

To the bondholders in:

Helsinki, 26 October 2016

**KOTKAMILLS GROUP OYJ'S (FORMERLY EAGLE INDUSTRIES OY)
EUR 105,000,000 SENIOR SECURED CALLABLE BONDS 2015/2020, ISIN: FI4000148705
(THE "BONDS")**

This communication of Written Procedure has been sent on 26 October 2016 to Bondholders directly registered in the register of Bondholders kept by the CSD. If you are an authorised nominee under the Finnish Book-Entry System Act, please forward this notice to the person you represent as soon as possible. Anyone who wishes to participate in the Written Procedure must on the Record Date be registered in the register of Bondholders either as a direct registered owner or nominee with respect to one or several Bonds.

1. BACKGROUND

We refer to the terms and conditions governing the Bonds dated 6 March 2015 (the "Terms and Conditions"). Capitalised terms used herein, unless the context otherwise requires, shall have the meaning assigned to such terms in the Terms and Conditions.

The Issuer owns, indirectly through its wholly owned subsidiary Kotkamills Oy (the "Target Company"), all issued and outstanding shares in L.P. Pacific Films Sdn. Bhd. ("LPPF"), a Malaysian limited liability company. LPPF operates an impregnating plant in Pasir Gudang, Malaysia, focusing on Imprex® films and core stock. The operations of LPPF are part of the Group's Industrial Products segment. For the financial year ended 31 December 2015, the turnover of LPPF was EUR 13.9 million (MYR 60.3 million).

Following the completion of the Acquisition, the Issuer has taken steps to improve liquidity, performance and profitability of the Target Company by optimising and developing existing operations. As part of such efforts, the Issuer has initiated a strategic review process concerning LPPF for the purposes of evaluating strategic options with respect to LPPF, including a potential disposal. The Issuer is contemplating entering into the following transactions:

- (i) disposal of the shares in LPPF or the business of LPPF to a third party; and
- (ii) allocation of the disposal proceeds from the disposal set out in paragraph (i) to other business lines and general corporate purposes,

(the transactions referred to in items (i) – (ii) together the "Transaction").

The Issuer estimates that if, as the outcome of the strategic review process concerning LPPF, the Issuer decides to sell the shares in LPPF or the business of LPPF to a third party, such disposal and allocation of the disposal proceeds to other business lines and general corporate purposes of the Group would create higher profits for the Group. Against this background, the Issuer believes that a structured disposal of LPPF to a third party could be an attractive proposal for the Group. Disposal

of LPPF would also enable the Group to focus on its production resources in Finland and streamline and accelerate its operations. On the basis of the above, the Issuer is of the view that there would be sound business reasons for the Transaction.

According to the Issuer, completion of the Transaction would not affect the validity of the relevant Transaction Security with respect to assets in the ownership of the Target Company from time to time provided by the Target Company under the relevant Transaction Security Documents.

Pursuant to clause 13.6 (*Disposal of Assets*) of the Terms and Conditions "*the Issuer shall not, and shall procure that no Subsidiary, sell or otherwise dispose of any business, assets or shares in any Subsidiary*" unless specifically allowed under the Terms and Conditions and, therefore, the Issuer requires a consent from the Bondholders to complete the Transaction. For the Request (as defined below) to be approved by the Bondholders, Bondholders representing at least 66 2/3 per cent. of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure must consent to the Request.

The Issuer has requested the Trustee to choose a Written Procedure under which the Bondholders shall vote for the Request and provide the Bondholders with necessary instructions in respect of the procedure.

2. REQUEST

The Issuer requests the following consents and waivers from the Bondholders under the Terms and Conditions for the purpose of completing the Transaction:

- (i) consent to the Transaction and confirmation and agreement that clause 13.6 (*Disposal of Assets*) of the Terms and Conditions shall not apply to the Transaction; and
- (ii) granting of consequent waivers of the relevant provisions of the Terms and Conditions, including but not limited to clause 13.6 (*Disposal of Assets*),

(the consents and waivers set out in items (i)-(ii) above jointly the "Request").

Except as set out in the Request with respect to the Transaction, the Terms and Conditions shall remain unamended.

* * *

The information in this communication regarding the Issuer and market conditions is provided by the Issuer, and the Trustee expressly disclaims any liability whatsoever related to such information.

The Request is presented to the Bondholders without evaluation or recommendations from the Trustee. The Bondholders must independently evaluate whether the above request is acceptable or not.

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3. PROCEDURE

Pursuant to clause 19(c) of the Terms and Conditions, to be entitled to exercise voting rights in a Written Procedure, a person must be registered as a Bondholder to the Book-Entry Securities System at the end of a CSD Business Day specified by the Trustee (the "Record Date"). For the purpose of the Written Procedure initiated hereunder, the Record Date shall be 10 November 2016 and, therefore, to be eligible to participate in this Written Procedure, a person must be a Bondholder on such Record Date.

Bondholders may participate in the Written Procedure relating to the Request by completing and providing the Trustee with a signed voting form (form of which is attached hereto as Schedule 1) (the "Voting Form") and, if applicable, a signed power of attorney / authorisation (form of which is attached hereto as Schedule 2) or, if the Bonds are held in custody, other evidence sufficient to the Trustee. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorization or other assistance to participate.

A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only. A matter decided by way of a Written Procedure is binding on all Bondholders, irrespective of them responding in the Written Procedure.

The Trustee must be provided with a duly signed Voting Form **no later than 5.00 p.m. (CET), 14 November 2016**, by e-mail or via courier or post to the relevant address indicated below. Votes received thereafter may be disregarded.

The Issuer requests the Trustee to send the decision of the Bondholders to the following addresses:

(a) by e-mail:

mail@nordictrustee.fi

(b) via courier or post:

Nordic Trustee Oy
Mikonkatu 1 B
00100 Helsinki, Finland

4. FURTHER INFORMATION

The Trustee may be contacted in relation to procedural questions regarding the voting process and related matters at mail@nordictrustee.fi or +358 50 574 8556.

For all other queries relating to the subject matter of the Request, please contact the Issuer at petri.hirvonen@kotkamills.com or +358 40 571 0384 (Petri Hirvonen, CFO, Kotkamills).

Kind regards,

NORDIC TRUSTEE OY

as Trustee

VOTING FORM

VOTING FORM

For voting in the Written Procedure relating to Kotkamills Group Oyj's (formerly Eagle Industries Oy) EUR 105,000,000 Senior Secured Callable Bonds 2015/2020, ISIN: FI4000148705 (the "Bonds")

We refer to communication from Nordic Trustee Oy dated 26 October 2016 concerning the initiation of a Written Procedure relating to the Bonds (the "Letter"). Capitalised terms used herein, unless the context otherwise requires, shall have the meaning assigned to such terms in the Letter or the Terms and Conditions.

The undersigned Bondholder or authorised person / entity (the "Voting Person"), votes either **For** or **Against** the Request by ticking the applicable box below.

For the Request

Against the Request

Name of the Voting Person: _____

Capacity of the Voting Person: _____

Bondholder: _____ authorised person: _____

Voting Person's business id / reg.no / id.no
and country of incorporation / domicile: _____

Nominal Amount voted for (in EUR): _____

Telephone number

E-mail address

Signature, position and name in block letters

Place and date

POWER OF ATTORNEY

POWER OF ATTORNEY / AUTHORISATION

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We hereby authorise:

Name(s) of the authorised person(s)

to represent and vote on behalf of

Name of the Bondholder

in the Written Procedure relating to the Bonds set out in the Letter.

Date and place: _____

Name:

Authorised signatory of the Bondholder

Name:

Authorised signatory of the Bondholder