which may adversely affect the value of the Notes

Because the Notes will not have been, and are not required to be, registered under the Securities Act or the securities laws of any other jurisdiction, they may not be offered or sold in the United States except (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A under the Securities Act, (ii) through a private placement in accordance with Section 4(a)(2) of the Securities Act, (iii) in an "offshore transaction"

complying with Rule 903 or Rule 904 of Regulation S, or (iv) pursuant to an exemption from, or a transaction not subject to, the registration requirements under the Securities Act provided by Rule 144 thereunder (if available), and (B) in accordance with all applicable securities laws of the states of the United States and any other jurisdiction. These restrictions may limit the ability of holders of the Notes to resell the Notes. It is the obligation of holders of the Notes to ensure that all offers and sales of the Notes in the United States and other countries comply with applicable securities laws. For further information, see "*Important Securities Law Notice*" above.

1.22 Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time

Following the issuance of the Notes, one or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed herein and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgement, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the Notes by one or more of the credit rating agencies may adversely affect the cost and terms and conditions of financing and could adversely affect the value and trading of the Notes.

1.23 The Notes will initially be held in book-entry form, and holders of the Note must rely on the procedures of the relevant clearing systems to exercise any rights and remedies

Unless and until the Notes are in definitive registered form, or definitive registered notes, are issued in exchange for book-entry interests (which may occur only in very limited circumstances), owners of book-entry interests will not be considered owners or holders of the Notes. The common depositary (or its nominee) for Euroclear and Clearstream will be the sole registered holder of the applicable global notes. Payments of principal, interest and other amounts owing on or in respect of the relevant global notes will be made to GLAS, as paying agent, which will make payments to Euroclear and Clearstream. Thereafter, these payments will be credited to participants' accounts that hold book-entry interests in the global notes representing the Notes and credited by such participants to indirect participants. After payment to the paying agent, no responsibility or liability of the Restructured Group exists for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if book-entry interest in the Notes is owned, procedures of Euroclear and Clearstream must be relied upon.

Unlike the holders of the Notes themselves, owners of book-entry interests will not have any direct rights to act upon any solicitations for consents, requests for waivers or other actions from holders of the Notes. Instead, if book-entry interest is owned, holders of the Notes will be permitted to act only to the extent they have received appropriate proxies to do so from Euroclear or Clearstream, as applicable, or, if applicable, from a participant. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of the Notes to vote on any matters or on a timely basis.

Similarly, upon the occurrence of an event of default under the Note Indenture, unless and until the relevant definitive registered Notes are issued in respect of all book-entry interests, if a book-entry

interest is owned, holders of the Notes will be restricted to acting through Euroclear or Clearstream. There can be no assurance that the procedures to be implemented through Euroclear or Clearstream, as applicable, will be adequate to ensure the timely exercise of rights under the Notes.

2 Risks relating to the Group

2.1 *The Scheme does not guarantee viability of the business*

While it is anticipated that the Scheme and the Restructuring will ensure the continued viability of the Group's business, there may be other factors which have an impact on its financial performance, business, affairs and continued progress. For example, the conversion of production facilities from CWF to specialty paper. The successful implementation of the Scheme and the Restructuring cannot be taken as an indication or guarantee of the continued viability of the Group's business.

2.2 *Scheme Creditors are responsible for consulting with their advisers*

Scheme Creditors should consult their own tax, accounting, financial, legal and other advisers regarding the suitability to themselves of the tax, accounting and other consequences of participating or declining to vote in favour of the Scheme. Each Scheme Creditor must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that participation in the Restructuring or the Scheme is fully consistent with its objectives and condition, complies and is fully consistent with all internal policies, guidelines and restrictions applicable to it, and is a fit, proper and suitable action for it. Scheme Creditors are solely liable for any taxes and similar or related payments imposed under the laws of any applicable jurisdiction arising in connection with the Restructuring or the Scheme.

2.3 *The Restructured Group will contain entities organised under the laws of several jurisdictions*

The Restructured Group will contain entities organised under the laws of several jurisdictions. In the event that a member of the Restructured Group faces financial difficulty, it is not possible to predict with certainty in which jurisdictions insolvency or similar Proceedings would be commenced or how these Proceedings would be resolved. Any insolvency proceedings commenced in respect of a member of the Restructured Group would most likely be based on and governed by the insolvency laws of the jurisdiction under which it is organised. As a result, creditors will most likely be subject to the insolvency laws of that member of the Restructured Group's jurisdiction of incorporation. There can be no assurance as to how the insolvency laws of these jurisdictions will be applied in insolvency proceedings relating to several jurisdictions.

Further, one or more member of the Restructured Group may in the future take actions which result in the insolvency laws of a different or additional jurisdiction being applicable to them. In certain circumstances, those laws may conflict, or one or more persons may dispute the applicability of, any such insolvency laws.

The insolvency and other laws of the jurisdiction in which each member of the Restructured Group is organised or operates may be materially different from, or conflict with, both each other and the laws under any creditor's country of incorporation. Some jurisdictions may be less favourable to the interests of certain creditors than others, which may affect, among other things: the ability to obtain post-petition interest; the duration of insolvency proceedings; preference periods; and the priority of governmental and other creditors in any insolvency proceeding.

Prospective creditors should seek independent legal advice in each relevant jurisdiction when entering into financing arrangements with any member of the Restructured Group, in particular with regard to the impact of local law on their rights as creditors in the event of insolvency.

2.4 Insolvency laws applicable to the Restructured Group may not be as favourable to creditors as the bankruptcy laws of the jurisdiction with which they are familiar

The Restructured Group comprises companies incorporated in a number of jurisdictions, notably, the United Kingdom, Spain, France, Italy, Luxembourg, the United States, Belgium, Germany and Portugal. Accordingly, insolvency proceedings with respect to the Restructured Group would be likely to proceed under, and be governed by, insolvency laws of such jurisdictions. To the extent that the laws of such jurisdictions would be applicable to any bankruptcy, insolvency, administrative or other law of any jurisdiction, such provisions could be materially different from, or in conflict with, one another and those in the United States or other jurisdictions which may be more familiar to holders of the Notes, including creditors' rights, priority of creditors, the ability to obtain post-petition interest and the duration of the insolvency proceeding. The application of these various laws in multiple jurisdictions could trigger disputes over the laws of which jurisdiction should apply and could adversely affect the ability of holders of the Notes to enforce their rights and collect payment thereunder.

2.5 The Group has a history of losses and may not be able to achieve or sustain profitability in the future

The Group has accumulated losses in the years ended 31 December 2016, 2017 and 2018 and may be unable to achieve or sustain profitability in the future. Net losses after tax were EUR 11,702,000 in 2016, EUR 8,065,000 in 2017 and EUR 435,000 in 2018. Losses in those years are primarily attributable to the gradual deterioration of the Group's EBITDA, "Non-recurring items" (internal restructuring costs) and "finance costs" (interest cost of the notes issued in May 2012 and refinanced in July 2016) and the Redeemed SSNs (fees and expenses relating to the issuance of the Redeemed SSNs amounted to approximately EUR 27,000,000) and other borrowings. For more information, see Notes 11 and 12 to the Group's consolidated financial statements for the years ended 31 December 2016, 2017 and 2018.

Furthermore, the Group could face unforeseen setbacks or complications that may generate additional expenses, for example a change in the regulation of CO2 emissions leading to additional costs to the Group. As a result of these additional expenses, the Group would have to achieve and maintain higher revenues in order to protect the Group's profitability. The specialities growth trend of recent years may not be sustainable. Accordingly, the Group could be unable to achieve or maintain the profitability of its business and continue to incur significant losses in the future. The Group's inability to generate net profits could constrain its ability to pay interest due on the Notes and dividends on the entire issued share capital of the Parent in the future.

2.6 The Group's indebtedness may make it difficult for it to service the Group's debt and to operate the Group's business

Although the Restructuring will significantly deleverage the Group's capital structure, substantial indebtedness will continue for the foreseeable future. The Group's substantial indebtedness may have material negative consequences for Scheme Creditors, including:

- making it more difficult for the Group to satisfy the Group's obligations with respect to the Group's debt and other Liabilities;
- requiring that a substantial portion of the cash flow from operations of the Group's operating subsidiaries be dedicated to debt service obligations, reducing the availability of cash flow to fund internal growth through working capital and capital expenditures and for other general corporate purposes;
- increasing the Group's vulnerability to economic downturns in its industry;
- exposing the Group to interest rate increases;
- placing the Group at a competitive disadvantage compared to its competitors that have less debt in relation to cash flow;
- limiting the Group's flexibility in planning for or reacting to changes in the Group's business and its industry;
- restricting the Group from pursuing strategic acquisitions or exploiting certain business opportunities;
- limiting, among other things, the Group's ability to borrow additional funds or raise equity capital in the future and increasing the costs of such additional financings; and
- limiting the Group's ability to pay dividends.

In the worst case, an actual or impending inability to pay debts as they become due and payable could result in the insolvency of the Group. Certain assets, including shares of Group Companies and bank accounts, have been pledged to secure the Notes and the Super Senior Facilities. On any insolvency, these assets would be subject to foreclosure and liquidation for the benefit of creditors and the priority in which amounts (if any) may be available for distribution to Scheme Creditors is not certain.

In addition, the Note Indentures and the Super Senior Facilities Agreement contain restrictions that substantially limit the Group's financial and operational flexibility and that of its subsidiaries. In particular, these agreements place limits on the ability to incur additional indebtedness, grant security interests to third persons, dispose of material assets, undertake organisational measures such as mergers, changes of corporate form, joint ventures or similar transactions, and enter into transactions with related parties. If an event treated as a change of control, as defined in the Note Indentures and the Super Senior Facilities, occurs at any time, the Group may be required to repurchase the Notes or repay outstanding drawings under the Super Senior Facilities.

2.7 Customer demand is difficult to forecast accurately, and, as a result, the Group may be unable to match production of the Group's products with customer demand

The Group makes planning and spending decisions, including determining the levels of business that the Group will seek and accept, production schedules, component procurement commitments, personnel needs and other resource requirements, based on the Group's estimates of product demand and customer requirements. The Group's specialty products are typically purchased pursuant to individual purchase orders. While the Group's customers may provide the Group with their demand forecasts, they are typically not contractually committed to buy any quantity of products beyond firm purchase orders. Furthermore, many of the Group's customers may increase,

decrease, cancel or delay purchase orders already in place without significant penalty. The short-term nature of commitments by the Group's customers and the possibility of unexpected changes in demand for the Group's products reduce the Group's ability to accurately estimate future customer requirements. On occasion, customers may require rapid increases in production, which can reduce the Group's gross margins to the extent the Group needs to overcome short-term resource constraints through less efficient procurement methods or through third-party production. The Group may not have sufficient capacity at any given time to meet the volume demands of the Group's customers, or one or more of the Group's suppliers may not have sufficient capacity at any given time to meet the Group's volume demands. Any decrease, stop or delay in purchasing the Group's products by any of the Group's major customers for any reason will likely result in excess manufacturing capacity or inventory and could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.8 The Group operates in a cyclical industry, in which product prices and raw material costs are volatile, and periods of low product prices or high raw material costs negatively affect the Group's profitability and cash flows

The prices of the Group's products and raw materials are impacted by the same factors that affect industry-wide commodity markets. Such factors are influenced by global economic trends, demographic trends, technological developments, trends in end-user preferences and inventory levels maintained by the Group's customers. Changes in these factors have resulted in significant fluctuations in prices for the Group's products. The timing and magnitude of such fluctuations are unpredictable and have significantly varied over time.

Changes in prices differ between products and geographic regions. While the Group is a significant participant in most of the markets in which the Group competes, neither the Group's actions nor those of any one industry participant have more than a small influence on changes in product prices.

The Group's main raw material costs are for pulp and energy. A significant increase in prices the Group pays for these raw materials would increase the Group's production costs and could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows if the Group was unable to increase the Group's product prices sufficiently to maintain margins. The Group is particularly susceptible to volatility in pulp prices because the Group produces approximately 30% of the Group's pulp requirements, does not hedge against fluctuations in the price of pulp and has limited ability to pass through pulp price increases to the Group's customers. World pulp prices have been volatile in recent years as a result of periodic supply/demand imbalances in the pulp and paper industries and are subject to fluctuations over short periods of time depending on a number of factors, including global demand for pulp products, global pulp production capacity and inventories, strategies adopted by major pulp producers, and the availability of substitutes for various pulp products. All of these factors are beyond the Group's control. Price fluctuations occur not only from year to year but also within a given year as a result of global and regional economic conditions, capacity constraints, facility openings and closures, and the supply of and demand for both raw materials and finished products, among other factors. For example, the price of hardwood pulp in U.S. dollars decreased in early 2016 due to the weakness in demand before stabilising during the third quarter of 2016. From the last quarter of 2016 to the second quarter of 2018, prices increased again as a result of low customer inventories and increased demand for pulp. In the fourth quarter of 2018, prices began to decrease due to ongoing pulp capacity increases, particularly in Latin America, and lower demand. Pulp prices have

continued decreasing until June 2019 and are expected to increase again in the quarters to come. As a result of unpredictable and substantial changes in the Group's product prices and raw material costs, the Group's financial results have been impacted. In a period of sustained low product prices or high raw material costs, the Group may be unable to operate the Group's production facilities in a cost-effective manner, pursue the Group's strategic initiatives and meet all of the Group's financial obligations.

Paper manufacturing is a highly capital-intensive industry and a significant portion of the Group's operating costs, as well as those of the Group's competitors, are fixed. Additionally, paper machines are large and complex and are more efficient when operated continuously. Consequently, certain manufacturers choose to continue to run their machines whenever marginal sales exceed the marginal costs. Although the Group seeks to manage the Group's fixed costs to allow the Group to produce only when sufficiently profitable, the Group's ability to do so depends on factors beyond the Group's control. If the prices of the Group's products decline, and/or the Group's raw material costs increase, it could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.9 The Group may experience disruptions in the supply of raw materials

The Group's operations are heavily dependent upon a reliable supply of the Group's raw materials, particularly the Group's principal raw materials of pulp, wood, minerals and chemicals and electricity. Any future inability to source sufficient amounts of these raw materials could cause a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

The Group depends on adequate and consistent supplies of pulp as the Group is required to purchase approximately 70% of the Group's pulp requirements. The Group's primary suppliers of pulp are in Latin America, France, Spain and the United States. The Group may face temporary or prolonged interruption to the supply of pulp due to economic, political or social instability or other developments in these regions. For the 30% of the Group's pulp requirements that the Group produces at the Group's Zaragoza mill, the Group sources wood primarily from plantations in the Iberian Peninsula. During the winter months in the Northern hemisphere, electricity generation companies are competing in the same markets as the Group for the same raw materials the Group uses in its paper production process, namely wood and wood chips.

Temporary or prolonged interruption to the supply of the Group's essential minerals and chemicals, including latex, carbonates, starch, clay, and reagents used in the production of thermal paper due to economic, political, labour or social instability or other developments affecting the Group's suppliers could also materially and adversely impair the Group's business and financial condition. Although the Group is not dependent on any single supplier for any of its mineral or chemical requirements, latex used in paper production is a concentrated industry and the Group cannot assure you that it will not face difficulties in the future sourcing sufficient latex for the Group's requirements.

The Group may also incur losses due to a temporary or prolonged interruption of the supply of electrical power to its facilities. This interruption can be caused by unusually high demand, blackouts, equipment failure, natural disasters or other catastrophic events, including failure of the co-generation energy plants located at six of the Group's seven mills, which provide all of the energy needs at the mills where they are located.

2.10 Global economic conditions and political events could adversely affect the Group's business, results of operations and financial condition

The Group has historically faced, and continues to face, significant exposure to global economic trends, fluctuating levels of investment in advertising and other activities which foster demand for the Group's products and general liquidity and credit conditions. The Group cannot predict with any certainty what impact such events could have on its major customers, including a disruption in the ability of its significant customers to access sources of liquidity, or on the Group's ability to implement its strategic plans and the Group may face difficulties in successfully marketing its products, collecting on its accounts receivable and/or obtaining financing for its business on terms acceptable to the Group. Much of the demand for the Group's graphic paper products is generated, directly or indirectly, by the advertising industry, whether by printers, direct mail campaigns, magazine publishers or other ultimate end-users of paper. As a result, when the economy is growing, the Group's customers' demand for its products generally increases, but when the economy slows, advertising and promotional expenditures are generally cut back and the Group's customers' demand for its products declines. Historically, when the global economy is growing, spending on advertising increases sooner and at a faster rate than the overall economic growth rate, and conversely, when the global economy slows, spending on advertising decreases sooner and to a greater extent than the overall economic slowdown. The Group is therefore vulnerable to a weakening economy, and any slowing or perceived slowing of the economy in general or the advertising market in particular could be expected to have an adverse impact on the Group's customers' demand for its products and, therefore, to adversely affect the Group's business, financial condition, results of operations and cash flows.

Uncertainty caused by adverse economic conditions has contributed in the past and may in the future contribute to a reduction in business and consumer spending in, among others, the advertising industry, from which the Group derives a significant amount of the demand for the Group's products. The overall demand of wood-free paper products in Europe has been decreasing since 2006 because of the structural decline in demand for these products partly due to the emergence of digital media. The Group expects this trend to continue in the future. The Group cannot predict the severity, timing or duration of any future downturn in the Group's key end markets, including if economic conditions deteriorate as a result of any other economic factor.

In addition, past or future political events in Europe could cause further economic uncertainty in Europe and globally. For example, the Group's main market, Spain, experienced a period of political uncertainty in the past due to the inability of any political party in the 2015, and 2016, 2017, April 2019 and November 2019 elections to secure a controlling majority, and due to the electoral success of secessionist movements in the Catalan regional parliament, an attempted unilateral referendum by the Catalan regional government politicians to propose the secession of Catalonia, the subsequent trial and imprisonment of certain politicians involved in promoting such referendum, and ongoing unrest in Catalonia. These developments may lead to even greater calls for the secession of Catalonia. Elections in November 2019 appear to be leading to the formation of a coalition which may result in a government controlled by the socialist party, with the support of the extreme left party and various other regional parties, which include, among others, Catalan and Basque secessionist parties. The political uncertainty in Spain could adversely affect the Spanish economy and could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.11 Pandemics, epidemics, outbreaks of infectious diseases or any other serious public health concerns

Pandemics, epidemics, outbreaks of infectious diseases or any other serious public health concerns (such as Ebola, avian flu, H1N1, SARS and the Coronavirus (or COVID-19)) whether on a regional or global scale, together with any resulting restrictions on travel, imposition of quarantines and prolonged closures of workplaces, may have a material adverse effect on the global economy in general, as well as on demand for the Group's products and on commodity prices.

The emergence of COVID-19 has the potential to temporarily impact global economic growth through the disruption of supply chains, as well as negatively impact the value of investment assets that may be adversely affected from a global economic downturn. In the medium to long term, if the spread of the novel Coronavirus is prolonged, or further diseases emerge that give rise to similar macroeconomic effects, macroeconomic conditions may be adversely affected potentially resulting in an economic downturn in the countries in which the Group operates and the global economy more widely, which could adversely impact the business, results of operations and financial condition of the Issuer.

2.12 The Group's actual performance may differ materially from management targets

From time to time, the Group may circulate management targets that the Group aims to achieve in the medium term. These management targets constitute forward-looking information that is subject to considerable uncertainty. The Group has not defined, and does not intend to define, "medium term" and these management targets should not be read as indicating that the Group is targeting such metrics for any particular fiscal year. These management targets are internal targets against which the Group measures the Group's operational performance and should not be regarded as a forecast or expected result or otherwise as a representation by the Group or any other person that the Group will achieve these targets in any time period. The Group's ability to achieve these management targets is subject to the assumption that the Group will be successful in executing its strategy, including:

- with respect to specialities:
 - increasing production capacity of specialities in line with planned investments with a focus on self-adhesive, metalised, one-side coated and thermal papers;
 - realising the full benefit of the Group's investment in new production capacity thermal and self-adhesive papers;
 - actualisation of the estimated medium-term growth rates in European markets for the particular specialty papers that the Group produce;
 - converting of the same contract Condat Line 8 from CWF to base paper and commencing production in 2021;
 - introducing and completing homologation for new products, such as within the Group's one-side coated product line;
 - the Group's ability to increase the Group's sales volume of specialty papers at a rate faster than underlying market growth and shift the Group's product and channel mix towards higher priced products;

- focusing on high value-added niches within uncoated wood-free paper markets; and
- achieving further operating efficiencies;
- with respect to CWF, shifting the Group's sales mix towards higher priced products such as digital printing and CWF matt paper for publishing; and
- with respect to purchased products, a very limited level of future investments.

These management targets are also based on the assumption that there will not be any material adverse change in underlying market and macroeconomic factors, including the following:

- the Group's ability to retain and/or grow its market shares;
- stability in the level of pricing of the Group's products and services and the development of such pricing;
- stability in the Group's costs and the cost levels required to support the Group's expected level of activity and revenues;
- the macroeconomic, tax and regulatory environment in which the Group operates; and
- the development of the Group's industry in general.

The Group's actual business, results of operations and financial condition, the development of the Group's industry and the macroeconomic environment in which the Group operates and the other factors referred to above, are subject to significant uncertainty and may differ materially from the assumptions underlying the Group's management target, and may be more negative than anticipated.

2.13 The debt under the Notes and the Super Senior Facilities will bear interest at a floating rate that could rise significantly, increasing the Restructured Group's interest cost and debt and reducing cash flow

The Notes bear interest at floating rates of interest per annum equal to EURIBOR with a floor at 0%, plus an agreed margin. Loans under the Super Senior Facilities bear interest at rates per annum equal to EURIBOR, for loans denominated in euro, or for loans denominated in a currency other than euro, LIBOR plus an agreed margin. EURIBOR or LIBOR could rise significantly in the future. Although the Restructured Group may enter into and maintain certain hedging arrangements designed to fix a portion of these rates, there can be no assurance that hedging will continue to be available on commercially reasonable terms. Hedging itself carries certain risks, including that the Restructured Group may need to pay a significant amount (including costs) to terminate any hedging arrangements. To the extent interest rates were to rise significantly, the Group's interest expense associated with the Notes and the Super Senior Facilities would correspondingly increase, thus reducing cash flow.

The manner of calculating EURIBOR has been under review by European regulators and others. There can be no assurance that EURIBOR will continue to be calculated as it has historically, if at all. In particular, certain interest rates and indices which are deemed to be "benchmarks" (including EURIBOR) have been the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. Any such reforms may cause such "benchmarks" to perform differently than in the

past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the value or liquidity of, and return on, the Notes and/or the Super Senior Facilities. Regulation (EU) No. 2016/1011 (the “**Benchmarks Regulation**”) was published in the Official Journal of the EU on 29 June 2016 and applies from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of “benchmarks” of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The Benchmarks Regulation could have a material impact on the Notes, if the methodology or other terms of EURIBOR are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of EURIBOR. More broadly, any of the international or national reforms (including those announced in relation to EURIBOR), or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark”; or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations could have a material adverse effect on the value of and return on the Notes and/or the Super Senior Facilities.

EURIBOR is provided by the European Money Markets Institute which is authorised pursuant to Article 34 of the Benchmarks Regulation and included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation.

Holders of the Notes should be aware that, if EURIBOR were discontinued or otherwise unavailable, the rate of interest on the Notes will be determined for the relevant period by the fall-back provisions applicable to the Notes. This may in certain circumstances (i) be reliant upon the provision by reference banks of offered quotations for the EURIBOR benchmark which, depending on market circumstances, may not be available at the relevant time, (ii) result in the effective application of a fixed rate based on the rate which applied in the previous period when EURIBOR was available or (iii) permit the Issuer and/or HoldCo 3 (as applicable) to replace EURIBOR with any alternative rate which has replaced EURIBOR in customary market usage for purposes of determining floating rates of interest in respect of euro denominated securities, as identified by the Issuer and/or HoldCo 3 (as applicable) in consultation with an independent financial adviser. Any of the foregoing could have an adverse effect on the interest expense associated with the Notes and debt under the Super Senior Facilities Agreement, and correspondingly on the Restructured Group cash flow and liquidity.

2.14 Changes in technology, substitution towards digital media and changes in consumer preferences has adversely affected, and will continue to adversely affect, demand for the Group’s graphic paper products and the Group’s ability to compete successfully

New technologies or novel processes may emerge, and existing technologies may be further developed in the fields in which the Group operates, both of which could impact production methods

or product quality. Unexpected rapid changes in employed technologies or the development of novel processes that affect the Group's operations and product range could render the technologies the Group utilises or the products the Group produces obsolete or less competitive in the future. If the Group is unable to successfully anticipate technological developments, it may be forced to implement these new technologies at a substantial cost.

In addition, substitution towards digital media and changes in consumer preferences affect both the demand for paper in general and the demand for specific grades of paper. Over the last 10 to 15 years, the most significant changes in consumer preferences include decline of readership and circulation of print versions of magazines as a result from greater accessibility to, and use of, the internet and mobile devices, including tablets, interest in environmentally-friendly products and the use of email and electronic media instead of paper. Digital alternatives to many traditional paper applications, including print publishing and advertising, and the storage, duplication, transmission and consumption of written information more generally, are now readily available. This has reduced the demand for paper and may continue to have a significant adverse impact on future paper consumption patterns. The Group's ability to continue to meet the shifting demands of paper consumers depends upon a variety of factors, including the Group's ability to foresee or identify changes in consumer preferences.

The Group expects competition from digital media to continue to adversely affect demand for graphic paper products across the industry, leading to oversupply, declining revenues from paper businesses and reductions in high cost paper manufacturing capacity to balance declining demand. Magazine and catalogue publishing customers may increasingly use, and compete with businesses that use, other forms of media advertising, and electronic data transmission and storage, particularly the internet, and including personal data devices such as smartphones, e-readers and tablets, instead of paper made by the Group. In addition, electronic formats for textbooks could cause the demand to decline for paper textbooks. As the use of these alternatives grows, demand for paper products could decline.

As a result of changes in technology and consumer preferences, graphic paper demand in Europe and North America has been in decline since 2009. While some of the decline can be attributed to weak economic conditions, increased substitution for digital media has been, and will continue to be, a significant driver of this trend.

The Group has been responding to changes in technology and consumer preferences by cutting costs and maintaining operating rates to maintain current CWF cash generation. The Group has made significant investments in order to shift its product mix towards expanding its offering of higher margin products, such as value-added specialty papers, and is focusing marketing and distribution efforts on customers who require these products based on industry analysis and company information that indicates that demand for these products, unlike demand in the broader CWF industry, will increase over the medium term due to the diversified range of day-to-day commercial applications of these papers. This increase in medium term demand is also tied to growth of one of the main end-uses for specialty papers, labelling. The Group cannot assure you that such demand increases will occur or will occur to the extent necessary for its strategy to succeed, nor can it assure you that it will be able to capitalise on any increases in demand. To the extent that demand does not increase to the extent forecasted or the Group is unable to capture expected market shares, this could materially and adversely impact the Group's business, financial condition, results of operations and cash flows.

2.15 The Group faces intense competition in its industry

The Group's business is competitive, and competition is to a certain extent based on price, especially with respect to CWF. The Group frequently experiences pricing pressure from competitors in many of its product lines and geographic markets. The Group's ability to compete effectively depends on its cost competitiveness. Some of the Group's competitors may be lower cost producers than the Group is in certain markets and may offer the Group's customers competing products at more attractive prices. This competitive environment has been a principal factor behind the large fluctuations in profitability that the Group has experienced in recent years.

The Group competes principally with a number of large international paper companies, as well as with numerous regional and more specialised competitors. Some of its competitors have advantages that can adversely impact the Group's ability to compete with them. These advantages include lower raw material and labour costs, as well as, compared to the Group's non-European competitors, fewer environmental and governmental regulations to comply with than the Group has. In particular, the Group produces only approximately 30% of its pulp requirements and its competitors who operate fully integrated production processes are less vulnerable to increases in the cost of pulp and so are able to sustain lower prices without suffering deteriorating margins at times of high raw material prices. Furthermore, some of the Group's competitors may have greater financial and other resources than it has or may be better positioned than it is to compete in certain geographic areas.

Although the Group believes that the investments it has made in specialty papers product lines provides competitive advantages, it cannot assure you that its competitors will not obtain equal or more valuable capacities and competencies. Increased competition could lead to lower prices and compressed margins.

Foreign overcapacity could result in an increase in the supply of paper products available in the Group's markets. Certain Asian producers, in particular, have significantly increased exports until 2013 as producers in China were selling in the Group's markets at less than fair value and have been subsidised by their governments, which is beyond the Group's control.

In May 2011, however, the European Union imposed anti-subsidy duties as high as 12% and anti-dumping duties of up to 35.1% on Chinese CWF imports, which has led to a substantial decline in such imports. As a result of the duties, Chinese exports to Western Europe have declined significantly since 2013. On 12 February 2016, however, five EU CWF producers, including the Former Parent, filed a request with the European Commission for review of these duties. On 13 May 2016, the European Commission issued a notice of initiation of an expiry review. The anti-subsidy duties and the anti-dumping duties will continue to apply pending the outcome of the review. On 8 May 2017, the European Commission recommended that the anti-dumping duties be maintained. Should the European Commission decide not to extend the application of these duties, it is not possible to predict whether affected producers will increase their sales volume in the Group's markets. In the absence of such duties, it is likely that Chinese exporters will again increase their CWF exports into the Group's core markets, which could reduce its market share.

In addition, the European Thermal Paper Association filed a complaint with the European Commission on 4 January 2016 on behalf of producers representing more than 25% of the total EU production of certain lightweight thermal paper, including the Group. On 18 February 2016, the European Commission initiated an anti-dumping investigation with regard to imports into the

European Union of certain lightweight thermal paper originating in South Korea. On 17 November 2016, a provisional anti-dumping duty at a rate of 12.1% was imposed for a period of six months. On 2 May 2017, the European Commission imposed a definitive anti-dumping duty in a fixed amount of EUR 104,46 per ton of imported products for a period of five years from 4 May 2017.

In addition, competitive pressures may continue to require the Group to make significant investments in its manufacturing facilities and in product development. There can be no assurance that the Group will have sufficient resources to maintain appropriate levels of capital investment in the future in response to competitive pressures. In addition, the following factors will affect its ability to compete:

- the quality of its products;
- the breadth of its product offerings, including its ability to develop specialty papers in line with demand;
- its ability to maintain plant efficiencies and high operating rates and thus lower its average manufacturing costs per tonne;
- customer service and its ability to distribute its products on time; and
- the availability and/or cost of pulp, energy and other raw materials and labour.

Increased competition, including a decrease in import duties in accordance with the terms of free trade agreements, could cause the Group to lose market share, increase expenditures or reduce pricing, any of which could have an adverse effect on its business, financial condition, results of operations and cash flows.

2.16 A limited number of customers account for a significant portion of the Group's revenue and adverse changes to economic or market conditions could have a negative impact on the Group's customers

Although the Group's products are distributed to over 20,000 customers, the Group sells a significant portion of the Group's products to a limited number of customers that represent a substantial portion of the Group's revenue. In the year ended 31 December 2016, the Group's 10 largest customers accounted for approximately 20% of the Group's net sales of paper, with the Group's three largest customers accounting for approximately 10%. In addition, some of the Group's largest paper distributors and printer customers have been negatively affected by the ongoing economic turmoil and their credit profiles have deteriorated over time. Such changes cannot be predicted and their impacts may be severe. For example, a disruption in the ability of the Group's significant customers to access liquidity could cause serious disruptions or an overall deterioration of their businesses, which could lead to a significant reduction in their future orders of the Group's products and the inability or failure on their part to meet their payment obligations to the Group, any of which could have a material adverse effect on its results of operations and financial position. For example, EBITDA in the year ended 31 December 2015 was affected by the bankruptcy of three subsidiaries of one of the Group's major customers, which, despite the protective measures put in place, amounted to a reduction of approximately EUR 6,500,000 and included a write off of receivables and logistics costs. Similarly, sustained adverse changes in market conditions for the Group's significant customers' products, such as lower demand or prices or increased competition,

could also reduce future orders of its products and have a material adverse effect on its business, financial condition, results of operations and cash flows.

This may result in the exit of certain customers from the market and/or in further consolidation among the Group's client base; resulting in higher purchasing power for the remaining customers. The loss of, or reduction in orders from, any of these significant customers or other customers could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows, as could significant customer disputes regarding shipments, price, quality or other matters.

2.17 The Group's business requires ongoing capital expenditures

The Group incurs capital expenditures on an ongoing basis to maintain the Group's equipment and to comply with environmental and safety laws, as well as to enhance the efficiency of the Group's operations.

The Group's total capital expenditures were EUR 42,300,000, EUR 38,800,000 and EUR 75,300,000 for the years ended 31 December 2016, 2017 and 2018, respectively. The Group's average annual maintenance capital expenditure (i.e. capital expenditure required to maintain the operating performance of the Group's mills and co-generation plants) in earlier years was approximately between EUR 20,000,000 and EUR 25,000,000. The Group will undertake any additional, non-maintenance capital expenditure only where it believes such capital expenditure would be accretive to the Group's EBITDA.

The Group anticipates that its available cash resources after the Restructuring, including drawings that it may make under the Super Senior Facilities and cash generated from operations, will be sufficient to fund its operating needs and capital expenditures for the foreseeable future. However, if the Group requires additional funds for capital expenditures, it may not be able to obtain them on favourable terms, or at all. Furthermore, if the Group cannot maintain or upgrade its facilities and equipment as it requires or as necessary to meet its production capacity needs and ensure environmental compliance with current or future regulations, it could have an adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.18 Legal, political and economic uncertainty in the Eurozone, including the expected exit of the United Kingdom from the European Union and the European sovereign debt crisis, may adversely impact current trading arrangements, be a source of instability in international markets and create significant currency fluctuations, which could have a material adverse effect on the Restructured Group's business, results of operations and financial condition

The results of the United Kingdom's withdrawal from the European Union may have a negative effect on the Group's business. The United Kingdom's initiation of the process to withdraw from the European Union pursuant to Article 50 of the Treaty on European Union following the national referendum in July 2016 ("Brexit") has created fiscal uncertainty in the United Kingdom, as well as significant uncertainty about the future relationship between the United Kingdom, where both the Parent and Lecta Paper UK Limited has been incorporated and the Group currently has certain operations, and the EU and its remaining member states, which may constitute an additional risk for the European economy. For the year ended 31 December 2018, the United Kingdom accounted for 2% of the Group's revenue and 1% of the Group's cash reserves. Possible negative outcomes resulting from Brexit include: significantly disrupted trade between the United Kingdom and the EU; political and economic instability in other countries of the EU; and instability in the global financial

and foreign exchange markets, including volatility in the value of the euro and the pound sterling. Brexit may also result in delays in the movement of goods and products or restrictions on the actual availability of goods and products, in each case which may disrupt the Group's operations, when either sourced directly or through third-party providers in the supply chain. Given the lack of comparable precedent, it is unclear what financial, trade and legal implications Brexit will have and whether, and to what extent, the Group's operations might be affected. Therefore, Brexit could have a material adverse effect on the Group's business, financial condition or results of operations.

Despite the fact that Lecta Paper UK Limited has obtained expert opinions as to the recognition of the Scheme in the various jurisdictions within Europe where the Group has operations and assets, no assurance can be provided that the Scheme will be recognised in other EU member states. Further, the impact of the Brexit process on the Group and on recognition of the Scheme in other EU member states may be dependent upon whether the terms of the UK's withdrawal from the European Union include a transitional period under which European Union law continues to apply in the UK for the duration of such transitional period, or whether the UK leaves the European Union on a "no deal" basis with no transitional period.

2.19 The Group is exposed to the transaction and translation effect of currency risk, particularly with respect to the purchases of pulp denominated in U.S. dollars

The Group is exposed to fluctuations in foreign currency exchange rates, in particular to fluctuations in the value of the U.S. dollar and the Euro. While the majority of the Group's sales are made in the European market, the cost of the Group's pulp purchases is affected by the U.S. dollar/Euro exchange rate since the benchmark pulp sale price on the international market is in U.S. dollars per ton. Insofar as the Group's cost structure is mainly in Euro, changes in the U.S. dollar/Euro exchange rate can have a significant adverse effect on the Group's earnings. The reference currency of the Group's consolidated financial statements is the Euro and the Group is therefore exposed to both transactional- and translational-related exchange risks. For example, the Group's U.S. dollar-denominated purchases of pulp may fluctuate due to the appreciation or depreciation of the Euro against the U.S. dollar, which could impact the Group's revenue, whereas the Group's cost structure, which is principally denominated in Euro, would not change proportionally. In addition, the value of the Group's pulp inventory and cash balances in U.S. dollars when translated into Euro for purposes of the preparation of the Group's consolidated financial statements may affect the Group's balance sheet and the reporting of the Group's working capital, including the Group's reported net debt.

2.20 The Group may not realise all of the anticipated benefits of future acquisitions

The Group intends to continue participating in the consolidation of the European paper and paper distribution market and to expand the Group's existing business on a selective basis. Acquisitions can place significant strain on the Group's management resources and financial and accounting control systems. The Group's management needs to identify appropriate investments and subsequently integrate, train and manage increased numbers of employees as the Group acquires new companies or assets. Unprofitable investments or an inability to integrate or manage new investments could adversely affect the Group's results of operations. Any future acquisitions or investments will also involve financial, managerial and operational challenges, including:

- the diversion of management attention from other business concerns;
- difficulty with integrating businesses, operations, personnel and financial and other systems;

- difficulty in obtaining regulatory approvals;
- increased levels of debt;
- an adverse impact on the Group's various financial ratios;
- the potential loss of key employees and customers;
- the assumption of and exposure to unknown or contingent liabilities of acquired businesses; and
- potential disputes with sellers.

In addition, the Group could experience financial or other setbacks if any of the businesses that the Group has acquired or may acquire in the future have problems of which the Group is not aware or Liabilities that exceed expectations. The Group may not overcome problems encountered in connection with potential acquisitions, completed acquisitions or other expansion, and such problems could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

The Group may experience unforeseen difficulties, delays or costs in successfully implementing the Group's business strategy, including cost-cutting initiatives, reductions in capital expenditures, the raising of capital from asset disposals, and any such actions may not yield the anticipated benefits and could also result in the Group incurring greater costs than anticipated.

The successful transition away from being reliant on CWF depends upon a variety of factors, including a number of factors that are outside of the Group's control. The Group has announced a number of initiatives intended to, among other things, reduce recurring costs through labour force reductions, as well as undertaken certain efficiency measures intended to reduce waste and raw material use and improve plant productivity. In 2016-2018, the Group spent EUR 7,500,000 on its organisation efficiency programme aiming for cost reduction and productivity improvement. These initiatives are not yet complete and the implementation of cost cutting measures and disposals are inherently subject to various risks, including unforeseen additional costs, technical complications, labour unrest, an inability to find willing buyers for planned disposals and/or the Group's ability to sell such assets at book value.

Furthermore, the Group targets achieving further cost reductions through increases in production efficiency and the upgrade of the Group's IT systems.

The Group can provide no assurance that the Group will reach these goals, and the Group's strategy may evolve to suit changed circumstances, actual savings achieved and the Group's ability to make capital expenditures in support of such initiatives. In addition, even if implemented, such measures may turn out to be less effective than anticipated, become effective later than anticipated or not be effective at all and could result in the Group incurring greater costs than anticipated. Any of these outcomes, individually or in combination, could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.21 The Group may face high costs for compliance with environmental, health and safety laws and regulations, which would reduce profit margins and earnings

The Group's business is subject to extensive environmental, health and safety laws and regulations relating to controlling discharges and emissions of pollutants to land, water and air, the use and

preservation of natural resources, the noise impact of the Group's operations and the use, disposal and remediation of hazardous materials. Compliance with these laws and regulations is a significant aspect of the Group's industry, and substantial legal and financial resources are required to ensure compliance and to manage environmental risks. Moreover, environmental laws and regulations applicable to the Group are likely to become more stringent in the future.

For example, the EU Emissions Trading Scheme (Directive 2003/87/EC), which is effective in the countries in which the Group's mills operate, requires progressively greater reductions of carbon dioxide and other greenhouse-gas emissions during its third phase of regulation from 2013 to 2020 by requiring regulated installations to surrender allowances to competent authorities to account for their emissions, which allowances they must purchase in auctions. The Group's mills and co-generation facilities generate such gases, and any further limitations applicable to the Group may require material expenditures and may have other adverse consequences. In addition, the Group's facilities have been licensed under the EU Industrial Emissions Directive, and conditions imposed by authorities as part of this licensing scheme, or the licensing scheme under its successor, are likely to become more stringent over time and require material capital and other expenditures. In 2016, 2017 and 2018 the Group recorded costs of approximately EUR 2,500,000, EUR 1,900,000 and EUR 5,900,000 for carbon dioxide emission credits, respectively.

The Group's industry also faces increasing public and community pressure to consume energy more efficiently, including through the use of renewable fuels, and to reduce waste. In addition, the European paper industry is required to procure wood and pulp from sustainably managed forests through a number of certification schemes such as the EU Timber Regulation. While 100% of the wood used to manufacture the Group's products currently comes from such forests, the Group may be required to implement additional measures in an effort to address these concerns in the future, which may require the Group to invest substantial resources in adjusting and modifying the Group's production processes.

2.22 The risk of substantial environmental costs and Liabilities is inherent in the Group's industry, and there can be no assurance that any incurrence by the Group of such costs and Liabilities, or the adoption of increasingly strict environmental laws, regulations and enforcement policies and practices, will not have a material adverse effect on the Group's business, financial condition, results of operations and cash flows

Although the Group strives to ensure that the Group's facilities comply with all applicable environmental laws and permits required for the Group's operations, the Group has in the past been, and may in the future be, subject to governmental enforcement actions for failure to comply with environmental regulations. Impacts from historical operations, including the land or water disposal of waste materials, or the Group's own activities may require costly investigation and clean-up. In addition, the Group could become subject to environmental Liabilities resulting from personal injury (including from exposure to hazardous materials in the workplace), property damage or natural resources damage. Expenditures to comply with future environmental requirements and the costs related to any potential environmental Liabilities and claims could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.23 Regulatory changes have affected the Group's business historically and any future changes may have an adverse effect on the Group's energy generating activities

Each of the Spanish, French and Italian energy sectors is subject to extensive regulation. This applies to both conventional and renewable energy resources. The Group is especially vulnerable to changes to existing regulations affecting the Group's electricity generating activities, which may have a material adverse effect on the Group's business.

For example, in Spain, the Regulatory Framework sets out a remuneration scheme for existing renewable, co-generation and waste generation facilities, which applies to the Group's operations. The Regulatory Framework provides for regulated levels of remuneration that the government has fixed for the Group's electricity production according to standard parameters that have been set for a statutory period of six years. Such parameters include return on investment, return on operations, regulatory lifespan, estimated energy market sale prices, minimum equivalent operating hours and minimum operation threshold set for each type of standard installation.

Every project under the same IT Code is entitled to the same remuneration regardless of the actual investments or costs incurred, as the IT Code only takes into account the standard investment and costs that "an efficient and well-managed company" would incur.

In addition, in order to be entitled to receive the regulated remuneration in full, power generation projects must achieve a requisite minimum number of hours of operation yearly and quarterly. If the actual operation hours of a given project do not achieve this, regulated income is reduced proportionally by applying a reduction coefficient. Similarly, if the project does not meet the minimum operation threshold set, the project shall not be entitled to receive any regulated income that year but shall only receive income from the sale of energy in the electricity market.

- Every six-year statutory period, all of the parameters can be reviewed, except for the regulatory lifespan and standard investment, which must legally remain invariable.
- Each statutory period is divided into two statutory half-periods of three years. Every three-year statutory half-period the minimum operating hours, minimum operation threshold, estimated energy market sale prices and those parameters directly associated thereto can also be reviewed.
- Every semester, return on operations corresponding to power generation projects with operating costs directly dependent on fuel prices can be revised. Significantly, the Group's cogeneration plants in Spain are considered to be directly dependent of fuel prices for these purposes.
- Furthermore, an exceptional parameter revision is also foreseen to compensate for the fact that, pursuant to recent taxation reforms, payment of IVPEE was exempt during the last quarter of 2018 and first quarter of 2019, while an exemption to the Hydrocarbon Tax was also introduced in 2018.

The first three-year half-period ended on 31 December 2016 and the six-year statutory period will end on 31 December 2019. So far, the authorities have not yet set the value of the parameters applicable for the upcoming six-year statutory period (2020-2025) so, as at the date of the Explanatory Statement, it is not possible to assess the impact that the new parameters after 2019 may have on the future remuneration of the Group.

In any case, the authorities are legally bound to ensure a reasonable rate of return which, for the next statutory period, has been set at 7.09% according to recently-approved Royal Decree-law 17/2019, of 22 November 2019, adopting urgent measures for the necessary review of

remuneration parameters that affect the electricity system and responding to the closure proceedings concerning thermal generation installations.

The Royal Decree-law 17/2019 provides that the reasonable rate of return applicable to renewable power generation projects that were entitled to feed-in tariffs prior to the enactment of RDL 9/2013, which is the case of the Group's cogeneration plants, shall remain set at 7.398% (as at the date of the Explanatory Statement) until 31 December 2031 (that is, for the second and third statutory periods), except when (a) the owner of the project waives such right to the unreviewable rate of return before 1 April 2020; or (b) judicial or arbitration proceedings are on-going or initiated based on the regulatory reform that resulted from RD-L 9/2013, unless it is evidenced before 30 September 2020 that such proceedings have concluded and any right to compensation thereunder has been waived.

As a result of the implementation of the Regulatory Framework through Royal Decree Law 9/2013 to ensure financial stability of the electricity sector, Law 24/2013 on the Electricity Sector, Royal Decree 413/2014, Ministerial Order IET/1045/2014, Ministerial Order IET 1344/2015, and Ministerial Order ETU 130/2017, the Group may be vulnerable to several operational risks, including the following:

- since the remuneration parameters for the statutory period ending on 31 December 2019 were set on the basis that regulated remuneration must compensate for the cost of IVPEE and the Hydrocarbon Tax, the Spanish *Ministerio para la Transicion Ecologica* has recently published a draft order providing the calculation methodology to re-calculate regulated remuneration considering that power generation projects incurred lower costs during the period while such taxes were not payable. The result of such adjustment would be that return on operations (and also return on investment, as applicable) corresponding to such period would decrease in comparison to the amounts received according to the parameters currently in force. Hence, following approval of this draft, regulated income received by the Group's cogeneration plants in 2018 and 2019 would be re-settled by the CNMC to a lower amount than that already received for such period. Therefore, the Group would be required to reimburse any regulated income received in excess. As at the date of the Explanatory Statement, the draft order has not been approved, so it is not possible to confirm whether it may be finally passed or the exact terms on which any re-calculation process will take place;
- the Regulatory Framework creates uncertainty over whether the government may introduce less favourable remuneration parameters applicable to the most proximate future period (six-years statutory period, three-year statutory half-period or semester, as applicable depending on the parameters reviewed), which may affect the Group's ability to make adequate provisions for future operations. However, as mentioned, while the government may alter the rate of investment return applicable to the subsequent statutory period, as well as any other standard parameter used to determine the remuneration to be received, it may not alter the initial investment value or the regulatory lifespan of the investment; and in any case, the authorities are legally bound to ensure a reasonable rate of return as set out by law;
- the Group's operating costs may exceed those assumed by the government in its calculation of the amount of remuneration payable under the Regulatory Framework, in which case the Regulatory Framework would not provide for a reimbursement of the additional costs incurred by the Group;

- the Group could fail to meet the requisite minimum number of hours of operation per year that the Regulatory Framework sets out, which may reduce or eliminate the Group's regulated revenue for the relevant year; and/or
- the Group could be forced to participate in financing any temporary imbalance or deficit that is not offset through tolls and charges in an amount of up to 2% of the estimated regulated income for the year and proportionally to the remuneration obtained. This entails that the Group may face temporary proportional reductions to the regulated income it is entitled to receive in order to finance the imbalance or deficit. In addition, the accumulated tariff deficit cannot exceed 5% of such estimated regulated income. While the Group could claim a credit for the financed amount within a five-year period, the obligation to finance any temporary imbalance could adversely affect the Group's financial position.

In addition to the Regulatory Framework, electricity producers are required to pay a transmission and distribution system access fee. In 2011, by means of Royal Decree 1544/2011, the Spanish government fixed this fee at EUR 0.50 per MWh delivered to the grid. While the fee has remained unchanged to date, any decision by the government to raise the fee could adversely affect the Group's revenue. Such annual output caps, as well as other regulatory provisions (new taxes on the sale of electricity and gas used for electricity and steam generation and end of certain incentives), have thus had an adverse effect on the revenue of the Group's business historically, and may prevent the Group from fully realising the benefits of increases in the Group's generation capacity and/or increases in the market price for electricity in the future.

Unexpected cogeneration regulatory changes in Spain have adversely impacted the Group's results of operations. For example, the Spanish regulatory changes decreased the Group's EBITDA by EUR 24,000,000 and EUR 33,000,000 in 2013 and 2014, respectively, relative to what the Group estimated the Group's EBITDA would have been had certain changes not been implemented.

Current regulatory requirements in the energy sector could continue to have a material adverse effect on the Group's business, financial condition, results of operations and cash flows. Furthermore, unexpected regulatory changes may occur in the future resulting in similar detrimental effects.

2.24 The Group may incur Liabilities and costs in connection with hazardous substances present at certain of the Group's facilities

Some of the Group's properties are located on land with a long history of industrial use by us and other companies before the Group, which has resulted in spills and other release of hazardous materials over time. The limited testing for contamination that has taken place at certain of the Group's properties may not be sufficient to ascertain the extent of the Group's obligations with respect to any contamination relating to any of the Group's facilities. ACM were formerly commonly used as building materials such as insulation or tiling in industrial buildings. The use of ACM was standard practice throughout the world until the late 1970s. Given the varying ages of the Group's Spanish and French facilities, the Group has identified ACM as being present at certain facilities. The laws of such jurisdictions can impose Liability on an owner or occupier of property for contamination at or emanating from the property, regardless of who caused the contamination, when it was caused or whether the activity that caused the contamination was legal at the time. The Group has incurred costs to investigate and remediate contamination in the past and may in the future be subject to substantial costs and Liabilities relating to contamination.

Should the Group face claims relating to hazardous substances, the Group could incur significant costs defending such claims or damages awards arising from them. Such expenses could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.25 Concerns about the effects of climate change may have an impact on the Group's business

Concerns about global warming and carbon footprints, as well as legal and financial incentives favouring alternative fuels, are causing the increased use of sustainable, non-fossil fuel resources for electricity generation. Electricity generation companies are competing in the same markets as the Group for the same raw materials the Group uses in the Group's paper production process, namely wood and wood chips, driving prices for such materials upwards, especially during the winter in the Northern hemisphere.

Climate change could also cause the spread of disease and pestilence into the Group's plantations and fibre resources, far beyond their traditional geographic spreads, increasing the risk that the wood supply necessary to the Group's operations may be negatively impacted. If either of these phenomena intensifies, additional costs or supply shortages could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.26 Substantially all of the Group's employees are members of labour unions and the Group may face labour disruptions that could interfere with the Group's operations and have a material adverse effect on the Group's business, financial condition or results of operations

Substantially all of the Group's employees are represented by labour unions under various collective bargaining agreements in the different countries in which the Group operates. Upon the expiration of any existing collective bargaining agreements, the Group may not be able to reach new agreements on terms satisfactory to us without labour disruption. The Group could be affected by additional work stoppages or other labour actions.

Although management believes its relationship with employees is generally good, there can be no assurance that there will not be labour disputes and/or adverse employee relations in the future. Disruptions of business operations due to strikes or similar measures by the Group's employees or the employees of any of the Group's significant suppliers could have a material adverse impact on the Group's business, financial condition, results of operations and cash flows.

2.27 Changes in local regulations in relation to defined benefit post-employment plans and other employment obligations may adversely affect the Group's labour costs

The Group operates defined contribution pension plans and defined benefit pension plans for the Group's employees. The Group's long-term employee benefit provisions include, among others, obligations under statutory pension plans and voluntary plans. The Group's long-term employee benefit provisions amounted to EUR 25,700,000 as of 31 December 2017 and EUR 23,600,000 as of 31 December 2018.

The cost of defined benefit pension plans and other post-employment benefits is determined using actuarial valuations. Actuarial valuations involve making assumptions about discount rates, expected rates of return on plan assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. If actual results, especially discount rates, expected rates of return on assets or mortality rates were to differ from the Group's assumptions, the Group's pension obligations could

be higher than expected and the Group could incur actuarial gains and losses. Changes in all assumptions or underperformance of plan assets could also adversely affect the Group's business, financial condition, results of operations and cash flows.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. The Group recognises all actuarial gains and losses in equity and deferred taxes in the period in which they occur. Other costs are recognised in the income statement. Past services cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested. Differences between estimated and actual returns on plan assets can require the Group to record additional expenses. If invested pension plan assets perform negatively or below assumptions, the Group would incur actuarial losses and the Group could have to revise the Group's assumptions. Future declines in the value of plan assets or lower-than-expected returns may require the Group to make additional current cash payments to pension plans or non-cash charges to the Group's income statement. Moreover, local funding rules might require the Group to provide for additional contributions to avoid underfunding. Significantly increased contribution obligations could adversely affect the Group's business, financial condition, results of operations and cash flows.

2.28 The Group's business and financial performance could be negatively impacted by adverse tax events

The Group is subject to corporate income tax, withholding tax, value added tax, payroll taxes and social security taxes and, in certain jurisdictions, local taxes on income or assets. Such taxes have an impact on the Group's profit. Therefore, any change in the applicable tax laws and/or the interpretation thereof by tax authorities or courts can affect the Group's profit. The jurisdictions in which the Group operates could either increase the applicable income tax rates and/or seek to enlarge the taxable base to generate more tax revenue, which would negatively affect the Group's business, financial condition, results of operations and cash flows.

The tax laws of the jurisdictions in which the Group operates are subject to interpretation from the courts and tax authorities. In this regard, the Group adopts generally accepted interpretations of tax regulations with the help of reputed tax firms. However, there can be no assurance that tax authorities take the view that the Group's interpretations are accurate or agree with the Group's views. Additionally, the Group may, from time to time, vary the way the Group conducts the Group's business to seek greater efficiency, which could entail a change in the Group's tax policies, the correctness of which the Group may not be able to verify with the tax authorities. Any of the above could result in a reassessment of the Group's tax situation and the imposition of late payment interest and penalties.

The Group has significant tax losses pending carry forward and other tax attributes which can be offset against future taxable profits. Tax authorities can change current regulations in order to restrict the utilisation of such tax losses by permitting only a partial offset against taxable profits of future tax periods or restricting the number of fiscal years in which tax losses and tax attributes can be offset. Any such measures could result in higher taxes.

Tax authorities are currently implementing so-called "anti-base erosion" provisions to restrict the deduction of financing expenses in respect of financial debt and, more generally, avoid tax base erosion. Many of these measures arise from the OECD's Action Plan on Base Erosion and Profit

Shifting, which includes proposals to prevent base erosion through interest expenses, for example through the use of related-party and third-party debt to generate interest deductions. In particular, the European Union (in which all the Group's companies are tax resident) adopted Directive EU/2016/1164 of 12 July 2016, laying down rules against tax avoidance practices that directly affect the functioning of the internal market. The aim of this directive is to co-ordinate the implementation in EU member states of the 15 OECD action items against base erosion and profit shifting to improve the effectiveness of the internal market as a whole in tackling tax avoidance practices, setting a common minimum level of protection for the internal market in specific fields. The Directive must have been implemented by EU member states by 31 December 2018. Any further restriction on the deductibility of the Group's interest expense may adversely impact the Group's future income tax expense. The Group pays income taxes in the jurisdictions in which the Group operates, applying the international tax standards and the transfer pricing rules, where applicable. The Group's current corporate structure allows the Group to distribute dividends minimising the withholding taxes to be applied, pursuant to dividend exemptions and capital gains rules. Therefore, any change to the tax laws in order to tighten up the requirements for the application of those exemptions could result in higher tax expenses, which would have an adverse impact on the Group's business, financial condition, results of operations and cash flows.

2.29 The Group's business is subject to extensive government regulation

The Group's operations are subject to the general supervision of various public administrative authorities, including labour, tax and environmental authorities, as well as to extensive regulation of the Group's business and its impact on the environment, including with respect to carbon dioxide emissions. Such laws and regulations require licences, permits and other approvals to be obtained in connection with the operation of the Group's business. The Group is also required to purchase carbon dioxide emission credits commensurate with the Group's emissions, the price of which may significantly increase. The Group started making payments for carbon dioxide emissions in the summer of 2015. In 2016, 2017 and 2018, the Group recorded costs of approximately EUR 2,500,000, EUR 1,900,000 and EUR 5,900,000 for carbon dioxide emission credits, respectively. The regulatory framework to which the Group is subject imposes significant actual, day-to-day compliance burdens, costs and risks on the Group. Non-compliance with such regulations could result in the revocation of permits, sanctions, fines or even criminal penalties. Compliance with regulatory requirements may result in substantial costs to the Group's operations that may not be recovered. In addition, the Group cannot predict the timing or form of any future regulatory or law enforcement initiatives. Changes in existing energy, environmental and administrative laws and regulations may materially and adversely affect the Group's business, products, services, margins and investments. Further, such changes in laws and regulations could increase the size and number of claims and damages asserted against us or subject us to enforcement actions, fines and even criminal penalties.

The Group believes that the Group manages the Group's business with high standards in a manner that conforms to general practice in the Group's industry and that complies with applicable administrative rules, regulations and procedures. However, the Group cannot assure you that the Group's interpretation and application of such rules, regulations and procedures will not differ from the views of the relevant public authorities as to their appropriate interpretation and application. These public authorities may audit, review or inspect the Group's activity.

To the extent any such audit, review or inspection reveals discrepancies between the interpretations and applications made by the Group and those made by the relevant public authority, the Group may experience a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.30 The Group's insurance is limited and subject to exclusions

The Group operates a significant number of facilities. The Group currently has in place a number of different insurance policies that cover property damage and losses due to the interruption of the Group's business, subject to customary conditions. The Group believes that this coverage is adequate to cover the risk of loss resulting from any damage to the Group's property or the interruption of any of the Group's business operations. However, the insurance policies are subject to limits and exclusions. There can be no assurance that the Group's insurance programme would be sufficient to cover all potential losses and the Group may not be able to obtain sufficient levels of property insurance coverage in the future or that such coverage will be available on terms acceptable to the Group.

In addition, the Group's insurance policies are subject to review by the Group's insurers. If the level of premiums were to increase in the future, the Group might not be able to maintain insurance coverage comparable to those that are currently in effect at comparable cost, or at all. If the Group was unable to pass any increase in insurance premiums on to the Group's customers, such additional costs could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

Furthermore, the Group generally obtains trade credit insurance with respect to a large part of the Group's trade receivables. Although the Group generally extends trade credit only where such insurance is available, the Group in certain cases may extend such trade credit where insurance cannot be obtained or cannot be obtained in sufficient amounts. The Group cannot assure you that the Group's efforts to insure the Group's trade credit receivables will be effective to prevent losses in the event of the Group's counterparties' financial distress and that any such financial distress will not result in reductions or cancellations or the Group's existing policies. Any such trade credit losses may be substantial and would negatively affect the Group's results of operation and financial position.

2.31 A fire, accident or other calamity at the Group's facilities could have a material adverse effect on the Group's business, financial condition or results of operations

A fire, accident or other calamity resulting in significant damage to the Group's facilities could have a material adverse effect on the Group's business, financial condition or results of operations. The Group's operations would be interrupted if any of the Group's facilities were to experience a major accident or were forced to shut down or curtail operations due to unforeseen events. Such incidents could result in delayed delivery timetables and additional costs to the Group and there can be no assurance that the Group's insurance coverage would adequately cover all such costs, if at all, or that other funding would be available in such circumstances to repair any unforeseen damage at the Group's facilities. This could have a material adverse effect on the quality of the Group's products, the efficiency of the Group's facilities and the Group's business in general.

2.32 The Group relies on certifications by industry standard-setting bodies

The Group obtains and seeks to adhere to certain certifications because the Group seeks to conduct the Group's activities with respect to the environment and because certain of the Group's customers have required the Group to obtain such internationally recognised certifications for the Group's products, or to comply on a voluntary basis because the Group believes that it confers advantages on sellers who are so certified. The Group incurs significant costs and expenses to comply with and maintain the Group's certifications, including assessments on a regular basis, annual monitoring and implementation of record-keeping requirements. If the Group fails to maintain any of the Group's certifications, the Group's business may be harmed because the Group's customers that require or encourage such certifications may cease buying products from the Group, which in turn could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.33 The Group's operations could be adversely affected if the Group is unable to retain key employees

The Group depends on the Group's senior management. The Group's performance and the Group's ability to implement the Group's strategy depend on the efforts and abilities of the Group's executive officers and key employees. The Group's operations could be adversely affected if, for any reason, a number of these officers or key employees do not remain with the Group. There may be a limited number of persons with the requisite skills to serve in these positions and the Group may be unable to replace key employees with qualified personnel on acceptable terms. In addition, the Group's future success requires the Group to continue to attract and retain competent personnel.

2.34 The Group is or may become party to litigation or other Proceedings

In the ordinary course of business, the Group has been, and may from time to time in the future be named, as a defendant in legal actions, claims and disputes in connection with the Group's business activities. These actions may include environmental claims, employment-related claims and contractual disputes or claims for personal injury or property damage that occur in connection with services performed relating to project or construction sites, or actions by regulatory, tax or other authorities, among others. Any material litigation could have adverse financial consequences for the Group and the Group may not have adequately reserved for any potential losses associated with litigation not otherwise covered by insurance. Additionally, any negative outcome with respect to any legal actions in which the Group is involved in the future could adversely affect the Group's reputation.

2.35 The Group is subject to restrictive debt covenants that may limit the Group's ability to finance the Group's future operations and capital needs and to pursue business opportunities and activities

The agreements governing the Group's indebtedness contain various covenants, including those that restrict the Group's ability to, among other things:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- pay dividends and make certain other restricted payments;
- prepay or redeem subordinated debt or equity;
- make certain investments;

- create or permit to exist certain liens;
- sell, lease or transfer certain assets;
- engage in certain transactions with certain affiliates; and
- consolidate, merge or transfer all or substantially all of the Group's assets and the assets of the Group's subsidiaries on a consolidated basis.

All of these limitations are subject to significant exceptions and qualifications. The covenants to which the Group is subject could limit the Group's ability to finance the Group's future operations and capital needs and the Group's ability to pursue business opportunities and activities that may be in the Group's interest. Such restrictions could have material adverse effects on the Group's ability to make strategic acquisitions, investments or alliances, restructure the Group's organisation or finance the Group's capital needs. The Group's ability to comply with these covenants and restrictions could be affected by events beyond the Group's control.

Certain of the Group's debt instruments also require the Group to comply with certain affirmative covenants and certain specified financial covenants and ratios. The Group's Super Senior Facilities Agreement requires the Group to satisfy a specified financial ratio and a minimum liquidity threshold at certain specified dates. Further, HoldCo 1's option to make an election to extend the tenor of the Super Senior Facilities by a further year, to a three-year term, is contingent on the Group's compliance with, among other matters, a senior net leverage test. The Group's ability to meet these tests can be affected by events beyond the Group's control and the Group cannot assure you that the Group will meet them. A breach of any of those covenants, ratios, tests or restrictions could result in an event of default under the Group's Super Senior Facilities Agreement.

In the event of a default under the Super Senior Facilities Agreement or the Notes that is not cured or waived, the lenders under the respective facilities or financing instruments could terminate their commitments thereunder and declare all amounts borrowed under the credit facilities and other indebtedness to be due and payable, together with accrued and unpaid interest. Such a default could mean that borrowings under other debt instruments that contain cross-acceleration or cross-default provisions may as a result be accelerated and become due and payable. Any such actions could have material adverse effects on the Group's business, financial condition and results of operations.

2.36 The Group requires a significant amount of cash to service its debt and for other general corporate purposes. The Group's ability to generate sufficient cash depends on many factors beyond its control

The Group's ability to make payments on its debt, and to fund working capital and capital expenditures, will depend on its future operating performance and ability to generate sufficient cash. This depends, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond the Group's control, as well as the other factors discussed in these "Risk Factors".

The Group's business may not generate sufficient cash flows from operations, and additional debt and equity financing may not be available to the Group in an amount sufficient to enable the Group to pay the Group's debts when due, or to fund the Group's other liquidity needs. The Group's operational subsidiaries in Spain, France and Italy are party to confirming agreements pursuant to which banks pay the Group's suppliers on delivery of products and the Group in turn pay banks at

the agreed date. In addition, the Group is party to financing arrangements that will become due and need to be refinanced or repaid, including:

- the SSN I Notes (outstanding aggregate principal amount of EUR 200,000,000 as of the Original SSN I Indenture, maturing on 1 March 2025);
- the SSN II Notes (outstanding aggregate principal amount of EUR 55,555,555 as of the SSN II Indenture, maturing on 1 March 2025);
- the Super Senior Facilities (outstanding aggregate principal amount of EUR 115,000,000, maturing two years from the Restructuring Effective Date, subject to a one-year extension (at the Restructured Group's election); and
- various operating subsidiary facilities in an amount of approximately EUR 38,000,000 as of 31 October 2019.

The termination of any of these agreements could adversely affect the Group's ability to satisfy the Group's working capital and other liquidity needs, and in turn could have a material effect on the Group's business, financial condition, results of operations and cash flows.

If the Group's future cash flows from operations and other capital resources are insufficient to pay the Group's obligations as they mature or to fund the Group's liquidity needs, the Group may be forced to:

- reduce or delay the Group's business activities and capital expenditures;
- sell assets;
- obtain additional debt or equity financing; or
- restructure or refinance all or a portion of the Group's debt, on or before maturity.

The Group may not be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In addition, the terms of the Group's debt, including the Super Senior Facilities Agreement, the Notes and any future debt that the Group may incur, may limit the Group's ability to pursue any of these alternatives.

2.37 The Group is exposed to risks associated with currency fluctuations

The Group reports the Group's results in Euro, and the Euro is also the Group's functional currency. The Group's results of operations may be affected by both the transaction effects and the translation effects of foreign currency exchange rate fluctuations. The Group is exposed to transaction effects when one of the Group's companies incurs costs or earns revenue in a currency different from its functional currency. The Group's exposure to currencies is principally to U.S. dollars and sterling pounds.

2.38 Adverse publicity relating to the Restructuring or the financial condition of the Restructured Group may adversely affect the Restructured Group's supplier relationships and market perception of the Restructured Group's business

Adverse publicity relating to the Restructuring may have a material adverse effect on the Restructured Group's supplier and creditor relationships and/or the market perception of its business. Existing suppliers or creditors may choose not to do business with the Restructured

Group, may demand quicker payment terms and/or may not extend normal trade credit, and the Restructured Group may find it difficult to obtain new or alternative suppliers. Any of the foregoing could have a material effect on the Restructured Group's business, financial condition, results of operations and/or its authorised economic operator status with HM Revenue & Customs.

2.39 The Restructured Group faces a number of additional operational risks, some of which are outside its control, which could have a material adverse effect on its business, results of operations and financial condition

The operating performance of the Restructured Group's business may be affected by a number of additional factors, some of which are outside its control, including:

- 2.39.1** changes in laws, regulations and government policies, including in relation to taxation, which increase the cost of compliance with such laws, regulations or policies;
- 2.39.2** industry competition and disruption, which has been and continues to be intense across all of the Restructured Group's business lines and which, if the Restructured Group is unable to compete effectively, could result in loss of revenue and market share;
- 2.39.3** interruption to or loss of information processing systems, which could result in disruption to the infrastructure that supports the Restructured Group's business and therefore its ability to operate effectively; and
- 2.39.4** database privacy, identity theft and related computer and internet issues, which are subject to frequently changing rules and regulations, and any failure to comply with which could result in legal Liability or reputational harm.

These factors, and/or the failure by the Restructured Group to monitor and manage the same effectively, could have a material adverse effect on the Restructured Group's business, results of operations and financial condition.

SUMMARY TERMS OF THE NOTES

Issuer	Paper Industries Intermediate Financing, a incorporated as a private limited liability company (<i>société à responsabilité limitée</i>) under the laws of Luxembourg with registered office at 48, boulevard Grand-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg, duly registered with the <i>Registre de Commerce et des Sociétés, Luxembourg</i> with number B 240830, subject to the Luxembourg law of 10 August 1915 on commercial companies, as amended. Information relating to the Issuer is contained in the section of these Listing Particulars entitled "Description of the Issuer".
Description of the Notes	EUR 200,000,000 Floating Rate Senior Secured Notes due 2025; and EUR 55,555,555 Floating Rate Senior Secured Notes due 2025.
Security Identifiers	The Notes have been accepted for clearance through the facilities of Euroclear Bank SA/NV and Clearstream Banking, S.A. The ISIN and Common Codes for the Notes are as follows: With respect to the SSN I Notes: ISIN: XS2114336550 Common Code: 211433655 With respect to the SSN II Notes: ISIN: XS2194623109 Common Code: 219462310
Guarantees and Collateral	The SSN I Notes will be guaranteed on a senior secured basis by the following subsidiaries and/or shareholder of the Issuer on or immediately following, the SSN I Issue Date: <ul style="list-style-type: none">• Holdco 1;• Sub Lecta S.A.;• Torraspapel S.A.;• Torraspapel Distribucion S.A.;• Lecta Paper UK Limited;• Condat S.A.S.;• Cogeneracion Motril, S.A.;

- Cogeneracion Sant Joan, S.L.;
- Polyedra S.P.A.; and
- Cartiere del Garda S.P.A.

The SSN II Notes will be guaranteed on a senior secured basis by the following subsidiaries and/or shareholder of the Issuer on or immediately following, the SSN II Issue Date:

- Holdco 1;
- Sub Lecta S.A.;
- Torraspapel S.A.;
- Torraspapel Distribucion S.A.;
- Lecta Paper UK Limited;
- Condat S.A.S.;
- Cogeneracion Motril, S.A.;
- Cogeneracion Sant Joan, S.L.;
- Polyedra S.P.A.; and
- Cartiere del Garda S.P.A.

The Guarantees may be released in certain circumstances, including upon the sale of a Guarantor.

The Guarantees are full and unconditional guarantees of the Issuer's obligations under the Notes but are subject to certain limitations. For example, the obligations of each Guarantor under its Guarantee will be limited to an amount that can be guaranteed under applicable laws, including corporate benefit laws and financial assistance, fraudulent conveyance or fraudulent transfer restrictions under applicable insolvency laws, and will not apply to the extent a guarantee would be illegal or unenforceable under applicable local laws.

The Guarantee of each Guarantor will be a general unsubordinated obligation of such Guarantor and will:

- rank *pari passu* in right of payment with all existing and future debt of such Guarantor that is not subordinated to such Guarantee;
- rank senior in right of payment to any existing and future subordinated obligations of such Guarantor;

- be secured by security interests in the Collateral in favor of the Security Trustee over certain of such Guarantor's assets, including shares in certain subsidiaries, but not all assets and no real property;
- be structurally subordinated to all liabilities (including trade payables), disqualified stock and preferred stock of such Guarantor's subsidiaries that do not guarantee the Notes; and
- be effectively subordinated to any existing and future debt of such Guarantor that is secured with property and assets that do not secure such Guarantee, to the extent of the value of the assets securing such debt.

The Notes will be secured by security interests in certain of the Issuer's or the Guarantors' assets as further described in the "Description of the Collateral" (the "**Collateral**").

Trustee	GLAS Trustees Limited
Paying Agent and Calculation Agent	Global Loan Agency Services Limited
Transfer Agent and Registrar	GLAS SAS
Security Trustee	GLAS Trust Corporation Limited
Issue Price of the Notes	90% of the aggregate nominal amount of the SSN I Notes; and 90% of the aggregate nominal amount of the SSN II Notes.
Form of Notes	The Notes are registered notes initially represented by a Rule 144A Global Certificate or a Regulation S Global Certificate (each a " Global Certificate " and together the " Global Certificates "). The Notes are issued in denominations of EUR 1,000.- and integral multiples of EUR 1.- above EUR 1,000.-. A Global Certificate is only exchangeable for the Notes in definitive form in limited circumstances described in the Global Certificates. Notes in definitive form will be represented by certificates (each, a " Certificate "), one Certificate being issued in respect of each Noteholder's entire holding of the Notes.
Clearing Systems	Euroclear Bank S.A./N.V. (" Euroclear ") and Clearstream Banking, <i>société anonyme</i> (" Clearstream, Luxembourg ").
Initial Delivery of the Notes	Global Certificates were deposited on the relevant Issue Dates (i) in the case of a Regulation S Global Certificate, with, and registered in the name of BT Globenet Nominees Limited, a nominee of, the Common Depositary for Euroclear and Clearstream, Luxembourg and (ii) in the case of a Rule 144A

Global Certificate, with a custodian for the Common Depositary and registered in the name of BT Globenet Nominees Limited as nominee of the Common Depositary.

Maturity Date

1 March 2025.

Nominal Amount

The Nominal Amount of the SSN I Notes is EUR 200,000,000.-; and

The Nominal Amount of the SSN II Notes is EUR 55,555,555.-.

Interest

The interest rate on the SSN II Notes will be equal to EURIBOR (subject to a floor of 0%) plus a spread of 600.0 basis points (the “**SSN I Applicable Rate**”), reset quarterly two days prior to the beginning of each quarterly interest period. Interest will be paid on each 1 March, 1 June, 1 September and 1 December, commencing on 1 March 2020.

The interest rate on the SSN II Notes will be equal to EURIBOR (subject to a floor of 0%) plus a spread of 700.0 basis points (the “**SSN II Applicable Rate**” and, together with the SSN I Applicable Rate, the “**Applicable Rates**”), reset quarterly. Interest will be paid on each 1 March, 1 June, 1 September and 1 December, commencing on 1 September 2020.

The Calculation Agent will determine the relevant Applicable Rate and calculate the aggregate amount of interest payable on the relevant Notes in respect of each interest period (the “**Interest Amount**”). The Interest Amount will be calculated by applying the relevant Applicable Rate to the principal amount of relevant Notes outstanding at the commencement of the relevant interest period, multiplying each such amount by the actual number of days in the relevant interest period concerned divided by 360.

Optional Redemption

1. At any time prior to 1 March 2022, upon not less than 10 nor more than 60 days’ notice, the Issuer may on any one or more occasions redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of 100% of the principal amount of the Notes being redeemed, plus the Applicable Redemption Premium (as defined below) and accrued and unpaid interest, if any, to the redemption date, with the net proceeds from one or more Public Equity Offerings (as defined below). The Issuer may only do this, however, if:

(a) at least 65% of the aggregate principal amount of relevant Notes that were initially issued would remain outstanding immediately after the proposed redemption; and

(b) the redemption occurs within 90 days after the closing of such Public Equity Offering.

2. At any time prior to 1 March 2022, upon not less than 10 nor more than 60 days' notice, the Issuer may redeem all or part of the Notes at a redemption price equal to 100% of the principal amount thereof plus the Applicable Redemption Premium and accrued and unpaid interest to the redemption date.

3. The Notes may not be redeemed at the option of the Issuer prior to 1 March 2022, except as described in the relevant Indenture in case of a tax redemption below. On and after such date, the Notes may be redeemable at the option of the Issuer, at any time as a whole, or from time to time in part, on not less than 10 nor more than 60 days' notice delivered to each holder of the Notes in accordance with the provisions set forth under the terms and conditions of the Notes at the following redemption prices (expressed as percentages of principal amount), plus accrued and unpaid interest (if any) to the redemption date, if redeemed during the 12-month period commencing on March 1 of the years set forth below:

Year	Redemption Price
2022	103.000%
2023	101.500%
2024 and thereafter	100.000%

The Issuer may acquire Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws, so long as such acquisition does not otherwise violate the terms of the Indenture.

“Applicable Redemption Premium” means, with respect to any Note on any redemption date, the greater of:

- (a) 1.0% of the principal amount of the Note; and
- (b) the excess of:
 - (i) the present value at such redemption date of: (x) the redemption price of such Note at 1 March 2022 plus (y) all required interest payments that would otherwise be due to be paid on such Note (assuming that the interest rate per annum on the Note applicable on the date on which notice of redemption was given was in effect for the entire period) during the period between the redemption date and 1 March 2022 (excluding accrued but unpaid interest), computed using a discount rate equal to the Bund Rate at such redemption date plus 50 basis points; over

(ii) the outstanding principal amount of such Note.

For the avoidance of doubt, calculation of the Applicable Redemption Premium shall not be a duty or obligation of the Trustee, the Calculation Agent or any Paying Agent.

“Bund Rate” means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as at such redemption date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

(a) *“Comparable German Bund Issues”* means the German *Bundesanleihe* security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to 1 March 2022 and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of Euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes and of a maturity most nearly equal to 1 March 2022; *provided* that if the period from such redemption date to 1 March 2022, is less than one year, a fixed maturity of one year shall be used;

(b) *“Comparable German Bund Price”* means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(c) *“Reference German Bund Dealer”* means any dealer of German *Bundesanleihe* securities appointed by the Issuer in consultation with the Trustee; and

(d) *“Reference German Bund Dealer Quotations”* means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.

Redemption at Maturity

On 1 March 2025 the Issuer will redeem the Notes that have not been previously redeemed or purchased and canceled at 100%

of their principal amount plus accrued and unpaid interest thereon and Additional Amounts (as defined in the Notes), if any, to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Status of Notes

The Notes are senior secured obligations of the Issuer and:

- rank *pari passu* in right of payment with all existing and future debt of the Issuer that is not subordinated to the Notes;
- rank senior in right of payment to any existing and future debt of the Issuer that is subordinated to the Notes;
- are secured by security interests in the Collateral in favour of the Security Trustee over certain of the Issuer's assets, including shares in certain subsidiaries, but not all assets and no real property;
- be structurally subordinated to all liabilities (including trade payables), disqualified stock and preferred stock of the Issuer's subsidiaries that do not guarantee the Notes; and

benefit from additional credit enhancement provided by certain subsidiaries of the Issuer (either directly, through guarantees, or indirectly, through assignments of Intercompany Loans or pledges of shares).

The Notes are secured, limited recourse obligations of the Issuer ranking *pari passu* without any preference among themselves and secured in the manner described in the terms and conditions of the Notes. Recourse in respect of the Notes will be limited to the Mortgaged Property. Claims of Noteholders, the Issuing and Paying Agent and any other Secured Creditor shall rank in accordance with the priorities specified in the terms and conditions of the Notes.

Restrictions

So long as any Note is outstanding, the Issuer shall not, without the prior consent in writing of the Trustee or the sanction of an Extraordinary Resolution or a Written Resolution, but subject to the provisions of the terms and conditions of the Notes and, except as provided for or contemplated in the terms and conditions of the Notes, the Trust Deed or any Transaction Document, engage in any business other than the issuance or entry into of Obligations, the entry into of loans or other related agreements and transactions, the acquisition and holding of related assets and the performing of acts incidental thereto or necessary in connection therewith, and provided that (a) such Obligations are secured on assets of the Issuer other than the

Issuer's share capital, any fees paid to the Issuer (for its own account) in connection with the Notes or other Obligations and any assets securing any other Obligations (other than Equivalent Obligations); (b) such Obligations and any related agreements (I) contain provisions that limit the recourse of any holder of, or counterparty to, such Obligations and of any party to any related agreement to assets other than those to which any other Obligations have recourse and (II) contain provisions preventing any persons from instituting any form of insolvency or similar proceedings with respect to the Issuer or any of its Managers. In addition, the Issuer will be subject to certain other restrictions, including that it will not, without the consent of the Trustee, sell transfer or otherwise dispose of any Mortgaged Property, cause or permit the priority of the Security to be amended, terminated or discharged, declare any dividends, have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any other person, convey or transfer its properties or assets substantially as an entity to any person (other than as contemplated by the terms and conditions of the Notes) or issue any shares.

Cross Default

None.

Rating

The SSN I Notes' are rated as follows:

Moody's – Caa2;

S&P – CCC; and

Composite – CCC.

The SSN II Notes' are rated as follows:

Moody's – Caa2.

Withholding Tax and Tax Redemption

All payments in respect of the Notes or the Guarantees will be made without withholding or deduction for any taxes or other governmental charges, except to the extent required by law. If withholding or deduction is required by law of a relevant jurisdiction, subject to certain exceptions, the Issuer or the relevant Guarantor will pay additional amounts so that the net amount you receive is no less than the amount you would have received in the absence of such withholding or deduction.

If certain changes in the law of any relevant taxing jurisdiction become effective that would impose withholding taxes or other deductions on the payments on the Notes or the Guarantees, the Issuer may redeem the Notes in whole, but not in part, at any time at a redemption price equal to their principal amount, plus accrued and unpaid interest, if any, and additional amounts, if any, to the date of redemption.

Repayment Procedures of the Notes

Payments of amounts owing in respect of the Notes shall be made by the Issuer to the Paying Agent and Calculation Agent. All payments of principal, premium if any, interest or Additional Amounts (as defined in the Notes), if any, on the Notes will be made by wire transfer of immediately available funds to an account of the holder of the global notes in accordance with the instructions given by the said holder.

Further Issues

The Issuer may issue additional Notes. These additional Notes, even if they are treated for non-tax purposes as part of the same series as the applicable series of original Notes, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such case, the additional Notes may be considered to have original issue discount which may adversely affect the market value of the applicable series of original Notes if the additional Notes are not otherwise distinguishable from the applicable series of original Notes.

Governing Law

The Notes are governed by the laws of the State of New York. The provisions contained in articles 470-1 to 470-19 of the Luxembourg law of 10 August 1915 relating to commercial companies, as amended, will not apply.

Listing

Application has been made to list the Notes on the Official List of the LuxSE and to admit them to trading on the Euro MTF market.

Selling Restrictions

The Notes have not been, and will not be, registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes were sold only to qualified institutional buyers in reliance on Rule 144A under the Securities Act and to non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. As used in this section, the terms "United States," "U.S. person" and "offshore transaction" have the meanings given to them in Regulation S.

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the EEA and the UK, see "Subscription and Sale".

Intercreditor Agreement

Pursuant to the intercreditor deed dated on the SSN II Issue Date and entered into by and between, among others, the Issuer, the Guarantors, the Trustee and the Security Trustee, as amended from time to time, the Trustee has agreed to certain provisions that, among other things, give effect to the priority of the

application of proceeds in the event of enforcement. In particular, proceeds from the sale of the Collateral shall be applied first in favor of the lenders under certain super senior facilities and certain hedging counterparties and thereafter to the Trustee on behalf of holders of the Notes and to other *pari passu* debt that is secured by the Collateral. In addition, the Intercreditor Agreement provides that holders of the Notes will vote in respect of the enforcement of the Collateral as a single class and that only the Security Trustee can enforce security.

Change of Control

Upon the occurrence of a change of control event, the Issuer shall be required to make an offer to purchase in cash the Notes, in whole or in part, in principal amounts of EUR 1,000 and integral multiples of EUR 1 above EUR 1,000, at a purchase price equal to 101% of the principal amount thereof, plus any accrued and unpaid interest thereon to the date of repurchase. However, a change of control will be deemed not to have occurred if the Issuer's ratio of consolidated net debt to EBITDA immediately prior to the occurrence of such event and immediately thereafter, and giving pro forma effect thereto, over the most recently completed four fiscal quarters remains above a certain level pro forma for the transaction.

Certain Covenants

The Issuer issued the Notes under the Indentures which, among other things, limit the Issuer's ability to:

- incur or guarantee additional indebtedness;
- pay dividends or make other distributions or repurchase or redeem stock;
- make investments or other restricted payments;
- create liens;
- sell assets;
- enter into transactions with affiliates;
- impose restrictions on the ability of restricted subsidiaries to pay dividends;
- designate restricted and unrestricted subsidiaries; and
- consolidate, merge or sell all or substantially all assets.

All of these limitations will be subject to a number of important qualifications and exceptions.

Absence of a Public Market for the Notes

The Notes are securities for which there is currently no established trading market. Accordingly, there can be no assurance as to the development or liquidity of any market for them.

Time limit on the validity of claims to interest and repayment of principal	6 years from the date of default.
Representation of the holders of Notes	The holders of the Notes are represented by GLAS Trustees Limited, in its capacity as trustee under the Notes.

DESCRIPTION OF THE ISSUER

General

The Issuer was incorporated for an unlimited duration as a private limited liability company (*société à responsabilité limitée*) in the Grand Duchy of Luxembourg on 9 December 2019 under the name Paper Industries Intermediate Financing and registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés*, Luxembourg) under number B 240830. The Issuer is governed by the Luxembourg law of 10 August 1915 relating to commercial companies, as amended.

The Issuer is a company established primarily for the purpose of issuing the Notes.

The Issuer's articles (the "**Articles**") have been published in the *Recueil Électronique des Sociétés et Associations* number RESA_2020_011 on 14 January 2020.

The registered office of the Issuer is 48, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg and its telephone number is +352 26 34 36 29.

Share Capital and Shareholders

The share capital of the Issuer is EUR 12,000.- divided into 12,000 shares with a nominal value of EUR 1 each (the "**Shares**") which are fully paid up. The Shares are held by Holdco 3, a private limited liability company (*société à responsabilité limitée*) incorporated under the law of the Grand Duchy of Luxembourg, having its registered office at 48, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg and registered with the trade and companies register (*Registre de Commerce et des Sociétés*, Luxembourg) under number B 240342.

Business and Purpose

The Issuer is a holding and finance entity of the Group.

The object of the Issuer is the acquisition of participations, in Luxembourg or abroad, in any company or enterprise in any form whatsoever, and the management of those participations. The Issuer may in particular acquire, by subscription, purchase and exchange or in any other manner, any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and, more generally, any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company or enterprise. Further, it may invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin.

The Issuer may borrow in any form whether by private or public offer. It may issue notes, bonds and any kind of private or public debt securities. It may issue equity securities by way of private placement only. It may lend funds, including, without limitation, the proceeds of any borrowings, to its subsidiaries, affiliated companies and any other companies. It may also give guarantees and pledge, transfer, encumber or otherwise create and grant security over some or all of its assets to guarantee its own obligations and those of any other company, and, generally, for its own benefit and that of any other company or person. For the avoidance of doubt, the Issuer may not carry out any regulated financial sector activities without having obtained the requisite authorisation.

The Issuer may issue debt securities to the public which debt securities are traded on the Euro MTF market in Luxembourg, the main board of the LuxSE or any other exchange or trade platform in Luxembourg or elsewhere.

The Issuer may use any techniques, legal means and instruments to manage its investments efficiently and protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.

The Issuer may carry out any commercial, financial or industrial operation and any transaction with respect to real estate or movable property which, directly or indirectly, favours or relates to its corporate object.

The descriptions above are to be understood in their broadest sense and their enumeration is not limiting. The corporate objects of the Issuer shall include any transaction or agreement which is entered into by the Issuer, provided that it is not inconsistent with the foregoing enumerated objects.

Legal Entity Identifier

The Legal Entity Identifier for the Issuer is 222100X9KI2QKFRDO96.

Managers

The Issuer is managed by a board of managers. The Issuer shall be managed by one or more managers appointed by a resolution of the shareholders of the Issuer, which sets the term of office, and may be removed at any time, with or without cause, by a resolution of the shareholders of the Issuer. The managers need not be shareholders.

The Managers of the Issuer, who have been appointed for an unlimited duration, are as follows:

Name	Principal Occupation
Joost Mees	Class A Manager
Martinus Weijermans	Class B Manager

The business address of each of the Managers is 48, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg.

The Managers are employees of the Corporate Services Provider (as defined below).

Corporate Services Provider

Executive Partners S.A., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg with its registered office at 48, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg and registered with the Registre de Commerce et des Sociétés, Luxembourg under number B 174367, acts as the corporate services provider of the Issuer (the “**Corporate Services Provider**”).

Pursuant to the terms of the corporate services agreement dated 9 December 2019 and entered into between the Corporate Services Provider and the Issuer, the Corporate Services Provider will perform in Luxembourg certain administrative, accounting and related services. In consideration of the foregoing, the Corporate Services Provider will receive various fees payable to it by the Issuer at rates agreed upon from time to time.

Accounting Year

The accounting year of the Issuer runs from 1 January to 31 December of each year, except for the accounting year of 2019, which ran from 9 December 2019 (incorporation date of the Issuer) to 31 December 2019. The first annual general meeting of shareholders of the Issuer was held on 30 September 2020.

DESCRIPTION OF THE GROUP

The Former Parent

The Former Parent (in voluntary liquidation) is a public limited company incorporated under the laws of Luxembourg. Its principal business address is at 20 rue de la Poste, L- 2346, Luxembourg, Grand Duchy of Luxembourg.

Lecta S.A. was incorporated on 14 October 1999 for the purposes of acting as an indirect holding company following the acquisition of the Torraspapel group of companies. Before combining with Lecta S.A., the Torraspapel group had been engaged in the business of paper production and distribution for more than 300 years.

As at the date of the Explanatory Statement, the Former Parent's issued and outstanding share capital was held by majority shareholders Capital Ventures Nominees Ltd (50.66%), Adavale Global Holdings Limited (owned by Smurfit Kappa Group plc.), (10.56%), CCIEL LLC (10.44%), Intermediate Capital Investors (2) (8.06%), management (7.81%), Mid Ocean Associates SPC. (5.84%), Barkly Investments Ltd (1.89%), MidOcean Investor LP (1.49%) and HSBC Bank Plc (1.07%). The other approximately 30 shareholders each held 1% or less of the Former Parent's issued and outstanding share capital.

The Former Parent issued the Redeemed SSNs on 27 July 2016.

The Former Parent is currently in voluntary liquidation.

The Parent

The Parent is a private limited liability company incorporated under the laws of England and Wales since 15 January 2020, with registered number 12405393 and with registered address at 8 Sackville Street, London W1S 3DG, United Kingdom.

The Parent is a UK tax resident and has its centre of main interests in the UK and operates as holding company of the Group.

The Group

The Group is a leading producer and supplier of specialty and CWF paper with production facilities in Spain, Italy and France, selling its products to clients worldwide. Key end markets for the Group's specialty paper are the growing labelling and packaging industries. The Group's revenue is primarily generated by sales of produced paper and the distribution of third-party paper products. Additionally, the Group's operating facilities generate electricity and steam from co-generation plants located near the paper mills. The generated electricity is either consumed internally or fed into the local energy grid network at the respective local feed-in tariffs. The Group is vertically integrated in the supply chain, producing its own pulp (c. 30% of total consumption) and base paper for specialty paper production (c. 90% of total consumption).

In this context, the Group operates the following businesses (all of which are wholly owned subsidiaries, unless otherwise noted):

- (i) **Luxembourg:** Sub Lecta S.A., a company incorporated under the laws of Luxembourg having its registered address at 20, rue de la Poste, L2346 Luxembourg, Grand Duchy of Luxembourg with registered number B72206 ("Sub

Lecta”), a second holding company incorporated in Luxembourg on 14 October 1999, that is engaged in the management of the Group’s intellectual property;

(ii) Spain:

- (a) Torraspapel: a direct Subsidiary of Sub Lecta acquired on 14 December 1999 that is located in several towns of Spain (see paragraph (ii) below) which is the sole shareholder of all other local companies in other jurisdictions, is the operating headquarters of the Group and is engaged in the production of pulp and paper;
- (b) Torraspapel Distribución SA: (previously Dispap SA), a direct Subsidiary of Torraspapel that is located in Madrid and engaged in the distribution of paper;
- (c) Cogeneración Motril SA: a direct Subsidiary of Torraspapel that is located in Motril and whose purpose is to own and operate a cogeneration plant and provide steam and electricity to Torraspapel. and the Spanish consumer market; and
- (d) Cogeneración Sant Joan SL: (previously IDAE Sant Joan AIE) a direct Subsidiary of Torraspapel that is located in Sant Joan Les Fonts and whose purpose is to own and operate a cogeneration plant and provide steam and electricity to Torraspapel. and the Spanish consumer market;

(iii) United Kingdom:

- (a) Lecta Paper UK Limited is a direct Subsidiary of Torraspapel engaged as a sales agent and in the distribution of paper covering the UK and Ireland on behalf of the Group and is located in Milton Keynes; and
- (b) the Parent operates as holding company of the Group.

(iv) United States: Lecta North America Inc (previously Torraspapel USA Inc), a direct Subsidiary of Torraspapel operating as a commercial agent for North America located in Purchase (New York);

(v) France:

- (a) Condat, a direct Subsidiary of Torraspapel, acquired by Cartiere del Garda on 13 November 1998, whose registered office is located in Le Plessis Robinson, France, that is engaged in the production of CWF paper in its mill located in Le Lardin-Saint-Lazare through its two production lines (line 4 and Condat Line 8) and which provides administration and finance services to the Group;
- (b) Torraspapel Malmenayde SAS, a direct Subsidiary of Condat that is located in Le Plessis Robinson, and is engaged in the distribution of paper; and
- (c) Condat Energie Biomasse SAS, a direct Subsidiary of Condat that is located at 23, avenue Georges Haupinot, 24570 Le Lardin-Saint-Lazare, France and registered with the Registre du commerce et des sociétés of Périgueux under number 829 872 639.

(vi) Italy:

- (a) Cartiere del Garda S.p.A.: a direct Subsidiary of Torraspapel acquired by Sub Lecta's predecessor Sub Lecta 1 (merged into Sub Lecta on 3 August 2015) on 2 October 1997 that is located in Riva del Garda and Milan, and is engaged in the production of CWF paper;
- (b) Polyedra S.p.A.: a direct Subsidiary of Cartiere del Garda S.p.A. that is located in Milan, and is engaged in the distribution of paper;
- (c) Plot Service S.r.l.: a direct Subsidiary of Polyedra S.p.A. acquired on 9 May 2017 that is located in Milan, and is engaged in digital printing technical assistance and the provision of consumables; and
- (d) Alto Garda Power S.r.l.: a majority-owned (80%) Subsidiary of Cartiere del Garda SpA that is located in Riva del Garda and is engaged in cogeneration. The remaining 20% of shares are held by Alto Garda Servizi, S.p.A. (a local public company responsible for the provision of heating services);
- (vii) **Morocco:** Lecta Maroc Sàrl (previously Torraspapel Maroc Sàrl), a direct Subsidiary of Torraspapel, operating as a commercial agent for Morocco and Tunisia and located in Casablanca;
- (viii) **Portugal:** Torraspapel Portugal Unipessoal, Lda., a direct Subsidiary of Torraspapel Distribución SA, engaged in the distribution of paper, located in Lisbon;
- (ix) **Germany:** Lecta Deutschland GmbH (previously Torras Papier GmbH), a direct Subsidiary of Torraspapel, operating as a commercial agent, located in Munich; and
- (x) **Belgium:** Lecta Benelux SA (previously Condat Benelux SA), a direct Subsidiary of Torraspapel, operating as a commercial agent for Benelux, located in Brussels.

Key Assets of the Group

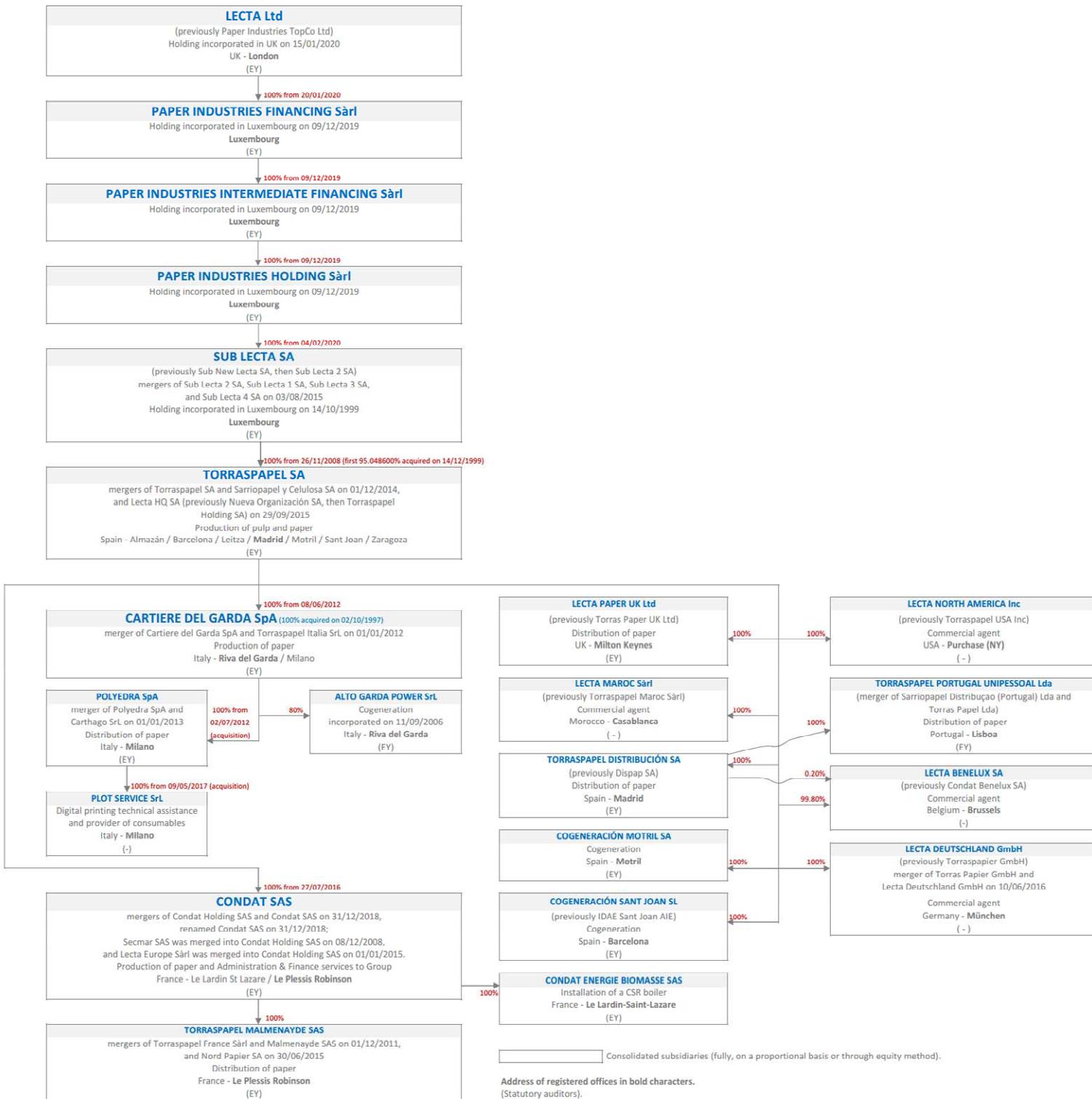
The key assets of the Group comprise:

- (i) **Luxembourg:** The Group operates an office in Luxembourg to perform holding and finance activities to the Group. Key assets include the Lecta trade mark (held by Sub Lecta) and share participation in Torraspapel, the main operating company and the operating headquarters of the Group (see paragraph (ii)(a), above);
- (ii) **Spain:** The Group operates pulp and paper production facilities in Almazán, Leitza, Motril, Sant Joan Les Fonts and Zaragoza. In those mills, Lecta produces a broad mix of paper products including specialty paper (e.g. self-adhesive, metallised, sensitive paper), base paper and CWF. Lecta Paper UK Limited also operates co-generation units in certain of those locations producing energy which can be internally consumed or fed into the local energy grid. Additionally, Lecta has its operational headquarters in Barcelona and operates two sales offices and a warehouse in Madrid, a warehouse in Sils, and a technology centre in Sarrià de Ter (Girona);
- (iii) **United Kingdom:** The Group operates a sales office in Milton Keynes with principal assets being inventory and trade receivables;

- (iv) **United States:** The Group operates a sales office in New York, NY with principal assets being inventory and trade receivables;
- (v) **France:** The Group operates a paper production facility in Le Lardin-Saint-Lazare with a CWF production capacity of approximately 424kt (c.27% of Group's paper capacity). In addition, the Group operates one warehouse and one sales office in Le Plessis-Robinson (both of which are leased by Torraspapel Malmenayde);
- (vi) **Italy:** The Group operates a paper production facility in Riva del Garda with a CWF production capacity of 354 kt (c.22% of Group's paper capacity). In addition, the Italian subsidiaries produce 49MW of energy which can be internally consumed or fed into the local energy grid. Additionally, the Group operates several leased warehouses and one sales office in Milan;
- (vii) **Morocco:** The Group operates a sales office in Casablanca with principal assets being inventory and trade receivables;
- (viii) **Portugal:** The Group operates a sales office in Lisbon with principal assets being inventory and trade receivables. The sales office is owned by Torraspapel Portugal Unipessoal, Lda.;
- (ix) **Germany:** The Group operates a sales office in Munich with principal assets being inventory and trade receivables; and
- (x) **Belgium:** The Group operates a sales office in Brussels with principal assets being inventory and trade receivables.

As at the beginning of 2019, the Group employed approximately 3,200 full-time employees worldwide across all Group business activities. The majority of those employees are located in continental Europe; however, there are a number of employees in the United Kingdom (15 as at 31 December 2018) and the United States (14 as at 31 December 2018).

A simplified Group structure chart showing the relationship between certain key Group Companies and the Parent is set out below.



Summary of the Group's principal financial indebtedness

The RCF

Torraspapel is the borrower under the RCF, and Lecta Paper UK Limited is an Obligor to the ICA that governs the security package that secures amounts borrowed under the RCF, which as at the date of the Explanatory Statement was fully drawn.

Operating Subsidiaries Debt

Condat, Torraspapel, Torraspapel Malmenayde, Cartiere del Garda, Alto Garda Power and Polyedra have also incurred the Operating Subsidiaries Debt.

Total Amounts

As at 31 October 2019, the Group's total indebtedness under the debt instruments described above stood at approximately EUR 737,451,784, and is summarised in the table below:

	Total principal outstanding	Total accrued interest
RCF	EUR 65,000,000	EUR 666,749
Redeemed SSNs	EUR 600,000,000	EUR 9,759,375
Operating Subsidiaries Debt		EUR 62,025,660

Ranking

The indebtedness described above (excluding the Operating Subsidiaries Debt) ranks *pari passu* as to right of payment under the Previous Intercreditor Agreement. However, the RCF ranks senior to the Redeemed SSNs under the Previous Intercreditor Agreement with respect to enforcement proceeds. The Operating Subsidiaries Debt is not subject to the Previous Intercreditor Agreement.

Other Indebtedness

Torraspapel and Cartiere del Garda SpA have entered into various off-balance sheet non-recourse invoice discounting and factoring arrangements in the amount of approximately EUR 35,000,000 as of 31 October 2019.

Torraspapel has entered into (off-balance sheet) reverse factoring agreements (confirming lines) with Spanish banks Santander, Caixa Bank S.A. and BBVA in the amount of approximately EUR 72,000,000 as of 31 October 2019.

As at 31 October 2019, the Former Parent had entered into two comfort letters for a total amount of EUR 6,000,000 in favor of certain raw material suppliers.

Torraspapel and Cartiere del Garda SpA have entered into (off-balance sheet) guarantee lines in the amount of approximately EUR 4,000,000 as of 31 October 2019.

In addition, following the commencement of the Restructuring, the French subsidiaries have entered into a working capital facility in the form of a receivables factoring financing between (i) Condat and La Banque Postale Leasing & Factoring and (ii) Torraspapel Malmenayde and La Banque Postale Leasing & Factoring, providing up to EUR 50,000,000 of commercial receivables factoring. In Spain, Torraspapel entered into an

agreement with Finalbion, providing up to EUR 5,000,000 of commercial receivables factoring, and is at an advanced stage of agreeing a receivables factoring securitisation financing to be entered in by certain Spanish subsidiaries (Torraspapel and Torraspapel Distribución), in an amount of approximately EUR 40,000,000, to bolster liquidity in the Group prior to the completion of the Restructuring.

FINANCIAL INFORMATION OF THE ISSUER, THE GUARANTORS AND THE SECURITY PROVIDERS

The accounting year of the Issuer runs from 1 January to 31 December of each year, except for the accounting year of 2019, which ran from 9 December 2019 (incorporation date of the Issuer) to 31 December 2019. The first annual general meeting of shareholders of the Issuer was held on 30 September 2020 which approved, inter alia, the annual accounts for the accounting year of 2019.

The Issuer intends to prepare and approve the annual standalone accounts for each accounting year in the annual general meeting of shareholders.

The Issuer has no material liabilities other than the liabilities arising under the Notes.

Percentage of EBITDA

The Guarantors represented (on a consolidated basis) 82 per cent of the EBITDA of the Group for the period ending 31 December 2019.

Consolidated financial statements

All guarantors have been included as subsidiaries in the consolidated financial statement of the Former Parent for the financial year that ended on 31 December 2019.

Further detailed financial information of the Issuer, the Guarantors and the Security Providers can be found in the consolidated 2019 accounts of the Former Parent and the Q1, Q2 and Q3 2020 consolidated accounts of Lecta Ltd. incorporated by reference to these Listing Particulars and available on the website of the LuxSE at www.bourse.lu.

DESCRIPTION OF THE GUARANTEES AND THE COLLATERAL

The information set out below has been obtained from publicly available information about the Guarantors and Security Providers and their respective subsidiaries. Such information has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from information published by the Guarantors and Security Providers, no facts have been omitted that would render the reproduced information inaccurate or misleading.

The Guarantees and the Collateral comprise, amongst other things, the following:

Guarantees

Identity of the SSN I Guarantors

	Name of Security Provider	Registered office
1.	Lecta Paper UK Limited	Unit 4 Shenley Pavilions, Chalkdell Drive Shenley Wood, Milton Keynes, Buckinghamshire, MK5 6LB, United Kingdom
2.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France
3.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy
4.	Polyedra S.p.A.	Via Riccardo Lombardi 19/10, Milan, Italy
5.	Holdco 1	48, Boulevard Grande-Duchesse Charlotte, L- 1330 Luxembourg, Grand Duchy of Luxembourg
6.	Sub Lecta S.A.	20, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg
7.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain
8.	Torraspapel Distribución, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain
9.	Cogeneración Motril, S.A.	Camino de la Vía s/n, Motril, Granada, Spain
10.	Cogeneración Sant Joan, S.L.	Calle Llull 331, Barcelona, Spain
11.	Holdco 3	48, Boulevard Grande-Duchesse Charlotte, L- 1330 Luxembourg, Grand Duchy of Luxembourg

Identity of the SSN II Guarantors

	Name of Security Provider	Registered office
1.	Holdco 1	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg
2.	Holdco 3	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg
3.	Sub Lecta S.A.	20, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg
4.	Torraspapel S.A.	Calle Hipatia 4, Getafe, Madrid, Spain
5.	Torraspapel Distribucion S.A.	Calle Hipatia 4, Getafe, Madrid, Spain
6.	Lecta Paper UK Limited	Unit 4 Shenley Pavilions, Chalkdell Drive Shenley Wood, Milton Keynes, Buckinghamshire, MK5 6LB, United Kingdom
7.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France
8.	Cogeneracion Motril, S.A.	Camino de la Vía s/n, Motril, Granada, Spain
9.	Cogeneracion Sant Joan, S.L.	Calle Llull 331, Barcelona, Spain
10.	Polyedra S.P.A.	Via Riccardo Lombardi 19/10, Milan, Italy
11.	Cartiere del Garda S.P.A.	Viale Rovereto 15, Riva del Garda, Italy

The above list of Guarantors may change from time to time in accordance with the Indentures and the terms and conditions of the Notes. An up-to-date list is available from the Issuer upon request.

Scope

Subject to the provisions of the Indentures and the Intercreditor Agreement, each Guarantor fully, unconditionally, irrevocably and jointly and severally (a) guarantees as principal obligor, and not merely as surety, to each holder of an SSN I Note with respect to the SSN I Guarantors, to each holder of an SSN II Note with respect to the SSN II Guarantors, and authenticated by the Trustee and to the Trustee and its successors and assigns the full and prompt performance of all of the Issuer's obligations under the relevant Indentures and the relevant Notes, including (i) the payment of principal of, and premium, if any, interest, and any such additional amounts as may be necessary so that the net amount received in respect of such

payments after such withholding or deduction (including any such deduction or withholding from such amounts) will equal the amount that would have been received if such withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge of whatever nature (including penalties, interest and other liabilities related thereto) had not been withheld or deducted, if any, on the relevant Notes, subject to any applicable grace period, whether at maturity, by acceleration or otherwise, interest on any overdue principal of, on the relevant Notes, and, with respect to the SSN II Guarantors exclusively, (ii) with regard to any SSN II Guarantor incorporated under the laws of Spain, any obligation arising from any clawback action (*acción de rescisión*) under the Spanish law 22/2003, of 9 July 2003, on Insolvency (*Ley 22/2003, de 9 de julio 2003, concursal*) and related legislation (the **“Spanish Insolvency Law”**), (b) undertakes with the holders of SSN I Notes with respect to the SSN I Guarantors, and to the holders of SSN II Notes with respect to the SSN II Guarantors, and the Trustee that if and each time that the Issuer shall be in default of its obligations or any of them the Guarantors will on demand from the Trustee or any holder of the SSN I Notes with respect to the SSN I Guarantors and any holder of the SSN II Notes with respect to the SSN II Guarantors, make good the default and pay such sum as if the Guarantors instead of the Issuer were expressed to be the primary obligor, together with interest thereon at the rate per annum from time to time payable by the Issuer on such sum from the date when such sum becomes payable by the Guarantors under the relevant Indenture until payment of such sum in full and (c) agrees to indemnify each holder of SSN I Notes with respect to the SSN I Guarantors and each holder of SSN II Notes with respect to the SSN II Guarantors, and the Trustee against any loss incurred by such holder of SSN I Notes with respect to the SSN I Guarantors and holder of SSN II Notes with respect to the SSN II Guarantors, or the Trustee arising out of the nonpayment, invalidity or unenforceability of the Issuer’s obligations including without limitation to pay any and all costs and expenses (including counsel fees and expenses) properly incurred by the Trustee or the holders of SSN I Notes with respect to the SSN I Guarantors and the holders of SSN II Notes with respect to the SSN II Guarantors in enforcing any rights under the relevant Guarantees in each case, all in accordance with the terms thereof.

Subject to the provisions of the Indentures, each Guarantor agrees that its obligations under the Indentures shall be unconditional, irrespective of the validity, regularity or enforceability of the SSN I Notes with respect to the SSN I Guarantors and the SSN II Notes with respect to the SSN II Guarantors or the relevant Indenture, the absence of any action to enforce the same, any waiver or consent by any holder of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, or the Trustee with respect to any provisions thereof, in each case as set forth in detail below, and irrespective of the recovery of any judgment against the Issuer or another relevant Guarantor or other relevant Guarantors, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a relevant Guarantor.

Each Guarantee is a continuing guarantee and shall extend to the ultimate balance of the Issuer’s obligations.

The liability of each Guarantor shall not be prejudiced, affected or diminished by any act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate the Guarantor from its Guarantee obligations in whole or in part, including without limitation and whether or not known to the Guarantor, the Trustee or any holder of SSN I Notes with respect to the SSN I Guarantors and the SSN II Notes with respect to the SSN II Guarantors, any of the following: (a) any time or waiver granted to or composition with the Issuer or any other individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization (in the case of a Receivables Financing, an entity without legal personality (including any French *fonds communs de créances*), government or any agency or political subdivision thereof or any other entity (each a **“Person”**);

(b) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Issuer or any other Person; (c) any legal limitation, disability, incapacity or other circumstances relating to the Issuer or the death, bankruptcy, liquidation or change in the name or constitution of the Issuer, another Guarantor or any other Person; (d) any variation or extension, any increase, exchange, acceleration, renewal, surrender, release or loss of or failure to perfect any security or of any non-presentment or non-observance of any formality in respect of any instruments; and (e) any irregularity, unenforceability, invalidity or frustration of the Issuer's obligations or of any obligations of any other Person or security, to the intent that each Guarantor's obligations under the Indentures shall remain in full force and its Guarantee be construed accordingly as if there were no such irregularity, unenforceability, invalidity or frustration.

Each Guarantor waives any right it may have of first requiring the holders of SSN I Notes with respect to the SSN I Guarantors and the SSN II Notes with respect to the SSN II Guarantors, or the Trustee to proceed against or enforce any other rights or security or claim payment from the Issuer or any other person before claiming from the Guarantor under the relevant Indenture. Accordingly, each Guarantor agrees that, in the event of a default by the Issuer in the payment of any of its obligations under the SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, the Trustee of the relevant Notes may institute legal proceedings directly against such relevant Guarantor without first proceeding against the Issuer. With respect to the SSN II Guarantors exclusively, without limiting the foregoing, each SSN II Guarantor incorporated under the laws of Spain acknowledges that the guarantee and undertaking set out under the SSN II Indenture must be construed as a first demand guarantee (*garantía a primer requerimiento*) and not as a guarantee (*fianza*) as regulated in the Spanish civil code passed by the Spanish Royal Decree of 24 July 1889 (*Real Decreto de 24 de julio de 1889 por el que se publica el Código Civil*).

Until all of the Issuer's obligations have been irrevocably paid and discharged in full, the holders of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, and the Trustee may: (a) refrain from applying or enforcing any other security, moneys or rights held or received by them in respect of such amounts or apply and enforce the same in such manner and order as they see fit (whether against such amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and (b) place in a suspense account (without liability to pay interest thereon) any moneys received from a Guarantor or on account of a Guarantor's liability under the Indentures.

Until the Issuer's obligations have been irrevocably paid in full, no Guarantor shall by virtue of any payment made, security realized or moneys received for or on account of the Guarantor's liability under the relevant Indenture: (a) be subrogated to any rights, security or moneys held, received or receivable by any of the holders of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, or the Trustee or be entitled to any right of contribution; (b) be entitled and shall not claim to rank as creditor against the estate or in the bankruptcy or liquidation of the Issuer in competition with the holders of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, or the Trustee; or (c) receive, claim or have the benefit of any payment, distribution or security from or on account of the Issuer or exercise any right of set-off against the Issuer or any other person or claim the benefit of any security or moneys held by or for the account of the holders of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, or the Trustee, and the holders of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, and the Trustee shall be entitled to apply any such security and moneys as they see fit.

Each Guarantee shall be in addition to and shall not in any way be prejudiced by any other guarantee or security now or thereafter held by the holders of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, or the Trustee. The rights of the holders of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, and the Trustee under the relevant Indenture are in addition to and not exclusive of those provided by law.

A certificate of the Trustee as to any amount owing from the Issuer under the Indentures shall be conclusive evidence of such amount as against the relevant Guarantors. No Guarantor will hold any security from the Issuer in respect of the Guarantor's liability under the relevant Indenture.

Payments to be made by a Guarantor under the relevant Indenture shall be made in immediately available funds in the same currency in which the corresponding obligations are payable by the Issuer to such account as the Trustee may specify.

Each Guarantor covenants that its Guarantee will not be discharged except by complete performance of all obligations contained in the SSN I Notes with respect to the SSN I Guarantors and the SSN II Notes with respect to the SSN II Guarantors, the relevant Indenture and the Guarantees or upon release from its Guarantee in accordance with the provisions of the Indentures thereof. If any holder SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, or the Trustee is required by any court or otherwise to return to the Issuer or any receiver, custodian, trustee, administrator, liquidator or other similar official acting in relation to the Issuer, any amount paid by the Issuer to the Trustee or such holder of SSN I Notes with respect to the SSN I Guarantors and SSN II Notes with respect to the SSN II Guarantors, the Guarantees, to the extent theretofore discharged, shall be reinstated in full force and effect.

With respect to the SSN II Guarantors exclusively, pursuant to article 12 of the Royal Decree-law 16/2020 (*Real Decreto-ley 16/2020, de 28 de abril, de medidas procesales y organizativas para hacer frente al COVID-19 en el ámbito de la Administración de Justicia*), the parties to the SSN II Indenture expressly acknowledge that in the event a SSN II Guarantor incorporated under the laws of Spain files for insolvency proceedings on or before 14 March 2022, the claims held by the holders of SSN II Notes which bear the consideration of related person in relation to such SSN II Guarantor incorporated under the laws of Spain in accordance with article 93 of the Spanish Insolvency Law against such SSN II Guarantor incorporated under the laws of Spain shall bear the classification of ordinary claims (*créditos ordinarios*) in the terms of article 89 of the Spanish Insolvency Law.

The obligations of each Guarantor under the Indentures are subject to the provisions of the Intercreditor Agreement.

Enforcement and standstill

Notwithstanding any other provision in the Indentures to the contrary, each holder of Notes hereby agrees that enforcement action may be taken in relation to any Guarantee only by the Trustee, acting of its own volition or on the written direction of holders of Notes aggregating not less than 51% of the outstanding principal amount of the relevant Notes, and not by the holder of the Notes individually. In addition, any enforcement action shall be made in accordance with the terms of the Intercreditor Agreement.

Release

(a) Upon any sale or disposition (including, without limitation, by way of merger, consolidation or otherwise) of (i) Capital Stock of a Guarantor following which such Guarantor is no longer a Restricted Subsidiary, (ii) all or substantially all of the properties and assets of such Guarantor to a Person that is not (either before

or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, or (iii) all or substantially all of the properties and assets of such Guarantor to another Guarantor in connection with a liquidation or dissolution of such Guarantor; provided that such other Guarantor expressly assumes in writing in form satisfactory to the Trustee in its sole discretion all the obligations of such Guarantor under the relevant Indenture, as long as the sale or disposition complies with Section 4.12 thereof, the Guarantee of any such Guarantor shall be released; provided, however, that such release is in accordance with the terms of the Intercreditor Agreement.

The Guarantee provided by a Guarantor also shall be released:

- (i) upon the valid designation of such Guarantor as an Unrestricted Subsidiary;
- (ii) if the Issuer exercises its legal defeasance option or covenant defeasance option as described in Article 8 of the relevant Indenture or if its obligations under this Indenture are discharged in accordance with the terms of the relevant Indenture, in each case in accordance with the terms and conditions in the relevant Indenture and the Intercreditor Agreement;
- (iii) upon repayment in full of the relevant Notes;
- (iv) upon a sale of all the Capital Stock of the applicable Guarantor (or any parent of such Guarantor) pursuant to an enforcement action pursuant to the Intercreditor Agreement;
- (v) in the event that the continued obligations of such Guarantor or the continued existence of such Guarantor could reasonably be expected to give rise to or result in (now or in the future): (a) any violation of applicable law or (b) any personal liability for the officers, directors, managers or indirect shareholders of such Guarantor; which in each case of (a) and (b) cannot be avoided or otherwise prevented through measures reasonably available to the Issuer and the Guarantor;
- (vi) with respect to Cartiere del Garda S.p.A. or Sub Lecta S.A., as applicable, upon the consummation of the relevant Permitted Reorganization; and
- (vii) as described in Article 9 of the relevant Indenture.

Upon request and at the cost of the Issuer, or, as the case may be, the relevant Guarantor, and upon delivery by the Issuer to the Trustee of an Officer's Certificate and an Opinion of Counsel to the foregoing effect, the Trustee shall execute any documents reasonably requested by the Issuer or the relevant Guarantor, as the case may be, in writing, in order to evidence the release, discharge and termination in respect of any Guarantee to be released as described in this Section 10.03 of the relevant Indenture.

(b) Notwithstanding anything to the contrary in the relevant Indenture, any event that releases a Guarantee under Section 10.03(a) thereof shall also release, automatically and without further action on the part of any holder of Notes or the Trustee, any claim in, or arising out of, any guarantees in favor of the Trustee, Intercompany Loans, indentures, notes, instruments and other documents pursuant to which the relevant Notes are constituted or evidenced (including, without limitation, any claim by way of subrogation rights and any claim by way of contribution or indemnity) which any Guarantor may have against (i) any other Guarantor which is being disposed of pursuant to the enforcement of the Security Documents or otherwise in a manner which is permitted by the relevant Indenture and (ii) any other Guarantor in the event of the exercise of the legal defeasance option or the covenant defeasance option.

Limitations

The obligations of each Guarantor hereunder will be limited (i) to the maximum amount as will, taking into account, in addition to such obligations of each Guarantor under its Guarantee, all other contingent and

fixed liabilities of such Guarantor (including, without limitation, any guarantees given in connection with Senior Debt) and any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Guarantee or pursuant to its contribution obligations under the relevant Indenture, result in the obligations of such Guarantor under its Guarantee not constituting a fraudulent conveyance or fraudulent transfer under applicable law nor leading to a breach of the rules governing corporate benefit, financial assistance, corporate purpose, ultra vires, impairment of statutory capital or similar capital restrictions under applicable law or (ii) to the extent otherwise necessary so that such obligations do not constitute a breach of applicable law.

(a) Spain. With respect to the SSN I Guarantor exclusively, the enforcement of the SSN I Guarantees given pursuant to the SSN I Indenture by any SSN I Guarantor organized under the laws of Spain (the "**Spanish Guarantors**") is subject to the following regime:

(i) Notwithstanding any other provisions herein, the obligations and liabilities of any Spanish Guarantor under the SSN I Indenture, shall be deemed not to be assumed by such Spanish Guarantor to the extent that they constitute or may constitute unlawful financial assistance within the meaning of article 150 of the Spanish Companies Law (where the Issuer is a Spanish public company (*Sociedad Anónima*)) or article 143 of the Spanish Companies Law (where the Issuer is a Spanish limited liability company (*Sociedad de Responsabilidad Limitada*)). Accordingly, the obligations and liabilities of any Spanish Guarantor under the relevant Indenture or any related document shall not include and shall not be extended to any repayment obligations in respect of financing used in or towards payment of or refinance of the purchase price or subscription for the shares or quotas in the Spanish Guarantor and/or the acquisition of or subscription for the shares or quotas in its controlling corporation directly or indirectly (or, where the Issuer is a Spanish limited liability company (*Sociedad de Responsabilidad Limitada*), of any company of its group). The guarantee, indemnity and other obligations of any Spanish Guarantor incorporated as a Spanish limited liability company (*Sociedad de Responsabilidad Limitada*) expressed to be assumed by it under the guarantee of any Spanish Guarantor shall not include and shall not extend to any obligations which could reasonably be expected to result in a breach of article 401 of the Spanish Companies Law.

(ii) The obligations and liabilities of any Spanish Guarantor shall be limited to an amount equal to the aggregate of (A) all amounts borrowed by such Spanish Guarantor under the relevant Indenture (either directly or indirectly by way of intra-group loan(s) made to such Spanish Guarantor directly or indirectly by any other Obligor(s)) plus (B) an amount equal to its net assets (*patrimonio neto*) as of the date of the relevant Indenture less (C) any amounts repaid by the relevant Spanish Guarantor under any intra-group loan(s) referred to in (A).

(b) Italy. Notwithstanding anything to the contrary provided in the relevant Indenture:

(i) the maximum amount that Cartiere del Garda S.p.A. ("**CdG**") will be required to pay (i) with respect to the SSN II Guarantors exclusively, as SSN II Guarantor under both the SSN II Indenture and the Redeemed Floating Rate Notes Indenture and (ii) with respect to the SSN I Guarantors exclusively, under its SSN I Guarantee, in respect of the obligations of the Issuer and any other Guarantor which is not a Subsidiary of CdG shall not exceed EUR 32,000,000 and, with respect to the SSN II Guarantors exclusively, to be considered in aggregate in relation to both the SSN I Notes and the Redeemed Floating Rate Notes; and

(ii) the maximum amount that Polyedra S.p.A. ("**Polyedra**" and, together with CdG, the "**Italian Guarantors**") will be required to pay, with respect to the SSN II Guarantors exclusively, as SSN II Guarantor under both the SSN II Indenture and the Redeemed Floating Rate Notes Indenture and, with respect to the SSN I Guarantors exclusively, under their SSN I Guarantees, in respect of the obligations of the Issuer and

any other Guarantor which is not a Subsidiary of Polyedra shall not exceed to EUR 3,000,000 and, with respect to the SSN II Guarantors exclusively, to be considered in aggregate in relation to both the relevant Notes and the Redeemed Floating Rate Notes, provided that, in order to comply with the provisions of Italian law in relation to financial assistance (namely, article 2358 or article 2474, as the case may be, of the Italian Civil Code), the obligations of the Italian Guarantors under their Guarantees shall not extend to any Debt incurred by the Issuer or any direct or indirect controlling entity of the Italian Guarantors under any financing or refinancing the purpose or the actual use of which is the acquisition or subscription of shares issued or to be issued by the Italian Guarantors or any direct or indirect controlling entity of the Italian Guarantors.

(c) Luxembourg

(i) The Guarantee of any Guarantor organized under the laws of Luxembourg (the "**Luxembourg Guarantors**") shall not be enforceable as a guarantee of any amounts which would breach the prohibition of financial assistance as defined in article 430-19 of the Luxembourg law of 10 August 1915 on commercial companies, as amended.

(ii) The enforceability of the Guarantee granted by any Luxembourg Guarantor under the relevant Indenture for the obligations of the Issuer or any other Guarantor which is not a direct or indirect subsidiary of such Luxembourg Guarantor shall be limited to the aggregate of:

(A) the amount of the Intercompany Loans with respect to the SSN II Guarantors and the Floating Rate Secured Notes Intercompany Loan (as defined in the Intercreditor Agreement) with respect to the SSN I Guarantors, from the Issuer to such Luxembourg Guarantor and all of the Luxembourg Guarantor's debt which is subordinated in right of payment (whether generally or specifically) to any claim of any party under the relevant Indenture or the Security Documents; plus

(B) the higher of:

(1) 90% of such Luxembourg Guarantor's "*capitaux propres*" (as referred to in Annex I to the Grand-Ducal Regulation dated 18 December 2015 setting out the form and content of the presentation of the balance sheet and profit and loss account, enforcing the Luxembourg law of 19 December 2002 on the trade and companies register and the accounting and annual accounts of undertakings, as amended) (the "**Own Funds**") as at the date on which a demand under the Guarantee is made; and

(2) 90% of the Luxembourg Guarantor's Own Funds as at the date of the relevant Indenture, provided that the amount represented by this sub-clause (B) shall, without double counting, be reduced by any amount paid by such Luxembourg Guarantor under any upstream guarantee obligations of such Luxembourg Guarantor under the Super Senior Credit Facility (including, in relation to the guarantee by such Luxembourg Guarantor of those of the Issuer's borrowings under the Super Senior Credit Facility which are not on lent (directly or indirectly) to, or otherwise used for the benefit of, such Luxembourg Guarantor or any of its Subsidiaries).

With respect to the SSN I Guarantors exclusively, the maximum amount guaranteed under the SSN II Guarantee with respect to the SSN I Notes will therefore be not less than the Floating Rate Secured Notes Intercompany Loan (as defined in the Intercreditor Agreement) from the Issuer to such Luxembourg Guarantor which will be equal to the full amount of the SSN I Notes.

(iii) For the purpose of determining the Own Funds, the assets of a Luxembourg Guarantor will be determined on the basis of the then latest available annual accounts of the Luxembourg Guarantor duly established in accordance with applicable accounting rules.

(iv) Where, for the purpose of the above determinations, (i) no duly established annual accounts are available for the relevant reference period (which will include a situation where, in respect of the determinations to be made above, no final annual accounts have been established in due time in respect of the then most recently ended financial year), (ii) the relevant annual accounts do not reflect the status of the Luxembourg Guarantor's subordinated debt or Own Funds as envisaged above, or (iii) the Luxembourg Guarantor has taken corporate or contractual actions having resulted in the increase of its Own Funds or its subordinated debt since the close of its last financial year, the Trustee (acting in good faith) may determine the amount of the relevant Own Funds and subordinated debt amounts based on the information available and deemed relevant by it at that time. Any costs and expenses incurred by the Trustee pursuant to this paragraph (iv) will be paid by the Issuer in accordance with Section 7.07 of the relevant Indenture.

(v) For the avoidance of doubt, the above limitation shall not apply to any Security Document, or any recoveries derived from the enforcement of any Collateral.

(d) France

Notwithstanding anything to the contrary in a Guarantee given pursuant to the Indentures by a company organized under the laws of France (a "**French Guarantor**"), such Guarantee will be subject to the following limitations:

(i) the obligations and liabilities of any French Guarantor under its Guarantee and the relevant Indenture will not include any obligation or liability which, if incurred, would constitute prohibited financial assistance within the meaning of article L. 225-216 of the French Commercial Code or would constitute a "misuse of corporate assets or powers" within the meaning of articles L.242-6 or L.244-1 of the French Commercial Code or would constitute a prohibited guarantee under article L.223-11 al.4 of the French Commercial Code or any other law or regulations having the same effect, as interpreted by French courts and/or would infringe article L.511-7 of the French Monetary Code; and

(ii) the obligations and liabilities of a French Guarantor under its Guarantee and the relevant Indenture for the obligations of a parent company shall be limited, at any time, to an amount equal to the aggregate nominal amount of all amounts made available under the relevant Notes and the relevant Indenture to the Issuer to the extent directly or indirectly on-lent to such French Guarantor and its Subsidiaries under intercompany loan arrangements and, outstanding at the date a payment is to be made by such French Guarantor under its Guarantee or, with respect to SSN I Guarantors exclusively, used to refinance (directly or indirectly) any indebtedness previously on-lent directly or indirectly to such French Guarantor or its Subsidiaries under the Intercompany Loans and, in each case, outstanding at the date a payment is to be made by such French Guarantor under its Guarantee, it being specified that any payment made by such French Guarantor under this Guarantee shall automatically reduce pro tanto the outstanding amount of the relevant intercompany loans due by such French Guarantor under the relevant intercompany loans referred to above and shall reduce pro tanto the amount payable under its Guarantee or, with respect to the SSN I Guarantors exclusively, the outstanding amount of the relevant intercompany loans (including the relevant Intercompany Loans) due by such French Guarantor under the relevant intercompany loans (including the relevant Intercompany Loans) referred to above and shall reduce pro tanto the amount payable under its SSN I Guarantee.

It is acknowledged that no French Guarantor is acting jointly and severally with the other Guarantors and no French Guarantor shall therefore be considered as a "*co-débiteur solidaire*" as to its obligations pursuant to its Guarantee.

For the purpose of paragraph (ii) above, "Subsidiary" means, in relation to any company, another company which is controlled by it within the meaning of article L.233-3 of the French Commercial Code.

Severability

In case any provision of any of the Guarantees shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, to the extent permitted by applicable law, in any way be affected or impaired thereby.

No subrogation

Notwithstanding any payment or payments made by each Guarantor hereunder, no Guarantor shall be entitled to be subrogated to any of the rights of the Trustee or any holder of Notes or any other Guarantor to any collateral security or guarantee or right of offset held by the Trustee or any holder of Notes for the payment of the obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Issuer or any other Guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Trustee and the holders of the relevant Notes by the Issuer on account of the obligations under the relevant Guarantees are paid in full. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the obligations under the relevant Guarantees shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Trustee and the holders of the relevant Notes, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Trustee in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Trustee, if required), to be applied against such unpaid obligations.

Right of contribution

Subject to Section 10.03 of the relevant Indenture, each Guarantor hereby agrees that to the extent that any Guarantor shall have paid more than its proportionate share of any payment made on the obligations under the relevant Guarantees, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor which has not paid its proportionate share of such payment. The provisions of Section 10.07 of the relevant Indenture shall in no respect limit the obligations and liabilities of each Guarantor to the Trustee and the holders of the relevant Notes and each Guarantor shall remain liable to the Trustee and the holders of the relevant Notes for the full amount guaranteed by such Guarantor hereunder.

Trustee not fiduciary for holders of Senior Debt

The Trustee shall not be deemed to owe any fiduciary duty to the holders of bank debt or any other Debt and no implied covenants or obligations with respect to such holders shall be read into the relevant Indenture against the Trustee.

Collateral

Scope

(a) The Issuer and the Security Providers agree to secure the full and punctual payment when due and the full and punctual performance of their obligations under the relevant Indenture and the relevant Notes. The rights and obligations of the parties hereunder with respect to the Collateral are subject to the provisions of the Intercreditor Agreement.

(b) The holders of the Notes by their acquisition thereof shall be deemed to have authorized and directed the Trustee to execute the Intercreditor Agreement. Each Holder of the Notes, by its acceptance thereof, consents and agrees to the terms of the Security Documents and the Intercreditor Agreement (including, without limitation, the provisions providing for foreclosure and release of Collateral) and the appointment by the Trustee of the Security Trustee also as bondholders' security representative (*rappresentante delle garanzie degli obbligazionisti*) in relation to the Italian Transaction Security Documents (as defined in the Intercreditor Agreement) as the same may be in effect or may be amended from time to time in accordance with their terms and authorizes and directs the Trustee and the Security Trustee to perform their respective obligations and exercise their respective rights thereunder in accordance therewith and appoints the Trustee as his attorney-in-fact for such purpose, including, in the event of any liquidation, dissolution, winding up, reorganization, assignment for the benefit of creditors or marshaling of assets of any Guarantor tending towards liquidation or reorganization of the business and assets of any Guarantor, the immediate filing of a claim for the unpaid balance under its Guarantee obligations in the form required in said proceedings and cause said claim to be approved, provided that it is expressly understood that the Trustee shall not be required to exercise any such rights as attorney for any Holders unless instructed to do so in accordance with Section 7.02(g) of the relevant Indenture.

(c) Pursuant to the relevant Indenture and to the Intercreditor Agreement, the Security Trustee shall act as the security agent and security trustee for the Trustee and each holder of Notes and security agent (*agent des sûretés*), pursuant to article 2488-6 et seq. of the French Civil Code, under the Intercreditor Agreement and the Security Documents also as bondholders' security representative (*rappresentante delle garanzie degli obbligazionisti*) in relation to the Italian Transaction Security Documents (as defined in the Intercreditor Agreement). The Security Trustee shall (i) perform the duties and exercise the rights, powers and discretions that are specifically given to it hereunder and under the Intercreditor Agreement and the Security Documents, together with any other incidental rights, power and discretions, and (ii) execute the Intercreditor Agreement and each Security Document expressed to be executed by the Security Trustee on its behalf. The initial Security Trustee shall be GLAS Trust Corporation Limited.

(d) The holders of the Notes and the Security Trustee acknowledge and agree that article 21 of the Intercreditor Agreement shall apply mutatis mutandis to the relevant Indenture.

Release of Collateral

(a) The Collateral created by the Security Documents shall be released and the Security Trustee shall disclaim and give up any and all rights it has in or to the Collateral, and any rights it has under the Security Documents (i) if the Collateral is an asset of a Security Provider (or any of its Subsidiaries), upon designation of the Security Provider as an Unrestricted Subsidiary; (ii) if the Issuer exercises its legal defeasance option or covenant defeasance option as described under Section 8.01(b) of the relevant Indenture or if its obligations under the relevant Indenture are discharged in accordance with the terms of the relevant Indenture, in each case in accordance with the terms and conditions in the relevant Indenture and the Intercreditor Agreement; (iii) upon repayment in full of the relevant Notes; (iv) upon the surrender of all outstanding relevant Notes issued under the relevant Indenture to the Trustee for cancellation; (v) upon foreclosure on Collateral pursuant to an enforcement action pursuant to any Security Document or the Intercreditor Agreement or when required under the Intercreditor Agreement; (vi) upon the release of the Collateral in accordance with Section 11.02(b) of the relevant Indenture; (vii) in the event that the continued obligations under the Liens on the Collateral could reasonably be expected to give rise to or result in (now or in the future): (a) any violation of applicable law or (b) any personal liability for the officers, directors, managers or indirect shareholders of the pledgor of the Collateral; which in each case of (a) and

(b) cannot be avoided or otherwise prevented through measures reasonably available to the Issuer and the pledgor; (viii) as described in Section 8 of the relevant Indenture; (ix) as described in Section 4.15 thereof; (x) as described in Section 4.21 thereof; or (xi) upon any other valid release of the Collateral as security for obligations of the Issuer or a Guarantor under the relevant Indenture; provided, such release is permitted by or does not violate the terms of the Intercreditor Agreement.

(b) Upon request of the Issuer or any Security Provider, in connection with any sale, lease, sale and leaseback, assignment, conveyance, transfer or other disposition of assets or property permitted by or not prohibited by the relevant Indenture (including Sections 4.12 and 5.01 thereof), the Intercreditor Agreement and the Security Documents, the Security Trustee shall (without notice to, or vote or consent of, any holder of Notes) take such actions as shall be reasonably required to release its security interest in any Collateral being disposed in such disposition, to the extent necessary to permit consummation of such disposition in accordance with the relevant Indenture, the Intercreditor Agreement and the Security Documents, and the Security Trustee shall receive full payment therefor from the Issuer for any costs incurred thereby. In all cases of a disposition involving a release of Collateral, the Issuer shall deliver to the Security Trustee an Officer's Certificate and an Opinion of Counsel certifying compliance with the requirements of release under the relevant Indenture. At the reasonable request of the Issuer, the Security Trustee shall execute and deliver an appropriate instrument evidencing such release (in the form provided by the Issuer and agreed by the Security Trustee).

(c) Any release of Collateral made in compliance with the provisions set forth in this Section 11.02 of the relevant Indenture shall not be deemed to impair the Lien under the Security Documents or the Collateral thereunder in contravention of Section 4.15 of the relevant Indenture.

Parallel Debt

(a) Without prejudice to the provisions of the relevant Indenture, the Intercreditor Agreement and the Security Documents and for the purpose of ensuring and preserving the validity and continuity of the security rights granted and to be granted by the Issuer and each of the Security Providers pursuant to the Security Documents, each Security Provider hereby irrevocably and unconditionally undertakes to pay to the Security Trustee amounts equal to and in the currency of the relevant Notes and the relevant Guarantees from time to time due by such Security Provider in accordance with the terms and conditions of the relevant Notes and the relevant Guarantees (to the extent permitted under applicable law) (such payment undertaking and the obligations and liabilities which are the result thereof the "**Parallel Debt**").

(b) Without prejudice to the Intercreditor Agreement, each Security Provider and the Security Trustee acknowledges that (i) for this purpose the Parallel Debt constitutes undertakings, obligations, and liabilities of a Security Provider to the Security Trustee under the relevant Indenture and the Security Documents which are separate and independent from, and without prejudice to, the corresponding obligations under the relevant Notes and the relevant Guarantees which such Security Provider has to the holders of the relevant Notes and (ii) that the Parallel Debt represents the Security Trustee's own claims to receive payment of the Parallel Debt; provided that the total amount which may become due under the Parallel Debt shall never exceed the total amount which may become due under the relevant Notes and relevant Guarantees.

(c) Every payment of monies made by a Security Provider to the Security Trustee shall (conditionally upon such payment not subsequently being avoided or reduced by virtue of any provisions of enactments relating to bankruptcy, insolvency, liquidation or similar laws of general application) be in satisfaction pro tanto of the covenant by such Security Provider contained in Section 11.03(a) of the relevant Indenture; provided

that if any such payment as is mentioned above is subsequently avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, liquidation or similar laws of general application the Security Trustee shall be entitled to receive the amount of such payment from such Security Provider and such Security Provider shall remain liable to perform the relevant obligation and the relevant liability shall be deemed not to have been discharged.

(d) Subject to the provision in clause (c) of Section 11.03 of the relevant Indenture, but notwithstanding any of the other provisions of this clause (d):

(1) the total amount due and payable as Parallel Debt under this Section 11.03 of the relevant Indenture shall be decreased to the extent that a Security Provider shall have paid any amounts to the Security Trustee or to the Trustee on behalf of the holders of the relevant Notes or any of them to reduce the outstanding principal amount of the relevant Notes or the Security Trustee or the Trustee on behalf of the holders of the relevant Notes shall have otherwise received any amount in payment of the relevant Notes and the relevant Guarantees; and

(2) to the extent that a Security Provider shall have paid any amounts to the Trustee or to the Security Trustee under the Parallel Debt or the Trustee or the Security Trustee shall have otherwise received monies in payment of the Parallel Debt, the total amount due and payable under the relevant Notes and the relevant Guarantees shall be decreased as if said amounts were received directly in payment of the relevant Notes and the relevant Guarantees.

Security Trustee as Joint and Several Creditor

(a) Other than in respect of the Security Documents governed by French, Italian or Luxembourg law, each Security Provider, the Trustee, and each holder of the relevant Notes, by its acceptance thereof, agrees that the Security Trustee shall be the joint and several creditor (together with the Trustee and each holder of the relevant Notes) of each and every payment obligation of each Security Provider towards each of the Trustee or each holder of the relevant Notes under the relevant Indenture and the relevant Notes and that accordingly the Security Trustee will have its own independent right to demand payment by each Security Provider in satisfaction of those obligations (in circumstances where such payment obligation is then otherwise due and payable under the relevant Indenture or the relevant Notes, provided that it is expressly acknowledged and agreed that any discharge by any Security Provider of its payment obligations to either of the Security Trustee, the Trustee or the holders of the relevant Notes shall to the same extent discharge the corresponding obligations owing to the other).

(b) In respect of the Italian Security Documents governed by Italian law:

(i) the Trustee and Holder by accepting a Note hereby appoints the Security Trustee, with express consent pursuant to article 1395 of the Italian Civil Code, to be its common representative (*mandatario con rappresentanza*) for the purpose of executing, in the name and on behalf of the Trustee or any holder of Notes, the Italian Security Documents; and

(ii) the Trustee and holder of Notes by accepting a Note hereby grants the Security Trustee the power to negotiate and approve the terms and conditions of the Italian Security Documents, execute any other agreement or instrument, give or receive any notice or declaration and take any other action in relation to the creation, perfection, maintenance, enforcement and release of the Collateral created thereunder in the name and on behalf of the Trustee and each holder of Notes, including (without limitation and for the avoidance of doubt) any confirmation and extension of the Collateral created thereunder.

(c) Without limiting or affecting the Security Trustee's rights against each Security Provider (whether under this Section 11.04 of the relevant Indenture or under any other provision of the relevant Indenture, the relevant Notes or the Intercreditor Agreement) the Security Trustee agrees that it will not exercise its rights as a joint and several creditor under Section 11.04(a) of the relevant Indenture except with the prior written consent of the Trustee. However, nothing in the previous sentence shall in any way limit the Security Trustee's rights to act in the protection or preservation of rights under or to enforce any Security Document as contemplated by the relevant Indenture or the Intercreditor Agreement. Any amount recovered by the Security Trustee as a result of the operation of this Section 11.04 of the relevant Indenture shall be held for the benefit of the holders of the relevant Notes and will be applied in accordance with the provisions of the Intercreditor Agreement.

Resignation and Replacement of Security Trustee

Any resignation or replacement of the Security Trustee shall be made in accordance with the Intercreditor Agreement.

Amendments

The Security Trustee shall, subject to the rights and obligations of the Security Trustee under the terms of the Intercreditor Agreement, sign any amendment authorized pursuant to Section 4.23 of the relevant Indenture if the amendment does not adversely affect the rights, duties liabilities or immunities of the Security Trustee.

Ranking and Order of Payment of Enforcement Proceeds

As provided in the Intercreditor Agreement, the relevant Notes are secured by Liens ranking *pari passu* in relation to the application or right in and priority of payment of any enforcement proceeds to the security interests securing Debt outstanding under the Super Senior Credit Facility and Debt under Hedging Obligations, which is secured by the same assets. Each holder of Notes by accepting a Note and the related Guarantees agrees that the enforcement of the Collateral is subject to certain limitations to the extent and in the manner provided in the Intercreditor Agreement and that the order of application of any enforcement proceeds means that the relevant holders of Notes shall receive enforcement proceeds, if any, after all amounts (including principal, interest, default interest, break costs, third-party costs and expenses) owing under the Super Senior Credit Facility and Debt under Hedging Obligations have been repaid. Each holder of notes, by accepting a Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement. The security interests in the Collateral securing the relevant Notes shall in respect of enforcement of any Collateral vote as a single class, and shall be first ranking except that the Super Senior Credit Facility and certain hedging obligations shall be repaid in priority upon enforcement of the Collateral. A copy of the Intercreditor Agreement shall be available on any Business Day upon prior written request at the offices of the Paying Agent.

List of Security Documents

With respect to the SSN I:

	Name of Original Obligor	Registered Office	Transaction Security Document	Governing Law
	Lecta Paper UK Limited	Unit 4 Shenley Pavilions, Chalkdell Drive Shenley	Debenture	English law

	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Securities account pledge agreement over the shares it holds in Torraspapel Malmenayde S.A.S.	French law
	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis	Bank accounts pledge agreement	French law
	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis	Intercompany loan(s) receivables pledge	French law
	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis	Pledge agreement over ongoing business	French law
	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Share pledge agreement over the shares it holds in Polyedra S.p.A.	Italian law
	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Trade receivables pledge agreement	Italian law
	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Insurance receivables pledge agreement	Italian law
	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Bank account pledge agreement	Italian law
10.	Holdco 3	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Share pledge agreement over the shares it holds in Company	Luxembourg law
11.	Holdco 3	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Intercompany loan(s) receivables pledge agreement	Luxembourg law
12.	The Issuer	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Share pledge agreement over the shares it holds in Holdco 1	Luxembourg law
13.	The Issuer	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Intercompany loan(s) receivables pledge agreement	Luxembourg law
14.	The Issuer	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Bank account pledge agreement	Luxembourg law

15.	Holdco 1	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Share pledge agreement over the shares it holds in Sub Lecta S.A.	Luxembourg law
16.	Holdco 1	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg,	Intercompany loan(s) receivables pledge agreement	Luxembourg law
17.	Holdco 1	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg,	Bank account pledge agreement	Luxembourg law
18.	Sub Lecta S.A.	20, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg	Bank account pledge agreement	Luxembourg law
19.	Sub Lecta S.A.	20, rue de la Poste, L-2346 Luxembourg, Grand Duchy of	Intercompany loan(s) receivables pledge agreement	Luxembourg law
20.	Sub Lecta S.A.	20, rue de la Poste, L-2346 Luxembourg, Grand Duchy of	Share pledge agreement over the shares it holds in Torraspapel, S.A.	Spanish law
21.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share pledge agreement over the shares it holds in Cartiere del Garda	Spanish law
22.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share charge over the shares it holds in Lecta Paper UK Limited	Spanish law
23.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Securities account pledge agreement over the shares it holds in	Spanish law
24.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share pledge agreement over the shares it holds in Torraspapel	Spanish law
25.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share pledge agreement over the shares it holds in Cogeneración Motril,	Spanish law
26.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share pledge agreement over the shares	Spanish law
27.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Bank account pledge agreement	Spanish law
28.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Trade receivables pledge agreement	Spanish law
29.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Intercompany loan(s) receivables pledge agreement(s)	Spanish law

30.	Torraspapel Distribución, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Bank account pledge agreement	Spanish law
31.	Torraspapel Distribución, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Trade receivables and intercompany	Spanish law
32.	Cogeneración Motril, SA	Camino de la Vía s/n, Motril, Granada, Spain	Bank account pledge agreement	Spanish law
33.	Cogeneración Motril, SA	Camino de la Vía s/n, Motril, Granada, Spain	Trade receivables and intercompany	Spanish law
34.	Cogeneración Sant Joan, SL	Calle Llull 331, Barcelona, Spain	Bank account pledge agreement	Spanish law
35.	Cogeneración Sant Joan, SL	Calle Llull 331, Barcelona, Spain	Trade receivables and intercompany	Spanish law

With respect to the SSN II:

	Name of Security Provider	Registered Office	Existing Transaction Security Documents	Governing Law
1.	Holdco 3	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Share pledge agreement dated 4 February 2020 over all issued share capital of the Issuer	Luxembourg law
2.	The Issuer	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Share pledge agreement dated 4 February 2020 over all issued share capital of the Holdco 1	Luxembourg law
3.	Holdco 3	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Intragroup receivables pledge agreement dated 4 February 2020	Luxembourg law
4.	The Issuer	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Intragroup receivables pledge agreement dated 4 February 2020	Luxembourg law
5.	Holdco 1	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Intragroup receivables pledge agreement dated 4 February 2020	Luxembourg law
6.	The Issuer	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Bank accounts pledge agreement dated 4 February 2020	Luxembourg law
7.	Holdco 1	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Bank accounts pledge agreement dated 4 February 2020	Luxembourg law
8.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share charge over the shares it holds in Lecta Paper UK Limited dated 4 February 2020	English law

	Name of Security Provider	Registered Office	Existing Transaction Security Documents	Governing Law
9.	Lecta Paper UK Limited	Unit 4 Shenley Pavilions, Chalkdell Drive Shenley Wood, Milton Keynes, Buckinghamshire, MK5 6LB, United Kingdom	Debenture dated 4 February 2020	English law
10.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Securities account pledge agreement dated 4 February 2020 over the shares it holds in Condat S.A.S.	French law
11.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Intragroup receivables pledge agreement dated 4 February 2020	French law
12.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Securities account pledge agreement dated 4 February 2020 over the shares it holds in Torraspapel Malmenayde S.A.S.	French law
13.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Bank accounts pledge agreement dated 4 February 2020	French law
14.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Intragroup receivables pledge agreement dated 4 February 2020	French law
15.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Pledge agreement over ongoing business dated 4 February 2020	French law
16.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share pledge agreement dated 4 February 2020 over the shares it holds in Cartiere del Garda S.p.A.	Italian law
17.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Intercompany loan(s) receivables pledge dated 4 February 2020 granted by Torraspapel, S.A.	Italian law

	Name of Security Provider	Registered Office	Existing Transaction Security Documents	Governing Law
18.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Share pledge agreement dated 4 February 2020 over the shares it holds in Polyedra S.p.A.	Italian law
19.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Trade receivables, insurance receivables and intercompany loan(s) receivables pledge agreement dated 4 February 2020	Italian law
20.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Bank account pledge agreement dated 4 February 2020	Italian law
21.	Polyedra S.p.A.	Via Riccardo Lombardi 19/10, Milan, Italy	Trade receivables, insurance receivables and intercompany loan(s) receivables pledge agreement dated 4 February 2020	Italian law
22.	Holdco 1	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg	Share pledge agreement dated 4 February 2020 over the shares it holds in Sub Lecta S.A.	Luxembourg law
23.	Sub Lecta S.A.	20, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg	Bank account pledge agreement dated 4 February 2020	Luxembourg law
24.	Sub Lecta S.A.	20, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg	Intercompany receivables pledge agreement dated 4 February 2020	Luxembourg law
25.	Sub Lecta S.A.	20, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg	Share pledge agreement dated 4 February 2020 over the shares it holds in Torraspapel, S.A.	Spanish law
26.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share pledge agreement dated 4 February 2020 over the shares it holds in	Spanish law

	Name of Security Provider	Registered Office	Existing Transaction Security Documents	Governing Law
			Torraspapel Distribución, S.A.	
27.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share pledge agreement dated 4 February 2020 over the shares it holds in Cogeneración Motril, SA	Spanish law
28.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Share pledge agreement dated 4 February 2020 over the shares (participaciones sociales) it holds in Cogeneración Sant Joan, SL	Spanish law
29.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Bank account pledge agreement dated 4 February 2020	Spanish law
30.	Torraspapel Distribución, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Bank account pledge agreement dated 4 February 2020	Spanish law
31.	Cogeneración Motril, SA	Camino de la Vía s/n, Motril, Granada, Spain	Bank account pledge agreement dated 4 February 2020	Spanish law
32.	Cogeneración Sant Joan, SL	Calle Llull 331, Barcelona, Spain	Bank account pledge agreement dated 4 February 2020	Spanish law
33.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Trade receivables pledge agreement and commitment of pledge of future intercompany loans dated 4 February 2020	Spanish law
34.	Torraspapel Distribución, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Trade receivables pledge agreement and commitment of pledge of future intercompany loans dated 4 February 2020	Spanish law
35.	Cogeneración Motril, SA	Camino de la Vía s/n, Motril, Granada, Spain	Credit rights arising from commercial agreements pledge agreement and commitment of pledge of future intercompany	Spanish law

	Name of Security Provider	Registered Office	Existing Transaction Security Documents	Governing Law
			loans dated 4 February 2020	
36.	Cogeneración Sant Joan, SL	Calle Llull 331, Barcelona, Spain	Credit rights arising from commercial agreements pledge agreement and commitment of pledge of future intercompany loans dated 4 February 2020	Spanish law
37.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Credit rights arising from intercompany loans pledge agreement dated 4 February 2020	Spanish law
38.	Torraspapel, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Bank accounts pledge agreement dated 27 February 2020 in respect of all bank accounts held by it in Italy	Italian Law
39.	Lecta Paper UK Limited	Unit 4 Shenley Pavilions, Chalkdell Drive Shenley Wood, Milton Keynes, Buckinghamshire, MK5 6LB, United Kingdom	Bank accounts pledge agreement dated 20 February 2020 in respect of all bank accounts held by it in Spain	Spanish Law
40.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Bank accounts pledge agreement dated 20 February 2020 in respect of all bank accounts held by it in Spain	Spanish Law
41.	Condat S.A.S	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Bank accounts pledge agreement dated 20 February 2020 in respect of all bank accounts held by it in Spain	Spanish Law

	Name of Security Provider	Registered Office	Security Confirmation Transaction Documents	Governing Law
1.	Lecta Paper UK Limited	Unit 4 Shenley Pavilions, Chalkdell Drive Shenley Wood, Milton Keynes, Buckinghamshire, MK5 6LB, United Kingdom	Supplemental debenture	English Law
2.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Supplemental share charge	English Law
3.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Second ranking securities account pledge agreement over the shares in Condat S.A.S.	French Law
4.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Second ranking intragroup receivables pledge agreement	French Law
5.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Second ranking securities account pledge agreement over the shares in Torraspapel Malmenayde S.A.S.	French Law
6.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Second ranking bank accounts pledge agreement	French Law
7.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Second ranking intragroup receivables pledge agreement	French Law

	Name of Security Provider	Registered Office	Security Confirmation Transaction Documents	Governing Law
8.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Second ranking pledge agreement over ongoing business	French Law
9.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Deed of confirmation and extension of pledge agreement over the shares in Cartiere del Garda S.p.A.	Italian Law
10.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Deed of confirmation and extension of intercompany loan(s) receivables pledge granted by Torraspapel, S.A.U.	Italian Law
11.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Deed of confirmation and extension of pledge agreement over the shares Cartiere del Garda S.p.A. holds in Polyedra S.p.A.	Italian Law
12.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Deed of confirmation and extension of trade receivables, insurance receivables and intercompany loan(s) receivables pledge agreement	Italian Law
13.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Deed of confirmation and extension of bank account pledge agreement	Italian Law
14.	Polyedra, S.p.A.	Via Riccardo Lombardi 19/10,	Deed of confirmation and extension of trade receivables, insurance receivables and	Italian Law

	Name of Security Provider	Registered Office	Security Confirmation Transaction Documents	Governing Law
		Milan, Italy	intercompany loan(s) receivables pledge agreement	
15.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Deed of confirmation and extension of account pledge agreement in respect of all bank accounts held by Torraspapel, S.A.U. in Italy	Italian Law
16.	Holdco 1 The Issuer Holdco 3 Sub Lecta, S.A. Torraspapel, S.A.U. Torraspapel Distribución, S.A.U.	48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg 48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg 48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand Duchy of Luxembourg 20, rue de la Poste L-2346 Luxembourg Grand Duchy of Luxembourg Calle Hipatia 4, Getafe, Madrid, Spain Calle Hipatia 4, Getafe, Madrid, Spain	Master confirmation agreement in respect of: a. share pledge agreement over all the issued share capital of the Issuer; b. share pledge agreement over all the issued share capital of Holdco 1; c. intercompany loan receivables pledge agreement over all intercompany loan receivables owing to Holdco 3; d. intercompany loan receivables pledge agreement over all intercompany loan receivables owing to the Issuer; e. intercompany loan receivables pledge agreement over all intercompany loan receivables owing to Holdco 1; f. bank account pledge agreement granted by the Issuer;	Luxembourg Law

	Name of Security Provider	Registered Office	Security Confirmation Transaction Documents	Governing Law
			g. bank account pledge agreement granted by Holdco 1; h. share pledge agreement over the shares in Sub Lecta, S.A.; i. bank account pledge agreement granted by Sub Lecta, S.A.; and j. intercompany receivables pledge agreement over all intercompany loan receivables owing to Sub Lecta, S.A..	
17.	Sub Lecta, S.A. Torraspapel, S.A.U Torraspapel Distribución, S.A.U. Cogeneración Motril, S.A.U.	20, rue de la Poste L-2346 Luxembourg Grand Duchy of Luxembourg Calle Hipatia 4, Getafe, Madrid, Spain Calle Hipatia 4, Getafe, Madrid, Spain Camino de la Vía s/n, Motril, Granada, Spain	Amendment and extension agreement in respect of pledges over the shares of (i) Torraspapel, S.A.U.; (ii) Torraspapel Distribución, S.A.U.; and (iii) Cogeneración Motril, S.A.U.	Spanish Law
18.	Torraspapel, S.A.U. Cogeneración Sant Joan, S.L.U.	Calle Hipatia 4, Getafe, Madrid, Spain Calle Llull 331, Barcelona, Spain	Amendment and extension agreement in respect of pledges over quotas of Cogeneración Sant Joan, S.L.U.	Catalan Law
19.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Amendment and extension agreement in respect of pledges over credit rights arising from bank accounts of (i)	Spanish Law

	Name of Security Provider	Registered Office	Security Confirmation Transaction Documents	Governing Law
	<p>Torraspapel Distribución, S.A.U.</p> <p>Cogeneración Motril, S.A.U.</p> <p>Cogeneración Sant Joan, S.L.U.</p> <p>Condat S.A.S.</p> <p>Lecta Paper UK Limited</p> <p>Cartiere del Garda S.p.A.</p>	<p>Calle Hipatia 4, Getafe, Madrid, Spain</p> <p>Camino de la Vía s/n, Motril, Granada, Spain</p> <p>Calle Llull 331, Barcelona, Spain</p> <p>15 Avenue Galilée, 92350 Le Plessis Robinson, France</p> <p>Unit 4 Shenley Pavilions, Chalkdell Drive Shenley Wood, Milton Keynes, Buckinghamshire, MK5 6LB, United Kingdom</p> <p>Viale Rovereto 15, Riva del Garda, Italy</p>	<p>Torraspapel, S.A.U.; (ii) Torraspapel Distribución, S.A.U.; (iii) Cogeneración Motril, S.A.U.; (iv) Cogeneración Sant Joan, S.L.U.; (v) Condat S.A.S.; (vi) Lecta Paper UK Limited; and (vii) Cartiere del Garda S.p.A.</p>	
20.	<p>Torraspapel, S.A.U.</p> <p>Torraspapel Distribución, S.A.U.</p>	<p>Calle Hipatia 4, Getafe, Madrid, Spain</p> <p>Calle Hipatia 4, Getafe, Madrid, Spain</p>	<p>Amendment and extension agreement in respect of pledges over credit rights arising from receivables of Torraspapel, S.A.U. and Torraspapel Distribución, S.A.U. (intragroup)</p>	Spanish Law
21.	Cogeneración Motril, S.A.U.	Camino de la Vía s/n, Motril, Granada, Spain	Amendment and extension agreement in respect of pledges over credit rights arising from	Spanish Law

	Name of Security Provider	Registered Office	Security Confirmation Transaction Documents	Governing Law
	Cogeneración Sant Joan, S.L.U.	Calle Llull 331, Barcelona, Spain	agreements of (i) Cogeneración Motril, S.A.U. and (ii) Cogeneración Sant Joan, S.L.U.	
22.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Amendment and extension agreement in respect of pledges over credit rights arising from intercompany loans of Torraspapel, S.A.U.	Spanish Law
23.	Sub Lecta, S.A.	20, rue de la Poste L-2346 Luxembourg Grand Duchy of Luxembourg	Amendment and ratification of Irrevocable power of attorney granted by Sub Lecta S.A.	Spanish Law
24.	Torraspapel, S.A.U.	Calle Hipatia 4, Getafe, Madrid, Spain	Amendment and ratification of Irrevocable power of attorney granted by Torraspapel, S.A.U.	Spanish Law
25.	Torraspapel Distribución, S.A.	Calle Hipatia 4, Getafe, Madrid, Spain	Amendment and ratification of Irrevocable power of attorney granted by Torraspapel Distribución, S.A.	Spanish Law
26.	Cogeneración Motril, S.A.	Camino de la Vía s/n, Motril, Granada, Spain	Amendment and ratification of Irrevocable power of attorney granted by Cogeneración Motril, S.A.	Spanish Law

	Name of Security Provider	Registered Office	Security Confirmation Transaction Documents	Governing Law
27.	Cogeneración Sant Joan, S.L.	Calle Llull 331, Barcelona, Spain	Amendment and ratification of Irrevocable power of attorney granted by Cogeneración Sant Joan, S.L.	Spanish Law
28.	Condat S.A.S.	15 Avenue Galilée, 92350 Le Plessis Robinson, France	Amendment and ratification of Irrevocable power of attorney granted by Condat S.A.S.	Spanish Law
29.	Lecta Paper UK Limited	Unit 4 Shenley Pavilions, Chalkdell Drive Shenley Wood, Milton Keynes, Buckinghamshire, MK5 6LB, United Kingdom	Amendment and ratification of irrevocable power of attorney granted by Lecta Paper UK Limited	Spanish Law
30.	Cartiere del Garda S.p.A.	Viale Rovereto 15, Riva del Garda, Italy	Amendment and ratification of irrevocable power of attorney granted by Cartiere del Garda S.p.A.	Spanish Law
31.	Sub Lecta, S.A.	20, rue de la Poste L-2346 Luxembourg Grand Duchy of Luxembourg	Extension pledges agreement over shares of Torraspapel, S.A.U.	Spanish Law
32.	Lecta Paper UK Limited	Unit 4 Shenley Pavilions, Chalkdell Drive Shenley Wood, Milton Keynes, Buckinghamshire, MK5 6LB, United Kingdom	Pledges agreement over credit rights arising from bank accounts	Spanish Law

The above list of Security Providers may change from time to time in accordance with the Indentures and the terms and conditions of the Notes. An up-to-date list is available from the Issuer upon request.

SUBSCRIPTION AND SALE

Selling Restrictions

The Notes have not been, and will not be, registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes were sold only to qualified institutional buyers in reliance on Rule 144A under the Securities Act and to non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. As used in this section, the terms "United States," "U.S. person" and "offshore transaction" have the meanings given to them in Regulation S.

Each Note bears the following legend (the "Private Placement Legend"):

"THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) OR AN INSTITUTIONAL "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE U.S. SECURITIES ACT, (2) AGREES THAT IT WILL NOT, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, PRIOR TO (X) THE DATE THAT IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF OR THE LAST DAY ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WERE THE OWNERS OF THIS NOTE (OR ANY PREDECESSOR OF THIS NOTE) AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW (THE "RESALE RESTRICTION TERMINATION DATE"), OFFER, SELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (A) TO THE ISSUER, THE GUARANTORS OR ANY SUBSIDIARY THEREOF (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE FLOATING RATE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE U.S. SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE U.S. SECURITIES ACT, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND; SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSES (D) AND (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE."

By its acceptance of any Note bearing the Private Placement Legend, each Holder of such a Floating Rate Note acknowledges the restrictions on transfer of such Floating Rate Note set forth in this Indenture and in the Private Placement Legend and agrees that it will transfer such Note only as provided in the Indenture.

Prohibition of sales to EEA and UK retail investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation.

GENERAL INFORMATION

- (i) Application has been made to the LuxSE for the Notes to be admitted to the Official List and traded on the Euro MTF market.
- (ii) The Issuer has obtained all necessary consents, approvals and authorisations in Luxembourg in connection with the issue of the Notes.
- (iii) The creation and issuance of the SSN I Notes and the guarantees were authorized by the board of managers of the Issuer on 23 January 2020 and on 3 February 2020 and by the board of directors (or equivalent body) of the SSN I Guarantors, where applicable.
- (iv) The creation and issuance of the SSN II Notes and the guarantees were authorized by the board of managers of the Issuer on 19 June 2020 and by the board of directors (or equivalent body) of the SSN II Guarantors, where applicable.
- (v) There has been no significant change in the financial or trading position of the Group and no material adverse change in the financial position or prospects of the Group since the date of the Q1, Q2 and Q3 2020 consolidated accounts.
- (vi) The Issuer is not nor has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of these Listing Particulars which may have or has had in the recent past significant effects on its financial position or profitability.
- (vii) The Notes have been accepted for clearance through the Euroclear, Clearstream, Luxembourg clearing systems (which are the entities in charge of keeping the records).
- (viii) The Common Code of the SSN I Notes is 211433655 and the International Securities Identification Number (ISIN) of the SSN I Notes is XS2114336550.
- (ix) The Common Code of the SSN II Notes is 219462310 and the International Securities Identification Number (ISIN) of the SSN II Notes is XS2194623109.
- (x) The Issuer's LEI is 222100X9KI2QKFRD096.
- (xi) The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.
- (xii) The Issuer does not intend to provide any post-issuance information in relation to the Notes.
- (xiii) For so long as the Notes remain outstanding listed on the Official List of the LuxSE and are admitted to trading on the Euro MTF market, copies of the following documents will be available in printed form free of charge, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer:
 - (a) the Articles of Association of the Issuer, the Guarantors and the Security Providers;
 - (b) the Indentures;
 - (c) the conventions or any other document governing the representation of holders of Notes;
 - (d) the Guarantees;
 - (e) the Security Documents;

- (f) all reports, letters, and other documents, valuations and statements, any part of which is included or referred to in these Listing Particulars; and
- (g) a copy of these Listing Particulars.

In addition, copies of these Listing Particulars and each document incorporated by reference is available on the LuxSE's website at www.bourse.lu. For the avoidance of doubt, the content of the websites referred to in these Listing Particulars is for information purposes only and does not form part of these Listing Particulars.

The Issuer will publish through the newswire service of Bloomberg (or if Bloomberg does not then operate, any similar agency) and, so long as any Notes are listed on the Official List of the LuxSE and admitted to trading on the Euro MTF market and the rules of the LuxSE so require, the Issuer will publish notices concerning the Issuer and intended for holders of Notes (including with respect to optional redemptions, repurchases at the option of the holders of Notes or a change by the Issuer of any Paying Agent, Registrar or Transfer Agent for the Notes) on the LuxSE's website at www.bourse.lu and will provide a copy of all notices to the LuxSE. If the Notes are listed on any other stock exchange and the rules of such exchange so require, the Issuer will provide a copy of such notice to such exchange.

Registered Office of the Issuer

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