

**Ence Energía y Celulosa, S.A. (the “Issuer”)
EUR 160,000,000 1.25 per cent. Convertible Bonds due 2023
(ISIN: XS1783932863) (the “Bonds”)**

Capitalised terms not otherwise defined in this notice shall have the meaning given to them in the terms and conditions of the Bonds (the “Conditions”).

Notice to Bondholders

In relation to the the launching of the issue by **Ence Energía y Celulosa, S.A.** (“Ence”) of bonds convertible into new or existing ordinary shares of Ence (the “Shares”) for a principal amount of €160 million (the “Bonds”), excluding the preferred subscription right held by the shareholders (the “Issue”), issued on 22 February, 2018, With ISIN code number XS1783932863 the following information is provided:

- The initial conversion price was set at €7.2635, per Share. The Conversion Price shall be adjusted by the Calculation Agent, in respect of any Reference Period (the “Relevant Reference Period”), in case of the Total Cash Distribution Amount for such Relevant Reference Period is less than the applicable Threshold Amount for such Relevant Reference Period (other than where such Total Cash Distribution Amount is equal to zero)
- According to the foregoing, due to the fact that in the Relevant Reference Period of 1 July 2019 (inclusive) to 30 June (inclusive) the Total Cash Distribution Amount for such Relevant Reference Period has been less than the applicable Threshold Amount, the Calculation Agent has adjusted the Conversion Price setting it at €7.5517 . This adjustment to the Conversion Price and the adjustment in the Threshold Amount will enter into force on 1 July 2020.
- The Threshold Amounts are adjusted as follows:

Reference Period	Previously (EUR)	Adjusted to (EUR)
From 1 July 2020 (inclusive) to 30 June 2021 (inclusive)	0.220	0.22873
From 1 July 2021 (inclusive) to 30 June 2022 (inclusive)	0.220	0.22873
From 1 July 2022 (inclusive) to 31 December 2022 (inclusive)	0.147	0.15283
From 1 January 2023 (inclusive) to the Final Maturity Date (inclusive) (the “Last Reference Period”)	0.000	0.00000

Ence Energía y Celulosa, S.A. (“Ence”)

1 July 2020