



Final Report

Hedging Interest Rate Risk

ST HUBERT

June 27th 2024



KERIUS Finance SAS

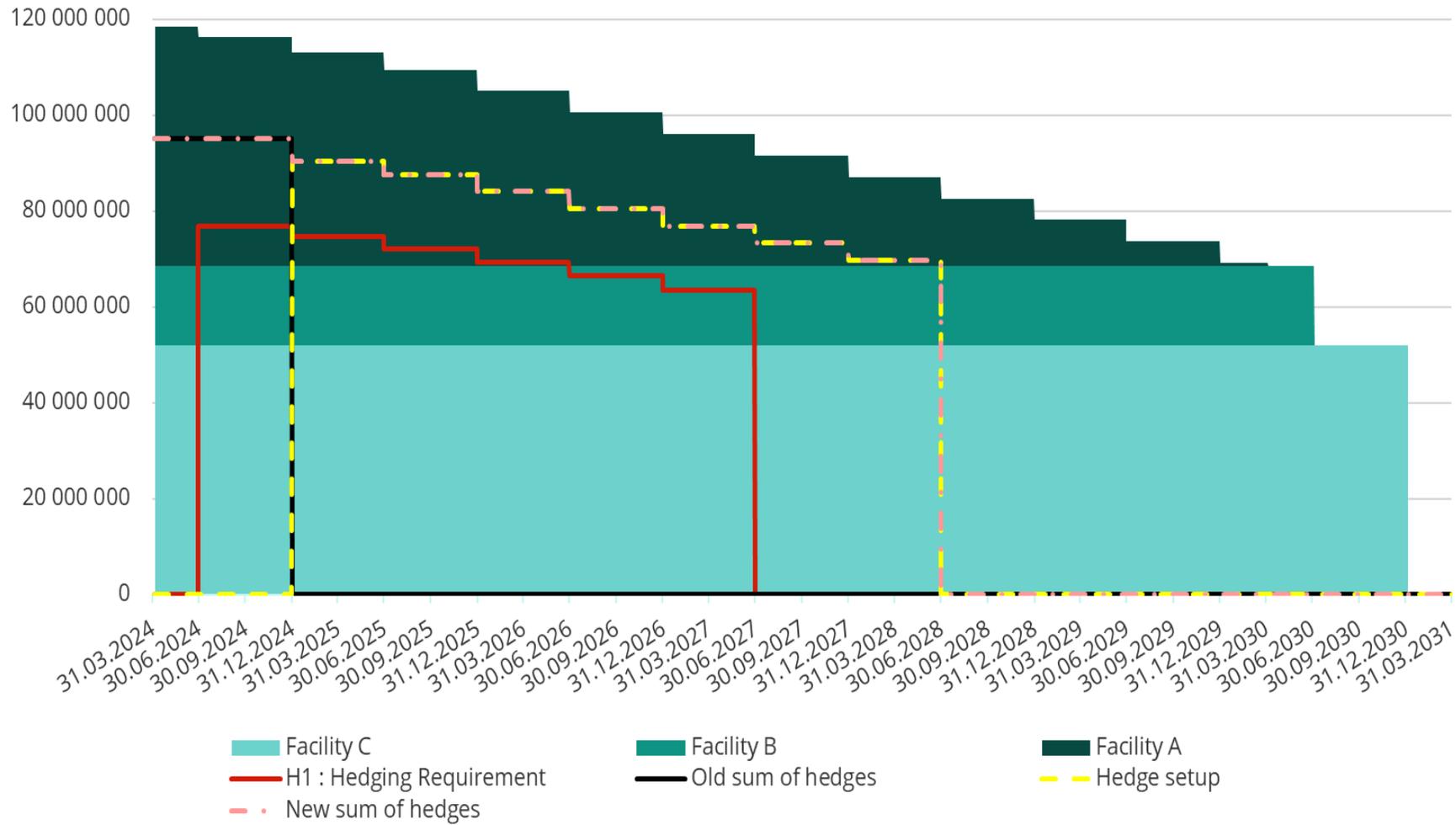
regulated as Independent Financial Advisor (Conseiller en Investissements Financiers)

Member of the ANACOFI CIF, Association regulated by the French Market Authority – ORIAS N° 13000716

Summary of hedging decisions

- New hedge set up on a 3.5-year horizon to mitigate the sensitivity of the group to interest rates variations, including the impact of negatives rates with the Cash Flow Hedge objective (future cash flow hedging).
- A cap at 3% against Euribor 3 months has been set up to limit the financing rate on the hedged part.
- The old hedge was kept since it matched the hedging objectives.

Map after hedge inception



Hedge set up :
Purchased a Cap at 3% against Euribor 3 months for 3.5 years.

Banking split :
BNP 100%.

Debt & Hedging Requirement Mapping

Financing :

Lenders : Arkea, BIL, BNP Baribas, Deutsche Bank

Facility A : €50'000'000, specific amortization, drawn on 05/04/2024, maturing 05/04/2030, **floor 0%** on Euribor 3 months + 4%

Facility B : €16'500'000, bullet amortization, drawn on 05/04/2024, maturing 05/07/2030, **floor 0%** on Euribor 3 months + 4,5%

Facility C : €52'000'000, bullet amortization, drawn on 05/04/2024, maturing 05/01/2031, **floor 0%** on Euribor 3 months + 6,5%

Capex Acquisition Facility : €14'500'000 : Not included in the analysis.

Revolving Facility : €5'000'000 : Not included in the analysis.

Hedging requirement :

The Company shall ensure that interest rate hedges in respect of **at least 66%** (but no more than 100%) of the amount of Facility A Loans, Facility B Loans and Facility C Loans made available to it on the Closing Date for a period of **at least 3 years** ("Minimum Hedging Requirements") to protect the Borrowers against a EURIBOR increase of **more than 1.50 per cent.** per annum in respect of Facility A, Facility B and Facility C are implemented within **6 Months from the Closing Date** (with the ability to reduce the notional amount of hedging provided that the Minimum Hedging Requirement is met) and that any agreements to meet the Minimum Hedging Requirements are not terminated, varied or cancelled without the consent of the Agent (acting on the instructions of the Majority Lenders).

→ **05/10/2024**

Hedging counterparties : Arkea, BIL, BNP Baribas, Deutsche Bank

Existing hedge :

CAP 0% ARKEA : starting 31/03/2021, ending 15/01/2025, bullet amortization, notional of €95'000'000. **Upfront premium of €370'000.**

In the event of hedging of a loan that has not yet been drawn on the hedging date: check that the contract allows it or request authorization from the arranging Bank because it is generally prohibited to cover more than 100% of the debts drawn.

Details of hedge set up

Cap with Running Premium

Bank : BNP

Strike rate: 3%

Trade Date : 19/06/2024

Start Date : 31/12/2024

End Date : 30/06/2028

Index : Euribor 3 Months

Base : Actual/360

Notional principal : €90'400'000 amortization as set out in the table.

Annual running premium to be paid quarterly until 30/06/2028 : **0.387%**, corresponding to an upfront premium of **€1'102'821**.

Running premium to be paid

BNP Hedge

Fixing	Start	End	Payment	Notionnal	Premium to be paid	Remaining to be paid in case of settlement
27.12.2024	31.12.2024	31.03.2025	31.03.2025	90 400 000	87 462	-1 015 359
27.03.2025	31.03.2025	30.06.2025	30.06.2025	90 400 000	88 434	-926 925
26.06.2025	30.06.2025	30.09.2025	30.09.2025	87 500 000	86 538	-840 388
26.09.2025	30.09.2025	31.12.2025	31.12.2025	87 500 000	86 538	-753 850
29.12.2025	31.12.2025	31.03.2026	31.03.2026	84 100 000	81 367	-672 483
27.03.2026	31.03.2026	30.06.2026	30.06.2026	84 100 000	82 271	-590 213
26.06.2026	30.06.2026	30.09.2026	30.09.2026	80 500 000	79 615	-510 598
28.09.2026	30.09.2026	31.12.2026	31.12.2026	80 500 000	79 615	-430 984
29.12.2026	31.12.2026	31.03.2027	31.03.2027	76 900 000	74 401	-356 583
25.03.2027	31.03.2027	30.06.2027	30.06.2027	76 900 000	75 227	-281 355
28.06.2027	30.06.2027	30.09.2027	30.09.2027	73 300 000	72 494	-208 862
28.09.2027	30.09.2027	31.12.2027	31.12.2027	73 300 000	72 494	-136 368
29.12.2027	31.12.2027	31.03.2028	31.03.2028	69 700 000	68 184	-68 184
29.03.2028	31.03.2028	30.06.2028	30.06.2028	69 700 000	68 184	0

Running premium

0.387%

Total to be paid

1 102 821

Amortization table

DATE FIXING	STARTING DATE	ENDING DATE	DATE PAIEMENT	Facility A		Facility B		Facility C		TOTAL DEBT
				Amort.	CRD	Amort.	CRD	Amort.	CRD	
03.04.2024	05.04.2024	28.06.2024	28.06.2024	0	50 000 000	0	16 500 000	0	52 000 000	118 500 000
26.06.2024	28.06.2024	30.09.2024	30.09.2024	2 250 000	47 750 000	0	16 500 000	0	52 000 000	116 250 000
26.09.2024	30.09.2024	30.12.2024	30.12.2024	0	47 750 000	0	16 500 000	0	52 000 000	116 250 000
24.12.2024	30.12.2024	31.03.2025	31.03.2025	3 250 000	44 500 000	0	16 500 000	0	52 000 000	113 000 000
27.03.2025	31.03.2025	30.06.2025	30.06.2025	0	44 500 000	0	16 500 000	0	52 000 000	113 000 000
26.06.2025	30.06.2025	30.09.2025	30.09.2025	3 625 000	40 875 000	0	16 500 000	0	52 000 000	109 375 000
26.09.2025	30.09.2025	30.12.2025	30.12.2025	0	40 875 000	0	16 500 000	0	52 000 000	109 375 000
24.12.2025	30.12.2025	30.03.2026	30.03.2026	4 250 000	36 625 000	0	16 500 000	0	52 000 000	105 125 000
26.03.2026	30.03.2026	30.06.2026	30.06.2026	0	36 625 000	0	16 500 000	0	52 000 000	105 125 000
26.06.2026	30.06.2026	30.09.2026	30.09.2026	4 500 000	32 125 000	0	16 500 000	0	52 000 000	100 625 000
28.09.2026	30.09.2026	30.12.2026	30.12.2026	0	32 125 000	0	16 500 000	0	52 000 000	100 625 000
28.12.2026	30.12.2026	30.03.2027	30.03.2027	4 500 000	27 625 000	0	16 500 000	0	52 000 000	96 125 000
24.03.2027	30.03.2027	30.06.2027	30.06.2027	0	27 625 000	0	16 500 000	0	52 000 000	96 125 000
28.06.2027	30.06.2027	30.09.2027	30.09.2027	4 500 000	23 125 000	0	16 500 000	0	52 000 000	91 625 000
28.09.2027	30.09.2027	30.12.2027	30.12.2027	0	23 125 000	0	16 500 000	0	52 000 000	91 625 000
28.12.2027	30.12.2027	30.03.2028	30.03.2028	4 500 000	18 625 000	0	16 500 000	0	52 000 000	87 125 000

Amortization table

DATE FIXING	STARTING DATE	ENDING DATE	DATE PAIEMENT	Facility A		Facility B		Facility C		TOTAL DEBT
				Amort.	CRD	Amort.	CRD	Amort.	CRD	
28.03.2028	30.03.2028	30.06.2028	30.06.2028	0	18 625 000	0	16 500 000	0	52 000 000	87 125 000
28.06.2028	30.06.2028	29.09.2028	29.09.2028	4 500 000	14 125 000	0	16 500 000	0	52 000 000	82 625 000
27.09.2028	29.09.2028	29.12.2028	29.12.2028	0	14 125 000	0	16 500 000	0	52 000 000	82 625 000
27.12.2028	29.12.2028	29.03.2029	29.03.2029	4 500 000	9 625 000	0	16 500 000	0	52 000 000	78 125 000
27.03.2029	29.03.2029	29.06.2029	29.06.2029	0	9 625 000	0	16 500 000	0	52 000 000	78 125 000
27.06.2029	29.06.2029	28.09.2029	28.09.2029	4 500 000	5 125 000	0	16 500 000	0	52 000 000	73 625 000
26.09.2029	28.09.2029	31.12.2029	31.12.2029	0	5 125 000	0	16 500 000	0	52 000 000	73 625 000
27.12.2029	31.12.2029	29.03.2030	29.03.2030	4 500 000	625 000	0	16 500 000	0	52 000 000	69 125 000
27.03.2030	29.03.2030	05.04.2030	05.04.2030	0	625 000	0	16 500 000	0	52 000 000	69 125 000
03.04.2030	05.04.2030	28.06.2030	28.06.2030	625 000	0	0	16 500 000	0	52 000 000	68 500 000
26.06.2030	28.06.2030	05.07.2030	05.07.2030	0	0	0	16 500 000	0	52 000 000	68 500 000
03.07.2030	05.07.2030	30.09.2030	30.09.2030	0	0	16 500 000	0	0	52 000 000	52 000 000
26.09.2030	30.09.2030	31.12.2030	31.12.2030	0	0	0	0	0	52 000 000	52 000 000
27.12.2030	31.12.2030	06.01.2031	06.01.2031	0	0	0	0	0	52 000 000	52 000 000
02.01.2031	06.01.2031	31.03.2031	31.03.2031	0	0	0	0	52 000 000	0	0
Période brisée										

Amortization table

DATE FIXING	STARTING DATE	ENDING DATE	DATE PAIEMENT	Old sum of hedges	% TOTAL DEBT	H1 : Hedging Requirement	Minimum Amount to be hedged	Hedge setup	New sum of hedges
03.04.2024	05.04.2024	28.06.2024	28.06.2024	95 000 000		0	0	0	95 000 000
26.06.2024	28.06.2024	30.09.2024	30.09.2024	95 000 000	66%	76 725 000	0	0	95 000 000
26.09.2024	30.09.2024	30.12.2024	30.12.2024	95 000 000	66%	76 725 000	0	0	95 000 000
24.12.2024	30.12.2024	31.03.2025	31.03.2025	0	66%	74 580 000	74 580 000	90 400 000	90 400 000
27.03.2025	31.03.2025	30.06.2025	30.06.2025	0	66%	74 580 000	74 580 000	90 400 000	90 400 000
26.06.2025	30.06.2025	30.09.2025	30.09.2025	0	66%	72 187 500	72 187 500	87 500 000	87 500 000
26.09.2025	30.09.2025	30.12.2025	30.12.2025	0	66%	72 187 500	72 187 500	87 500 000	87 500 000
24.12.2025	30.12.2025	30.03.2026	30.03.2026	0	66%	69 382 500	69 382 500	84 100 000	84 100 000
26.03.2026	30.03.2026	30.06.2026	30.06.2026	0	66%	69 382 500	69 382 500	84 100 000	84 100 000
26.06.2026	30.06.2026	30.09.2026	30.09.2026	0	66%	66 412 500	66 412 500	80 500 000	80 500 000
28.09.2026	30.09.2026	30.12.2026	30.12.2026	0	66%	66 412 500	66 412 500	80 500 000	80 500 000
28.12.2026	30.12.2026	30.03.2027	30.03.2027	0	66%	63 442 500	63 442 500	76 900 000	76 900 000
24.03.2027	30.03.2027	30.06.2027	30.06.2027	0	66%	63 442 500	63 442 500	76 900 000	76 900 000
28.06.2027	30.06.2027	30.09.2027	30.09.2027	0		0	0	73 300 000	73 300 000
28.09.2027	30.09.2027	30.12.2027	30.12.2027	0		0	0	73 300 000	73 300 000
28.12.2027	30.12.2027	30.03.2028	30.03.2028	0		0	0	69 700 000	69 700 000

Amortization table

DATE FIXING	STARTING DATE	ENDING DATE	DATE PAIEMENT	Old sum of hedges	% TOTAL DEBT	H1 : Hedging Requirement	Minimum Amount to be hedged	Hedge setup	New sum of hedges
28.03.2028	30.03.2028	30.06.2028	30.06.2028	0		0	0	69 700 000	69 700 000
28.06.2028	30.06.2028	29.09.2028	29.09.2028	0		0	0	0	0
27.09.2028	29.09.2028	29.12.2028	29.12.2028	0		0	0	0	0
27.12.2028	29.12.2028	29.03.2029	29.03.2029	0		0	0	0	0
27.03.2029	29.03.2029	29.06.2029	29.06.2029	0		0	0	0	0
27.06.2029	29.06.2029	28.09.2029	28.09.2029	0		0	0	0	0
26.09.2029	28.09.2029	31.12.2029	31.12.2029	0		0	0	0	0
27.12.2029	31.12.2029	29.03.2030	29.03.2030	0		0	0	0	0
27.03.2030	29.03.2030	05.04.2030	05.04.2030	0		0	0	0	0
03.04.2030	05.04.2030	28.06.2030	28.06.2030	0		0	0	0	0
26.06.2030	28.06.2030	05.07.2030	05.07.2030	0		0	0	0	0
03.07.2030	05.07.2030	30.09.2030	30.09.2030	0		0	0	0	0
26.09.2030	30.09.2030	31.12.2030	31.12.2030	0		0	0	0	0
27.12.2030	31.12.2030	06.01.2031	06.01.2031	0		0	0	0	0
02.01.2031	06.01.2031	31.03.2031	31.03.2031	0		0	0	0	0
Période brisée									

ROI analysis

In addition to the qualitative aspects (analysis and choice of the most appropriate strategy) and the time saved during the process, the KERIUS Finance service generated the following savings:

Value of 1 BP	28 497
	BNP
Total savings	203 070
Market price without bank margin	1 020 924
Price with standard bank margin *	1 305 891
Standard bank margin (10 basis points) *	284 967
Final price	1 102 821
Final margin	81 897

* The standard margin taken by banks in this context is 10 to 15 basis points over the fixed rate or running premium. compared to the rate / price without margin used above. A margin of 10 basis points is used for this comparison.

The total savings are made in three stages in a "cooperative" way with the bank:

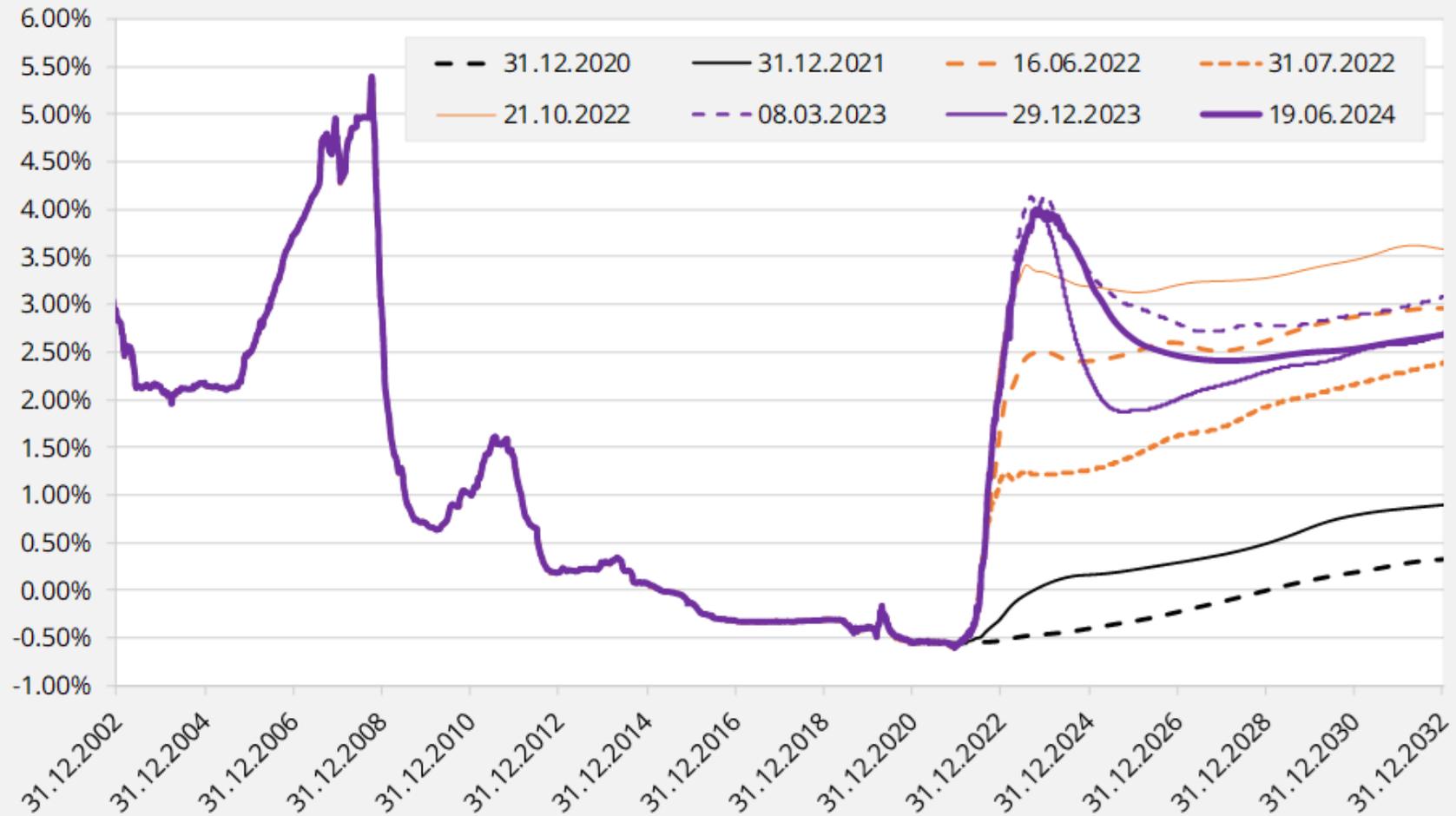
- Choosing the optimal product: similar or identical products are often "priced" differently
- Preliminary negotiations before quotes tender (explanation of KERIUS method and target margin to be selected)
- Final negotiation at the end of the process

Appendices

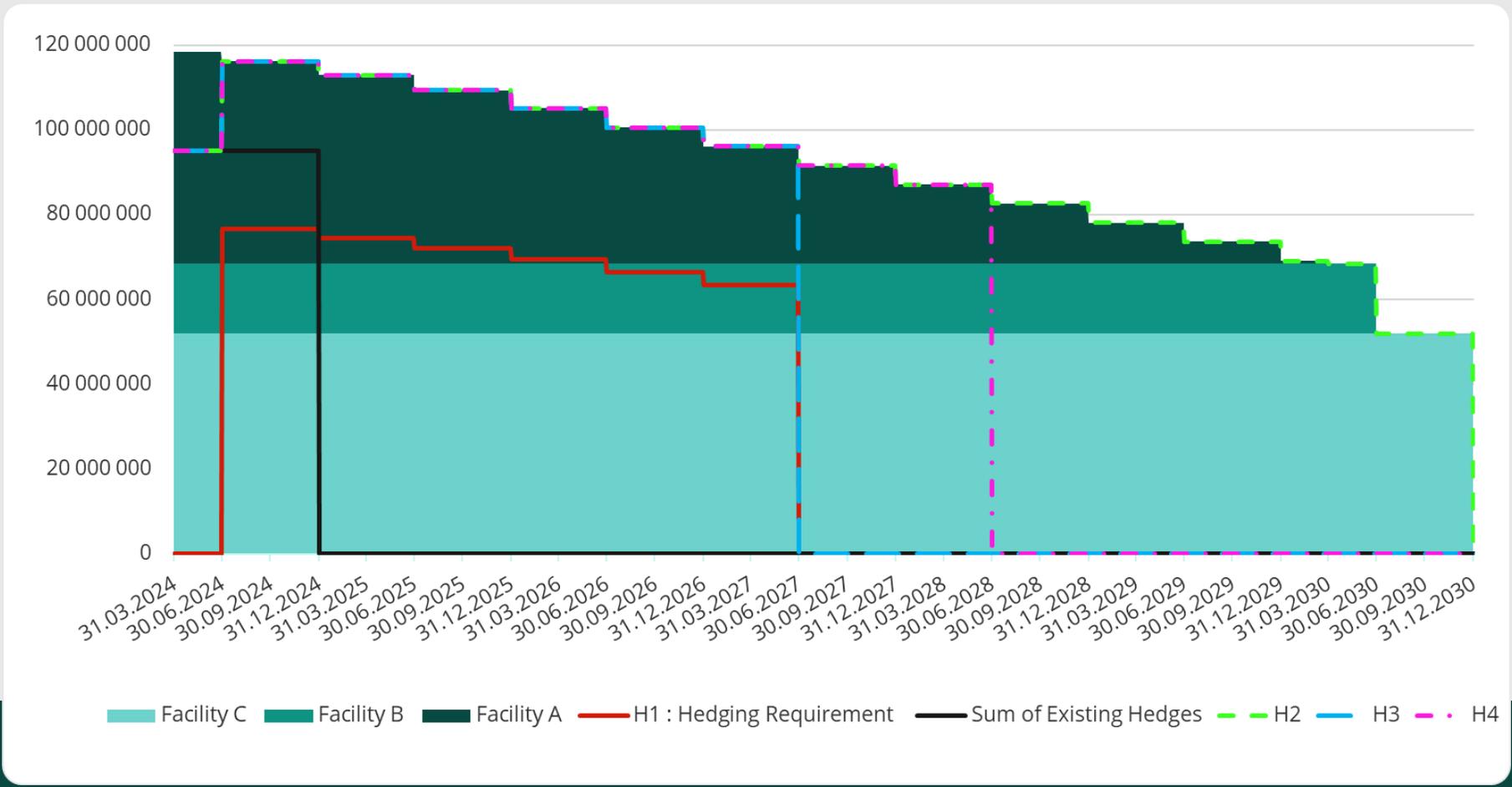
- Market Data : Historic and projected Euribor
- Recall: Situation before new hedges and Financial expenses simulation
- Financing terms
- Recall : Profiles at maturity of different types of hedge

Market data (19/06/2024)

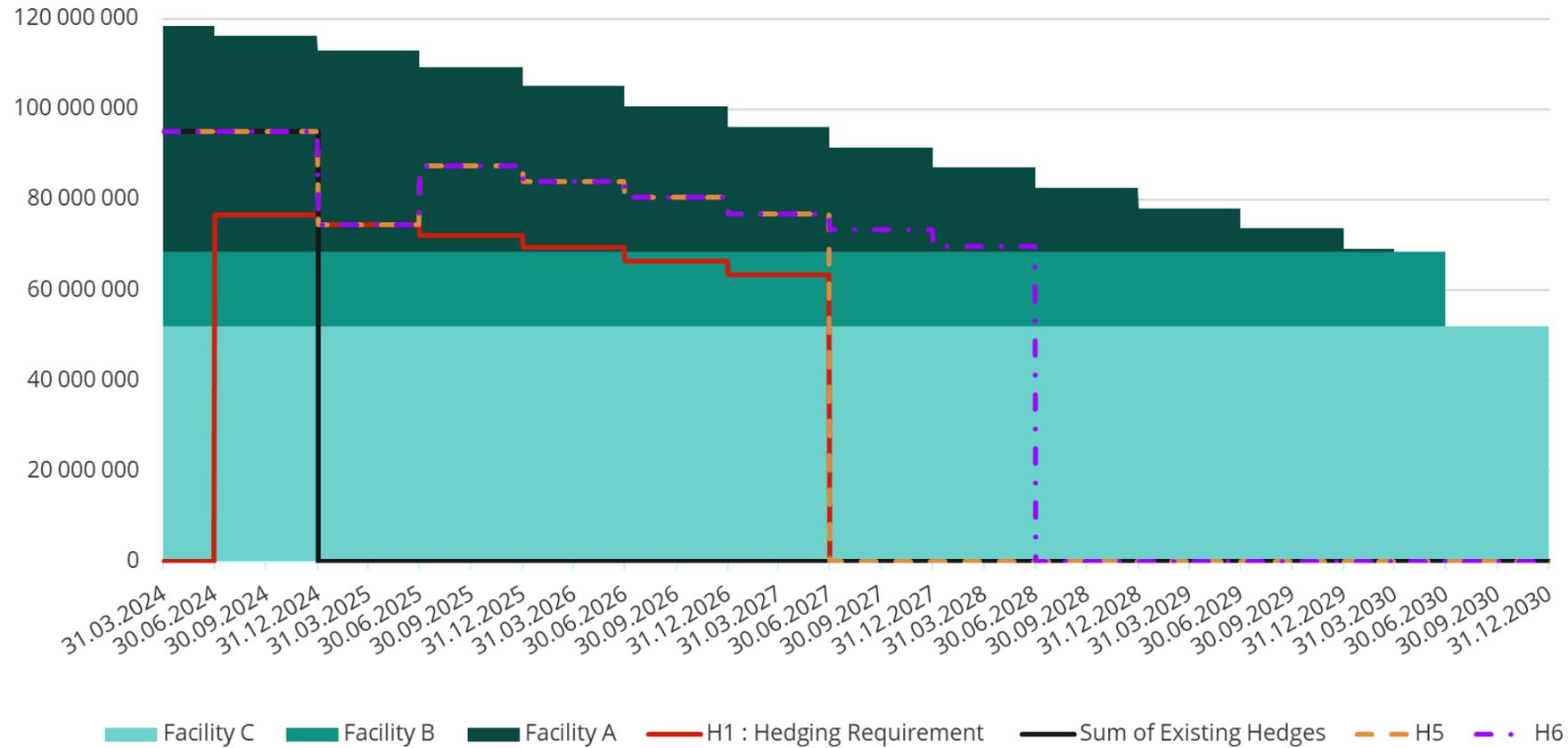
Euribor 3M historique et projeté



New hedges : Various amounts and maturities possible



New hedges : Various amounts and maturities possible



Not recommended products

Hedging	H1 bis	H2 bis
Value of 1bp in EUR	17 512	54 738
Swap without Floor	2.52%	2.47%
Swap with Floor	2.62%	2.62%
Cap 0% annualized	2.62%	2.62%

There are many interest rate hedging products. There are certain products that we do not recommend or no longer recommend for various reasons, relating to a problem of efficiency or accounting (sometimes the two are linked) or comparative profitability. Product sheets are available in the appendix of this report to clarify the mechanisms and their intrinsic advantages/disadvantages.

Here is a (non-exhaustive) list of products we do not recommend and the reasons why:

▪ Interest rate swap (simple and floored) :

- Simple: toxic in a context of negative rates and therefore can be de-qualified and considered as a speculative product by the company's auditors even in a period of positive rates, which implies recording changes in the product's net asset value in financial income at each closing.
- Floored: increased bank margin for a product equivalent to Cap 0%, but sold at a higher price most of the time for reasons specific to the banks.

▪ Cap 0% :

- Does not allow to benefit from a decrease in rates because this product, which is currently very expensive, completely freezes the interest rates.
- Requires more risk lines in the banks
- This is a product that we recommended when Euribor rates were negative or close to zero.

▪ Collar (purchase of cap / sale of floor):

- Does not guarantee a cap rate in the event of negative rates because the financing already includes a floor/floor at 0%, which induces an increase in the overall financing rate in the event of a fall in Euribor rates in the negative zone. As such, the product can be de-qualified and considered as a speculative product by the company's auditors even in a period of positive rates (in the same way as the simple swap).

▪ Knock-out Cap :

- Does not guarantee a cap rate, therefore it is not a hedging product and must be considered as speculative by the auditor.

▪ Knock-in Cap:

- Increased bank margin and interesting product on very large amounts only to absorb additional bank costs.

▪ Cap Spread (e.g.: buy 1% cap / sell 3% cap) :

- Does not guarantee a cap rate and is never a hedging product in the event of a highly unfavorable rate scenario, so can be considered as speculative by auditors.

Recommended Products

Hedging	H1 bis *	H2 bis	H3 bis	H4 bis	H5 bis	H6 bis
Duration	2,5 years	6,5 years	3 years	4 years	2,5 years	3,5 years
Index	Euribor 3M	Euribor 3M	Euribor 3M	Euribor 3M	Euribor 3M	Euribor 3M
Starting Notional Amount	74 580 000	21 250 000	21 250 000	21 250 000	74 580 000	74 580 000
Notional Amount on 30/06/2025	72 187 500	109 375 000	109 375 000	109 375 000	87 500 000	87 500 000
Start of Period	31.12.2024	30.06.2024	30.06.2024	30.06.2024	31.12.2024	31.12.2024
End of Period	30.06.2027	31.12.2030	30.06.2027	30.06.2028	30.06.2027	30.06.2028
Value of 1bp in EUR	17 512	54 738	27 619	36 707	20 431	27 701

Bank margin estimated included in the prices : **7 bps**

***bis : in addition to the existing hedges**

H1 bis = H1 - Existing hedges

****Cheapest hedge possible according to your hedging requirement**

Annualised Premium						
Cap 0% annualized	2,62%	2,62%	2,66%	2,62%	2,61%	2,58%
Max Financing Rate	2,62%	2,62%	2,66%	2,62%	2,61%	2,58%

Cap 2,5% annualized	0,60%	0,72%	0,62%	0,64%	0,60%	0,63%
Max Financing Rate	3,10%	3,22%	3,12%	3,14%	3,10%	3,13%

Cap 3% annualized	0,38%	0,51%	0,39%	0,43%	0,39%	0,43%
Max Financing Rate	3,38%	3,51%	3,39%	3,43%	3,39%	3,43%

Cap 3.5% annualized	0,25%	0,37%	0,25%	0,29%	0,26%	0,30%
Max Financing Rate	3,75%	3,87%	3,75%	3,79%	3,76%	3,80%

Cap 5.435% annualized **	0,11%	-	-	-	-	-
Max Financing Rate	5,54%					

Premium in EUR						
Cap 0%	4 322 200	13 093 700	6 934 500	8 951 500	5 008 400	6 637 300
Cap 2.5%	990 700	3 605 700	1 612 200	2 196 800	1 150 600	1 623 300
Cap 3%	633 200	2 559 200	1 019 900	1 458 500	741 400	1 095 300
Cap 3.5%	416 900	1 855 600	655 200	988 600	492 200	761 000
Cap 5.435%**	178 300	-	-	-	-	-

Indicatives quotes

See comparison of hedging profiles in the appendix.

Indicative quotes without bank margin or with estimated bank margin. A non-negotiated bank margin is generally between 0.10% and 0.20%.

The markets are currently very volatile and can cause these prices to vary significantly.

Collars : Please note that we do not recommend this product since the risk of loss is unlimited since the financing is already floored. In fact, the Tunnel floor doubles that of financing. This generates a loss in the event of a drop in rates or a return to negative rates. In addition, this product does not fall within the scope of hedge accounting since it is considered speculative.

Indications for comparing quotes with each other:

The swap rate represents the financing rate of the hedged part of the debt (excluding the specific problem of the floor in the event of negative rates).

- The annualized cap premium represents the cost to pay over time to benefit from the cap (strike). The overall financing rate is then capped at strike + annualized premium. The cap allows you to benefit from Euribor rates lower than the strike, as long as the strike is higher than the floor included in the hedged financing.
- In the event of resale of the cap before maturity, the unpaid running premium remains due, but from this amount will be deducted the residual value (mark to market / fair value) of the cap, which may exceed the amount of the premium remaining due (for example if rates have risen).

Example of annualized premium payments : H6 bis Cap 2,5%

Fixing	Start	End	Payment	Notionnal	Premium to be paid	Remaining to be paid in case of settlement
27/12/2024	31/12/2024	31/03/2025	31/03/2025	74 580 000	109 260	-1 514 040
27/03/2025	31/03/2025	30/06/2025	30/06/2025	74 580 000	110 474	-1 403 566
26/06/2025	30/06/2025	30/09/2025	30/09/2025	87 500 000	131 037	-1 272 529
26/09/2025	30/09/2025	31/12/2025	31/12/2025	87 500 000	131 037	-1 141 493
29/12/2025	31/12/2025	31/03/2026	31/03/2026	84 100 000	123 207	-1 018 286
27/03/2026	31/03/2026	30/06/2026	30/06/2026	84 100 000	124 576	-893 710
26/06/2026	30/06/2026	30/09/2026	30/09/2026	80 500 000	120 554	-773 156
28/09/2026	30/09/2026	31/12/2026	31/12/2026	80 500 000	120 554	-652 603
29/12/2026	31/12/2026	31/03/2027	31/03/2027	76 900 000	112 659	-539 944
25/03/2027	31/03/2027	30/06/2027	30/06/2027	76 900 000	113 911	-426 033
28/06/2027	30/06/2027	30/09/2027	30/09/2027	73 300 000	109 771	-316 262
28/09/2027	30/09/2027	31/12/2027	31/12/2027	73 300 000	109 771	-206 491
29/12/2027	31/12/2027	31/03/2028	31/03/2028	69 700 000	103 245	-103 245
29/03/2028	31/03/2028	30/06/2028	30/06/2028	69 700 000	103 245	0

Running premium

0.63%

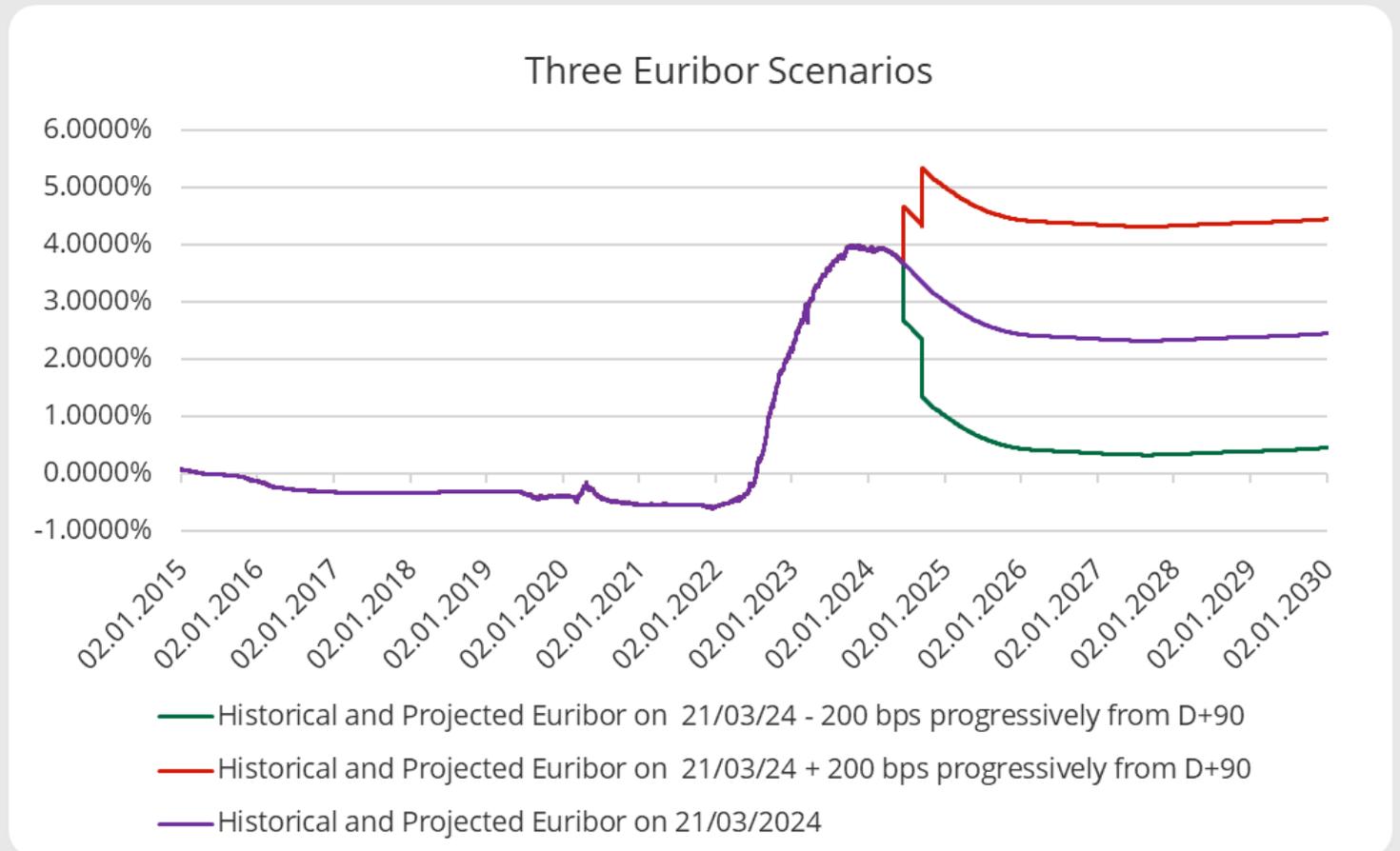
Total to be paid

1 623 300

Simulation of financial expenses with three Euribor evolution scenarios

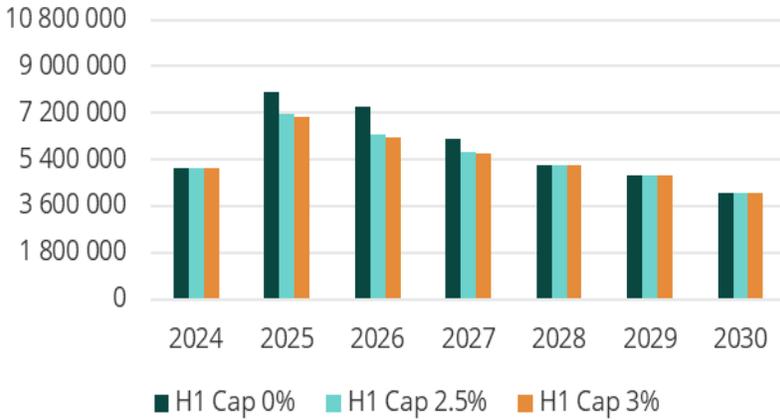
All financial expenses simulations start in **2024**.

This include the credit margins **4%** (Facility A), **4,5%** (Facility B), **6.50%** (Facility C), Euribor 3m variations' impact, the cost of the existing hedge and the cost of setting up the new hedge.

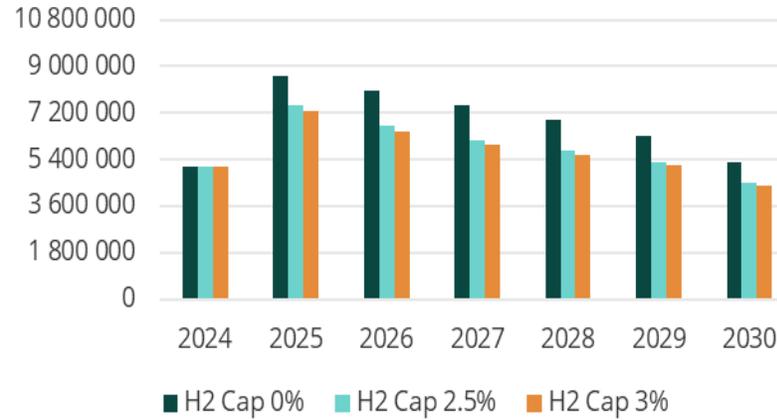


Financial expenses simulation in projected Euribor -2% scenario

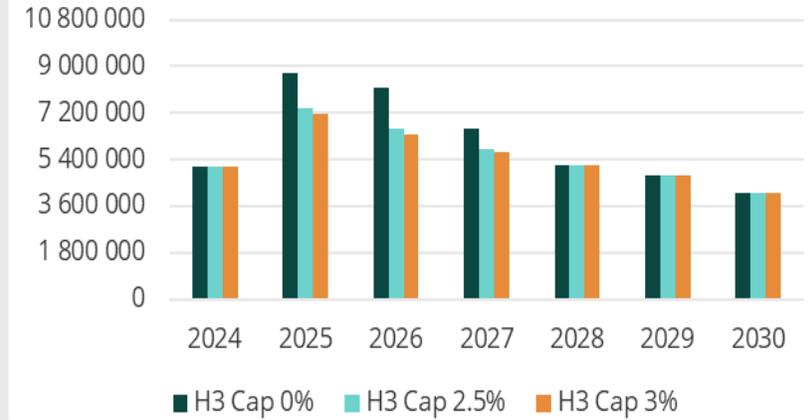
STRATEGY H1



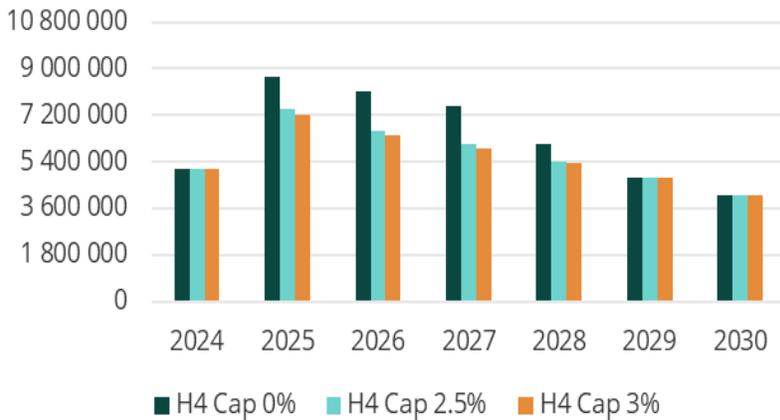
STRATEGY H2



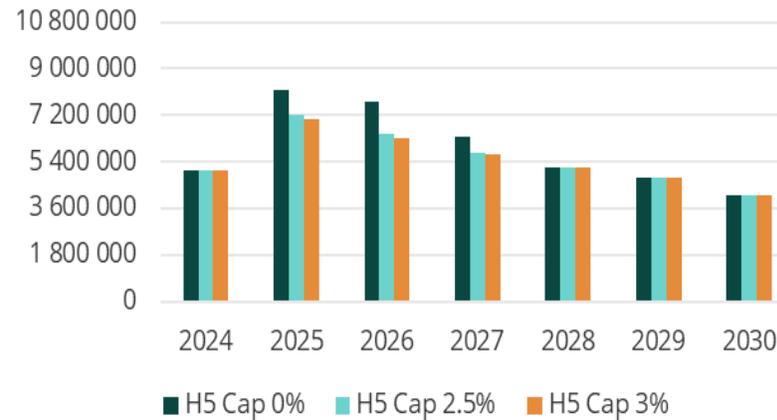
STRATEGY H3



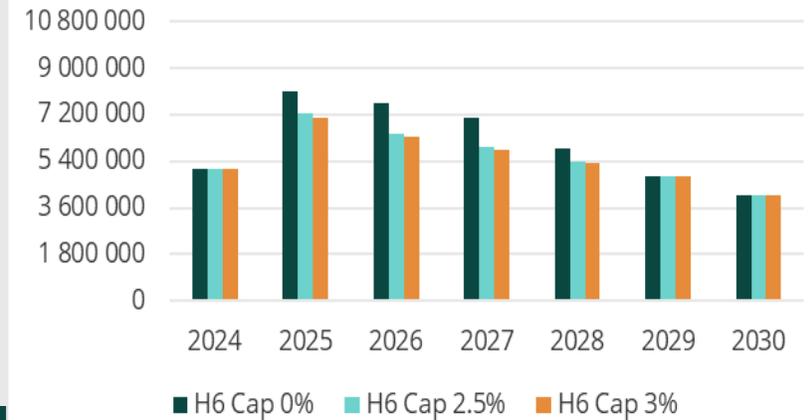
STRATEGY H4



STRATEGY H5

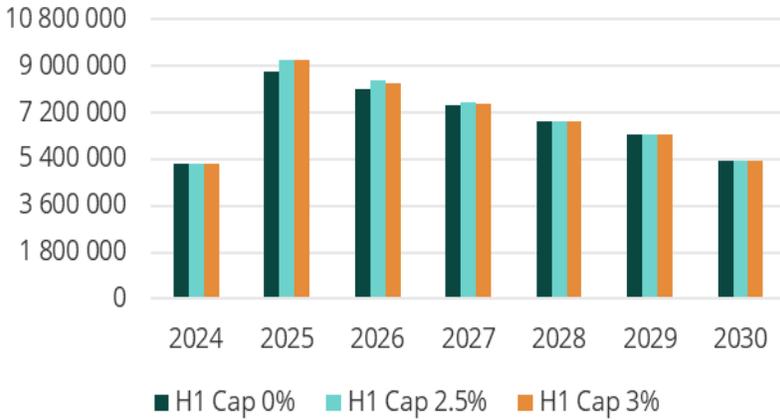


STRATEGY H6

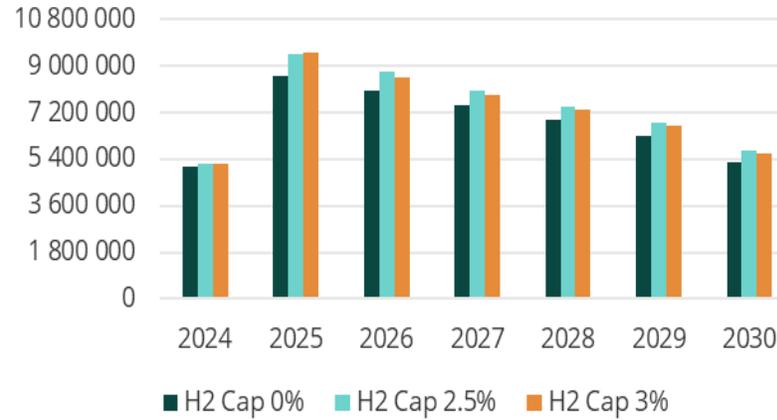


Financial expenses simulation in projected Euribor scenario

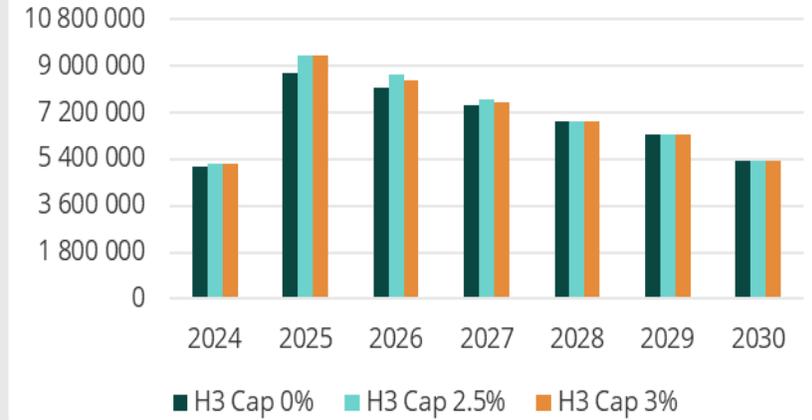
STRATEGY H1



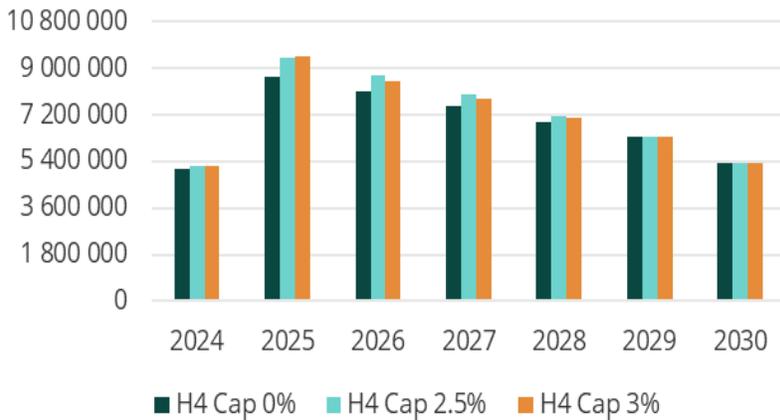
STRATEGY H2



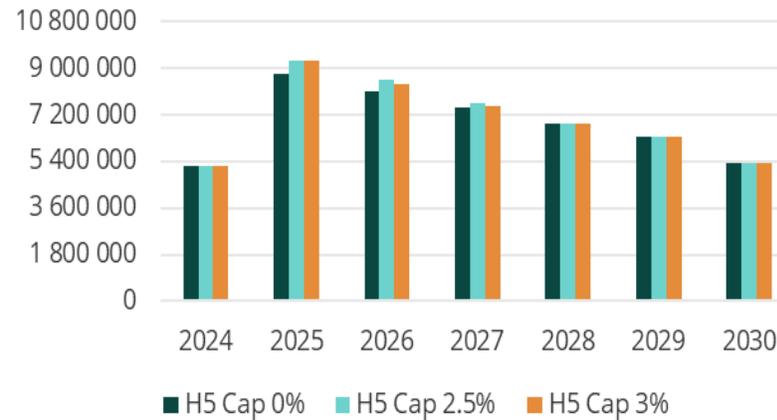
STRATEGY H3



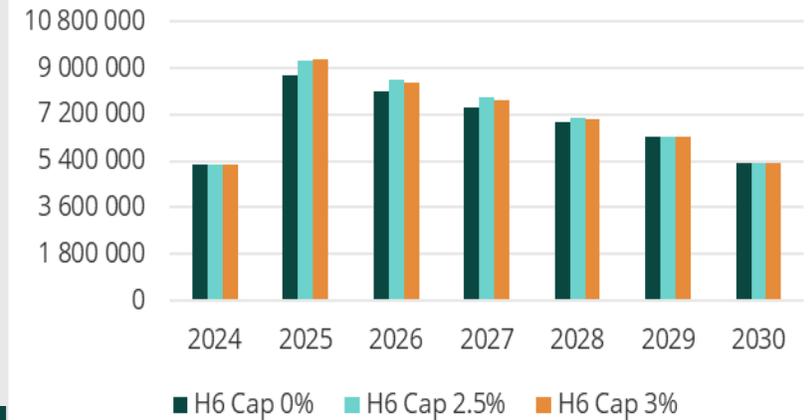
STRATEGY H4



STRATEGY H5

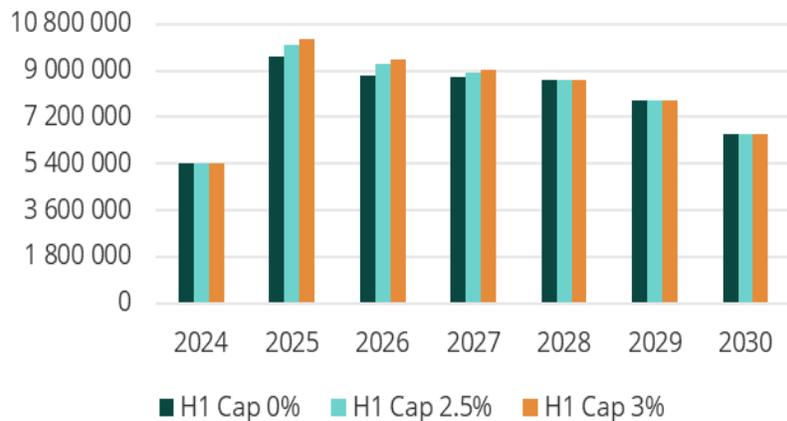


STRATEGY H6

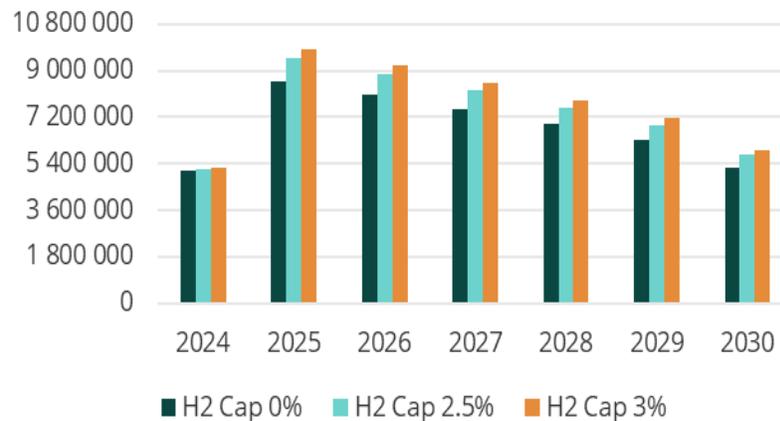


Financial expenses simulation in projected Euribor +2% scenario

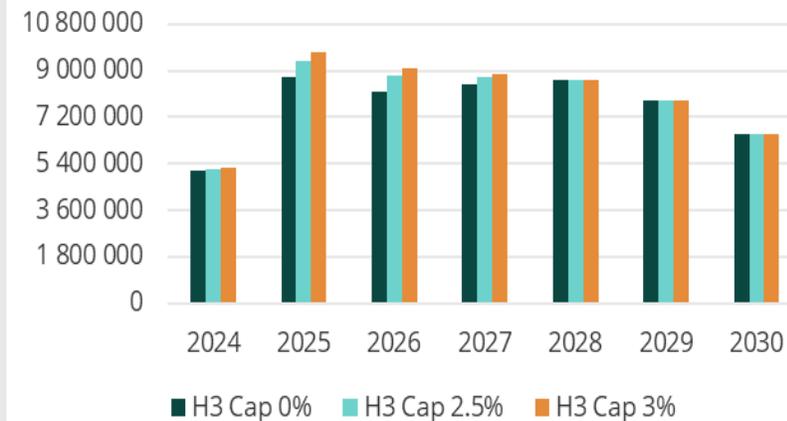
STRATEGY H1



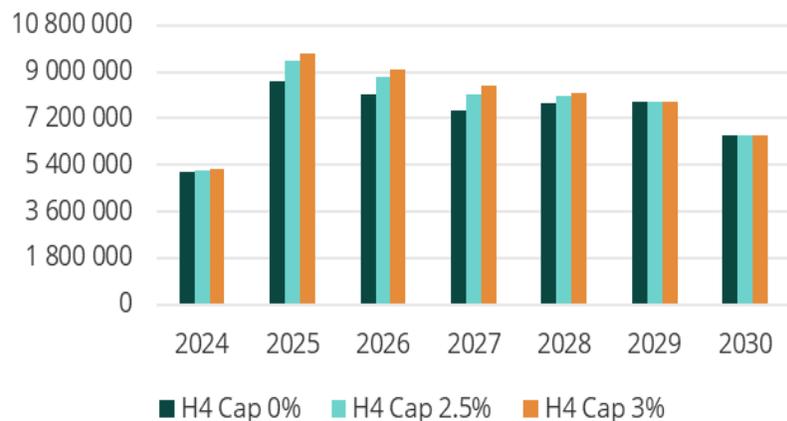
STRATEGY H2



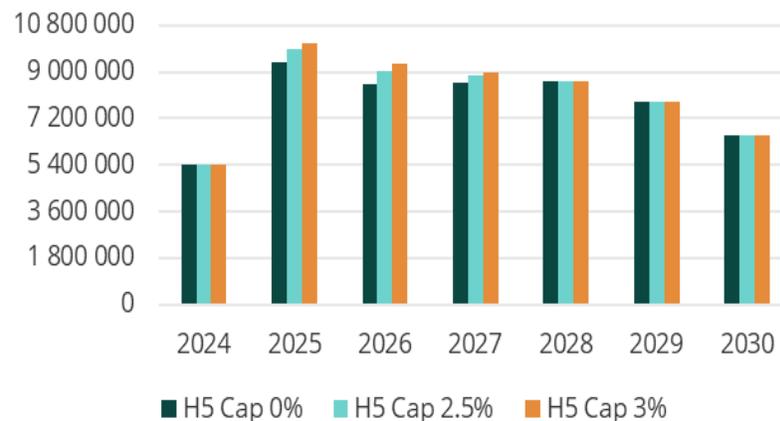
STRATEGY H3



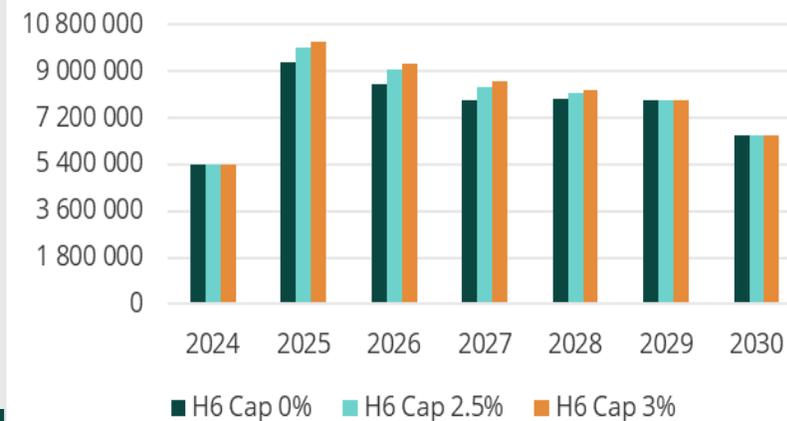
STRATEGY H4



STRATEGY H5

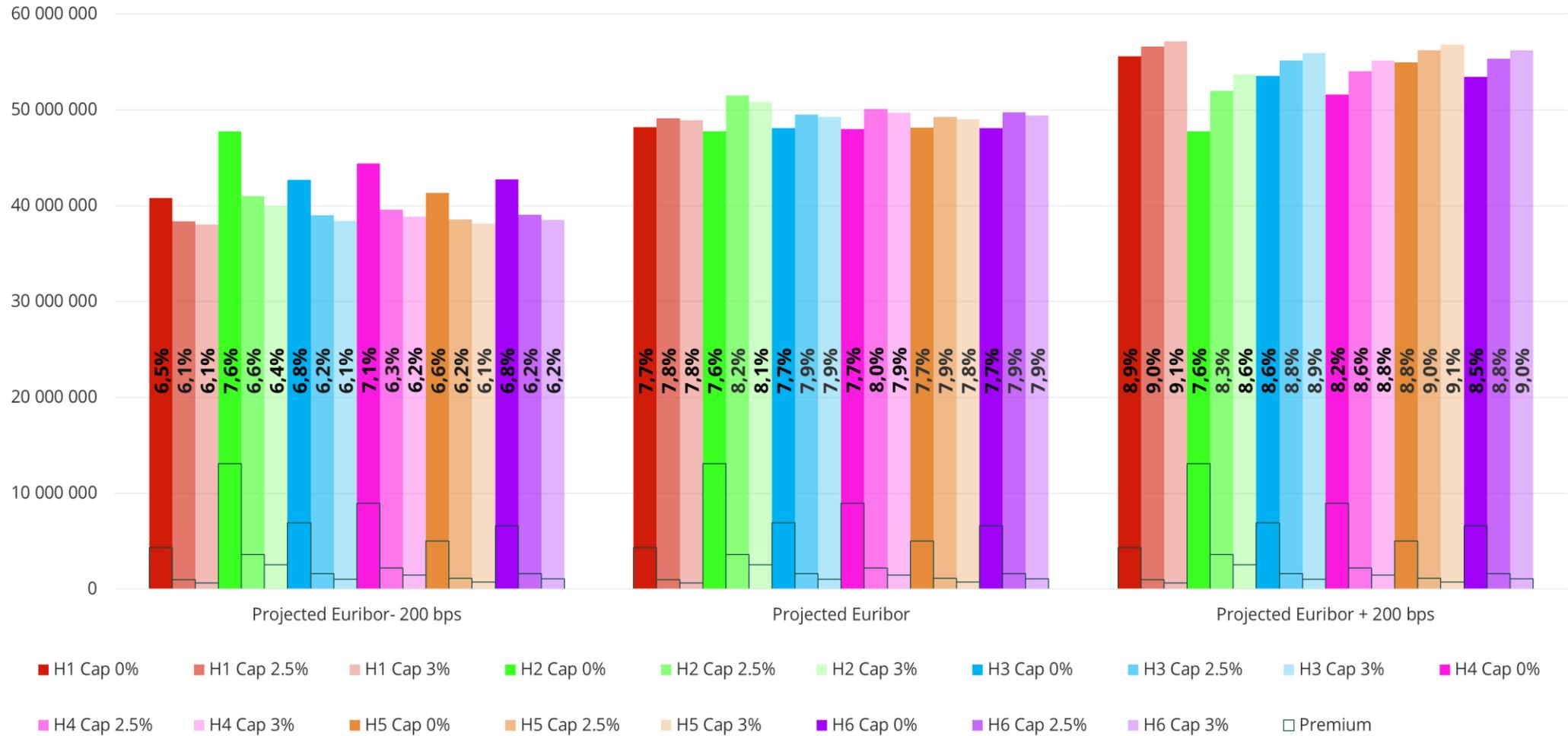


STRATEGY H6



Synthesis of financial costs simulation

(on the total duration of the financing, hedging cost included – APR approach)



Synthesis of financial costs simulation

(on the total duration of the financing, hedging cost included – APR approach)

	STRATEGY H1			STRATEGY H2			STRATEGY H3		
	H1 Cap 0%	H1 Cap 2.5%	H1 Cap 3%	H2 Cap 0%	H2 Cap 2.5%	H2 Cap 3%	H3 Cap 0%	H3 Cap 2.5%	H3 Cap 3%
Projected Euribor- 200 bps	40 792 228	38 405 322	38 047 822	47 789 733	41 012 321	39 973 822	42 703 302	39 018 821	38 434 522
Projected Euribor	48 183 238	49 116 185	48 936 040	47 789 733	51 528 609	50 807 679	48 127 142	49 537 653	49 268 379
Projected Euribor + 200 bps	55 574 247	56 620 713	57 138 806	47 789 733	51 986 342	53 676 764	53 550 983	55 133 492	55 922 153

	STRATEGY H4			STRATEGY H5			STRATEGY H6		
	H4 Cap 0%	H4 Cap 2.5%	H4 Cap 3%	H5 Cap 0%	H5 Cap 2.5%	H5 Cap 3%	H6 Cap 0%	H6 Cap 2.5%	H6 Cap 3%
Projected Euribor- 200 bps	44 414 982	39 603 421	38 873 122	41 350 942	38 565 222	38 156 022	42 735 586	39 037 922	38 509 922
Projected Euribor	48 021 281	50 122 253	49 706 979	48 158 103	49 270 480	49 044 240	48 088 713	49 743 180	49 398 140
Projected Euribor + 200 bps	51 627 579	54 049 615	55 146 663	54 965 263	56 215 240	56 827 595	53 441 841	55 353 159	56 210 222

Amortization table

FIXING DATE	STARTING DATE	ENDING DATE	PAYMENT DATE	Facility A		Facility B		Facility C		TOTAL DEBT	SUM OF EXISTING HEDGES	% TOTAL DEBT	H1 : Hedging Requirement
				Amort.	CRD	Amort.	CRD	Amort.	CRD				
26.03.2024	28.03.2024	28.06.2024	28.06.2024	0	50 000 000	0	16 500 000	0	52 000 000	118 500 000	95 000 000		0
26.06.2024	28.06.2024	30.09.2024	30.09.2024	2 250 000	47 750 000	0	16 500 000	0	52 000 000	116 250 000	95 000 000	66%	76 725 000
26.09.2024	30.09.2024	31.12.2024	31.12.2024	0	47 750 000	0	16 500 000	0	52 000 000	116 250 000	95 000 000	66%	76 725 000
27.12.2024	31.12.2024	31.03.2025	31.03.2025	3 250 000	44 500 000	0	16 500 000	0	52 000 000	113 000 000	0	66%	74 580 000
27.03.2025	31.03.2025	30.06.2025	30.06.2025	0	44 500 000	0	16 500 000	0	52 000 000	113 000 000	0	66%	74 580 000
26.06.2025	30.06.2025	30.09.2025	30.09.2025	3 625 000	40 875 000	0	16 500 000	0	52 000 000	109 375 000	0	66%	72 187 500
26.09.2025	30.09.2025	31.12.2025	31.12.2025	0	40 875 000	0	16 500 000	0	52 000 000	109 375 000	0	66%	72 187 500
29.12.2025	31.12.2025	31.03.2026	31.03.2026	4 250 000	36 625 000	0	16 500 000	0	52 000 000	105 125 000	0	66%	69 382 500
27.03.2026	31.03.2026	30.06.2026	30.06.2026	0	36 625 000	0	16 500 000	0	52 000 000	105 125 000	0	66%	69 382 500
26.06.2026	30.06.2026	30.09.2026	30.09.2026	4 500 000	32 125 000	0	16 500 000	0	52 000 000	100 625 000	0	66%	66 412 500
28.09.2026	30.09.2026	31.12.2026	31.12.2026	0	32 125 000	0	16 500 000	0	52 000 000	100 625 000	0	66%	66 412 500
29.12.2026	31.12.2026	31.03.2027	31.03.2027	4 500 000	27 625 000	0	16 500 000	0	52 000 000	96 125 000	0	66%	63 442 500
25.03.2027	31.03.2027	30.06.2027	30.06.2027	0	27 625 000	0	16 500 000	0	52 000 000	96 125 000	0	66%	63 442 500
28.06.2027	30.06.2027	30.09.2027	30.09.2027	4 500 000	23 125 000	0	16 500 000	0	52 000 000	91 625 000	0		0
28.09.2027	30.09.2027	31.12.2027	31.12.2027	0	23 125 000	0	16 500 000	0	52 000 000	91 625 000	0		0
29.12.2027	31.12.2027	31.03.2028	31.03.2028	4 500 000	18 625 000	0	16 500 000	0	52 000 000	87 125 000	0		0
29.03.2028	31.03.2028	30.06.2028	30.06.2028	0	18 625 000	0	16 500 000	0	52 000 000	87 125 000	0		0
28.06.2028	30.06.2028	29.09.2028	29.09.2028	4 500 000	14 125 000	0	16 500 000	0	52 000 000	82 625 000	0		0
27.09.2028	29.09.2028	29.12.2028	29.12.2028	0	14 125 000	0	16 500 000	0	52 000 000	82 625 000	0		0
27.12.2028	29.12.2028	29.03.2029	29.03.2029	4 500 000	9 625 000	0	16 500 000	0	52 000 000	78 125 000	0		0
27.03.2029	29.03.2029	29.06.2029	29.06.2029	0	9 625 000	0	16 500 000	0	52 000 000	78 125 000	0		0
27.06.2029	29.06.2029	28.09.2029	28.09.2029	4 500 000	5 125 000	0	16 500 000	0	52 000 000	73 625 000	0		0
26.09.2029	28.09.2029	31.12.2029	31.12.2029	0	5 125 000	0	16 500 000	0	52 000 000	73 625 000	0		0
27.12.2029	31.12.2029	29.03.2030	29.03.2030	4 500 000	625 000	0	16 500 000	0	52 000 000	69 125 000	0		0
27.03.2030	29.03.2030	28.06.2030	28.06.2030	625 000	0	0	16 500 000	0	52 000 000	68 500 000	0		0
26.06.2030	28.06.2030	30.09.2030	30.09.2030	0	0	16 500 000	0	0	52 000 000	52 000 000	0		0
26.09.2030	30.09.2030	31.12.2030	31.12.2030	0	0	0	0	0	52 000 000	52 000 000	0		0
27.12.2030	31.12.2030	31.03.2031	31.03.2031	0	0	0	0	52 000 000	0	0	0		0

Amortization table

FIXING DATE	STARTING DATE	ENDING DATE	PAYMENT DATE	Minimum Amount to be hedged	H1bis= H1 - Exist Hedges.	H2bis= H2 - Exist. Hedges	H3bis= H3 - Exist. Hedges	H4bis= H4 - Exist. Hedges	H5bis= H5 - Exist. Hedges	H6bis= H6 - Exist. Hedges
26.03.2024	28.03.2024	28.06.2024	28.06.2024	0	0	0	0	0	0	0
26.06.2024	28.06.2024	30.09.2024	30.09.2024	0	0	21 250 000	21 250 000	21 250 000	0	0
26.09.2024	30.09.2024	31.12.2024	31.12.2024	0	0	21 250 000	21 250 000	21 250 000	0	0
27.12.2024	31.12.2024	31.03.2025	31.03.2025	74 580 000	74 580 000	113 000 000	113 000 000	113 000 000	74 580 000	74 580 000
27.03.2025	31.03.2025	30.06.2025	30.06.2025	74 580 000	74 580 000	113 000 000	113 000 000	113 000 000	74 580 000	74 580 000
26.06.2025	30.06.2025	30.09.2025	30.09.2025	72 187 500	72 187 500	109 375 000	109 375 000	109 375 000	87 500 000	87 500 000
26.09.2025	30.09.2025	31.12.2025	31.12.2025	72 187 500	72 187 500	109 375 000	109 375 000	109 375 000	87 500 000	87 500 000
29.12.2025	31.12.2025	31.03.2026	31.03.2026	69 382 500	69 382 500	105 125 000	105 125 000	105 125 000	84 100 000	84 100 000
27.03.2026	31.03.2026	30.06.2026	30.06.2026	69 382 500	69 382 500	105 125 000	105 125 000	105 125 000	84 100 000	84 100 000
26.06.2026	30.06.2026	30.09.2026	30.09.2026	66 412 500	66 412 500	100 625 000	100 625 000	100 625 000	80 500 000	80 500 000
28.09.2026	30.09.2026	31.12.2026	31.12.2026	66 412 500	66 412 500	100 625 000	100 625 000	100 625 000	80 500 000	80 500 000
29.12.2026	31.12.2026	31.03.2027	31.03.2027	63 442 500	63 442 500	96 125 000	96 125 000	96 125 000	76 900 000	76 900 000
25.03.2027	31.03.2027	30.06.2027	30.06.2027	63 442 500	63 442 500	96 125 000	96 125 000	96 125 000	76 900 000	76 900 000
28.06.2027	30.06.2027	30.09.2027	30.09.2027	0	0	91 625 000	0	91 625 000	0	73 300 000
28.09.2027	30.09.2027	31.12.2027	31.12.2027	0	0	91 625 000	0	91 625 000	0	73 300 000
29.12.2027	31.12.2027	31.03.2028	31.03.2028	0	0	87 125 000	0	87 125 000	0	69 700 000
29.03.2028	31.03.2028	30.06.2028	30.06.2028	0	0	87 125 000	0	87 125 000	0	69 700 000
28.06.2028	30.06.2028	29.09.2028	29.09.2028	0	0	82 625 000	0	0	0	0
27.09.2028	29.09.2028	29.12.2028	29.12.2028	0	0	82 625 000	0	0	0	0
27.12.2028	29.12.2028	29.03.2029	29.03.2029	0	0	78 125 000	0	0	0	0
27.03.2029	29.03.2029	29.06.2029	29.06.2029	0	0	78 125 000	0	0	0	0
27.06.2029	29.06.2029	28.09.2029	28.09.2029	0	0	73 625 000	0	0	0	0
26.09.2029	28.09.2029	31.12.2029	31.12.2029	0	0	73 625 000	0	0	0	0
27.12.2029	31.12.2029	29.03.2030	29.03.2030	0	0	69 125 000	0	0	0	0
27.03.2030	29.03.2030	28.06.2030	28.06.2030	0	0	68 500 000	0	0	0	0
26.06.2030	28.06.2030	30.09.2030	30.09.2030	0	0	52 000 000	0	0	0	0
26.09.2030	30.09.2030	31.12.2030	31.12.2030	0	0	52 000 000	0	0	0	0
27.12.2030	31.12.2030	31.03.2031	31.03.2031	0	0	0	0	0	0	0

Next steps

Finalize a choice of strategy

Initiate discussions with banks to ensure they are prepared to address the type of strategy being considered, finalize regulatory documentation and ask them for indicative quotations

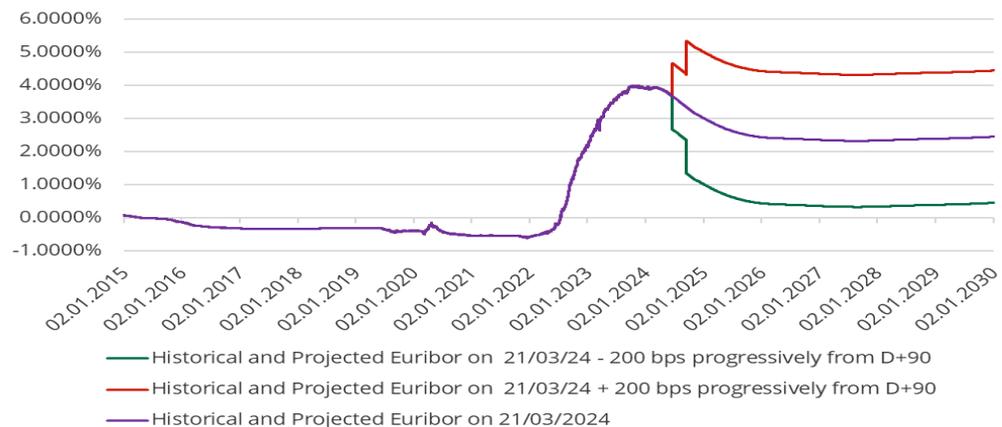
Organize the transaction

Appendices

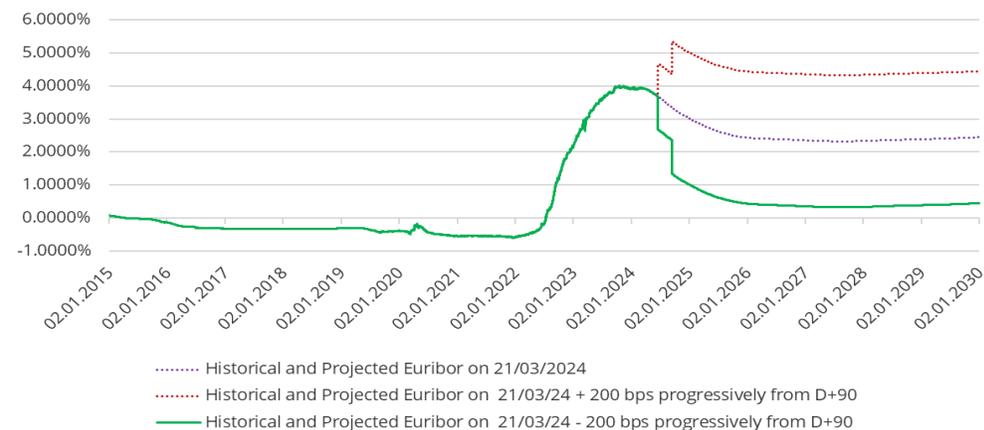
- Euribor forward curves used for simulations of financial costs
- Valuation of existing hedges
- Contractual clauses
- Profiles of different types of maturity hedges

Euribor forward curves used for simulations of financial costs

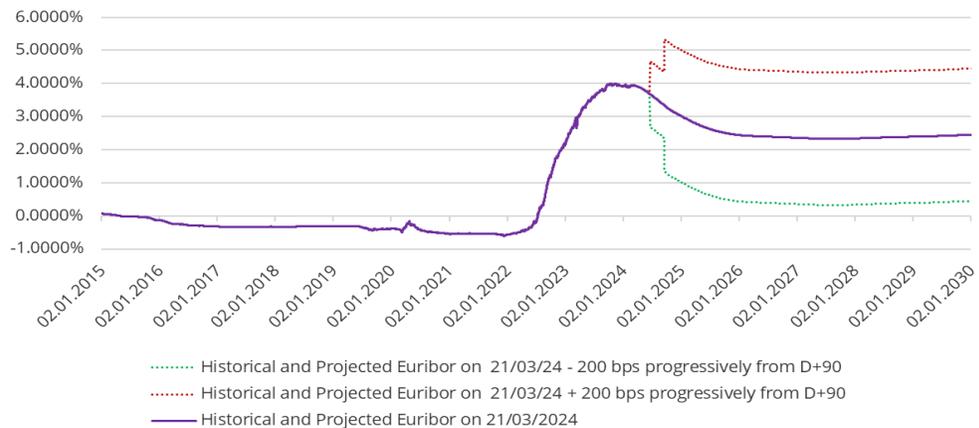
Three Euribor Scenarios



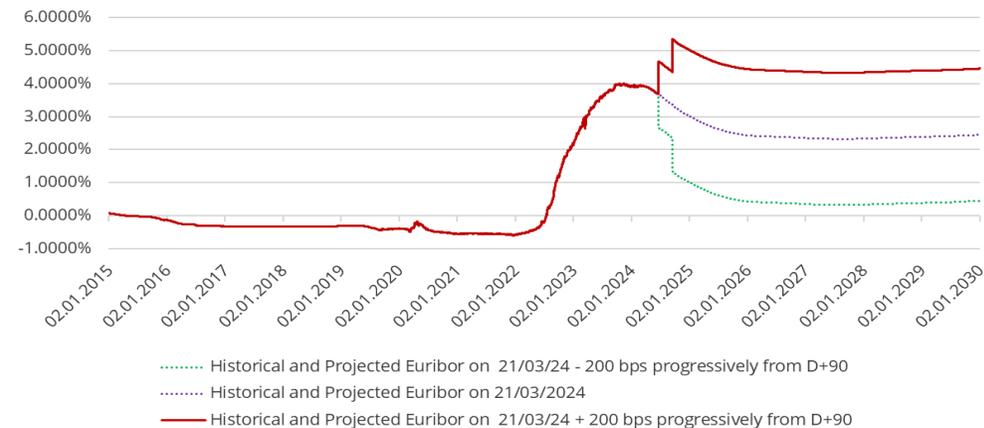
Projected Euribor - 200 bps



Projected Euribor



Projected Euribor + 200 bps



Valuation of existing hedges

(08/03/2024)

IR Portfolio Valuation - STHUBERT

Value Date: 08/03/2024

Calculation Date: 08/03/2024

Allocation/Link ID	Strategy ID	Trade ID	Counterparty	Trade	Effective	Maturity	Trade Type	Strike	Index	Initial Notional	Outstanding Notional
Derivatives - Cap											
ARKEA01-D	ARKEA01-D	1	ARKEA	06-Apr-21	31-Mar-21	15-Jan-25	BUY Cap	0,0000%	Euribor3m EUR	95 000 000,00 EUR	95 000 000,00 EUR
											95 000 000,00
TOTAL											95 000 000,00

Valuation					Comment	FLOORÉ ? OUI / NON
EUR						
Fair Value *	Intrinsic Value	Time Value	Fair Value **	Accrued Interests		
3,80%	3 614 622,36	3 614 567,27	55,09	2 891 156,94	723 465,42	Upfront premium - 370 000€
	3 614 622,36	3 614 567,27	55,09	2 891 156,94	723 465,42	
	3 614 622,36	3 614 567,27	55,09	2 891 156,94	723 465,42	

Financing clauses

Facilities

Dated 27 February 2024

EUR 138,000,000 Senior Facilities Agreement

for

HCo France
as Company

arranged by

Arkea Banque Entreprises et Institutionnels
Banque Internationale à Luxembourg
BNP Paribas
Deutsche Bank AG
Deutsche Bank Luxembourg S.A.
as Mandated Lead Arrangers

BNP Paribas
Deutsche Bank AG
Deutsche Bank Luxembourg S.A.
as Coordinators

with

BNP Paribas
as Agent and Security Agent

The Facilities

- (a) Subject to the terms of this Agreement, the Lenders make available:
- (i) a Base Currency term loan facility in an aggregate amount equal to the Total Facility A Commitments;
 - (ii) a Base Currency term loan facility in an aggregate amount equal to the Total Facility B Commitments;
 - (iii) a Base Currency term loan facility in an aggregate amount equal to the Total Facility C Commitments;
 - (iv) a Base Currency term loan facility in an aggregate amount equal to the Total Capex/Acquisition Facility A Commitments;
 - (v) a Base Currency term loan facility in an aggregate amount equal to the Total Capex/Acquisition Facility B Commitments; and
 - (vi) a Base Currency revolving credit facility in an aggregate amount equal to the Total Revolving Facility Commitments.
- (b) Facility A, Facility B and Facility C will be available to the Company.

- (A) the Company:
- (1) a term facility in a maximum principal amount of EUR 50,000,000 (the "**Facility A**");
 - (2) a term facility in a maximum principal amount of EUR 16,500,000 (the "**Facility B**");
 - (3) a term facility in a maximum principal amount of EUR 52,000,000 (the "**Facility C**");
- (B) the Company and St Hubert:
- (1) a term facility in a maximum principal amount of EUR 14,500,000 (the "**Capex/Acquisition Facility**") divided in two tranches of EUR 10,900,000 (the "**Capex/Acquisition Facility A**") and EUR 3,600,000 (the "**Capex/Acquisition Facility B**"); and
 - (2) a revolving facility in a maximum principal amount of EUR 5,000,000 (the "**Revolving Facility**") and, together with Facility A, Facility B, Facility C and the Capex/Acquisition Facility, the "**Facilities**").

Financing clauses

Reimbursement

Repayment

Repayment of Term Loans

- (a) The Company shall repay the aggregate Facility A Loans in instalments by repaying on each Repayment Date an amount which reduces the amount of the outstanding aggregate Facility A Loans by the amount set out opposite that Repayment Date below:

Repayment Date	Repayment Instalment
30 June 2024	€2,250,000
31 December 2024	€3,250,000
30 June 2025	€3,625,000
31 December 2025	€4,250,000
30 June 2026	€4,500,000
31 December 2026	€4,500,000
30 June 2027	€4,500,000
31 December 2027	€4,500,000
30 June 2028	€4,500,000
31 December 2028	€4,500,000
30 June 2029	€4,500,000
31 December 2029	€4,500,000
Termination Date	€625,000

- (b) If, in relation to a Repayment Date, the aggregate amount of the Facility A Loans made to the Company exceeds the Repayment Instalment to be repaid by the Company, the Company may, if it gives the Agent not less than five (5) Business Days' prior notice, select which of those Facility A Loans will be wholly or partially repaid so that the Repayment Instalment is repaid on the relevant Repayment Date in full. The Company may not make a selection if as a result more than one Facility A Loan will be partially repaid.
- (c) The Company shall repay the aggregate Facility B Loans in full on the relevant Termination Date.
- (d) The Company shall repay the aggregate Facility C Loans in full on the relevant Termination Date.

"Termination Date" means:

- (a) in relation to Facility A, the Revolving Facility and the Capex/Acquisition Facility A, the date falling seventy-two (72) Months after the Closing Date;
- (b) in relation to Facility B and the Capex/Acquisition Facility B, the date falling seventy-five (75) Months after the Closing Date; and
- (c) in relation to Facility C and the Uncommitted Acquisition Facility, the date falling eighty-one (81) Months after the Closing Date.

Financing clauses

Interest

11. Interest

11.1 Calculation of interest

The rate of interest on each Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin; and
- (b) EURIBOR.

11.2 Payment of interest

- (a) The Borrower to which a Loan has been made shall pay accrued interest on that Loan on the last day of each Interest Period.
- (b) If the Compliance Certificate received by the Agent which relates to the relevant Annual Financial Statements shows that a higher Margin should have applied during a certain period, then the Company shall (or shall ensure the relevant Borrower shall) promptly pay to the Agent any amounts necessary to put the Agent and the Lenders in the position they would have been in had the appropriate rate of the Margin applied during such period.

“EURIBOR” means, in relation to any Loan in euro:

- (a) the applicable Screen Rate as of the Specified Time for euro and for a period equal in length to the Interest Period of that Loan; or
- (b) as otherwise determined pursuant to Clause 13.1 (*Unavailability of Screen Rate - EURIBOR*),

and if, in either case, that rate is less than zero, EURIBOR shall be deemed to be zero.

Financing clauses

Interest

for Interest Periods applicable to the Facilities of:

- (i) one month, the 1-month EURIBOR rate, with a floor at 0%, is equal to [●] per cent per annum, as fixed on [●], this rate remaining fixed for the whole duration of the Facilities Agreement;
- (ii) three months, the 3-months EURIBOR rate, with a floor at 0%, is equal to [●] per cent per annum, as fixed on [●], this rate remaining fixed for the whole duration of the Facilities Agreement; and
- (iii) six months, the 6-months EURIBOR rate, with a floor at 0%, is equal to [●] per cent per annum, as fixed on [●], this rate remaining fixed for the whole duration of the Facilities Agreement.

Based on the above, the effective global rate (*taux effectif global*) is:

- (a) in respect of Facility A:
 - (i) for a first Interest Period from [●] until [●] and subsequent Interest Periods of three months, [●] per cent. per annum (*taux de période* of [●] per cent. for a period of three months); and
 - (ii) for a first Interest Period from [●] until [●], a second Interest Period from [●] until [●] and subsequent Interest Periods of six months, [●] per cent. per annum (*taux de période* of [●] per cent. for a period of three months);
- (b) in respect of Facility B:
 - (i) for a first Interest Period from [●] until [●] and subsequent Interest Periods of three months, [●] per cent. per annum (*taux de période* of [●] per cent. for a period of three months); and
 - (ii) for a first Interest Period from [●] until [●], a second Interest Period from [●] until [●] and subsequent Interest Periods of six months, [●] per cent. per annum (*taux de période* of [●] per cent. for a period of three months);
- (c) in respect of Facility C: for a first Interest Period from [●] until [●] and subsequent Interest Periods of three months, [●] per cent. per annum (*taux de période* of [●] per cent. for a period of three months);

Financing clauses

Interest

“Margin” means:

- (a) in relation to any Facility A Loan, Revolving Facility Loan and Capex/Acquisition Facility A Loan, four (4) per cent. per annum;
- (b) in relation to any Facility B Loan and any Capex/Acquisition Facility B Loan, four and five tenths (4.50) per cent. per annum;
- (c) in relation to any Facility C Loan, six and five tenths (6.50) per cent. per annum;
- (d) in relation to any Uncommitted Acquisition Facility Loan, the percentage rate per annum specified by the Company in the relevant Uncommitted Acquisition Facility Notice;
- (e) in relation to any Unpaid Sum relating or referable to a Facility, the rate per annum specified above for that Facility; and
- (f) in relation to any other Unpaid Sum, the highest rate specified above.

but if:

- (g) no Event of Default has occurred and is continuing and the Compliance Certificate has been received by the Agent;
- (h) a period of at least nine (9) Months has expired since the Closing Date; and
- (i) the Net Leverage in respect of the most recently completed Relevant Period is within a range set out below,

then the Margin for each Loan under Facility A, Facility B, the Capex/Acquisition Facility A, the Capex/Acquisition Facility B and the Revolving Facility will be the percentage per annum set out below in the column for that Facility opposite that range:

Net Leverage	Margin of Facility A, the Revolving Facility and Capex/Acquisition Facility A % p.a.	Margin of Facility B and Capex/Acquisition Facility B % p.a.
Greater than 3.00:1	4.00	4.50
Greater than 2.50:1 but equal to or less than 3.00:1	3.75	4.25
Greater than 2.00:1 but equal to or less than 2.50:1	3.50	4.00
Equal to or less than 2.00:1	3.25	3.75

Financing clauses

Hedging Requirement

Hedging

- (a) The Company shall ensure that interest rate hedges in respect of at least sixty-six (66) per cent. (but no more than one hundred (100) per cent.) of the amount of Facility A Loans, Facility B Loans and Facility C Loans made available to it on the Closing Date for a period of at least three (3) years (“**Minimum Hedging Requirements**”) to protect the Borrowers against a EURIBOR increase of more than 1.50 per cent. per annum in respect of Facility A, Facility B and Facility C are implemented within six (6) Months from the Closing Date (with the ability to reduce the notional amount of hedging provided that the Minimum Hedging Requirement is met) and that any agreements to meet the Minimum Hedging Requirements are not terminated, varied or cancelled without the consent of the Agent (acting on the instructions of the Majority Lenders).
- (b) In order to comply with the Minimum Hedging Requirements, the Group may enter into arrangements with any financial institution selected by the Company (a “**Hedge Counterparty**”), provided that the ranking of all claims of Hedge Counterparties and the benefit of the Transaction Security and of the guarantees shall be subject to the terms of the Intercreditor Agreement.

“**Hedge Counterparty**” means any entity which is or has become party to the Intercreditor Agreement as a “**Hedge Counterparty**” in accordance with the provisions of the Intercreditor Agreement.

Financing clauses

Cross default

Cross default

- (a) Any Financial Indebtedness of any member of the Group is not paid when due nor within any originally applicable grace period.
- (b) Any Financial Indebtedness of any member of the Group is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any Financial Indebtedness of any member of the Group is cancelled or suspended by a creditor of any member of the Group as a result of an event of default (however described).
- (d) Any creditor of any member of the Group becomes entitled to declare any Financial Indebtedness of any member of the Group due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) No Event of Default will occur under this Clause 25.5 if:
 - (i) the aggregate amount at any time of Financial Indebtedness falling within paragraphs (a) to (d) above is less than €2,000,000 (or its equivalent in any other currency or currencies); or
 - (ii) such Financial Indebtedness is:
 - (A) owed to a member of the Group; or
 - (B) Subordinated Debt.

Product sheets

Rate swap (fixed versus variable rate payer):

Firm commitment to pay a flow at a fixed rate at a fixed frequency and for a specified duration, in exchange for a flow received corresponding to the variable rate. The periodicity of the variable rate index determines the number of payments per year. The net of the two flows can be positive or negative in each period.

Benefits:

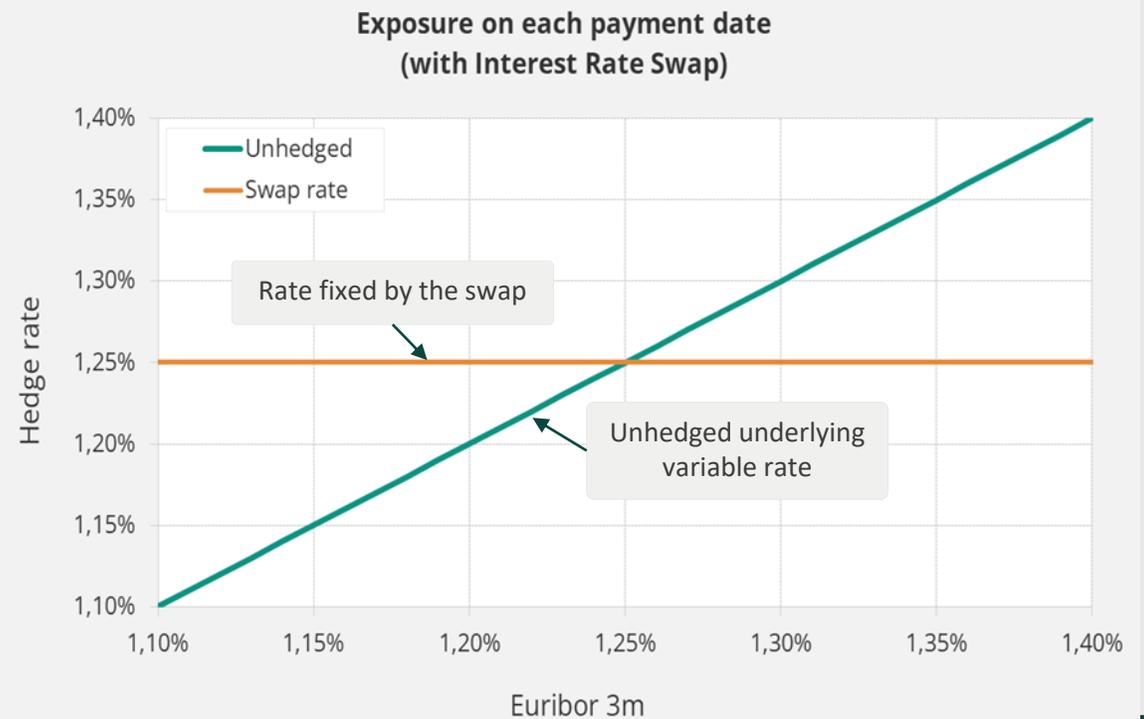
- Zero cost (no premium to pay)
- Financial charges are known in advance

Disadvantages:

- No opportunity to benefit from favorable rate movements;
- Risk of unlimited loss in the event of early termination.
- Simple but risky product in the event of reduction of the underlying exposure (debt reduction for example) or unwinding of the hedge in a negative valuation scenario (mark to market).

To be reserved for the incompressible part of the exposure (risk of negative valuation). **Illustrative graph:** not updated data

Product which no longer guarantees a financing rate in a context of negative rates for financing whose index (Euribor or other) is "floored".



Product sheets

Buying rate cap:

Right to receive a flow if the underlying rate index (hedged) is higher than the strike price of the cap (strike). The flow received will then correspond to the difference between the variable rate and the fixed rate, multiplied by the notional. In the context of financing, this flow has the effect of canceling what should have been paid on the underlying beyond the strike price of the cap.

Benefits:

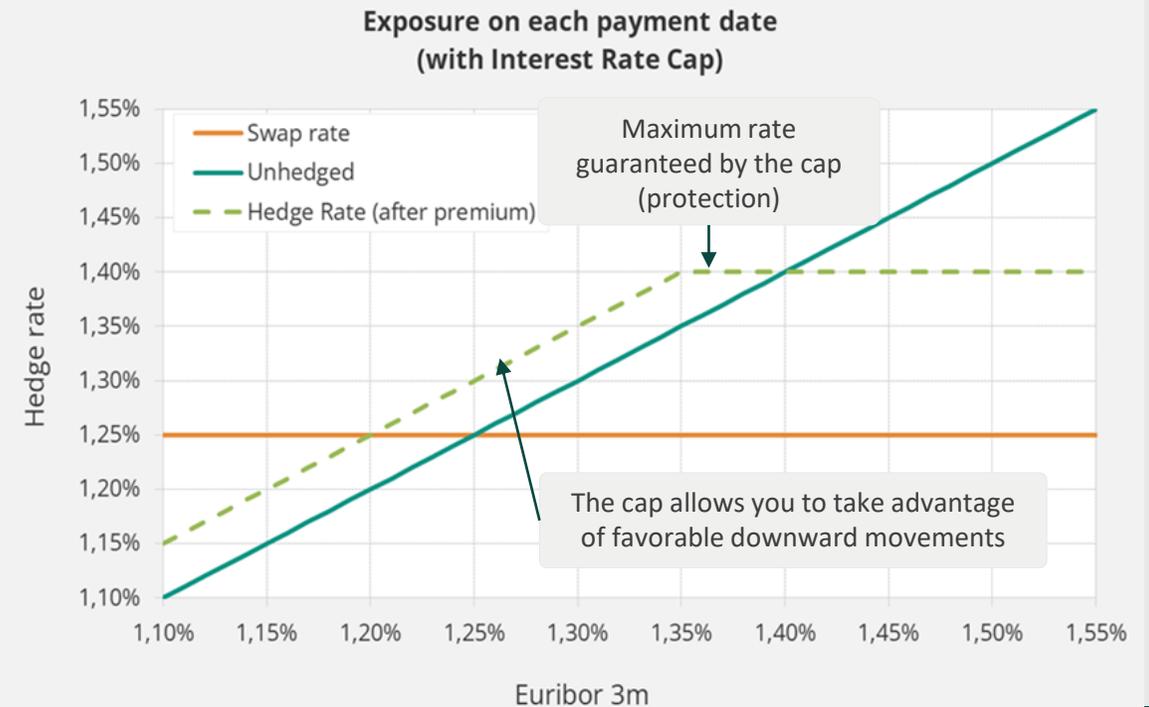
- Opportunity to take advantage of a low rate if it remains below the cap exercise price;
- Total flexibility to resell the hedge in the event of a change in the underlying;
- No risk of loss beyond the premium paid.

Disadvantages:

- Premium to be paid: depends on the characteristics of the option (amount, duration, more or less favorable exercise price, etc.)

Illustrative graph: not updated data

Recommended product in the current context.
This product takes into account the floors on financing



Product sheets

Tunnels/Collars of options:

Firm commitment to pay a flow at a fixed rate at a fixed frequency and for a specified duration, in exchange for a flow received corresponding to the variable rate.

The periodicity of the variable rate index determines the number of payments per year.

The net of the two flows can be positive or negative in each period.

Benefits:

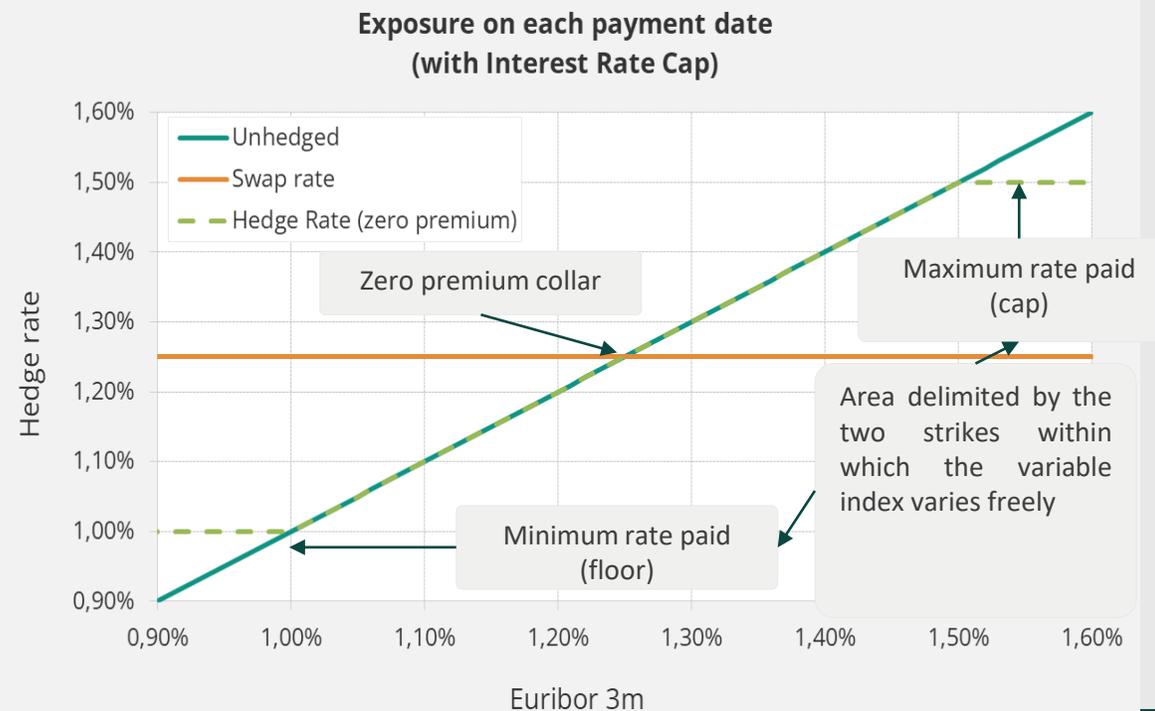
- Protection beyond the course of exercise of the cap;
- Opportunity to benefit from a drop in the index to the floor level;
- Financing the option purchased by the option sold.

Disadvantages:

- Risk of loss in the event of early unwinding and a drop in rates (as with a swap).

To be reserved for the incompressible part of the exposure (risk of negative valuation). **Illustrative graph:** not updated data

Product which no longer guarantees a financing rate in a context of negative rates for financing whose index (Euribor or other) is "floored".



Product sheets

Cap with deactivating barrier:

Right to receive a flow if the underlying rate index (hedged) is higher than the strike price of the cap (strike). The flow received will then correspond to the difference between the variable rate and the fixed rate, multiplied by the notional. In the context of financing, this flow has the effect of canceling what should have been paid on the underlying beyond the strike price of the cap. If the underlying rate crosses a so-called deactivating barrier, the product deactivates and no flow is then exchanged.

Benefits:

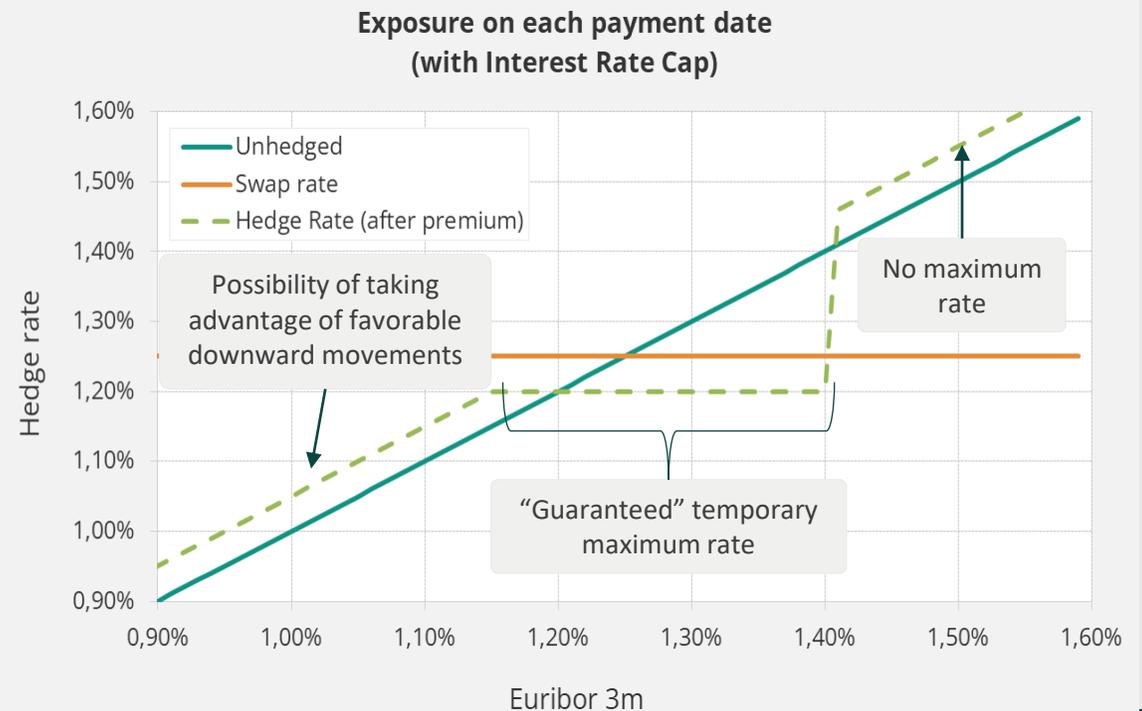
- Protection au-delà du cours d'exercice du cap
- Opportunité de profiter d'une baisse de l'indice de référence
- Stratégie moins couteuse qu'un cap classique

Disadvantages:

- Risk of loss in the event of early unwinding and a drop in rates (as with a swap).

Illustrative graph: not updated data

Product that does not provide any guaranteed ceiling rate. This is not a hedging product.



Product sheets

Cap with activating barrier:

Right to receive a flow if the underlying (hedged) rate index is higher than the so-called knock-in barrier. The flow received will then correspond to the difference between the variable rate and the fixed rate, multiplied by the notional. In the context of financing, this flow has the effect of canceling what should have been paid on the underlying beyond the price of the activating barrier. As long as the underlying rate remains below the knocking barrier, no flows are exchanged.

Benefits:

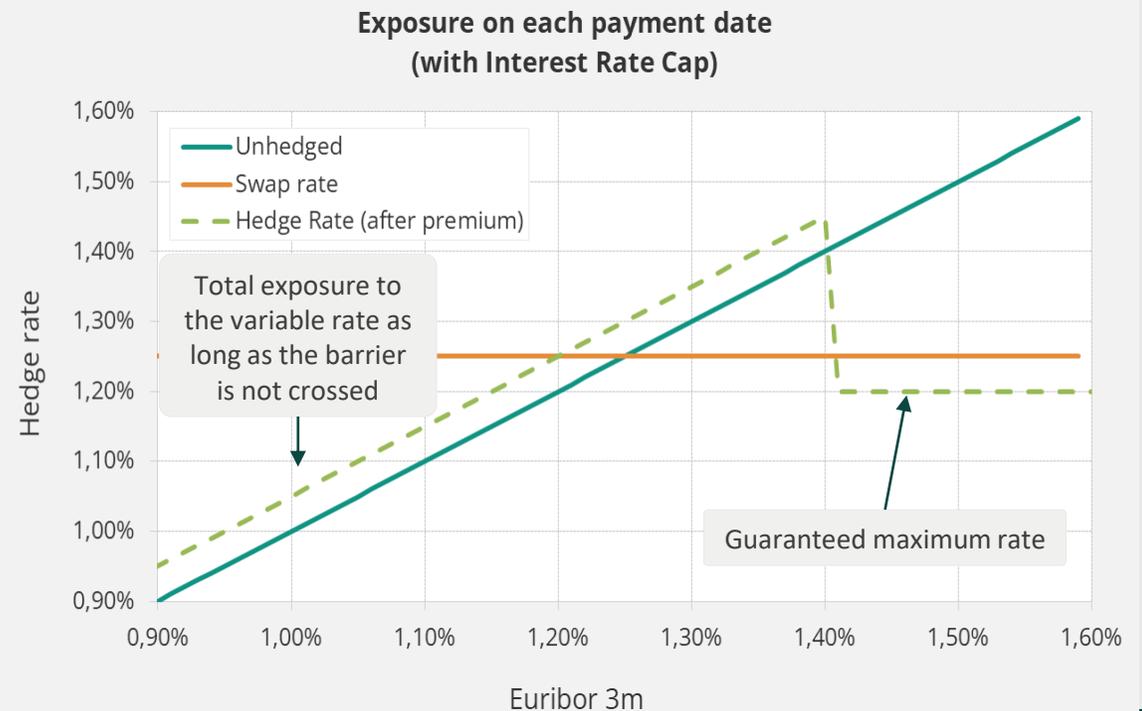
- Protection beyond the activation barrier at the strike of the cap;
- Opportunity to benefit from a drop in the benchmark index
- Less expensive strategy than a classic cap.

Disadvantages:

- Greater exposure to the upward risk of the variable rate than a traditional cap

Illustrative graph: not updated data

We do not recommend this product because most often bank margins degrade its performance.



Product sheets

Cap Spread:

Right to receive a flow if the underlying rate index (hedged) is higher than the strike price of the cap (strike). The flow received will then correspond to the difference between the variable rate and the fixed rate, multiplied by the notional. In the context of financing, this flow has the effect of canceling what should have been paid on the underlying beyond the strike price of the cap. If the underlying rate crosses the strike price of the cap sold, the exposure to the underlying rate is almost total (restated for the difference between the 2 strike prices).

Benefits:

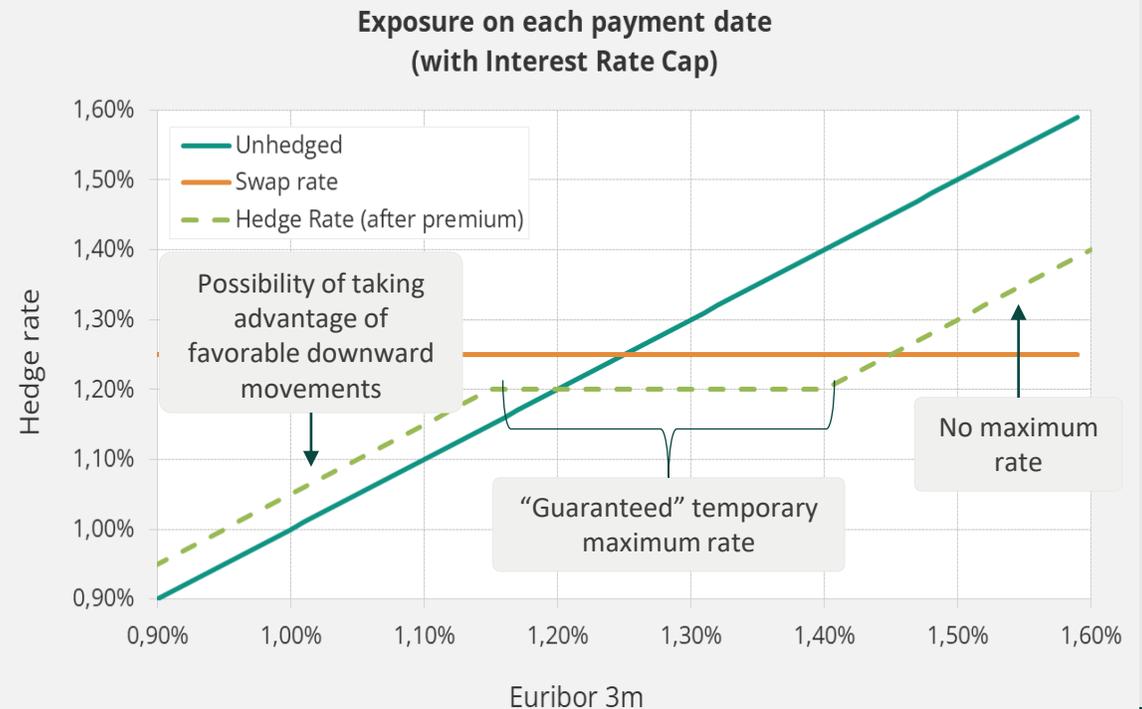
- Protection beyond the exercise price of the cap purchased;
- Opportunity to benefit from a drop in the benchmark index
- Less expensive strategy than a classic cap (partial financing of the option purchased by the option sold).

Disadvantages:

- Greater exposure to the upward risk of the variable rate than a traditional cap

Illustrative graph: not updated data

We do not recommend this product because it does not provide a guaranteed maximum rate. This is not a hedging product.



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