

EA PARTNERS II B.V. (the "Issuer")

\$500,000,000 6.750% Notes due 2021 (the "Notes")

ISIN: XS1423779187

24 July 2020

This announcement contains inside information for the purpose of Article 7 of the Market Abuse Regulations (EU) No. 596/2014.

Unless otherwise defined in this notice, terms used herein will bear the meanings given in the Issuer's Offering Memorandum dated 26 May 2016 and in the note trust deed dated 1 June 2016 (the "**Note Trust Deed**") made between the Issuer and BNY Mellon Corporate Trustee Services Limited as trustee (the "**Note Trustee**") (including the terms and conditions of the Notes set out in Schedule 2 (*Terms and Conditions of the Notes*) to the Note Trust Deed (the "**Conditions**")).

Previous requests for information regarding the Debt Assumption Agreement

Reference is made to the RNS notice dated 5 May 2017 regarding the report by Fitch Ratings dated 3 May 2017 and the reference contained therein to an internal debt assumption agreement between Alitalia – Societa Aerea Italiana S.p.A ("**Alitalia**") and its 49% shareholder Etihad Investment Holding Company LLC ("**Etihad IHC**") (the "**Debt Assumption Agreement**"). The Issuer further refers to the RNS notice dated 11 May 2017, whereby it noted that Etihad IHC had informed the Issuer that pursuant to the Debt Assumption Agreement, Etihad IHC had agreed to assume Alitalia's obligation to pay the principal amount of, but not interest under, the Alitalia Notes on their maturity date without any release of Alitalia from its obligations thereunder. The Issuer was informed by Etihad IHC that the Debt Assumption Agreement did not in itself give rise to the creation of any right in favour of the Issuer that would be enforceable by it against Etihad IHC, whether following a payment default under the Alitalia Notes or otherwise. The Debt Assumption Agreement is governed by Italian law. The Issuer noted that neither of the parties to the Debt Assumption Agreement had disclosed the precise terms and conditions of the Debt Assumption Agreement and the Issuer was therefore unable to assess the terms of the agreement.

The Issuer undertook additional attempts to obtain a copy of the Debt Assumption Agreement from Alitalia and Etihad, among other things, in order to complete its annual audited reports by way of letters sent to Alitalia on 5 May 2017, 20 February 2020 and 14 April 2020. The Issuer has not received a response to its letters and the Debt Assumption Agreement has not been provided to it by either Alitalia or Etihad.

Steering Committee's actions

Reference is made to the RNS notice dated 10 July 2019 whereby the Issuer noted that a steering committee of Noteholders (the "**Steering Committee**") had been established for the purposes of, among other things, the active consideration and development of a consensual resolution of the Notes. The Steering Committee and their legal advisors made a 28 U.S.C. § 1782 filing in the United States on 16 June 2020 in an attempt to compel either (i) Etihad and/or (ii) Fitch Ratings to provide a copy of the Debt Assumption Agreement. Further to the filing of such application, the Steering Committee were ultimately successful in obtaining a copy of the Debt Assumption Agreement from Fitch Ratings on 17 July 2020. The Steering Committee subsequently shared a copy of the Debt Assumption Agreement with the Issuer on 20 July 2020.

Enforceability of the Debt Assumption Agreement

The Issuer confirms that the Debt Assumption Agreement is consistent with the RNS notice dated 11 May 2017. Specifically, under the Debt Assumption Agreement, Etihad IHC has agreed to assume Alitalia's obligation to pay the principal amount of, but not interest under, the Alitalia Notes on their maturity date without any release of Alitalia from its obligations thereunder.

The Issuer has sought legal advice from its Italian counsel in order to analyse the enforceability of the Debt Assumption Agreement. The Issuer's Italian counsel has advised that the Debt Assumption Agreement is valid, enforceable and able to produce effects only between the signing parties (Alitalia as the debtor and Etihad IHC as the assignee) and not in respect of any third party creditors (so-called "*accollo non liberatorio interno*"). Moreover, there is an express provision in the Debt Assumption Agreement that the Issuer, as subscriber, is not entitled to exercise any rights, powers and claims under the subscription agreement (as defined in the Debt Assumption Agreement) and the Notes against Etihad IHC, as the assignee.

The Issuer has obtained advice from its Italian counsel that the case law of the Italian Courts confirms that, based on this type of debt assumption agreement, creditors cannot raise any claim vis-à-vis the assignee, but only against the original debtor (Alitalia). Therefore, the Issuer is of the view that only Alitalia has a claim against Etihad IHC under the Debt Assumption Agreement and neither the Noteholders nor the Issuer can successfully bring a claim against Etihad IHC under the subscription agreement (as defined in the Debt Assumption Agreement), the Notes or the Debt Assumption Agreement.

For queries relating to the above, holders of the Notes who are able to verify their holdings may contact the Issuer at:

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1081 CN Amsterdam, the Netherlands
Attention: EA Partners II B.V.
Email: info@eapartners2.nl