

EMEA DC Meeting Statement – 22 January 2024

Issue no. 2023121301

1. Is there a Successor to Solvay SA?

- (a) The EMEA DC determined that Syensqo SA (**Syensqo**) succeeded to more than twenty-five per cent. (but less than seventy-five per cent.) of the Relevant Obligations of Solvay SA (**Solvay**) following the demerger. In addition, more than twenty-five per cent. of the Relevant Obligations of Solvay remained with Solvay. Accordingly, both Syensqo and Solvay are Successors for the purpose of 2014 Transactions in respect of Solvay.
- (b) The EMEA DC determined that the Succession Date was 9 December 2023, being the date on which the demerger of the Reference Entity into Solvay and Syensqo (referred to below) was effective.¹

2. Demerger and outstanding debt

- (a) The EMEA DC considered the partial demerger of the Reference Entity into Solvay and Syensqo. The EMEA DC understands that immediately prior to the demerger (following various redemptions ahead of such demerger), the Reference Entity had the following bonds and loans outstanding:
- (i) €500,000,000 Undated Deeply Subordinated Fixed to Reset Rate Perp-NC5.5 Bonds with first call date on 2 December 2025 (ISIN: BE6324000858) (the **Undated Bonds**);
 - (ii) €500,000,000 2.750 per cent. Fixed Rate Bonds due 2 December 2027 (ISIN: BE6282460615);
 - (iii) €1,336,000,000 of a bridge facility;
 - (iv) €1,500,000,000 of a second bridge facility;²
 - (v) U.S.\$ 163,495,000 of 3.95% Senior Notes due 2025 issued by Cytec Industries Inc. (CUSIP: 232820 AK6) and guaranteed by the Reference Entity (the **Cytec Bonds**);³ and
 - (vi) additional bank facilities of up to €350,000,000.
- (b) The information published by the Reference Entity in connection with the demerger, in particular the supplement to the information document published by the Reference Entity on 20 November 2023 (the **Supplement**),⁴ states that the instruments listed in (a)(i) to (a)(iii) above were to be transferred to Syensqo at the point of the demerger, and that the instruments listed in (a)(iv) to (a)(vi) above would be retained by Solvay.
- (c) No Eligible Information was submitted to the DC Secretary indicating that any other Relevant Obligations of the Reference Entity were outstanding or that any of the obligations in (a) above were held by the Reference Entity or outstanding between the Reference Entity and any of its Affiliates.

¹ See <https://www.solvay.com/en/investors/two-strong-industry-leaders> and <https://www.luxse.com/pdf-viewer/103923821>

² The two bridge facilities, per the Supplement, were entered into partially in order to refinance various bond issuances outstanding prior to the corporate reorganisation. One portion was to be transferred to Syensqo with the other remaining with Solvay.

³ Originally issued in an amount of U.S.\$250,000,000 and partially redeemed prior to the date of the demerger. While the Supplement notes that Syensqo would enter into a guarantee in respect of Solvay's obligations such that these bonds would appear on Syensqo's balance sheet, the EMEA DC noted that the legal guarantor remains Solvay.

⁴ https://www.solvay.com/sites/g/files/srpend616/files/2023-12/Solvay-SupplementtotheInformationDocument_0.pdf and supported by investor materials (in particular slide 13) <https://www.solvay.com/sites/g/files/srpend221/files/2023-11/2023Q3%20Earnings%20webcast%20presentation%20%282%29.pdf>

- (d) The EMEA DC considered the relevant bonds and loans listed above for the purposes of Section 2.2 of the 2014 Definitions. Given the amount retained by Solvay and the amount transferred to Sysenqo, it was clear that (i) more than twenty-five per cent. of the Relevant Obligations would remain with Solvay and (ii) Sysenqo would succeed to more than twenty-five per cent. of the Relevant Obligations. This analysis was not affected by whether or not the Undated Bonds or the Cyttec Bonds were Relevant Obligations (and the EMEA DC did not determine whether or not they were). Accordingly, the EMEA DC determined both Solvay and Sysenqo are Successors.