

THE NAVIGATOR COMPANY, S.A.
Public Company

Headquarters: Mitrena, Apartado 55, 2901-861 Setúbal
Registered at the Commercial Register of Setúbal
Share capital: € 500,000,000 - Corporate Entity: 503 025 798

PRIVILEGED INFORMATION

In accordance with and for the purposes of number 1 of article 17 of the Regulation (EU) number 596/2014 of the European Parliament and of the Council, of 16 April 2014, and of number 1 of article 248 of the Portuguese Securities Code and other applicable regulations, THE NAVIGATOR COMPANY, S.A. hereby informs that on the date hereof its subsidiary Portucel Moçambique - Sociedade de Desenvolvimento Florestal e Industrial, S.A. (Portucel Moçambique) and the Government of Mozambique, through the Ministry for Land, the Environment and Rural Development (MITADER), signed a memorandum of understanding on the relaunching of the investment project in that country, which will now be developed in two stages.

In the first phase, a forestry base of approximately 40 thousand hectares will be planted, which will then guarantee the supply of a wood chip mill (to be built), with a view to exporting around 1 million tons a year.

The results to be achieved in this first phase with the construction of a wood chip mill, as well as the reassessment of market circumstances, will be essential for Portucel Moçambique to validate the necessary conditions to proceed with the large-scale forest plan associated with the industrial project of the second phase, including the planting of a further 120 thousand hectares of forest and the construction of a pulp mill with a capacity to produce 1.5 million tons a year.

As a first step, the two parties agreed to set up a multi-ministerial team that will address a series of conditions precedent to the investment, including the construction of the logistical infrastructures needed to export wood chips and other rural development activities. The venture will be given the green light if these conditions precedent are successfully put in place, in a process expected to be completed over the next six months.

In the first phase, Portucel Moçambique's total investment is estimated at around 260 million USD (of which 120 million USD have already been invested). This will

include planting and supporting forestry development of over around 40 thousand hectares, construction of the wood chip mill, and 10 million USD in a social development programme or in the construction and improvement of rural infrastructures.

Setúbal, 9 July 2018

The Navigator Company, S.A.