klöckner pentaplast

1. **What did kp announce?**
   - kp is taking steps to position our company for long-term success as we continue shaping the future of sustainable packaging and film solutions.
   - We have entered into a Restructuring Support Agreement with a significant majority of our financial partners on the terms of a comprehensive financial restructuring plan.
   - The restructuring plan will enhance kp's financial position by substantially reducing our debt, increasing our cash, and strengthening our balance sheet.
   - As part of this plan, our financial partners will become kp's new owners. Their investment in and commitment to kp demonstrates their confidence in our business and the opportunities ahead.
   - To implement the restructuring plan, kp and certain of our subsidiaries and affiliates initiated a voluntary US Chapter 11 process.
   - Importantly, during this process, our global operations are continuing without interruption, and it will not impact our customers or how we work with them.

2. **What is Chapter 11?**
   - Chapter 11 is a well-established US legal process that companies use to restructure their finances while they continue to operate as normal.
   - This particular legal process is unique to the US and it is **not** a liquidation or insolvency proceeding.
   - It is a legal tool that many companies, including many non-US companies, use to position themselves for success in the future.
   - It also does **not** mean that kp is going out of business. We are a key player in the packaging sector and that is not changing.

3. **What is "prepackaged" Chapter 11 financial restructuring?**
   - A "prepackaged" Chapter 11 financial restructuring means that a company has reached an agreement with a group of its financial partners on the terms of a restructuring plan prior to filing for Chapter 11 and has the necessary level of support to confirm such a restructuring plan.
   - This typically enables a company to move through the financial restructuring process on an expedited basis.
   - We appreciate the significant support of our financial partners and their confidence in our vision for the future and opportunities ahead.

4. **What's the difference between Chapter 11 in the United States and financial restructurings in other countries? Why did the Company file for Chapter 11 in the US and not in a different jurisdiction?**
   - Chapter 11 is a well-established legal process in the United States that allows companies to restructure their finances through a court-supervised proceeding while continuing to operate their businesses. This specific process is unique to the US and it is **not** a liquidation or insolvency.
   - Importantly, the Chapter 11 process allows companies to access specialised financing (DIP financing) to fund operating needs and satisfy business obligations.
   - The goal of filing for Chapter 11 is for a company to emerge from the process as a more financially stable entity. By restructuring its existing debt and obligations, the company can move forward as a stronger organisation.

Klöckner Pentaplast
Capital House, 4th Floor
25 Chapel Street
London NW1 5DH
United Kingdom
Email: kpinfo@kpfilms.com
www.kpfilms.com

5. **What is an RSA / Restructuring Support Agreement?**
   - A Restructuring Support Agreement, or "RSA," is an agreement between a company and a group of its financial stakeholders that establishes the goals, requirements, and key terms of a financial restructuring plan, and outlines the support of those partners for the company's restructuring plan.
   - RSAs typically reduce the cost and length of the court-supervised financial restructuring process while minimising disruption to the company's operations and its stakeholders.

6. **Why did kp file for US Chapter 11? Why now?**
   - We are taking steps to position our company for long-term success as we continue shaping the future of sustainable packaging and film solutions.
   - The agreement we have entered into with our financial partners will enhance kp's financial position by substantially reducing our debt, increasing our cash, and strengthening our balance sheet.
   - The court supervised process allows us to gain access to new financing to support our global operations without interruption so that our customers can continue to rely on kp for innovative and sustainable packaging, films and services.
   - With a stronger financial foundation and new owners, we will emerge from this process better positioned than ever to continue our journey as a leading sustainable packaging solutions company.

7. **Will this court-supervised process affect kp's day-to-day operations?**
   - No. Our global operations are continuing without interruption.
   - Our customers can continue to rely on kp for innovative and sustainable packaging, films, and services.

8. **Does this mean kp is shutting down? Is this a liquidation?**
   - No. Chapter 11 is a well-established US legal process that companies use to restructure their finances while they continue to operate as normal.
   - We are a key player in the packaging sector, and that is not changing.
   - Our operations remain fundamentally strong and profitable, and our customers can continue to rely on kp for innovative and sustainable packaging, films, and services.

9. **What does this announcement mean for customers?**
   - Supporting your business remains our top priority.
   - Our global operations are continuing without interruption, and this process has no impact on our customers or how we work with you.
   - We remain focused on doing what we have done for the past 60 years: delivering sustainable packaging solutions to meet our customers' needs through teamwork, innovation, and excellence.
   - We intend to emerge from this process better positioned than ever to continue our journey as a leading sustainable packaging solutions company.
   - We value our relationship and look forward to continuing to serve you for years to come.

10. **Can I still purchase products from kp? Will there be any changes in the types of products available?**
    - Yes, you can still purchase our leading sustainable packaging and film solutions, and you should expect no changes to the types of products we offer.
    - Our global operations are continuing without interruption. There are no changes to how we work with you, and supporting your business remains our top priority.

11. **Will the order I placed still be fulfilled and delivered as scheduled?**
    - Our global operations are continuing without interruption, and this announcement has no impact on our delivery and fulfillment schedules.

12. **When does kp intend to complete the financial restructuring process?**
    - We intend to complete the financial restructuring process as quickly and efficiently as possible.

13. **Who can I contact if I have additional questions? Where can I find more information?**
    - If you have further questions, please reach out to your regular point of contact.
    - Additional information regarding kp's US court-supervised process is available at advancingkp.com.