



Cydsa, S.A.B. de C.V.

**Offer to Purchase for Cash up to the Maximum Amount (as defined herein)  
of its Outstanding 6.250% Senior Notes due 2027**

(CUSIP/ISIN: 232553AA5 / US232553AA57 (Rule 144A); P3R26HAA8 / USP3R26HAA81 (Reg S))

**The Tender Offer (as defined below) expires at 5:00 p.m., New York City time, on October 5, 2023, unless extended or earlier terminated by us in our sole discretion (such time and date, as the same may be extended, the “Expiration Time”). In order for Holders (as defined below) to be eligible to receive the Total Consideration (as defined below) for their Notes (as defined below), such Holders must validly tender (and not validly withdraw) such Notes at or prior to 5:00 p.m., New York City time, on September 20, 2023, unless extended by us in our sole discretion (such time and date, as the same may be extended, the “Early Tender Time”). The Total Consideration is comprised of the Tender Offer Consideration (as defined below) and the Early Tender Payment (as defined below). Holders that tender Notes after the Early Tender Time but at or prior to the Expiration Time will only be eligible to receive the Tender Offer Consideration. Tendered Notes may be withdrawn in accordance with the terms of the Tender Offer prior to 5:00 p.m., New York City time, on September 20, 2023, unless extended by us in our sole discretion (such time and date, as the same may be extended, the “Withdrawal Deadline”), but not thereafter. The Tender Offer is being made subject to, and is conditioned upon the occurrence of certain events described under “Conditions to Consummation of the Tender Offer.”**

Cydsa, S.A.B. de C.V. (the “Company,” “we” or “us”), a corporation (*sociedad anónima bursátil de capital variable*) organized under the laws of the United Mexican States (“Mexico”) is hereby making an offer to holders (each, a “Holder” and collectively, the “Holders”) of its outstanding 6.250% Senior Notes due 2027 (the “Notes”) to purchase, for cash, up to an aggregate principal amount of the Notes that will not result in the Aggregate Purchase Price (as defined below) for the Notes validly tendered (and not validly withdrawn) and accepted for purchase pursuant to the Tender Offer to exceed U.S.\$100,000,000 (such amount, as may be increased or modified by us in our sole discretion, the “Maximum Amount”) on the terms and subject to the conditions set forth in this Offer to Purchase (as amended or supplemented from time to time, this “Offer to Purchase”).

The consideration for each U.S.\$1,000 principal amount of Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time and accepted for purchase pursuant to the Tender Offer (the “Total Consideration”) will be U.S.\$955.00. The Total Consideration includes an early tender payment (the “Early Tender Payment”) of U.S.\$50.00 per U.S.\$1,000 principal amount of Notes (which is payable in respect of Notes tendered (and not validly withdrawn) at or prior to the Early Tender Time and accepted for purchase). Holders who tender (and do not validly withdraw) their Notes after the Early Tender Time but at or prior to the Expiration Time will be eligible to receive consideration (the “Tender Offer Consideration”), equal to (i) the Total Consideration *minus* (ii) the Early Tender Payment, on the Final Settlement Date (as defined below). The Total Consideration and the Tender Offer Consideration will be payable in cash in U.S. dollars. Holders will also receive accrued and unpaid interest from the last interest payment date up to, but not including, the applicable Settlement Date (as defined below) for the Notes accepted for purchase (the “Accrued Interest”).

Title of Securities	Outstanding Principal Amount	Tender Offer Consideration <sup>(1)</sup>	Early Tender Payment <sup>(1)(2)</sup>	Total Consideration <sup>(1)(3)</sup>
6.250% Senior Notes due 2027	U.S.\$331,675,000.00	U.S.\$905.00	U.S.\$50.00	U.S.\$955.00

(1) Consideration in the form of cash per U.S.\$1,000 principal amount of Notes that are validly tendered (and not validly withdrawn). Excludes Accrued Interest, if any, which will be paid in addition to the Tender Offer Consideration or Total Consideration, as applicable.

(2) The Early Tender Payment will be payable to Holders who validly tender (and not validly withdraw) Notes on or prior to the Early Tender Time.

(3) Includes the Early Tender Payment for Notes validly tendered (and not validly withdraw) on or prior to the Early Tender Time.

***This Offer to Purchase contains important information that you should read before any decision is made with respect to the Tender Offer. In particular, see “Certain Considerations” for a discussion of certain factors you should consider in connection with the Tender Offer.***

(cover page continues)

The Sole Dealer Manager for the Tender Offer is:

**Santander**

September 7, 2023

## Settlement Dates

On any business day following the Early Tender Time and before the Expiration Time, we reserve the right, but are not obligated, to accept for purchase any Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time (the settlement date of such purchase being referred to as the “*Early Settlement Date*”), subject to the Maximum Amount and proration, as described herein. The Early Settlement Date with respect to the Tender Offer will be determined at our option, subject to all conditions to the Tender Offer having been either satisfied or waived by us.

Regardless of whether we choose to exercise our option to have an Early Settlement Date with respect to the Tender Offer, we will purchase any remaining Notes that have been validly tendered (and not validly withdrawn) at or prior to the Expiration Time and that we choose to accept for purchase, subject to all conditions to the Tender Offer having been either satisfied or waived by us, within three business days following the Expiration Time or as promptly as practicable thereafter (the settlement date of such purchase being referred to as the “*Final Settlement Date*”; the Final Settlement Date and the Early Settlement Date, each being referred to as a “*Settlement Date*”), subject to the Maximum Amount and proration, as described herein. No tenders of Notes submitted after the Expiration Time will be valid or accepted. For the avoidance of doubt, interest will cease to accrue on the applicable Settlement Date for Notes accepted in the Tender Offer.

## Maximum Amount; Acceptance Priority and Proration

We refer to the aggregate amount of Tender Offer Consideration and Total Consideration that Holders of Notes are entitled to receive, excluding Accrued Interest, for Notes that are validly tendered (and not validly withdrawn) and accepted for purchase by us as the “*Aggregate Purchase Price*.” The maximum aggregate principal amount of Notes accepted for purchase pursuant to the Tender Offer will be an amount such that the Aggregate Purchase Price for such Notes will not exceed U.S.\$100,000,000 (such amount, as may be increased or modified by us in our sole discretion, the “*Maximum Amount*”). We expressly reserve the right, but are under no obligation, to increase or modify the Maximum Amount at any time, subject to applicable law. This could result in us purchasing a greater or lesser aggregate principal amount of Notes in the Tender Offer. There can be no assurance that we will exercise our right to increase or modify the Maximum Amount. See “The Tender Offer—Maximum Amount; Acceptance Priority and Proration.”

If the purchase of all Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time would cause us to accept for purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price in excess of the Maximum Amount, then the Tender Offer will be oversubscribed at the Early Tender Time and, assuming satisfaction or waiver of the conditions to the Tender Offer and if we elect to have an Early Settlement Date, we will purchase on the Early Settlement Date, Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time and accepted for purchase on a prorated basis according to the principal amount of such Notes, such that we purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price that does not exceed the Maximum Amount. Accordingly, if the Maximum Amount is reached in respect of tenders made at or prior to the Early Tender Time and we elect to have an Early Settlement Date, no Notes tendered after the Early Tender Time will be accepted for purchase.

If we elect not to have an Early Settlement Date and the purchase of all Notes validly tendered at or prior to the Expiration Time would cause us to accept for purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price in excess of the Maximum Amount, then the Tender Offer will be oversubscribed at the Expiration Time and, assuming satisfaction or waiver of the conditions to the Tender Offer, we will purchase on the Final Settlement Date, Notes validly tendered (and not validly withdrawn) at or prior to the Expiration Time and accepted for purchase on a prorated basis according to the principal amount of such Notes, such that we purchase the maximum aggregate principal amount of Notes that results in an Aggregate Purchase Price that does not exceed the Maximum Amount.

## Minimum Denomination

Notes may be tendered only in principal amounts equal to minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. Holders who do not tender all of their Notes must ensure that they retain a principal amount of the Notes amounting to at least the minimum denomination. If proration causes the Company to return less than the minimum denomination to any Holder, then the Company will, at its option, either accept all or reject all of the tendered amount of such Holder’s tendered Notes such that it holds either no Notes or at least the minimum denomination of Notes following the consummation of the Tender Offer. In addition, to avoid purchases of Notes in principal amounts other than integral multiples of U.S.\$1,000, if necessary, we will make appropriate adjustments to the nearest U.S.\$1,000 principal amount with respect to each Holder who is subject to proration and validly tenders (and does not validly withdraw)

Notes in the Tender Offer. All Notes not accepted as a result of proration will be rejected from the Tender Offer and will be promptly returned to the tendering Holder.

### **Withdrawal Deadline**

Tenders of Notes pursuant to the Tender Offer may be validly withdrawn at any time prior to the Withdrawal Deadline by following the procedures described herein under the caption “Procedures for Tendering Notes—Withdrawal of Tenders.” Notes tendered after the Withdrawal Deadline may not be validly withdrawn at any time prior to the Expiration Time (except in limited circumstances where withdrawal rights are required by law or unless the Tender Offer is terminated). In the event of a termination of the Tender Offer, Notes tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders.

### **Conditions to Consummation of the Tender Offer**

Notwithstanding any other provision of the Tender Offer, our obligation to accept for purchase, and to pay for, Notes validly tendered (and not validly withdrawn) up to the Maximum Amount pursuant to the Tender Offer is subject to, and conditioned upon, the satisfaction or waiver of the conditions set forth under “Conditions to Consummation of the Tender Offer.” If the conditions to the Tender Offer are not satisfied or waived, we will not be obligated to consummate the Tender Offer. We may waive any of these conditions in our sole discretion and we reserve the right to terminate or extend the Tender Offer if any condition to the Tender Offer is not satisfied or waived.

However, no assurance can be given that the conditions to the Tender Offer will be satisfied or waived. See “Conditions to Consummation of the Tender Offer.”

### **Other**

To the extent we are legally permitted to do so, we expressly reserve the absolute right, in our sole discretion, at any time:

- (i) to waive any condition to the Tender Offer;
- (ii) to amend any of the terms of the Tender Offer;
- (iii) to terminate the Tender Offer;
- (iv) to increase or modify the Maximum Amount;
- (v) to extend the Withdrawal Deadline;
- (vi) to extend or amend the Early Tender Time or the Expiration Time; or
- (vii) to modify the Tender Offer Consideration or the Early Tender Payment,

in each case (other than clause (v)) without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights of Holders.

The foregoing rights are in addition to the right to delay acceptance for purchase of Notes tendered pursuant to the Tender Offer or the payment of Notes accepted for purchase pursuant to the Tender Offer, subject to Rule 14e-1 under the U.S. Securities Exchange Act of 1934, as amended (the “*Exchange Act*”). Any waiver, amendment, modification or termination of the Tender Offer will apply to all Notes tendered pursuant to the Tender Offer. If we make a material change in the terms of the Tender Offer or waive a material condition of the Tender Offer, we will give oral or written notice of such material change or waiver to the Tender Agent and will disseminate additional offer documents and extend the Tender Offer to the extent required by applicable law.

The CUSIP and ISIN numbers for the Notes set forth on the cover page were assigned to us and are included solely for the convenience of the Holders of the Notes. None of the Company, the Dealer Manager, the Trustee, the Tender Agent or the Information Agent (each as defined below) is responsible for the selection or use of the CUSIP and ISIN numbers, and no representation is made as to their correctness on the Notes or as indicated in this Offer to Purchase.

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## NOTICE TO HOLDERS

All of the outstanding Notes are held in book-entry form through the facilities of The Depository Trust Company (“DTC”). DTC has authorized participants that hold Notes on behalf of beneficial owners of Notes through DTC to tender their Notes as if they were Holders. To effect a tender, DTC participants should transmit their acceptance to DTC through the DTC Automated Tender Offer Program (“ATOP”), for which the Tender Offer will be eligible, and follow the procedure for book-entry transfer set forth in “Procedures for Tendering Notes.” A beneficial owner of Notes that are held of record by a broker, dealer, commercial bank, trust company or other nominee must promptly instruct such Holder to tender the Notes on the beneficial owner’s behalf. See “Procedures for Tendering Notes.” There are no guaranteed delivery provisions provided for by the Company in conjunction with the Tender Offer under the terms of this Offer the Purchase. Holders must tender their Notes in accordance with the procedures set forth under “Procedures for Tendering Notes.”

Tendering Holders will not be obligated to pay brokerage fees or commissions to the Company, the Dealer Manager, the Tender Agent, the Information Agent or the Trustee. However, such Holders may be obligated to pay commissions or other payments to their own brokers, custodians or other agents.

Requests for additional copies of this Offer the Purchase and requests for assistance relating to the procedure for tendering Notes may be directed to the Information Agent at the address and telephone numbers on the back cover page of this Statement. Requests for assistance relating to the terms and conditions of the Tender Offer may be directed to the Dealer Manager at the addresses and telephone numbers on the back cover page of this Offer the Purchase. Beneficial owners may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance regarding the Tender Offer.

We, Santander US Capital Markets LLC, as sole dealer manager (the “*Dealer Manager*”), D.F. King & Co., Inc., as the Information Agent (the “*Information Agent*”) and as the Tender Agent (the “*Tender Agent*”), and Citibank, N.A., as trustee under the indenture governing the Notes (the “*Trustee*”), have not authorized any other person to provide you any information or to make any representation not contained in this Offer the Purchase and, if given or made, such information or representation may not be relied upon as having been authorized by the Company, the Dealer Manager, the Tender Agent, the Information Agent or the Trustee. None of the Company, the Dealer Manager, the Tender Agent, the Information Agent or the Trustee or any affiliate of them is making any recommendation to any Holder whether to tender or refrain from tendering any or all of such Holder’s Notes and none of them has authorized any person to make any such recommendation.

**This Offer to Purchase does not constitute an offer to purchase in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such an offer under applicable securities or “blue sky” laws. The delivery of this Offer to Purchase shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in the affairs of the Company or any of its affiliates since the date hereof.**

**Neither this Offer the Purchase nor any of the other documents relating to the Tender Offer have been filed with or reviewed by the U.S. Securities and Exchange Commission (the “SEC”), any federal or state securities commission or any other regulatory authority of any country, nor has any such commission or authority passed upon the accuracy or adequacy of this Offer the Purchase or any of the other documents relating to the Tender Offer. Any representation to the contrary is unlawful and may be a criminal offense.**

**This Offer the Purchase contains important information which should be read before any decision is made with respect to the Tender Offer.**

The Company expressly reserves the right, in its sole discretion, from time to time before or after the Expiration Time, for it or its affiliates to purchase, for cash, other consideration or a combination thereof, any Notes through open market purchases, privately negotiated transactions, one or more additional tender or exchange offers or otherwise, upon such terms and at such prices as the Company or such affiliate may determine or negotiate, which prices may be more or less than the consideration to be paid to Holders pursuant to the Tender Offer.

Additionally, pursuant to the provisions of the Notes and the indenture governing the Notes (the “*Indenture*”), the Company may elect to redeem, defease and/or discharge any Notes that are not tendered and accepted in the Tender Offer.

## ENFORCEMENT OF JUDGMENTS

The Company is incorporated under the laws of Mexico. In addition, most of the directors, executive officers and controlling persons of the Company are non-residents of the United States and a majority of our assets and their assets are located outside the United States. As a result, it may not be possible for Holders to effect service of process within the United States upon such persons or to enforce against them or us judgments of courts located outside Mexico predicated on civil liabilities under the laws of jurisdictions other than Mexico, including judgments of United States courts based upon the civil liability provisions of United States federal securities laws or other laws of the United States.

We have been advised by our Mexican counsel, White & Case, S.C., that there is doubt as to the enforceability, in original actions in Mexican courts, of liabilities based solely on United States federal securities laws and as to the enforceability in Mexican courts of judgments of United States courts obtained in actions based upon the civil liability provisions of United States federal securities laws. We have been advised by such Mexican counsel that no bilateral treaty is currently in effect between the United States and Mexico that covers the reciprocal enforcement of civil foreign judgments. In the past, Mexican courts have enforced judgments rendered in the United States by virtue of the legal principles of reciprocity and comity, consisting of the review in Mexico of the United States judgment, in order to ascertain, among other matters, whether Mexican legal principles of due process and public policy (*orden público*) have been complied with, without reviewing the merits of the subject matter of the case.

A judgment rendered in United States courts may not be recognized in Mexican courts if, among others things:

- the U.S. court or judge did not have jurisdiction over the subject matter of the case in accordance with accepted principles of international law that are compatible with or analogous to Mexican laws or the subject matter is within the exclusive jurisdiction of Mexican courts;
- the judgment was rendered under a system which does not provide procedures compatible with Mexican due process requirements;
- enforcement of the judgment would be contrary to Mexican law, public policy of Mexico, international treaties or agreements binding upon Mexico or generally accepted principles of international law;
- service of process was not made personally on the party or on its process agent;
- the judgment is not final in the rendering state or not obtained in compliance with legal requirements of the jurisdiction of the court rendering such judgment or not in compliance with the terms of the Notes, as applicable;
- the judgment is not strictly for the payment of a certain sum of money, based on an in personam action (*acción personal*) as opposed to an in rem action (*acción real*);
- the cause of action in respect of which such judgment is rendered is the subject matter of a lawsuit among the same parties, pending before a Mexican court;
- the judgment conflicts with another final judgment;
- the court of the rendering state would not enforce Mexican judgments as a matter of reciprocity; or
- the judgment does not fulfill all necessary legal requirements to be considered valid.

## **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

Statements included in this Offer to Purchase contain various forward-looking statements and information that are based on our beliefs, as well as assumptions made by us and information currently available to us. All statements that express belief, expectation, estimates or intentions, as well as those that are not statements of historical facts, are forward-looking statements. Such statements use forward-looking words such as “proposed,” “anticipate,” “project,” “potential,” “could,” “should,” “continue,” “estimate,” “expect,” “may,” “believe,” “will,” “plan,” “seek,” “outlook” and other similar expressions that are intended to identify forward-looking statements, although some forward-looking statements are expressed differently. The Company cautions you not to place undue reliance on any forward-looking statements, which speak only as of the date made.

Holders should also read carefully the factors described or referred to in the “Certain Considerations” section of this Offer to Purchase. Although the expectations in the forward-looking statements are based on our current beliefs and expectations, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date hereof. Except as required by federal and state securities laws, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or any other reason.



## IMPORTANT TIMES AND DATES

Holders of the Notes should take note of the following dates in connection with the Tender Offer:

Event	Date and Time	Summary Description
Early Tender Time .....	5:00 p.m., New York City time, on September 20, 2023, unless extended by the Company in its sole discretion.	The deadline for Holders to tender Notes in order to be eligible to receive the Total Consideration, which includes the Early Tender Payment.
Withdrawal Deadline .....	5:00 p.m., New York City time, on September 20, 2023, unless extended by the Company.	The deadline for Holders to withdraw tendered Notes, except in limited circumstances where withdrawal rights are required by law.
Early Settlement Date (if any) .	At the election of the Company, for Notes that have been validly tendered (and not validly withdrawn) at or prior to the Early Tender Time and that are accepted for purchase, settlement may occur on any business day, determined at the Company's option, following the Early Tender Time and before the Expiration Time, subject to the satisfaction or waiver of the conditions to the Tender Offer.	The date on which the Company deposits with DTC the Total Consideration for Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time and accepted for purchase up to the Maximum Amount, together with an amount equal to the Accrued Interest thereon.
Expiration Time .....	5:00 p.m., New York City time, on October 5, 2023, unless extended by the Company in its sole discretion.	The deadline for Holders to tender Notes in order to be eligible to receive the payment of the Tender Offer Consideration (which does not include the Early Tender Payment).
Final Settlement Date .....	Regardless of whether the Company chooses to exercise its option to have an Early Settlement Date, the Company will purchase any remaining Notes that have been validly tendered at or prior to the Expiration Time and that it chooses to accept for purchase, subject to all conditions to the Tender Offer having been either satisfied or waived by the Company, within three business days following the Expiration Time or as promptly as practicable thereafter.	The date on which the Company deposits with DTC the Total Consideration or the Tender Offer Consideration, as applicable, for Notes validly tendered (and not validly withdrawn) at or prior to the Expiration Time and accepted for purchase up to the Maximum Amount and, if applicable, not already purchased on the Early Settlement Date, together with an amount equal to the Accrued Interest thereon.

## SUMMARY

*The following summary is not complete and is qualified in its entirety by reference to, and should be read in conjunction with, the information appearing elsewhere in this Offer to Purchase. Each of the capitalized terms used in this summary and not defined herein has the meaning set forth elsewhere in this Offer to Purchase.*

The Company.....	Cydsa, S.A.B. de C.V.
The Notes.....	6.250% Senior Notes due 2027 issued by the Company, of which U.S.\$331,675,000 in aggregate principal amount is outstanding as of the date hereof.
The Tender Offer .....	<p>We are offering to purchase for cash in U.S. dollars, upon the terms and subject to the conditions set forth in this Offer to Purchase, up to an aggregate principal amount of outstanding Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time or at or prior to the Expiration Time, as applicable, and accepted for purchase by us, that results in an Aggregate Purchase Price that does not exceed the Maximum Amount.</p> <p>We expressly reserve the right, subject to applicable law, to terminate, withdraw, extend or amend in any aspect and at any time and from time to time, the Tender Offer in our sole discretion.</p>
Maximum Amount.....	The maximum aggregate principal amount of Notes to be purchased by us pursuant to the Tender Offer will be an amount of Notes such that the Aggregate Purchase Price of such Notes does not exceed U.S.\$100,000,000. We reserve the right, but are not obligated, to increase or modify the Maximum Amount in our sole discretion and may do so without extending the Withdrawal Deadline.
Early Tender Time .....	Our offer to pay the Early Tender Payment will expire at 5:00 p.m., New York City time, on September 20, 2023. We have the right to extend the Early Tender Time one or more times in our sole discretion and may do so without extending the Withdrawal Deadline.
Early Tender Payment .....	U.S.\$50.00 per U.S.\$1,000 principal amount of Notes tendered at or prior to the Early Tender Time, which amount is deemed to be included in the Total Consideration.
Withdrawal Deadline .....	The deadline for Holders to withdraw tendered Notes, except in limited circumstances where withdrawal rights are required by law, will be 5:00 p.m., New York City time, on September 20, 2023. We have the right to extend the Withdrawal Deadline one or more times in our sole discretion.
Expiration Time .....	The Tender Offer will expire at 5:00 p.m., New York City time, on October 5, 2023. We have the right to extend the Expiration Time one or more times in our sole discretion and may do so without extending the Withdrawal Deadline.
Early Settlement Date .....	At the election of the Company, for Notes that have been validly tendered (and not validly withdrawn) at or prior to the Early Tender Time and that are accepted for purchase, subject to the Maximum Amount and proration, settlement may occur on any business day, determined at the Company's

option, following the Early Tender Time and before the Expiration Time, subject to the satisfaction or waiver of the conditions to the Tender Offer.

Final Settlement Date..... Regardless of whether the Company chooses to exercise its option to have an Early Settlement Date, the Company will purchase any remaining Notes that have been validly tendered at or prior to the Expiration Time and that it chooses to accept for purchase, subject to the Maximum Amount and proration, subject to all conditions to the Tender Offer having been either satisfied or waived by the Company, within three business days following the Expiration Time or as promptly as practicable thereafter.

Total Consideration ..... The Total Consideration payable per U.S.\$1,000 principal amount of Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time, and accepted for purchase by us (subject to proration, if any) pursuant to the Tender Offer, which includes the Early Tender Payment and the Tender Offer Consideration, is U.S.\$955.00.

Holders must validly tender (and not validly withdraw) their Notes at or prior to the Early Tender Time in order to be eligible to receive the Total Consideration. Holders validly tendering their Notes after the Early Tender Time but at or prior to the Expiration Time will be eligible to receive only the Tender Offer Consideration (described below) and will not be eligible to receive the Early Tender Payment.

Tender Offer Consideration ..... The Tender Offer Consideration payable per U.S.\$1,000 principal amount of Notes validly tendered after the Early Tender Time but at or prior to the Expiration Time, and accepted for purchase by us (subject to proration, if any) pursuant to the Tender Offer shall be equal to (i) the Total Consideration *minus* (ii) the Early Tender Payment.

Accrued Interest..... Holders will receive accrued and unpaid interest from the last interest payment date up to, but not including, the applicable Settlement Date for the Notes accepted for purchase in the Tender Offer.

Acceptance Priority and Proration. If the purchase of all Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time would cause us to accept for purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price in excess of the Maximum Amount, then the Tender Offer will be oversubscribed at the Early Tender Time and, assuming satisfaction or waiver of the conditions to the Tender Offer and if we elect to have an Early Settlement Date, we will purchase on the Early Settlement Date Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time and accepted for purchase on a prorated basis according to the principal amount of such Notes, such that we purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price that does not exceed the Maximum Amount. Accordingly, if the Maximum Amount is reached in respect of tenders made at or prior to the Early Tender Time and we elect to have an Early Settlement Date, no Notes tendered after the Early Tender Time will be accepted for purchase.

If we elect not to have an Early Settlement Date and the purchase of all Notes validly tendered at or prior to the Expiration Time would cause us to accept for purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price in excess of the Maximum Amount, then

the Tender Offer will be oversubscribed at the Expiration Time and, assuming satisfaction or waiver of the conditions to the Tender Offer, we will purchase on the Final Settlement Date, Notes validly tendered (and not validly withdrawn) at or prior to the Expiration Time and accepted for purchase on a prorated basis according to the principal amount of such Notes, such that we purchase the maximum aggregate principal amount of Notes that results in an Aggregate Purchase Price that does not exceed the Maximum Amount.

Minimum Denominations .....

Notes may be tendered only in principal amounts equal to minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. Holders who do not tender all of their Notes must ensure that they retain a principal amount of the Notes amounting to at least the minimum denomination. If proration causes the Company to return less than the minimum denomination to any Holder, then the Company will, at its option, either accept all or reject all of the tendered amount of such Holder's tendered Notes such that it holds either no Notes or at least the minimum denomination of Notes following the consummation of the Tender Offer. In addition, to avoid purchases of Notes in principal amounts other than integral multiples of U.S.\$1,000, if necessary, we will make appropriate adjustments to the nearest U.S.\$1,000 principal amount with respect to each Holder who is subject to proration and validly tenders (and does not validly withdraw) Notes. All Notes not accepted as a result of proration will be rejected from the Tender Offer and will be promptly returned to the tendering Holder.

Purpose of and Conditions to the Tender Offer .....

The principal purpose of the Tender Offer is to acquire and subsequently cancel a portion of the outstanding Notes. The Tender Offer is being made subject to, and is conditioned upon, the satisfaction or waiver of, certain conditions, described in "Conditions to Consummation of the Tender Offer." We may waive any of these conditions in our sole discretion and we reserve the right to terminate or extend the Tender Offer if any condition to the Tender Offer is not satisfied or waived. However, no assurance can be given that the conditions to the Tender Offer will be satisfied or waived.

We expressly reserve the right, subject to applicable law, to terminate, withdraw, extend or amend in any aspect and at any time and from time to time, the Tender Offer in our sole discretion.

Source of Funds .....

The Total Consideration, Tender Offer Consideration, Accrued Interest and the costs and expenses of the Tender Offer are expected to be paid with cash on hand or other available liquidity, including a loan (the "Loan") provided by Banco Santander Mexico, S.A., Institución de Banca Múltiple, Grupo Financiero Santander México.

Procedures for Tendering Notes ....

Each Holder who wishes to accept the Tender Offer must comply with the procedures for tendering Notes described under "Procedures for Tendering Notes." There are no guaranteed delivery provisions provided for by the Company in conjunction with the Tender Offer under the terms of this Offer the Purchase. For further information, contact the Dealer Manager, the Tender Agent or the Information Agent at the respective telephone numbers set forth on the back cover page of this Offer to

Purchase or consult your broker, dealer, commercial bank, trust company or other nominee for assistance.

Withdrawal Rights ..... Each Holder may withdraw Notes that it has tendered at any time prior to the Withdrawal Deadline by submitting a notice of withdrawal to the Tender Agent using ATOP procedures prior to the Withdrawal Deadline, upon compliance with the other procedures described herein. See “Procedures for Tendering Notes—Withdrawal of Tendered Notes.” **Any Notes tendered prior to the Withdrawal Deadline that are not validly withdrawn prior to the Withdrawal Deadline may not be withdrawn thereafter, and any Notes tendered after the Withdrawal Deadline (and prior to the Expiration Time) may not be withdrawn, except, in each case, in certain limited circumstances where additional withdrawal rights are required by law.**

Amendments; Waivers..... To the extent we are legally permitted to do so, we expressly reserve the absolute right, in our sole discretion, at any time:

- (i) to waive any condition to the Tender Offer;
- (ii) to amend any of the terms of the Tender Offer;
- (iii) to terminate the Tender Offer;
- (iv) to increase or modify the Maximum Amount;
- (v) to extend the Withdrawal Deadline;
- (vi) to extend or amend the Early Tender Time or the Expiration Time; or
- (vii) to modify the Tender Offer Consideration or the Early Tender Payment,

in each case (other than clause (v)), without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights of Holders.

The foregoing rights are in addition to the right to delay acceptance for purchase of Notes tendered pursuant to the Tender Offer or the payment of Notes accepted for purchase pursuant to the Tender Offer, subject to Rule 14e-1 under the Exchange Act. Any waiver, amendment, modification or termination of the Tender Offer will apply to all Notes tendered pursuant to the Tender Offer. If we make a material change in the terms of the Tender Offer or waive a material condition of the Tender Offer, we will give oral or written notice of such material change or waiver to the Tender Agent and will disseminate additional offer documents and extend the Tender Offer to the extent required by applicable law.

Tax Considerations ..... For a discussion of certain Mexican and United States income tax considerations of the Tender Offer, see “Certain Income Tax Considerations.”

Certain Considerations..... For a discussion of certain factors that each Holder should consider in connection with the Tender Offer, see “Certain Considerations.”

Sole Dealer Manager .....	Santander US Capital Markets LLC is serving as the sole Dealer Manager for the Tender Offer. Its address and telephone number are set forth on the back cover page of this Offer to Purchase.
Tender Agent .....	D.F. King & Co., Inc. is acting as Tender Agent for the Tender Offer. Its address and telephone number are set forth on the back cover page of this Offer to Purchase.
Information Agent .....	D.F. King & Co., Inc. is also acting as Information Agent for the Tender Offer. Its address and telephone numbers are set forth on the back cover page of this Offer to Purchase.
Additional Information .....	Requests for additional copies of this Offer to Purchase and any questions or requests for assistance may be directed to the Dealer Manager or the Information Agent. Beneficial owners of Notes may also contact their brokers, dealers, commercial banks or trust companies regarding the Tender Offer.

## **OUR COMPANY**

We are a chemical manufacturer and distributor, operating through our subsidiaries located in eight cities throughout Mexico, including San Pedro Garza Garcia, Nuevo León, where our corporate headquarters are located. Since our establishment in 1945, we have grown into a diversified company and our current product offering ranges from edible salt to specialty chemicals for diverse industries to clean energy alternatives and hydrocarbon storage. We sell over 100 different products in more than 15 countries, including Mexico (our primary market), the United States, Canada, Central and South America and Europe.

## THE TENDER OFFER

*You should carefully consider the risks and uncertainties described below and other information included in this Offer to Purchase before you decide to tender your Notes in the Tender Offer.*

We hereby offer, upon the terms and subject to the conditions set forth in this Offer to Purchase, to purchase for cash an amount of Notes such that the Aggregate Purchase Price of Notes validly tendered (and not validly withdrawn) and accepted in the Tender Offer does not exceed U.S.\$100,000,000. We may increase or modify the Maximum Amount in our discretion (in which case, the term “*Maximum Amount*” shall mean such amount as so increased or modified), subject to and in accordance with applicable law.

### **Total Consideration and Tender Offer Consideration**

The Total Consideration payable per U.S.\$1,000 principal amount of Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time, and accepted for purchase by us (subject to proration, if any) pursuant to the Tender Offer, which includes the Early Tender Payment and the Tender Offer Consideration, shall be equal to U.S.\$955.00.

The Tender Offer Consideration payable per U.S.\$1,000 principal amount of Notes validly tendered after the Early Tender Time but at or prior to the Expiration Time and accepted for purchase by us (subject to proration, if any) pursuant to the Tender Offer shall be equal to (i) the Total Consideration *minus* (ii) the Early Tender Payment.

The Total Consideration and the Tender Offer Consideration, as applicable, will be payable in cash. In addition to the Total Consideration or the Tender Offer Consideration, as applicable, Holders who validly tender (and do not validly withdraw) Notes that are accepted for purchase by us pursuant to the Tender Offer will also receive Accrued Interest from the last interest payment date on the Notes up to, but not including, the applicable Settlement Date for the Notes accepted for purchase.

In the event of any dispute or controversy regarding the Total Consideration, the Tender Offer Consideration or the amount of Accrued Interest for Notes tendered pursuant to the Tender Offer, our determination shall be conclusive and binding, absent manifest error.

To the extent the Company has not decided, as of the Early Tender Time, whether to exercise its option to have an Early Settlement Date, the Company will announce any decision to exercise its option to have an Early Settlement Date by no later than the business day prior to the date thereof. The Company is not obligated to include an Early Settlement Date in the Tender Offer.

Holders validly tendering their Notes after the Early Tender Time but at or prior to the Expiration Time will be eligible to receive only the Tender Offer Consideration with respect to Notes accepted for purchase by us pursuant to the Tender Offer, payable on the applicable Settlement Date, and will not be eligible to receive the Early Tender Payment. **If the Maximum Amount is reached in respect of tenders made at or prior to the Early Tender Time, no Notes that are tendered after the Early Tender Time will be accepted for purchase pursuant to the Tender Offer.** All Notes not accepted as a result of proration will be rejected from the Tender Offer and such Notes will be promptly returned to their Holders.

Our obligation to accept Notes that are tendered is subject to the conditions described below under “Conditions to Consummation of the Tender Offer.” In the event of a termination of the Tender Offer, all Notes tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders. In such event, the Total Consideration or the Tender Offer Consideration, as applicable, will not be paid or become payable.

You will not be required to pay brokerage commissions or fees to the Dealer Manager, the Tender Agent, the Information Agent or us or to pay transfer taxes with respect to the Tender Offer. However, such Holders may be obligated to pay commissions or other payments to their own brokers, custodians or other agents. We will pay all other charges and expenses in connection with the Tender Offer.



## **Withdrawal of Tenders**

Tenders of Notes made pursuant to the Tender Offer at any time at or prior to the Withdrawal Deadline may be validly withdrawn by following the procedures described herein. See “Procedures for Tendering Notes—Withdrawal of Tendered Notes.” Any Notes tendered prior to the Withdrawal Deadline that are not validly withdrawn prior to the Withdrawal Deadline may not be withdrawn thereafter, except in limited circumstances where additional withdrawal rights are required by law. If you validly withdraw previously tendered Notes, you will not receive the Total Consideration, unless such Notes are re-tendered (and not validly re-withdrawn) at or prior to the Early Tender Time (in which case you will be eligible to receive the Total Consideration) or after the Early Tender Time but at or prior to the Expiration Time (in which case you will be eligible to receive the Tender Offer Consideration only). Any Notes tendered after the Withdrawal Deadline may not be withdrawn except in limited circumstances where additional withdrawal rights are required by law.

## **Expiration Time; Early Tender Time; Extensions; Termination; Amendments**

The Tender Offer will expire at 5:00 p.m., New York City time, on October 5, 2023, unless extended or earlier terminated by us, in our sole discretion. Our offer to pay the Early Tender Payment will expire at 5:00 p.m., New York City time, on September 20, 2023, unless extended or earlier terminated by us in our sole discretion. In the event that we extend the Tender Offer or our offer to pay Early Tender Payment, the terms “Expiration Time” and “Early Tender Time” will mean the time and date on which the Tender Offer and offer to pay Early Tender Payment, as so extended, respectively, will expire. We expressly reserve the right, subject to applicable law, to extend the Early Tender Time or the Expiration Time from time to time or for such period or periods as we may determine in our sole discretion by giving oral (to be confirmed in writing) or written notice of such extension to the Tender Agent and by making a public announcement by press release no later than 9:00 a.m., New York City time, on the next business day following the previously scheduled Early Tender Time or Expiration Time, as the case may be.

During any extension of the Tender Offer, all Notes previously tendered and not validly withdrawn or accepted for purchase will remain subject to the Tender Offer and may, subject to the terms and conditions of the Tender Offer, be accepted for purchase by us.

To the extent we are legally permitted to do so, we expressly reserve the absolute right, in our sole discretion, at any time:

- (i) to waive any condition to the Tender Offer;
- (ii) to amend any of the terms of the Tender Offer;
- (iii) to terminate the Tender Offer;
- (iv) to increase or modify the Maximum Amount;
- (v) to extend the Withdrawal Deadline;
- (vi) to extend or amend the Early Tender Time or the Expiration Time; or
- (vii) to modify the Tender Offer Consideration or the Early Tender Payment,

in each case (other than clause (v)), without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights of Holders.

The foregoing rights are in addition to the right to delay acceptance for purchase of Notes tendered pursuant to the Tender Offer or the payment of Notes accepted for purchase pursuant to the Tender Offer, subject to Rule 14e-1 under the Exchange Act. Any waiver, amendment, modification or termination of the Tender Offer will apply to all Notes tendered pursuant to the Tender Offer. If we make a material change in the terms of the Tender Offer or waive a material condition of the Tender Offer, we will give oral or written notice of such material change or

waiver to the Tender Agent and will disseminate additional offer documents and extend the Tender Offer to the extent required by applicable law.

We also reserve the right to terminate the Tender Offer at any time, including but not limited to, if any condition of the Tender Offer is not satisfied. In the event that the Tender Offer is withdrawn or otherwise not completed, the Tender Offer Consideration and the Early Tender Payment will not be paid or become payable and all Notes theretofore tendered pursuant to the Tender Offer and not accepted for payment will be returned promptly to the tendering Holders thereof.

### **Maximum Amount; Acceptance Priority and Proration**

We refer to the aggregate amount of Tender Offer Consideration and Total Consideration that Holders of Notes are entitled to receive, excluding Accrued Interest, for Notes that are validly tendered (and not validly withdrawn) and accepted for purchase by us as the “*Aggregate Purchase Price*.” The maximum aggregate principal amount of Notes accepted for purchase pursuant to the Tender Offer will be an amount such that the Aggregate Purchase Price for such Notes will not exceed U.S.\$100,000,000 (such amount, as may be increased or modified by us in our sole discretion, the “*Maximum Amount*”). We expressly reserve the right, but are under no obligation, to increase or modify the Maximum Amount at any time, subject to applicable law. This could result in us purchasing a greater or lesser aggregate principal amount of Notes in the Tender Offer. There can be no assurance that we will exercise our right to increase or modify the Maximum Amount.

If the purchase of all Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time would cause us to accept for purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price in excess of the Maximum Amount, then the Tender Offer will be oversubscribed at the Early Tender Time and, assuming satisfaction or waiver of the conditions to the Tender Offer and if we elect to have an Early Settlement Date, we will purchase on the Early Settlement Date, Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Time and accepted for purchase on a prorated basis according to the principal amount of such Notes, such that we purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price that does not exceed the Maximum Amount. Accordingly, if the Maximum Amount is reached in respect of tenders made at or prior to the Early Tender Time and we elect to have an Early Settlement Date, no Notes tendered after the Early Tender Time will be accepted for purchase.

If we elect not to have an Early Settlement Date and the purchase of all Notes validly tendered at or prior to the Expiration Time would cause us to accept for purchase an aggregate principal amount of Notes that results in an Aggregate Purchase Price in excess of the Maximum Amount, then the Tender Offer will be oversubscribed at the Expiration Time and, assuming satisfaction or waiver of the conditions to the Tender Offer, we will purchase on the Final Settlement Date, Notes validly tendered (and not validly withdrawn) at or prior to the Expiration Time and accepted for purchase on a prorated basis according to the principal amount of such Notes, such that we purchase the maximum aggregate principal amount of Notes that results in an Aggregate Purchase Price that does not exceed the Maximum Amount.

Notes may be tendered only in principal amounts equal to minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. Holders who do not tender all of their Notes must ensure that they retain a principal amount of the Notes amounting to at least the minimum denomination. If proration causes the Company to return less than the minimum denomination to any Holder, then the Company will, at its option, either accept all or reject all of the tendered amount of such Holder’s tendered Notes such that it holds either no Notes or at least the minimum denomination of Notes following the consummation of the Tender Offer.

In addition, to avoid purchases of Notes in principal amounts other than integral multiples of U.S.\$1,000, if necessary, we will make appropriate adjustments to the nearest U.S.\$1,000 principal amount with respect to each Holder who is subject to proration and validly tenders (and does not validly withdraw) Notes. All Notes not accepted as a result of proration will be rejected from the Tender Offer and will be promptly returned to the tendering Holder.

## **Acceptance of and Payment for Notes; Accrual of Interest**

Upon the terms and subject to the conditions of the Tender Offer (including, if the Tender Offer is extended or amended, the terms and conditions of any such extension or amendment) and applicable law, we will purchase and will promptly pay for, all Notes validly tendered (and not validly withdrawn) and accepted for purchase, at or prior to the Expiration Time, subject to the Maximum Amount and possible proration. For more information on the Maximum Amount and possible proration of the Tender Offer, please see “—Maximum Amount; Acceptance Priority and Proration.”

For purposes of the Tender Offer, tendered Notes will be deemed to have been accepted for purchase, if, as and when we give oral or written notice thereof to the Tender Agent. Payment for Notes accepted for purchase shall be made on the applicable Settlement Date by the deposit of the aggregate Total Consideration or the aggregate Tender Offer Consideration, as the case may be, plus Accrued Interest for all such tendered Notes, in immediately available funds by us on or about the applicable Settlement Date, with (i) the Tender Agent, which will act as agent for tendering Holders for the purpose of receiving payment from us and transmitting such payment to tendering Holders or (ii) DTC. Under no circumstances will interest on the Total Consideration or Tender Offer Consideration, as the case may be, be paid by us by reason of any delay on the part of the Tender Agent or DTC or any DTC participant or custodian in making payment to Holders.

We expressly reserve the right, in our sole discretion and subject to Rule 14e-1(c) under the Exchange Act, to delay acceptance for purchase of or payment for Notes in order to comply, in whole or in part, with any applicable law. See “Conditions to Consummation of the Tender Offer.” In all cases, payment by the Tender Agent or DTC to Holders or beneficial owners of the Total Consideration or Tender Offer Consideration, as the case may be, for Notes purchased pursuant to the Tender Offer will be made only after such Notes are validly tendered and received by the Tender Agent pursuant to the procedures set forth under “Procedures for Tendering Notes.”

Tendering Holders will not be obligated to pay brokerage fees or commissions to the Company, the Dealer Manager, the Tender Agent, the Information Agent or the Trustee. However, such Holders may be obligated to pay commissions or other payments to their own brokers, custodians or other agents.

We reserve the right to transfer or assign, in whole at any time or in part from time to time, to one or more affiliates, the right to purchase Notes tendered pursuant to the Tender Offer, but any such transfer or assignment will not relieve us of our obligations under the Tender Offer or prejudice the rights of tendering Holders to receive payment of the Total Consideration or Tender Offer Consideration, as the case may be, for Notes validly tendered (and not validly withdrawn) pursuant to the Tender Offer and accepted for purchase by us, subject to the terms and conditions of the Tender Offer.

Holders who tender Notes that are accepted for payment pursuant to the Tender Offer will receive Accrued Interest from the last interest payment date to, but not including, the applicable Settlement Date for such Notes. Under no circumstances will any additional interest be payable because of any delay in the transmission of funds to the Holders of purchased Notes or otherwise.

## **No Appraisal or Similar Rights**

Neither the Indenture nor applicable law gives the Holders any appraisal or similar rights to request a court or other person to value their outstanding Notes in connection with the Tender Offer.

## **CERTAIN CONSIDERATIONS**

*You should consider carefully the following considerations, in addition to the other information in this Offer to Purchase, before deciding whether to participate in the Tender Offer.*

### **Effect of the Tender Offer on Holders of Notes Tendered and Accepted in the Tender Offer**

If your Notes are tendered and accepted, you will receive the Total Consideration if your Notes were validly tendered (and not validly withdrawn) at or prior to the Early Tender Time, or the Tender Offer Consideration if your Notes were validly tendered after the Early Tender Time but at or prior to the Expiration Time, per U.S.\$1,000 principal amount of Notes tendered and accepted, in each case, plus any Accrued Interest for such Notes, but you will give up all rights and benefits associated with ownership of such Notes.

The amount of Notes accepted for payment in the Tender Offer will be limited, because we are only offering to purchase a maximum aggregate principal amount of Notes such that the Aggregate Purchase Price does not exceed the Maximum Amount. See “The Tender Offer.”

### **Early Tender Payment and Priority of Acceptance for Notes Tendered at or Prior to the Early Tender Time**

You must validly tender your Notes at or prior to the Early Tender Time in order to be eligible to receive the Total Consideration, which includes the Early Tender Payment. If you validly tender your Notes after the Early Tender Time but at or prior to the Expiration Time, you will be eligible to receive only the Tender Offer Consideration, which does not include the Early Tender Payment. If the Maximum Amount is reached in respect of tenders made at or prior to the Early Tender Time, no Notes that are tendered after the Early Tender Time will be accepted for purchase.

### **The Tender Offer May Adversely Affect the Market Value and Reduce the Liquidity of any Trading Market for the Notes**

The prices for the Notes may fluctuate greatly depending on the trading volume, the balance between buy and sell orders, prevailing interest rates, the Company’s operating results and the market for similar securities. In addition, quotations for securities that are not widely traded, such as the Notes, may differ from actual trading prices and should be viewed as approximations. Notes that are tendered and accepted in the Tender Offer will cease to be outstanding and will be cancelled. To the extent that fewer than all of the Notes are tendered and accepted in the Tender Offer, the trading market for the Notes would become more limited. A debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may command a lower price than would a comparable debt security with a greater float. Therefore, market prices for Notes that are not tendered or not purchased may be affected adversely to the extent that the principal amount of Notes purchased pursuant to the Tender Offer reduces the float. The reduced float may also tend to make market prices more volatile. This risk will be exacerbated if we increase the Maximum Amount, which we may do in our sole discretion without extending the Withdrawal Date or otherwise reinstating withdrawal rights.

Holders of Notes not tendered or not purchased may attempt to obtain quotations for their Notes from their brokers. However, there can be no assurance that any trading market will exist for the Notes following consummation of the Tender Offer. The extent of the public market for the Notes following consummation of the Tender Offer will depend upon, among other things, the remaining outstanding principal amount of Notes, the number of beneficial owners remaining at such time, the interest in maintaining a market in the Notes on the part of securities firms and other factors. We cannot assure you that a market for any Notes that remain outstanding following consummation of the Tender Offer will exist or be sustained.

### **Treatment of Notes Not Tendered in the Tender Offer**

Notes not tendered and purchased in the Tender Offer will remain outstanding. The terms and conditions governing Notes, including the covenants and other protective provisions contained in the Indenture, will remain unchanged. No amendments to the Indenture or the Notes are being sought in connection with the Tender Offer.

## **Limitations on Ability to Withdraw Notes**

Tendered Notes may be withdrawn at any time prior to the Withdrawal Deadline, but not thereafter, except to the extent required by applicable law or as provided herein. As the Early Tender Time is not expected to be earlier than the Withdrawal Deadline, you will not be able to withdraw tenders of your Notes at the time it is determined whether your Notes will be accepted as a result of proration.

## **The Tender Offer may be Terminated, Delayed or Amended and Potential Change in Maximum Amount**

The Company has the right to terminate or withdraw at its sole discretion the Tender Offer if a condition to its obligation to purchase Notes is not satisfied or waived at or prior to any applicable date. Even if the Tender Offer is consummated, it may not be consummated on the schedule described in this Offer to Purchase. Accordingly, Holders participating in the Tender Offer may have to wait longer than expected to receive their consideration (or to have their Notes returned to them in the event the Company terminates the Tender Offer), during which time such Holders will not be able to effect transfers or sales of their Notes (except in the limited circumstances). In addition, subject to certain limits, the Company has the right to amend the terms of the Tender Offer at or prior to the Expiration Time. For example, the Company may (but is under no obligation to) increase the Maximum Amount or extend the Early Tender Time or Expiration Time in its sole discretion, in each case, without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights, subject to applicable law. In the event of a change to the Maximum Amount, we also do not currently intend to extend the Early Tender Time, the Withdrawal Deadline or the Expiration Time, unless required by law.

## **Subsequent Acquisition of Notes**

The Company expressly reserves the right, in its sole discretion, from time to time before or after the Expiration Time, for it or its affiliates to purchase, for cash, other consideration or a combination thereof, any Notes through open market purchases, privately negotiated transactions, one or more additional tender or exchange offers or otherwise, upon such terms and at such prices as the Company or such affiliate may determine or negotiate, which prices may be more or less than the consideration to be paid to Holders pursuant to the Tender Offer. Additionally, pursuant to the provisions of the Notes and the Indenture, the Company may elect to redeem, defease and/or discharge any Notes that are not tendered and accepted in the Tender Offer. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we might choose to pursue in the future.

## **Conditions to Consummation of the Tender Offer**

The consummation of the Tender Offer is subject to the satisfaction or waiver of certain conditions. See “Conditions to Consummation of the Tender Offer.” There can be no assurance that such conditions will be met or satisfied or that the Tender Offer will be consummated or that in the event that the Tender Offer is not consummated, the market value and liquidity of the Notes will not be materially adversely affected. If the conditions to the Tender Offer are not satisfied or waived, the Company will not be obligated to consummate the Tender Offer.

## **No Recommendation Is Being Made with Respect to the Tender Offer**

None of the Company, the Dealer Manager, the Tender Agent, the Information Agent or the Trustee or any affiliate of them is making any recommendation to any Holder whether to tender or refrain from tendering any or all of such Holder’s Notes and none of them has authorized any person to make any such recommendation. The consideration offered to purchase the Notes does not reflect any independent valuation of the Notes and does not take into account events or changes in the financial markets (including interest rates) after the commencement of the Tender Offer. The Company has not obtained or requested a fairness opinion from any banking or other firm as to the fairness of the consideration offered for the Notes. Holders are urged to evaluate carefully all information in this Offer to Purchase, consult their own legal, investment and tax advisors and make their own decisions whether to tender Notes, and, if so, the principal amount of Notes.

## PROCEDURES FOR TENDERING NOTES

For a Holder to tender Notes validly pursuant to the Tender Offer, such Notes must be transferred pursuant to the procedures for book-entry transfer described below and a confirmation of such book-entry transfer must be received by the Tender Agent at or prior to the Expiration Time. It is your responsibility to validly tender your Notes. A defective tender of Notes (which defect is not waived by the Company or cured by the Holder) will not constitute a valid tender of Notes and will not entitle the Holder thereof to the applicable Tender Offer Consideration or Early Tender Payment.

If you have any questions or need help in tendering your Notes, please contact the Dealer Manager, the Tender Agent or the Information Agent, whose addresses and telephone numbers are listed on the back cover page of this Offer to Purchase.

All of the Notes were issued in book-entry form, and all of the Notes are currently represented by one or more global certificates held for the account of DTC. We have confirmed with DTC that the Notes may be tendered using the ATOP procedures instituted by DTC.

### **Tender of Notes Held Through a Custodian**

Any beneficial owner whose Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender Notes should contact the registered Holder promptly and instruct such Holder to tender Notes on such beneficial owner's behalf. Any beneficial owner of Notes held through DTC or its nominee, through authority granted by DTC, may direct the DTC participant through which that beneficial owner's Notes are held in DTC to tender Notes on that beneficial owner's behalf. If such beneficial owner wishes to tender such Notes himself, such beneficial owner must, prior to tendering such Notes, either make appropriate arrangements to register ownership of the Notes in such beneficial owner's name (if permitted) or otherwise follow the procedures described below. The transfer of record ownership (if permitted) may take considerable time.

Beneficial owners should be aware that their broker, dealer, commercial bank, trust company or other nominee may establish its own earlier deadlines for participation in the Tender Offer. Accordingly, beneficial owners wishing to participate in the Tender Offer should contact their broker, dealer, commercial bank, trust company or other nominee as soon as possible in order to determine the times by which such owner must take action in order to participate in the Tender Offer.

### **Tender of Notes Held Through DTC**

To effectively tender Notes that are held through DTC, DTC participants should electronically transmit their acceptance through ATOP (and thereby tender Notes), for which the Tender Offer will be eligible. Upon receipt of such Holder's acceptance through ATOP, DTC will edit and verify the acceptance and send an Agent's Message to the Tender Agent for its acceptance. If you hold your Notes through Clearstream Banking, société anonyme ("*Clearstream*") or Euroclear Bank S.A./N.V., as operator of the Euroclear System ("*Euroclear*"), you must also comply with the applicable procedures of Clearstream or Euroclear, as applicable, in connection with a tender of Notes. Both Clearstream and Euroclear are indirect participants in the DTC system.

### **Book-Entry Delivery Procedures**

Any financial institution that is a participant in DTC may make book-entry tender of Notes by causing DTC to transfer such Notes into the Tender Agent's account in accordance with DTC's ATOP. Delivery of documents to DTC does not constitute delivery to the Tender Agent. The confirmation of a book-entry transfer into the Tender Agent account at DTC as described above is referred to herein as a "*Book-Entry Confirmation*."

The term "*Agent's Message*" means a message, transmitted by DTC to and received by the Tender Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment

from a tendering participant, which acknowledgment states that such participant has received and agrees to be bound by this Offer to Purchase and the Company may enforce the terms thereof against such participant.

### **Representations, Warranties and Undertakings**

By submitting a valid electronic acceptance instruction, a Holder represents, warrants and undertakes to the Company, the Tender Agent and the Dealer Manager that:

- (i) the Holder has received and reviewed this Offer to Purchase, understands and agrees to be bound by all the terms of the Tender Offer and has full power and authority to tender the Notes;
- (ii) the Notes are, at the time of acceptance, and will continue to be, until the payment on the applicable Settlement Date or the termination or withdrawal of the Tender Offer, or, in the case of Notes in respect of which the tender has been revoked, the date on which such tender is validly revoked, held by it;
- (iii) the Holder acknowledges that all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings and every obligation of the Holder shall be binding upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Holder and shall not be affected by, and shall survive, the death or incapacity of the Holder;
- (iv) if Notes are accepted by the Company for payment, the Holder acknowledges that the value date for delivery and receipt will be the applicable Settlement Date. The Holder acknowledges that, to the extent the Holder tenders its Notes after the Early Tender Time, the Holder will not receive the payment of the Early Tender Payment that would otherwise be payable with respect to Notes delivered to the Tender Agent at or prior to the Early Tender Time;
- (v) the Notes that are the subject of the electronic acceptance instruction will, on the applicable Settlement Date, be transferred by the Holder with full title guarantee free from all liens, charges and encumbrances and together with all rights attached thereto;
- (vi) the Holder is not a person to whom it is unlawful to make an offer pursuant to the Tender Offer under applicable securities laws; and
- (vii) subject to and effective upon the acceptance for purchase of, and payment for, the Notes tendered therewith, it (1) irrevocably sells, assigns and transfers to or upon the order of the Company all right, title and interest in and to all Notes tendered thereby, (2) waives any and all other rights with respect to Notes (including, without limitation, the Holder's waiver of any existing, past or future defaults and their consequences in respect of Notes and the Indenture), (3) releases and discharges us from any and all claims the Holder may have now, or may have in the future, arising out of, or related to, Notes, including, without limitation, any claims that the Holder is entitled to receive additional principal or interest payments with respect to Notes or to participate in any redemption or defeasance of Notes and (4) irrevocably constitutes and appoints the Tender Agent as the true and lawful agent and attorney-in-fact of the Holder with respect to any such tendered Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver certificates representing such Notes, or transfer ownership of such Notes on the account books maintained by DTC, together, in any such case, with all accompanying evidences of transfer and authenticity, to us and (b) present such Notes for transfer on the relevant security register.

### **Withdrawal of Tendered Notes**

You may withdraw Notes that you have tendered for purchase at any time before the Withdrawal Deadline but not thereafter, except in certain limited circumstances where additional withdrawal rights are required by law.

In order to withdraw outstanding Notes you have presented for purchase, you must properly submit to the Tender Agent a notice of withdrawal, using the ATOP procedures, prior to the Withdrawal Deadline, assuming no additional withdrawal rights are so required.

For a withdrawal of a tender of Notes to be effective, a notice of withdrawal in the form of a “Request Message” transmitted through ATOP must be received by the Tender Agent prior to the Withdrawal Deadline. Any such notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn Notes and otherwise comply with the ATOP procedures. Any Notes validly withdrawn will be deemed to be not validly tendered for purposes of the Tender Offer.

If you withdraw Notes, you will have the right to retender them at or prior to the Expiration Time in accordance with the procedures described above for tendering outstanding Notes, but you will not be eligible to receive the Early Tender Payment if you re-tender them after the Early Tender Time.

### **Defects and Irregularities in any Tender or Withdrawal of Notes**

We will not be required to pay for Notes tendered pursuant to the Tender Offer unless those Notes are validly tendered and accepted by us for purchase, subject to proration. Similarly, we will be able to retain Notes that have been tendered if you do not validly comply with the procedures to withdraw the Notes. We will have the right to decide whether a tender or withdrawal was made validly and our decision will be conclusive and binding. You should note the following with respect to the Tender Offer:

- if we determine you have not validly tendered your Notes, or have not validly complied with the procedures to withdraw Notes previously tendered, you will have to correct the problem in the time period we determine, unless waived by us;
- none of the Company, the Dealer Manager, the Tender Agent, the Information Agent or the Trustee or any affiliate of them or any other person will be under any duty to give notice of any defects or irregularities in tenders or withdrawals of Notes, nor will such parties incur any liability to Holders for failure to give any such notice;
- all questions as to the form of all documents and the validity (including time of receipt) and acceptance of all tenders of Notes will be determined by us, in our sole discretion, the determination of which shall be conclusive and binding;
- in the event of any dispute or controversy regarding the Total Consideration, the Tender Offer Consideration or the amount of accrued and unpaid interest for Notes tendered pursuant to the Tender Offer, our determination shall be conclusive and binding, absent manifest error.
- our interpretations of the terms and conditions of the Tender Offer will be conclusive and binding;
- we reserve the absolute right to reject any or all tenders of Notes that are not in proper form or the acceptance of which would, in our opinion, be unlawful;
- we have the right, in our sole discretion, to waive any defects, irregularities, conditions of tender or withdrawal as to particular Notes, and we may waive a defect with respect to one Holder and not another.

If we determine you have not validly tendered your Notes and we determine not to waive such defective tender, they will be promptly returned to you at our expense following the Tender Offer via a credit to the appropriate DTC account.



## **No Guaranteed Delivery**

**There are no guaranteed delivery provisions applicable to the Tender Offer.** Holders wishing to participate in the Tender Offer must tender their Notes in accordance with the procedures set forth in this section prior to the Early Tender Time or Expiration Time, as applicable.

## **Other Matters**

Notwithstanding any other provision of the Tender Offer, payment of the Tender Offer Consideration and the Early Tender Payment in exchange for Notes tendered and accepted for purchase pursuant to the Tender Offer through the Early Tender Time or the Expiration Time, as applicable, will occur only after timely receipt by the Tender Agent of the tendered Notes (or a Book-Entry Confirmation with respect to such Notes), together with an Agent's Message, and any other required documents.

Tenders of Notes pursuant to the procedures described above, and acceptance thereof by the Company, will constitute a binding agreement between each tendering Holder and the Company upon the terms and subject to the conditions of the Tender Offer as set forth in this Offer to Purchase.

## CONDITIONS TO CONSUMMATION OF THE TENDER OFFER

Notwithstanding any other provision of the Tender Offer, our obligation to accept for purchase, and to pay for, any Notes validly tendered and not validly withdrawn pursuant to the Tender Offer is conditioned upon the non-occurrence (or waiver) of the following or, if we shall have become aware of any of the following or if any of the following exists on the date of this Offer to Purchase, we shall not have become aware of a material worsening of circumstances with respect to any of the following (the “*General Conditions*”):

- any instituted, threatened or pending action, legal or administrative proceeding or investigation (whether formal or informal), or any material adverse development to any action or proceeding currently instituted, threatened or pending, before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person that, in our reasonable judgment, either (a) would or might prohibit, prevent, restrict or delay consummation of the Tender Offer, or (b) is, or is reasonably likely to be, materially adverse to our business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects;
- there shall have occurred or be likely to occur any change or development, including, without limitation, any change or development involving a prospective change in or affecting our business or financial affairs, those of our affiliates or our subsidiaries that, in our reasonable judgment, would or might prohibit, prevent, restrict or delay consummation of the Tender Offer or adversely affects our ability to consummate the Tender Offer or to realize the contemplated benefits from the Tender Offer;
- the enactment, proposal or issuance of any law, order, statute, executive order, regulation, stay, decree, judgment, injunction, rule or court order that, in our reasonable judgment, either (a) prohibits, makes illegal or delays the Tender Offer, (b) imposes or confirms material limitations or restrictions on the Tender Offer or the scope, validity or effectiveness of the Company’s ability to acquire or hold or to exercise full rights of ownership of the Notes, (c) renders the Company unable to accept for payment, pay for or purchase some or all of the Notes, or (d) is, or is reasonably likely to be, materially adverse to our business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects;
- the Trustee under the Indenture objects to the terms of the Tender Offer or the Trustee takes any other action that could, in our reasonable judgment, adversely affect the consummation of the Tender Offer;
- there shall have occurred, in the reasonable judgment of the Company, any (a) general suspension of, or shortening of hours for, or limitation on trading in securities in the U.S. financial or capital markets, the Singapore Exchange Securities Trading Limited, the Mexican Stock Exchange or in the over-the-counter market, (b) material impairment in the trading market for debt securities, (c) declaration of a banking moratorium or any suspension of payments in respect to banks in the United States, Mexico or Europe, whether or not mandatory, (d) limitation (whether or not mandatory) by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, or other event that, in our reasonable judgment, might affect the extension of credit by banks or other lending institutions, (e) material change in United States, Mexican or European currency exchange rate or a general suspension of, or material limitation on, the markets therefor, (f) a commencement of a war or armed hostilities or other national or international calamity directly or indirectly involving the United States or Mexico, or (g) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof; or
- any material change in the trading price of the Notes or the market for the Notes.

The foregoing conditions are for our sole benefit and may be asserted by us, in our sole discretion, regardless of the circumstances giving rise to any such condition (including any action or inaction on our part). We will have

the right (but not the obligation) to waive any of the preceding conditions and to consummate the Tender Offer. Neither you nor any other person who tenders Notes for purchase will have the ability to prevent us from waiving a condition or will have the ability to withdraw Notes tendered if we waive any of the foregoing conditions. We also have the right to determine whether or not any of the conditions were satisfied and to terminate or extend the Tender Offer if any condition of the Tender Offer was not satisfied. Our decision as to whether or not a condition was satisfied will be conclusive and binding, and you will have no right to disagree with our conclusions. The Tender Offer is not conditioned upon any minimum principal amount of Notes being tendered.

## CERTAIN INCOME TAX CONSIDERATIONS

### Certain Mexican Federal Income Tax Considerations

The following is a general summary of the principal Mexican federal income tax consequences that would arise as a result of the acceptance of the Tender Offer by holders of the Notes who are not residents of Mexico for Mexican federal income tax purposes or who are not deemed to have a permanent establishment for tax purposes in Mexico to which income in connection with the acceptance of the Tender Offer is attributable (a “**non-Mexican holder**”) and who would be deemed to receive income as a result of the acceptance of the Tender Offer. This summary is based on the Mexican Income Tax Law (*Ley del Impuesto sobre la Renta*), the Mexican Federal Fiscal Code (*Código Fiscal de la Federación*) and their corresponding regulations in effect as of the date of this Offer to Purchase (the “**Mexican Income Tax Law**”), all of which are subject to change, possibly with retroactive effect, or to be interpreted in a new or different manner than that set forth herein, which could affect the continued validity of this general summary.

This summary does not constitute tax advice, does not address all of the Mexican tax consequences that may be applicable to specific non-Mexican holders of the Notes and does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to accept the Tender Offer. Furthermore, this summary does not address any tax consequences arising under the law of any state or municipality of Mexico, or under the laws of any other taxing jurisdiction other than the Mexican Income Tax Law.

The tax implications described herein may vary depending on the applicability of a tax treaty entered into by Mexico and which is in effect. Mexico has entered into several tax treaties with various countries and that are in effect and is currently negotiating several other income tax treaties with other countries that may have an impact on the tax treatment of payments made under the Tender Offer. Non-Mexican holders of Notes should consult their own tax advisors as to the tax consequences, if any, of the application of any such treaties.

Non-Mexican holders of the Notes should consult with their own tax advisors as to the particular consequences of the receipt of interest and the sale, disposition, redemption or repayment of the Notes under the laws of Mexico, including federal, state or municipal laws or regulations, or the laws of any other jurisdiction or under any applicable tax treaty to which Mexico is a party which is in effect.

Pursuant to Mexican Income Tax Law:

- individuals are residents of Mexico for tax purposes if any such individual has established his or her place of residence in Mexico or, if any such individual has also established a place of residence outside Mexico, if his or her center of vital interests (*centro de intereses vitales*) is located within Mexico. An individual has his or her center of vital interest in Mexico if (i) more than 50% of such individual’s aggregate annual income derives from Mexican source or (ii) the main center of such individual’s professional activities is located in Mexico. Mexican individuals who change tax residency but failed to prove their new tax residence, or who filed a change of tax residence to a country or jurisdiction that does not have a comprehensive exchange of information agreement and an administrative assistance agreement with respect to tax matters with Mexico, in which their income is subject to a preferred tax regime pursuant to the provisions of the Mexican Income Tax Law, will be considered Mexican residents for tax purposes during the year of filing of the notice of such residence change and during the following five years;
- Unless proven differently, a Mexican national individual is deemed a resident of Mexico for tax purposes. An individual will also be considered a resident of Mexico if such individual is a state employee, regardless of the location of the individual’s center of vital interests, or if the individual fails to file the notice of change of tax residence to another country or jurisdiction when applicable; and

- a legal entity is a resident of Mexico for tax purposes, irrespective of its place or laws of incorporation, if it maintains the principal administration of its business, or the place of effective management, in Mexico. A legal entity is deemed to maintain the principal administration of its business or its place of effective management in Mexico if the individuals making or executing the day to day decisions of control, direction, operation or management of the legal entity and of the activities it carries out are located in Mexico.

Non-residents of Mexico who are deemed to have a permanent establishment in Mexico for tax purposes will be subject to Mexican tax laws, and all income attributable to such permanent establishment will be subject to Mexican taxes in accordance with the Mexican Income Tax Law and regulations thereunder.

### ***Gains and Interest***

Under Mexican Income Tax Law, payments of Total Consideration and Accrued Interest on the Notes made by us to non-Mexican holders as a result of the acceptance of the Tender Offer will be considered interest income and may be subject to any Mexican withholding or similar tax.

The excess of the Total Consideration over the principal amount of Notes will be subject to the Mexican withholding taxes pursuant to the rules described below applicable to payments of Accrued Interest.

Payments of Accrued Interest made to non-Mexican holders as a result of the acceptance of the Tender Offer will have a source of wealth in Mexico and should be subject to Mexican withholding tax assessed at a rate of 4.9% considering that the formal requirements set forth in the Mexican Income Tax Law for the application of said rate have been met (otherwise, the Mexican withholding tax will be 10% or higher).

In addition, if the beneficial owners, whether acting directly or indirectly, individually or jointly with related parties, that receive more than 5% of the interest paid under the Notes (i) are persons who own, directly or indirectly, individually or jointly with related parties, more than 10% of our voting stock or (ii) are corporations or other entities, of which 20% or more of the voting stock is owned by persons related to us, directly or indirectly, individually or jointly with related parties, then the Mexican withholding tax rate applicable to payments of interest under our Notes may increase to the maximum ordinary applicable rate according to Article 152 of the Mexican Income Tax Law. For purposes of the foregoing, it is considered that two persons are related parties when: x) one of them has an interest in the business of the other, y) there are common interests between the parties, and z) a third person has an interest in the business or property of the parties.

Payments Accrued Interest and Total Consideration under the Tender Offer made to non-Mexican pension and retirement funds will be exempt from Mexican withholding tax provided that: (i) the applicable pension or retirement fund is duly incorporated pursuant to the laws of its country of residence and is the effective beneficiary of the interest payment; (ii) such income is exempt from taxes in the applicable fund's country of residence; and (iii) such fund provides us with the relevant information in accordance with the applicable administrative rules issued by the Mexican Tax Administration Service.

Non-Mexican holders or beneficial owners of the Notes may be requested to, subject to specified exceptions and limitations, provide certain information or documentation as may be necessary to enable us to apply the appropriate Mexican withholding tax rate on interest payments under the Tender Offer. Additionally, the Mexican Income Tax Law provides that, for a non-Mexican holder to be entitled to benefits under tax treaties entered into by Mexico which are in effect, it is necessary for the applicable non-Mexican holder to satisfy the requirements set forth in the Mexican Income Tax Law and the tax treaty. In the event that the specified information or documentation concerning the non-Mexican holder or beneficial owner, if requested, is not completely and timely provided, we may withhold Mexican tax from interest payments on the Notes to that non-Mexican holder or beneficial owner at the maximum applicable rate in effect.

### ***Payments of Principal***

Under the Mexican Income Tax Law, payments of principal on the Notes under the Tender Offer are not taxable in Mexico.

### ***Other Mexican Taxes***

Under current Mexican tax laws, a non-Mexican holder will not be liable for Mexican franchise, stamp, estate, inheritance, succession or gift taxes with respect to the disposition of the Notes under the Tender Offer, nor will it be liable for any Mexican stamp, registration or similar taxes or duties.

### **Certain U.S. Federal Income Tax Considerations**

The following is a summary of certain U.S. federal income tax considerations related to the Tender Offer for U.S. Holders (as defined below). This summary is based on the Internal Revenue Code of 1986, as amended (the “Code”), Treasury Regulations promulgated thereunder, administrative rulings and pronouncements and judicial decisions, all as in effect on the date of this Offer to Purchase and all subject to change, possibly with retroactive effect, or to differing interpretations. We have not obtained, and do not intend to obtain, a ruling from the Internal Revenue Service (“IRS”) with respect to the U.S. federal income tax consequences of a sale of Notes pursuant to the Tender Offer. No assurance can be given that the IRS will agree with the tax consequences described in this summary, or that a court will not sustain any challenge by the IRS.

This summary does not address all of the potential U.S. federal income tax considerations that may be applicable to a particular U.S. Holder in light of its particular circumstances, or to certain categories of U.S. Holders that may be subject to special tax rules, such as financial institutions, banks, thrift institutions, insurance companies, regulated investment companies, real estate investment trusts, personal holding companies, tax-exempt organizations, dealers in securities or currencies, taxpayers that utilize the mark-to-market method of tax accounting, U.S. Holders whose functional currency for tax purposes is not the U.S. dollar, entities or arrangements classified as partnerships or other pass through entities for U.S. federal income tax purposes and investors therein, individual retirement and other tax-deferred accounts, U.S. expatriates, nonresident alien individuals present in the United States for more than 182 days in a taxable year, and persons that hold the Notes as part of a hedge, conversion, straddle, constructive sale, wash sale or integrated transaction, or as part of a “synthetic security”. Additionally, this summary does not address any state, local or non-U.S. taxes, the application of Section 451(b) of the Code to certain taxpayers who file applicable financial statements, the federal alternative minimum tax or the Medicare tax on net investment income and is limited to U.S. Holders that have held the Notes as capital assets within the meaning of Section 1221 of the Code (generally, for investment purposes).

For purposes of this summary, a “U.S. Holder” is a beneficial owner of a Note that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust, if (i) a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons have authority to control all substantial decisions of the trust or (ii) it has a valid election in place to be treated as a U.S. person.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Notes, the U.S. federal income tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Entities or arrangements treated as partnerships holding Notes (and partners in

such partnerships) are urged to consult their own tax advisors about the U.S. federal income tax considerations relating to the Tender Offer.

EACH BENEFICIAL OWNER OF NOTES IS URGED TO CONSULT ITS OWN TAX ADVISOR REGARDING THE SPECIFIC U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE TENDER OFFER.

### *Considerations for Tendering U.S. Holders*

*Sale of a Note Pursuant to the Tender Offer.* The sale of a Note by a U.S. Holder pursuant to the Tender Offer will be a taxable transaction for such U.S. Holder for U.S. federal income tax purposes. Subject to the discussion of the “market discount” rules set forth below and the potential treatment of the Early Tender Payment, a U.S. Holder will generally recognize capital gain or loss in an amount equal to the difference between (i) the amount of cash received in exchange for such Note (other than any portion of the cash received that is attributable to Accrued Interest, which will be taxable as ordinary income from foreign sources if such interest has not been previously included in income) and (ii) the U.S. Holder’s adjusted tax basis in the tendered Note. Generally, a U.S. Holder’s adjusted tax basis for a Note will equal the amount paid for the Note, increased by any market discount previously included in the U.S. Holder’s gross income, and decreased (but not below zero) by any amortized bond premium and any payments (other than payments of stated interest) received by such U.S. Holder with respect to the Note. Except to the extent that gain is recharacterized as ordinary income pursuant to the market discount rules discussed below, any capital gain or loss will be gain or loss from U.S. sources and will be long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of sale. Capital gains of non-corporate U.S. Holders derived in respect of capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses by a U.S. Holder is subject to limitations.

*Early Tender Payment.* The U.S. federal income tax treatment of the receipt of the Early Tender Payment by U.S. Holders that sell Notes pursuant to the Tender Offer is not entirely clear. Under the Code, any amount received by a U.S. Holder on retirement of a debt instrument is generally treated as being received in exchange for the debt instrument. Although the issue is not free from doubt, the Company intends to take the position, to the extent required to take a position, that the Early Tender Payment is additional consideration for the Notes, in which case such a payment would be treated as part of the total consideration received in exchange for the Notes and treated in the manner described above. It is possible, however, that the Early Tender Payment may be treated as a separate fee that generally would be subject to tax as ordinary income rather than as additional consideration for the Notes, in which case, if a U.S. Holder has a capital loss on the sale of the Notes pursuant to the Tender Offer, such Holder generally would be limited in its ability to use the capital loss to offset any ordinary income resulting from the Early Tender Payment. U.S. Holders should consult their tax advisors as to the proper treatment of the Early Tender Payment.

*Market Discount.* Gain recognized by a tendering U.S. Holder with respect to a Note acquired with market discount will generally be subject to U.S. federal income tax as ordinary income (which should be treated as income from foreign sources) to the extent of any market discount accrued during the period the Note was held by such U.S. Holder and not previously included in income under an election to include the market discount in income as it accrues. A Note generally will be considered to have been acquired with market discount if its stated principal amount exceeded its tax basis in the hands of a U.S. Holder immediately after its acquisition by the U.S. Holder by more than a statutory de minimis amount. Market discount will be considered to accrue ratably during the period from the date of the U.S. Holder’s acquisition of the Note to the maturity date of the Note, unless the U.S. Holder has made an election to accrue market discount on a constant yield basis. If a U.S. Holder has elected to include accrued market discount in income currently, no additional market discount needs to be taken into account with respect to the sale of a Note pursuant to the Tender Offer. U.S. Holders are urged to consult their own tax advisors as to the portion of their gain, if any, that would be taxable as ordinary income under these provisions.

### ***Information Reporting and Backup Withholding***

A U.S. Holder whose Notes are tendered and accepted for payment in the Tender Offer may be subject to certain information reporting requirements with respect to the gross proceeds from the sale of such Notes, unless the U.S. Holder is an exempt recipient and, when required, establishes this fact. In addition, a U.S. Holder may be subject to backup withholding (at the rate of 24%) with respect to such proceeds unless such U.S. Holder (i) is within certain exempt categories and, when required, demonstrates this fact, or (ii) otherwise provides a correct TIN, certifies that it is not currently subject to backup withholding and otherwise complies with the applicable requirements of the backup withholding rules. A U.S. Holder can satisfy these requirements by completing and submitting an IRS Form W-9. A U.S. Holder that does not so provide its correct TIN may be subject to penalties imposed by the IRS. Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules will be creditable against a U.S. Holder's U.S. federal income tax liability, and may entitle the U.S. Holder to a refund, provided that the requisite information is properly and timely provided to the IRS. U.S. Holders are encouraged to consult their own tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining such exemption.

### ***Considerations for Non-Tendering U.S. Holders***

A U.S. Holder that does not tender its Notes or does not have its tender of Notes accepted for purchase pursuant to the Tender Offer will not incur any U.S. federal income tax liability as a result of the consummation of the Tender Offer.



## **COMPANIES THAT WILL ASSIST US IN MAKING THE TENDER OFFER**

### **Dealer Manager**

We have engaged Santander US Capital Markets LLC to act as the sole Dealer Manager in connection with the Tender Offer. In this capacity, such firm may contact Holders or beneficial owners of the Notes regarding the Tender Offer and may ask brokers, dealers, commercial banks and others to mail this document and other materials to beneficial owners of the Notes.

At any given time, the Dealer Manager may trade the Notes or any other securities of ours for its own account, or for the accounts of its customers and, accordingly, may hold a long or short position in the Notes or those other securities. The Dealer Manager is not obligated to make a market in the Notes. Additionally, to the extent the Dealer Manager holds a position in the Notes, it may elect to participate in the Tender Offer for its own account or for the accounts of its customers but is not obligated to do so.

We have agreed to pay customary fees to the Dealer Manager for their services as Dealer Manager, to reimburse the reasonable out-of-pocket expenses that the Dealer Manager may incur as Dealer Manager and to indemnify the Dealer Manager for liabilities they may incur in such capacity, including liabilities to which they may be subject under securities laws.

The Dealer Manager and its affiliates are full-service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Dealer Manager and/or its affiliates may also make investment recommendations and/or publish or express independent research views in respect of the Notes or other securities/financial instruments of the Company and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. In the ordinary course of business, the Dealer Manager and/or its affiliates may participate in loans and actively trade the securities of the Company, including the Notes, for their own account or for the accounts of customers and, accordingly, the Dealer Manager and/or its affiliates may at any time hold long or short positions in such securities. The Dealer Manager and/or its affiliates, who have a lending relationship with the Company, routinely hedge, may hedge or otherwise reduce, their credit exposure to the Company, consistent with their customary risk management policies. Typically, the Dealer Manager and/or its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including the Notes. As a result, the Dealer Manager and/or its affiliates at any time may own certain of such securities, including Notes. In addition, the Dealer Manager and/or its affiliates may tender Notes into the Tender Offer for their own account. An affiliate of the Dealer Manager is the lender under the Loan.

Any Holder that has questions concerning the Tender Offer may contact the Dealer Manager at its address and telephone number set forth on the back cover of this Offer to Purchase.

### **Tender Agent and Information Agent**

We have retained D.F. King & Co., Inc. as the Tender Agent and the Information Agent for the Tender Offer. We will pay the Tender Agent and the Information Agent customary fees for their services and reimburse it for their reasonable expenses. We have also agreed to indemnify the Tender Agent and the Information Agent for certain liabilities incurred in such capacities.

### **Miscellaneous**

In connection with the Tender Offer, directors, officers and employees of the Company (who will not be specifically compensated for such services) may solicit tenders by use of the mails, personally or by telephone. The Company will also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Offer to Purchase and related documents to the beneficial owners of the Notes and in handling or forwarding tenders of Notes by their customers.

The Tender Offer is being made to all Holders. The Company is not aware of any jurisdiction in which the Tender Offer is not in compliance with applicable law. If the Company becomes aware of any jurisdiction in which the Tender Offer would not be in compliance with applicable law, the Company will make a good faith effort to comply with any such law. If, after such good faith effort, the Company cannot comply with any such law, the Tender Offer will not be extended to (nor will tenders of Notes be accepted from or on behalf of) the owners of Notes residing in such jurisdiction.

None of the Dealer Manager, the Trustee, the Tender Agent or the Information Agent nor any affiliate of them assumes any responsibility for the accuracy or completeness of the information concerning the Company, or any of the subsidiaries or affiliates of the Company, contained in this Offer to Purchase, or for any failure by the Company to disclose events that may have occurred after the date of this Offer to Purchase that may affect the significance or accuracy of this information.

***The Tender Agent for the Tender Offer is:***

**D.F. KING & CO., INC.**

*By Registered or Certified Mail, Overnight Courier or  
Hand:*

D.F. King & Co., Inc.  
48 Wall St., 22nd Floor  
New York, New York 10005  
Email: cydsa@dfking.com

*By Facsimile (For Eligible Institutions only):*

(212) 709-3328  
Attn: Michael Horthman  
*Confirm by telephone:*  
(212) 232-3233

*For information, call:*  
+1 (212) 269-5550

**Requests for additional copies of this Offer to Purchase may be directed to the Information Agent at its telephone numbers and location listed below. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Tender Offer.**

***The Information Agent for the Tender Offer is:***

**D.F. King & Co., Inc.**

By Mail, Overnight Courier or Hand Delivery:  
48 Wall Street, 22nd Floor  
New York, NY 10005  
Email: cydsa@dfking.com

Banks and Brokers Call Collect: +1 (212) 232-3233  
All Others, Call Toll Free: +1 (800) 628-8510

**Any questions regarding the terms of the Tender Offer should be directed to the Dealer Manager for the Tender Offer:**

***The Sole Dealer Manager for the Tender Offer is:***

**Santander US Capital Markets LLC**

437 Madison Avenue, 7<sup>th</sup> Floor  
New York, NY 10022  
United States of America  
Attention: Liability Management Team  
Email: usdcmlm@santander.us  
U.S. Toll-Free: +1 (855) 404-3636  
Call Collect: +1 (212) 940-1442